

Employment

IN NEW YORK STATE

Andrew M. Cuomo, Governor
Colleen C. Gardner, Commissioner

At a Glance

New York's seasonally adjusted unemployment rate fell from 8.0% in September to 7.9% in October 2011. The nation's unemployment rate was 9.0% in October. New York State had 8,637,800 nonfarm jobs in October 2011, including 7,152,800 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state decreased by less than 0.1% between September and October, while the nation increased by 0.1%. From October 2010 to October 2011, the number of private sector jobs increased by 1.0% in the state and by 1.7% in the U.S. (not seasonally adjusted). In addition, New York's Index of Coincident Economic Indicators decreased at an annual rate of 1.4% in October 2011.

Change in Nonfarm Jobs

October 2010 - October 2011

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	63.5	0.7
Private Sector	72.9	1.0
Goods-producing	2.1	0.3
Nat. res. & mining	-0.1	-1.7
Construction	8.5	2.7
Manufacturing	-6.3	-1.4
Durable gds.	0.0	0.0
Nondurable gds.	-6.3	-3.3
Service-providing	61.4	0.8
Trade, trans. & util.	-4.8	-0.3
Wholesale trade	-0.7	-0.2
Retail trade	-3.2	-0.4
Trans., wrhs. & util.	-0.9	-0.3
Information	-0.8	-0.3
Financial activities	8.1	1.2
Prof. & bus. svcs.	31.5	2.8
Educ. & health svcs.	23.6	1.4
Leisure & hospitality	17.1	2.3
Other services	-3.9	-1.1
Government	-9.4	-0.6

Shoppers Help Drive the NYC Economy...

Retail Therapy in New York City

Visiting New York City during the holidays is an annual rite for many people. They scan the classic holiday window displays on Fifth Avenue, take in a show at Radio City and watch the Macy's Thanksgiving Day Parade. For many NYC visitors, shopping is a key part of their trip. According to the U.S. Office of Travel & Tourism Industries, more overseas visitors to New York City in 2010 planned to shop (90%) than dine out (85%) or sightsee (59%).

Retail trade is a major economic driver for New York City year-round. The City has more than 30,000 retail establishments, with over 300,000 employees in 2010. They paid out more than \$10.4 billion in wages. These retailers also generated over \$31 billion in taxable sales in fiscal year 2010, or about 30% of the city's total sales

tax base. In fact, the New York City Economic Development Corporation estimates shoppers in NYC spent about \$1 billion on Black Friday weekend alone this year!

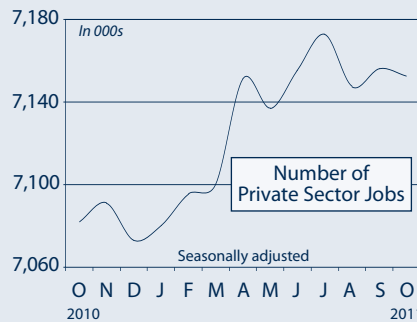
The Foreign Influence

The retail industry in New York City has grown, despite the weak global economy. International retailers have expanded into the U.S. market. Along with British transplants All Saints and Topshop, Japanese retailer Uniqlo opened its two biggest global flagships in NYC in mid-October. These new stores generated more than 1,100 jobs. Toronto-based fast fashion retailer Joe Fresh recently opened a flagship in the Flatiron District, with a lease

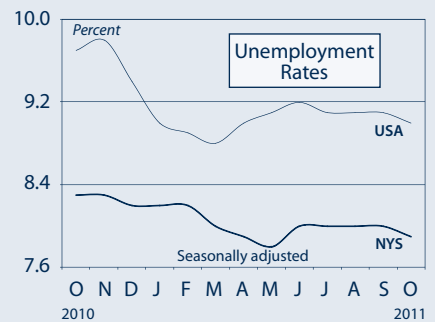
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IN OCTOBER...

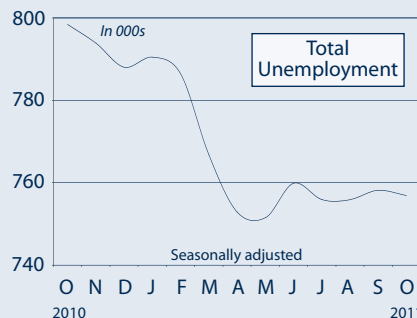
...NYS private sector jobs decreased



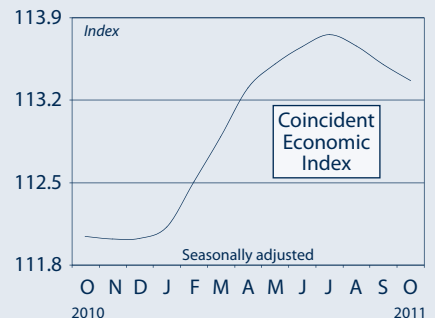
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index decreased



Focus on the Hudson Valley

Region's Recovery Continues

by John Nelson, Labor Market Analyst, Hudson Valley

Like New York State and the nation as a whole, the Hudson Valley region -- which includes Dutchess, Orange, Putnam, Rockland, Sullivan, Ulster and Westchester counties -- slowly continues to rebound from the Great Recession. In the year ending October 2011, private sector jobs in the Hudson Valley increased by 5,200, or 0.7%, to 734,400. Sectors that added the most jobs over the past year include:

- Educational and health services (private) (+4,600)
- Financial activities (+1,100)
- Leisure and hospitality (+500)

The region's private sector job count has shown over-the-year gains every month since July 2010. However, most of the region's growth is concentrated in the Putnam-Rockland-Westchester area. In October 2010-October 2011, this area added 7,000 jobs (+1.5%). By contrast, the region's other two metro areas -- Kingston and Poughkeepsie-Newburgh-Middletown -- lost private sector jobs over the past year.

Unemployment Drops

A falling unemployment rate also points to an improving regional economy. The region's unemployment rate was 6.6% in October 2011, down from 7.2% in October 2010. This was the lowest October rate for the Hudson Valley region since 2008. It was also well below the nation's jobless rate of 8.5%.

Growth Sectors

Educational and health services (private sector) continues to add the most jobs in the region. The job count in that sector grew by 4,600, or 1.7%, between October 2010 and October 2011. Most sector growth occurred in healthcare. The \$300 million Orange Regional Medical Center recently opened. It is the first hospital built in New York State in over 20 years. Also, the State Health Department has approved Memorial Sloan-Kettering's plan to build a 400,000 sq.-ft. cancer treatment center in Westchester County. These developments should further boost the number of health care jobs in the region.

The pivotal financial activities sector shows signs of a turnaround. This sector added 1,100 jobs (+2.5%) in October 2010-October 2011. Turbulence in the global economy over the past few years has driven many aging baby boomers with reduced retirement nest eggs to seek the guidance of financial professionals. Locally, some banks now offer financial advice on top of the regular services at local branches.

The region's travel and tourism sector also shows signs of life. Employment in leisure and hospitality was up 500 (+0.7%) over the past year. Hotels and restaurants in the lower Hudson Valley report an increase in business activity. Further, Yonkers Raceway recently started



work on a \$40 million expansion. The 66,000 sq.-ft. project is expected to create 100 permanent jobs at the raceway. The proposed Stockbridge-Munsee Resort and Casino project in Sullivan County -- rejected earlier this year -- is again under review by the U.S. Department of Interior. This project could spur thousands of new jobs at the casino and related industries (hotels and restaurants). It also would give a much-needed boost to the tourism industry in the Catskills.

Looking Ahead

The Hudson Valley's labor market has strengthened in recent months as more employers hire staff. In addition, the region's jobless rate has declined over the past year. As a result, the economic outlook for the region has improved. However, given the close connection between the regional and U.S. economies, any slowdown at the national level would echo here. ■

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for a second site. Domestic retailers such as Forever 21 and T.J. Maxx also added locations in the city. Macy's is starting a \$400 million renovation to its flagship store in Herald Square that will create 800 new positions.

New York is a premier shopping destination like Paris, London, and Tokyo. Recently, a weak U.S. dollar (which makes our goods and services less expensive for foreigners) has lured droves of tourists from overseas. In fact, City officials recently noted that retail spending by international visitors to New York City was 37% higher during the third quarter of 2011 compared with the same period in 2010. The city's status as a fashion center boosts visitor spending at clothing stores, leading to sales higher than resident purchases alone would tally.

Retail Employment Trends

In 2010, retail trade accounted for nearly 1 in 10 private sector jobs in the City. As expected,

clothing stores employed the most retail workers (56,400) in 2010. Other NYC retail industries with at least 10,000 workers in 2010 include:

- Grocery stores (50,900)
- Health and personal care stores (37,100)
- Department stores (24,600)
- Electronics and appliance stores (16,200)
- Building materials and supplies (12,600)
- Specialty food stores (12,400)
- General merchandise stores (10,900)

To deal with increased holiday traffic, stores usually ramp up their hiring in October and continue to add staff through December. Staff levels drop to normal levels starting in January.

From 2001 to 2010, New York City's retailers added an average of 14,600 jobs (+5.3%) during the October-December holiday shopping season, compared with the average job count for January-September. (See figure on page 3.) While retail is an important job generator, it's

worth noting that the wages of most seasonal hires (including retail salespersons, cashiers, and stock clerks) are less than half the City's median wage.

Seasonal hiring has fluctuated a great deal over the past decade. Retailers kept payrolls extremely lean in 2001 in the wake of the 9/11 attacks -- they added only 3,500 employees during October-December. Hiring picked up again in 2002-2007, with 16,200 jobs added on average. The financial crisis, which led to the most recent recession, hit the City's retail industry hard in 2008 -- only 10,800 seasonal jobs were added.

The holiday season affects some retail industries more than others. Several retail categories in New York City hire more than 1,000 employees during the holiday period. These include clothing stores (+4,400), department stores (+3,500), health and personal care stores (+1,100), and

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Unemployment Rates in New York State

Data Not Seasonally Adjusted

	OCT '10	OCT '11		OCT '10	OCT '11		OCT '10	OCT '11
New York State	8.0	7.7	Hudson Valley	7.2	6.6	Finger Lakes	7.4	6.7
Capital	7.0	6.6	Dutchess	7.5	6.8	Genesee	6.8	6.2
Albany	6.9	6.5	Orange	7.7	7.2	Livingston	7.6	6.3
Columbia	7.0	6.8	Putnam	6.5	6.1	Monroe	7.5	6.9
Greene	7.9	7.8	Rockland	6.9	6.2	Ontario	6.5	6.0
Rensselaer	7.1	6.6	Sullivan	8.5	8.1	Orleans	8.5	7.3
Saratoga	6.3	5.9	Ulster	7.6	7.4	Seneca	7.1	6.5
Schenectady	7.3	6.9	Westchester	6.9	6.2	Wayne	7.4	6.3
Warren	7.4	6.9	Mohawk Valley	7.6	7.5	Wyoming	7.8	7.1
Washington	7.0	6.8	Fulton	9.2	9.0	Yates	5.7	6.2
Central New York	7.8	7.2	Herkimer	7.2	6.7	Western New York	7.7	7.0
Cayuga	7.3	6.8	Montgomery	8.8	8.5	Allegany	8.0	7.3
Cortland	7.7	7.1	Oneida	7.3	7.2	Cattaraugus	8.2	7.7
Madison	7.3	6.8	Otsego	7.0	6.8	Chautauqua	7.7	6.9
Onondaga	7.5	7.0	Schoharie	7.9	8.3	Erie	7.6	7.0
Oswego	9.6	8.2	North Country	9.0	8.4	Niagara	7.9	7.1
Southern Tier	7.6	7.1	Clinton	9.5	8.3	Long Island	7.0	6.6
Broome	8.0	7.4	Essex	8.1	7.4	Nassau	6.9	6.4
Chemung	7.8	7.3	Franklin	8.2	7.8	Suffolk	7.1	6.7
Chenango	8.3	7.5	Hamilton	6.7	6.3	New York City	9.0	9.0
Delaware	7.9	7.6	Jefferson	9.0	8.8	Bronx	12.3	12.4
Schuyler	7.1	6.6	Lewis	7.9	8.1	Kings	9.7	9.7
Steuben	8.9	8.2	St. Lawrence	9.6	9.0	New York	7.5	7.5
Tioga	7.2	7.7				Queens	8.0	8.0
Tompkins	5.6	5.3				Richmond	8.2	7.9

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sporting goods, hobby, and musical instrument stores (+1,100). On the other hand, categories such as furniture stores and book stores tend to lose jobs during the holidays.

The 2011 Season and Outlook

After a slow start to seasonal hiring in October this year, the New York City retail industry job count rose by 14,100 between October and November. This is well above the 10-year average gain of 8,400 jobs. In fact, retail trade accounted for almost one-half of the City's October-November gain in private sector jobs. On a month-over-month basis, clothing and accessories stores

added the most jobs in November (+5,700) followed by general merchandise stores (+4,200), which include department stores (+3,400).

Furthermore, residents of New York City plan to shop this holiday season. According to a survey by Deloitte, 57% of people said they would spend the same amount as last year or more.

On a national scale, the National Retail Federation (NRF) predicts 2011 holiday sales will rise 3.8% over 2010 levels to a record \$469.1 billion. This increase is slightly stronger than the 2.6% average over the past 10 years, yet lower than the 5.2% increase last year. The NRF found that

gift cards are very popular among shoppers this holiday season. Categories that rank as some of the top gifts this year include: apparel (44.2% of shoppers), toys (36.3%), electronics (23.8%), personal care items (17.1%), and jewelry (15.9%).

On a positive note, NRF's most recent holiday survey found that the average American has completed less of their holiday shopping compared to previous years. This could be an indication that spending could remain strong, as people have much of their shopping left to do. Given record-setting spending over Black Friday weekend, fervent consumers may continue to boost holiday hiring for New York City. ■

by Shital Patel

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REGIONAL ANALYSTS' CORNER

CAPITAL

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Private sector employment in the Albany-Schenectady-Troy metro area decreased by 400, or 0.1 percent, to 335,700 for the 12-month period ending October 2011. Job growth was centered in natural resources, mining and construction (+1,600) and educational and health services (+1,200). Losses were greatest in trade, transportation and utilities (-2,400).

CENTRAL NY

Roger Evans — 315-479-3388

For the 12-month period ending October 2011, the private sector job count in the Syracuse metro area rose 100 to 258,800. Job growth was concentrated in professional and business services (+4,000). The largest job losses occurred in educational and health services (-1,600), manufacturing (-1,200), leisure and hospitality (-600), and trade, transportation and utilities (-600).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area increased over the year by 7,900, or 1.8 percent, to 438,400 in October 2011. Job gains were greatest in professional and business services (+3,300), construction (+1,700), trade, transportation and utilities (+1,500), leisure and hospitality (+1,400), and manufacturing (+1,100). Losses were concentrated in educational and health services (-1,100).

HUDSON VALLEY

John Nelson — 914-997-8798

Private sector employment in the Hudson Valley increased by 5,200, or 0.7 percent, to 734,400 for the 12-month period ending October 2011. Job gains were centered in educational and health services (+4,600), financial activities (+1,100), trade, transportation and utilities (+500), and leisure and hospitality (+500). Losses were greatest in manufacturing (-1,100) and information (-500).

LONG ISLAND

Michael Crowell — 516-934-8537

The private sector job count on Long Island fell over the year by 8,300, or 0.8 percent, to 1,022,900 in October 2011. Employment gains were centered in professional and business services (+1,800). Losses were greatest in leisure and hospitality (-4,200), manufacturing (-2,000), trade, transportation and utilities (-1,900), and information (-1,000).

MOHAWK VALLEY

Mark Barbano — 315-793-2282

For the 12-month period ending October 2011, the private sector job count in the Utica-Rome metro area rose by 1,500, or 1.5 percent, to 98,700. Gains were greatest in educational and health services (+1,000), leisure and hospitality (+400), and professional and business services (+400). Job losses were centered in natural resources, mining, and construction (-200).

NEW YORK CITY

James Brown — 212-775-3330

Private sector jobs in New York City rose by 20,300, or 0.6 percent, to 3,219,700 for the 12-month period ending October 2011. Growth was largest in professional and business services (+15,700), leisure and hospitality (+13,000), educational and health services (+4,800), and financial activities (+2,900). Losses were centered in other services (-6,000), information (-5,200), and natural resources, mining and construction (-4,000).

NORTH COUNTRY

Alan Beideck — 518-523-7157

Private sector employment in the North Country rose over the year by 2,000, or 1.7 percent, to 116,600 in October 2011. The largest gains were in leisure and hospitality (+1,000), educational and health services (+600), and professional and business services (+200).

SOUTHERN TIER

Christian Harris — 607-741-4485

Private sector jobs in the Southern Tier increased over the year by 500, or 0.2 percent, to 233,100 in October 2011. Employment gains were largest in manufacturing (+700), trade, transportation and utilities (+700), and professional and business services (+400). Job losses were centered in educational and health services (-1,800).

WESTERN NY

John Slenker — 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls metro area increased by 2,200, or 0.5 percent, to 453,600 over the 12 months ending October 2011. Job gains were concentrated in natural resources, mining and construction (+3,600) and professional and business services (+600). Losses were greatest in trade, transportation and utilities (-600) and financial activities (-400).

