

Employment

IN NEW YORK STATE

Andrew M. Cuomo, Governor
Peter M. Rivera, Commissioner

At a Glance

In May 2013, New York's seasonally adjusted unemployment rate was 7.6%, down from April 2013's level of 7.8%. The nation's unemployment rate was 7.6% in May 2013. New York State had 8,897,100 nonfarm jobs in May 2013, including 7,449,700 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by 0.1% between April 2013 and May 2013, while those in the nation increased by 0.2%. From May 2012 to May 2013, the number of private sector jobs increased by 1.4% in the state and 2.0% in the nation (not seasonally adjusted). New York's Index of Coincident Economic Indicators increased at an annual rate of 1.0% in May 2013.

Change in Nonfarm Jobs

May 2012 - May 2013

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	85.7	1.0
Private Sector	104.2	1.4
Goods-producing	-6.6	-0.8
Nat. res. & mining	-0.3	-5.5
Construction	7.0	2.2
Manufacturing	-13.3	-2.9
Durable gds.	-7.6	-2.8
Nondurable gds.	-5.7	-3.0
Service-providing	92.3	1.1
Trade, trans. & util.	21.0	1.4
Wholesale trade	-1.7	-0.5
Retail trade	22.0	2.4
Trans., wrhs. & util.	0.7	0.3
Information	-4.6	-1.8
Financial activities	-4.9	-0.7
Prof. & bus. svcs.	40.4	3.5
Educ. & health svcs.	25.5	1.4
Leisure & hospitality	26.3	3.2
Other services	7.1	1.9
Government	-18.5	-1.2

Younger Workers Hardest Hit...

How the Great Recession Affected America's Generations

"As policymakers focus attention on Americans' retirement security, particular consideration should be paid to helping the youngest cohorts change course and prepare for financial security over the long term."

Pew Charitable Trust

The Great Recession cut household wealth in the U.S. by \$16 trillion, about equal to the U.S. Gross Domestic Product. A recent report from the Pew Charitable Trust ("Retirement Security Across Generations") shows the recession's strikingly different financial impacts across America's generations. Here we present some highlights from the Pew report and use labor statistics to look at how the recession and subsequent recovery have affected a range of age groups in New York State.

Wealth Data

The Pew researchers used data from the Federal Reserve to examine changes in the total net worth of five generations of Americans from 2007 to 2010. Net worth includes all financial assets (e.g., savings/retirement accounts), non-financial assets (e.g., business property), and home equity, minus debt. The table on page 2 lists the age groups and their change in median net worth. The data suggest that the older a person was at the time the recession hit, the less their net worth declined (in percentage terms).

While all five generations lost net worth in 2007-2010, Gen-Xers (aged 38-47 in 2013) were hardest hit in percentage terms. They

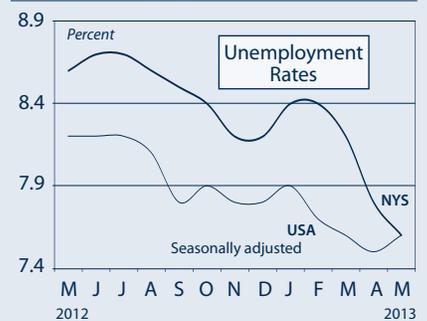
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IN MAY...

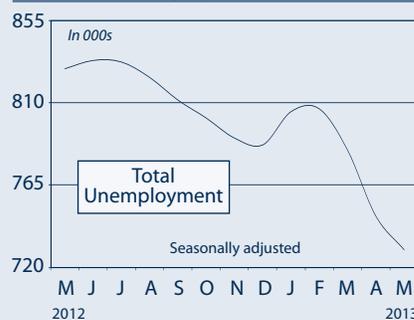
...NYS private sector jobs increased



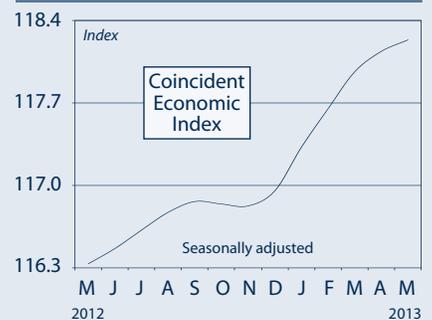
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index increased



Focus on the Southern Tier

A Changing Regional Economic Identity

by Christian Harris, Labor Market Analyst, Southern Tier

The Southern Tier's economy continues to bounce back from the lingering effects of the national recession. Between 2011 and 2012, the region's private sector job count grew by 2,000, 0.9%, to 233,100. Half of the region's counties added private sector jobs over this time period, with Chenango (+4.6%) and Delaware (+2.7%) counties growing faster than New York State (+1.8%) and the U.S. (+2.4%).

Manufacturing Evolves

The region's manufacturing sector has dramatically retooled in recent years, allowing it to remain competitive. Manufacturing occupies a special place in the regional economy, since it accounts for a much higher share of local private sector jobs in the Southern Tier (15.2%) than in the state (10.7%) or nation (6.2%). Moreover, the average wage paid by Southern Tier manufacturers (\$59,740) is 40% higher than the average wage for all industries in the region (\$41,800). In addition, manufacturing typically has a much higher employment multiplier than most service-providing industries.

A number of Southern Tier manufacturers have announced significant expansion plans in recent months. For example, Corning will spend \$250 million to expand its diesel facility in Erwin (Steuben County) by 94,000 square feet. The plant makes large ceramic substrates and filters for heavy-duty diesel engines. The three-year project is expected to create about 250 jobs, if market demand continues to grow as expected.

In addition, Chobani, based in New Berlin

(Chenango County), remains at the forefront of the nationwide Greek yogurt craze. The company, which has grown into a billion dollar, Fortune 500 enterprise, now employs a total of 3,000 workers in New York and Idaho. They continue to grow, with plans to increase capacity by 50% in 2013.

Unfortunately, a number of manufacturing businesses in the region have experienced setbacks. Citing federal defense cuts and continuing weakness in its military helicopter business, Sikorsky Aircraft Corp. closed its military completions center in Big Flats (Chemung County). The Connecticut-based company's decision will result in the loss of 570 jobs at the five-year-old facility, where workers customized Black Hawk and Naval Hawk helicopters sold to foreign governments.

The Philips Lighting plant in Bath (Steuben County), part of Netherlands-based Royal Philips Electronics, will close by the end of 2013, putting approximately 280 out of work. The closure is the result of decreased demand for the lighting technology manufactured at the Bath plant.

Endicott Interconnect, a printed circuit board manufacturer, shed roughly 500 employees between November 2012 and April 2013, due to increasing cost pressures and volatile work flows. The privately-held company has been one of Broome County's largest employers since acquiring former IBM Corp. operations in Endicott in 2002.

Building Boom

In addition to the dramatic changes occur-



ring in the manufacturing sector, huge projects from local colleges and universities are also helping to reshape the regional economy. SUNY Broome Community College is building its first-ever on-campus residence hall. The \$18 million, 18,000 square foot facility will house about 340 students. In addition, a number of privately funded student housing projects have popped up in the nearby City of Binghamton (Broome County).

Corning Community College (Steuben County) is moving forward with plans to build a dormitory to house 300 students. The project will cost \$12-14 million and should open this fall.

Downtown Ithaca is experiencing a building boom of its own. Seventy-one new projects are planned that could be finished within two years (2013-2014). Some of the main developments include four hotel projects with 450 rooms, 27 apartment complexes with 2,100 units, 18 mixed residential and commercial projects and 516 home building lots.

Summary

As the Southern Tier economy continues to reshape itself, the manufacturing and higher education sectors will continue to be important catalysts for the region's long-term vibrancy. ■

How the Great Recession... from page 1

Change in Median Net Worth by Generation, United States, 2007-2010

Generation	Birth years	2007	2010	Change, 2007-2010	% Change, 2007-2010
Depression	1926-1935	\$207,965	\$207,500	-\$465	0%
World War II	1936-1945	\$265,797	\$212,300	-\$53,497	-20%
Early Boomers	1946-1955	\$241,333	\$173,480	-\$67,853	-28%
Late Boomers	1956-1965	\$147,671	\$110,870	-\$36,801	-25%
Gen-X	1966-1975	\$75,077	\$41,600	-\$33,477	-45%

Source: Pew Charitable Trust

lost nearly half (45%), or more than \$33,000, of their median net worth. Their net worth was already low compared to the other age groups, mostly due to high debt levels many carry. Some feel Gen-Xers are therefore less prepared for retirement than older Americans. A separate Boston College study found that, in 2010, 62% of U.S. households led by people aged 30-39 were at risk of not being able to maintain their living standards in retirement. For people in their 40s, the comparable figure was 55% and was 44% for those aged 50-59.

By comparison, the Pew study found that Late Boomers (aged 48-57) suffered a 25% wealth loss, or -\$36,801, in 2007-2010. Early Boomers

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Unemployment Rates in New York State

Data Not Seasonally Adjusted

	MAY '12	MAY '13		MAY '12	MAY '13		MAY '12	MAY '13
New York State	8.4	7.4	Hudson Valley	7.6	6.6	Finger Lakes	7.9	6.9
Capital	7.5	6.4	Dutchess	8.1	6.7	Genesee	7.4	6.2
Albany	7.3	6.3	Orange	8.2	7.3	Livingston	8.3	7.1
Columbia	7.4	6.3	Putnam	6.8	5.8	Monroe	7.8	7.0
Greene	9.4	8.0	Rockland	6.9	5.9	Ontario	7.4	6.4
Rensselaer	7.7	6.5	Sullivan	9.5	8.5	Orleans	9.4	8.4
Saratoga	7.0	5.8	Ulster	8.8	7.6	Seneca	7.9	6.5
Schenectady	7.9	7.0	Westchester	7.1	6.2	Wayne	8.6	7.3
Warren	8.3	7.0	Mohawk Valley	8.9	7.8	Wyoming	8.3	7.1
Washington	7.4	6.5	Fulton	10.5	8.9	Yates	6.9	5.9
Central New York	8.4	7.3	Herkimer	8.9	7.5	Western New York	8.3	7.4
Cayuga	7.9	6.9	Montgomery	10.2	8.7	Allegany	8.3	7.4
Cortland	8.3	7.3	Oneida	8.6	7.7	Cattaraugus	8.8	7.8
Madison	8.2	7.3	Otsego	7.6	6.6	Chautauqua	8.2	7.5
Onondaga	8.1	7.0	Schoharie	8.6	8.0	Erie	8.2	7.3
Oswego	10.1	9.2	North Country	9.8	8.9	Niagara	8.5	7.5
Southern Tier	8.1	7.3	Clinton	9.6	8.4	Long Island	7.2	6.1
Broome	8.6	7.5	Essex	9.9	8.7	Nassau	7.0	6.0
Chemung	8.5	8.2	Franklin	9.5	8.9	Suffolk	7.4	6.2
Chenango	8.2	6.9	Hamilton	9.2	7.6	New York City	9.2	8.3
Delaware	8.7	7.9	Jefferson	9.6	9.0	Bronx	12.3	11.2
Schuyler	7.9	7.2	Lewis	9.9	9.3	Kings	9.8	8.9
Steuben	9.6	8.8	St. Lawrence	10.2	9.2	New York	7.8	7.0
Tioga	7.6	7.5				Queens	8.4	7.4
Tompkins	6.0	5.1				Richmond	8.3	7.2

How the Great Recession...from page 2

(aged 58-67) saw a decline of 28%, or -\$67,853, during this period. The Pew study noted, "early boomers may be the last cohort on track to retire with enough savings and assets to maintain their financial security through their golden years." This group had higher overall wealth than older generations at the same age due to investing success during the dot-com boom and the subsequent housing bubble.

The World War II generation (aged 68-77) experi-

enced a 20% wealth loss. The Depression group (aged 78-87) experienced virtually no change.

Labor Force Data

Data from the Current Population Survey (CPS) provide another gauge of how the recession hit different age groups. The labor force participation rate (LFPR) tells us what share of the civilian population aged 16 and older is either working or looking for work. Like the nation, New York's LFPR dropped between 2007 and 2012.

However, the change in LFPR in 2007-12 varies dramatically by age group. The LFPR slipped for all groups under age 55, indicating some workers became discouraged and dropped out of the labor force. This trend was most pronounced among the youngest workers. Many of them may have stayed in school longer due to limited job openings. Older workers may have been forced by economic pressures to take the entry-level jobs that the youngest workers traditionally fill. Participation rates dropped by 5.6 percentage points for those aged 16-19, and by 3.8 percentage points for those 20-24 years of age. Rates also dropped for workers 25-54, but by much less.

In contrast, participation rates actually grew among people in the two oldest age groups (55-64 and 65+). Among New Yorkers 55-64 years old (the Early Boomers in the Pew study),

the LFPR climbed by 1.9 percentage points from 2007 to 2012.

Likewise, New Yorkers 65 years and older – the World War II and Depression generations in the Pew report – had the largest increase in labor force participation, 2.2 percentage points. This is because many retirees and those close to retirement saw their finances suffer from falling home prices and investment portfolio losses. They chose to work longer or go back to work to build up their retirement assets.

To learn more about the Pew study, visit www.pewstates.org/research/reports/. For more state-level labor force statistics from the CPS, see www.bls.gov/gps/. ■

by Megan Olsen

Labor Force Participation Rate by Age, New York State, 2007 and 2012

Age Group	Labor Force Participation Rate (%)		
	2007	2012	Change
Total, All Ages	62.6	61.4	-1.2
16 to 19 years	32.4	26.8	-5.6
20 to 24 years	65.0	61.2	-3.8
25 to 34 years	81.7	80.1	-1.6
35 to 44 years	81.8	80.1	-1.7
45 to 54 years	80.0	79.8	-0.2
55 to 64 years	62.4	64.3	1.9
65+ years	15.5	17.7	2.2

Source: Current Population Survey

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Division of Research & Statistics, Pubs. Unit
Building 12, State Office Campus
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Deputy Director
Editor
Ass't. Dir. of Communications
Graphic Design
Editorial Advisor

Bohdan M. Wynnyk
Kevin Jack
Chris White
Jeff Mosher
Lesley Paporone



REGIONAL ANALYSTS' CORNER

CAPITAL

James Ross — 518-462-7600

From May 2012 to May 2013, the Capital Region's private sector job count grew by 3,900, or 0.9 percent, to 418,000. Educational and health services (+2,700), leisure and hospitality (+1,900), natural resources, mining and construction (+700) and manufacturing (+400) led gainers. Trade, transportation and utilities (-1,600) and information (-500) cut jobs over the year.

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

For the 12-month period ending May 2013, the private sector job count in the Syracuse metro area rose 3,400, or 1.3 percent, to 260,500. Growth was concentrated in educational and health services (+1,400), trade, transportation and utilities (+1,100), leisure and hospitality (+900) and natural resources, mining and construction (+800). The largest loss occurred in manufacturing (-900).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area rose over the year by 1,200, or 0.3 percent, to 437,300 in May 2013. Employment gains were concentrated in leisure and hospitality (+1,400), construction (+1,000), professional and business services (+900), trade, transportation and utilities (+600) and financial activities (+500). Losses were reported in manufacturing (-3,000).

HUDSON VALLEY

John Nelson — 914-997-8798

For the 12-month period ending May 2013, private sector jobs in the Hudson Valley increased by 6,600, or 0.9 percent, to 750,200. Gains were strongest in trade, transportation and utilities (+3,300), professional and business services (+2,600), leisure and hospitality (+2,400) and educational and health services (+2,200). Losses were centered in natural resources, mining and construction (-1,500), information (-1,400) and financial activities (-1,100).

LONG ISLAND

Shital Patel — 516-934-8533

Over the year, the number of private sector jobs on Long Island increased by 28,500, or 2.7 percent, to 1,093,700 in May 2013. Adding the most jobs were professional and business services (+9,900), trade, transportation and utilities (+7,300), leisure and hospitality (+5,900) and educational and health services (+5,100). Manufacturing (-1,600) lost the most jobs over the year.

MOHAWK VALLEY

Mark Barbano — 315-793-2282

For the 12-month period ending May 2013, the private sector job count in the Mohawk Valley increased by 1,400, or 1.0 percent, to 148,600. Job gains were centered in leisure and hospitality (+1,200) and trade, transportation and utilities (+800). Losses were greatest in professional and business services (-500) and manufacturing (-300).

NEW YORK CITY

James Brown — 212-775-3330

Private sector jobs in New York City rose by 66,100, or 2.0 percent, to 3,408,700 for the 12-month period ending May 2013. Growth was centered in professional and business services (+24,200), educational and health services (+21,500), trade, transportation and utilities (+11,800) and other services (+8,400). The greatest losses were in information (-4,500) and manufacturing (-2,200).

NORTH COUNTRY

Alan Beideck — 518-523-7157

Private sector jobs in the North Country rose over the year by 1,400, or 1.2 percent, to 113,800 in May 2013. The largest gains were in leisure and hospitality (+500), trade, transportation and utilities (+400), manufacturing (+300), natural resources, mining and construction (+200) and professional and business services (+200). Losses were recorded in educational and health services (-200).

SOUTHERN TIER

Christian Harris — 607-741-4485

The private sector job count in the Southern Tier remained unchanged over the year at 235,000 in May 2013. Job gains were largest in leisure and hospitality (+900) and natural resources, mining and construction (+500). Job losses were centered in manufacturing (-600), financial activities (-300), educational and health services (-200) and trade, transportation and utilities (-200).

WESTERN NY

John Slenker — 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls metro area increased by 4,300, or 0.9 percent, to 460,800 over the 12 months ending May 2013. Gains were centered in leisure and hospitality (+2,000), professional and business services (+1,700) and educational and health services (+1,400). Losses were greatest in manufacturing (-900) and natural resources, mining and construction (-900).

