

Employment in New York State



Research and Statistics

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APRIL 2018

At a Glance

New York State had 9,601,900 total nonfarm jobs in February 2018, including 8,151,800 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.4% in February 2018, while the nation's job count increased by 0.2%. From February 2017 to February 2018, the number of private sector jobs increased by 1.2% in the state and by 1.8% in the nation (not seasonally adjusted).

In February 2018, New York State's seasonally adjusted unemployment rate decreased from 4.7% to 4.6%. The comparable rate for the nation in February 2018 was 4.1%.

New York State's seasonally adjusted labor force participation rate decreased from 60.8% in January 2018 to 60.7% in February 2018.

Change in Nonfarm Jobs

February 2017 - February 2018

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	96.9	1.0%
Private Sector	97.2	1.2%
Goods-producing	1.8	0.2%
Nat. res. & mining	0.1	2.3%
Construction	6.3	1.8%
Manufacturing	-4.6	-1.0%
Durable gds.	-4.9	-1.9%
Nondurable gds.	0.3	0.2%
Service-providing	95.1	1.1%
Trade, trans. & util.	7.1	0.5%
Wholesale trade	2.0	0.6%
Retail trade	2.0	0.2%
Trans., wrhs. & util.	3.1	1.1%
Information	-2.1	-0.8%
Financial activities	9.5	1.3%
Prof. & bus. svcs.	27.8	2.2%
Educ. & health svcs.	35.2	1.8%
Leisure & hospitality	10.8	1.2%
Other services	7.1	1.7%
Government	-0.3	0.0%

Many forces continue to shape the NYS labor market...

How New York's Labor Market Has Changed Over the Decade Since the Great Recession Began

"There have been significant and long-lasting changes to the nature of work."

*William Dudley, President
Federal Reserve Bank of New York*

A lot can happen in a decade. That's the overarching message in a recent blog posting from the Pew Research Center, which looked at some of the most important changes in the U.S. labor market over the past 10 years. Pew notes that many of the changes were structural in nature, were underway for quite some time, and, in some cases, were accelerated by the Great Recession.

Here, we extend Pew's analysis and look at some of the biggest changes in New York State's labor market over the past decade (2007-2017).

Less Labor Force Participation

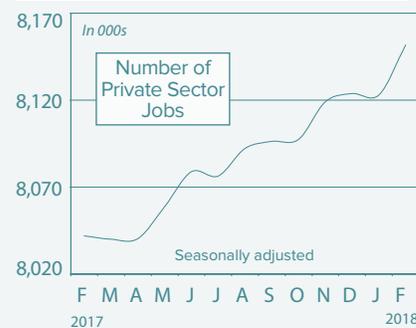
Like the nation, New York saw its overall labor force participation rate (LFPR) -- the share of the non-institutional population age 16+ in the labor force -- dip over the past 10 years. In 2017, 61.1% of the state's civilian population participated in the labor force, down from 62.6% in 2007, per Current Population Survey data. The nation's LFPR fell more than twice as fast as the state's, decreasing from 66.0% in 2007 to 62.9% in 2017.

Some of this decline is due to baby boomers -- who ranged in age from 53 to 71 years old in 2017 -- retiring and exiting the labor force. This generation, which now accounts for about only 25% of the state's labor force, is the third largest working

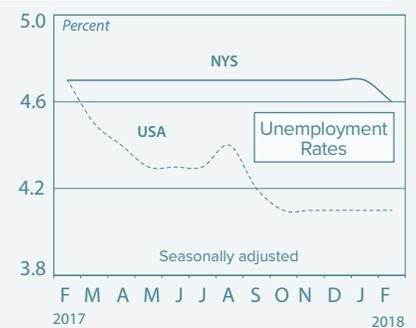
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In February...

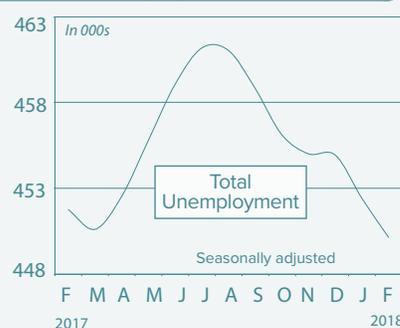
...NYS private sector jobs increased



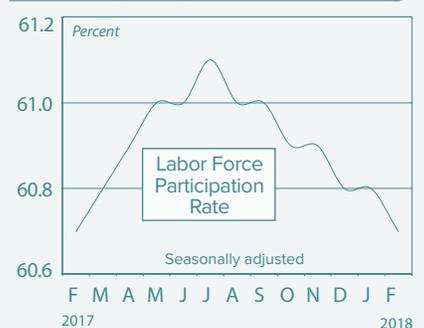
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS LF participation rate decreased



Focus on the Central New York

Rising Job Opportunities and Labor Shortages

By Karen Knapik-Scalzo, Labor Market Analyst, Central New York

The economy of the Syracuse metropolitan statistical area (MSA), which includes Madison, Onondaga and Oswego counties, continued to expand in 2017. In fact, the MSA's economy has made significant strides since the end of the last recession.

From 2016 to 2017, the MSA's total nonfarm job count grew by 600 to 317,300. Not only was this the area's highest annual nonfarm job level since 2008, but it also represented Syracuse's seventh consecutive year of overall job growth. As a result of Syracuse's ongoing job growth, its annual unemployment rate has continued to fall – from 8.5% in 2010 to 5.1% in 2017.

While ongoing improvement in the metro area's economy presents many opportunities for job seekers, it also poses a challenge for local employers as they seek to fill current job openings and meet expansion plans. A growing labor market, coupled with relatively flat population growth and increased retirements, has led to labor shortages across skill levels and in a variety of industries.

Growing Labor Shortages

Local businesses in a broad cross-section of industries – from manufacturers and R&D firms to hotels and banks – are all reporting labor shortages. Entry-, mid- and high-level workers are all in demand. For example, there is an acute need for various engineers, machinists, registered nurses, home health aides, nursing assistants and truck drivers.

Employment growth in the health care sector remains particularly strong locally, especially in ambulatory health care services,

which includes doctors' offices. The local employment count in this industry is now at a record high level, reflecting in part the aging of the local population.

Local high-tech employers, such as Lockheed Martin, SRC Inc. and Saab Defense, have been aggressively looking to hire workers for STEM-related careers in a variety of fields, including engineering, technical and assembly. Local firms have been very successful in winning defense-related contracts. This trend, combined with a growing number of defense worker retirements, has resulted in hundreds of local job openings at firms in the defense field.

Accommodation and food services is another local industry that continues to set new, record employment highs. Part of the broader leisure and hospitality sector, this industry continues to expand as new hotels and restaurants open in the Syracuse metro area. Some recent notable hotel openings include the new Embassy Suites property near the Destiny USA Mall in Syracuse, the new Aloft Hotel in Syracuse's Inner Harbor area and the Marriott Syracuse Downtown, which replaced the old Hotel Syracuse in the heart of downtown Syracuse.

Another factor boosting the local leisure and hospitality sector is the growth of travel and tourism in the state. The latest available figures indicate that visitation to the Central New York region increased by more than 1.9 million, or 17%, between 2011 and 2016. Over this five-year timespan, direct spending by visitors to Central New York rose from \$1.11 billion to \$1.27 billion, an increase of 15%.



Professional and business services is another local sector that showed strong job growth (+1,400) in 2017. Sector job gains were focused in administrative and support services, management of companies and enterprises, and professional and technical services. In addition, manufacturing sector employment grew by 400 in 2017, with computer and electronic products, beverages and food products adding the most jobs.

Plentiful Job Opportunities

As of March 2018, there were nearly 7,000 job listings in Central New York, according to the Jobs Express website. Job openings were most plentiful in these occupational categories: healthcare practitioner and technical; sales and related; office, clerical and secretarial; and transportation and material moving. The region's large hospitals and universities tend to account for the greatest number of local job postings.

Summary

Like employers in many parts of the U.S., firms in the Syracuse area cite ongoing labor market tightness and challenges finding qualified workers as potential constraints on growth. Thus, it is critical to build a local workforce with the requisite skills, abilities and knowledge needed to compete in today's global economy.

How NY's Labor Market Has Changed... from page 1

group in New York. The generations with the most members working in the state today include millennials (born 1981-1998), with a 38% share, and Generation X (born 1965-1980), with a 33% share.

Another factor driving down the overall LFPR in the state is the decision by many millennials to delay their entry into the workforce by enrolling in college. Data from the National Center for Education Statistics show that the share of 18 to 24 year olds in New York who were enrolled in college rose from 34.2% in 2007 to 37.8% in 2015 (latest year available). As a result, the LFPR for people aged 16-24 in the state decreased over the decade, from 50.3% in 2007 to 47.1% in 2017.

Labor Force Becoming More Diverse

In 2007, non-Hispanic Whites accounted for almost two-thirds (63.2%) of New York's labor force. By 2017, that group's relative share fell to 58.5%. Much of this drop stemmed from an overall net decline of 294,000, or 4.9%, in the number of non-Hispanic Whites in the state's labor force.

Over the same time frame, other racial/ethnic groups saw their labor force numbers grow in New York. From 2007 to 2017, the fastest growing groups were (in descending order): Other (non-Hispanic, e.g., American Indian, Pacific Islander), +65.6%; Asian (non-Hispanic), +33.7%; Hispanic, +16.9%; and Black (non-Hispanic), +0.6%.

In addition, females now comprise a larger relative share of the New York's labor force than they did a decade ago. In 2007, 47.1% of the state's workforce was female. By 2017, that number increased to 47.8%. Over the decade, 175,900 females joined New York's labor force, which equates to a growth rate of 3.9%. In comparison, the number of males in the state's labor force grew by 67,200, or 1.3%.

State's Graying Workforce

The median age of U.S. workers is increasing over the long-term – from 37.7 years in 1994 to a projected 42.2 years in 2024. Many boomers are working into their later years, and this trend is expected to continue. Not only are baby boomers working longer

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	FEB '17	FEB '18		FEB '17	FEB '18		FEB '17	FEB '18
New York State	5.3	5.1	Hudson Valley	4.9	5.2	Finger Lakes	5.7	6.0
Capital	5.0	5.3	Dutchess	4.8	5.0	Genesee	6.2	6.5
Albany	4.6	4.8	Orange	4.9	5.3	Livingston	6.2	6.4
Columbia	4.8	5.0	Putnam	4.7	5.0	Monroe	5.4	5.7
Greene	6.2	6.4	Rockland	4.7	5.0	Ontario	5.6	6.0
Rensselaer	5.1	5.4	Sullivan	5.9	5.9	Orleans	7.1	7.4
Saratoga	4.6	5.0	Ulster	5.3	5.5	Seneca	5.8	5.8
Schenectady	5.0	5.4	Westchester	4.9	5.2	Wayne	6.2	6.2
Warren	6.8	7.2	Mohawk Valley	6.4	6.9	Wyoming	8.0	7.8
Washington	6.0	6.4	Fulton	7.0	7.6	Yates	5.5	5.8
Central New York	6.1	6.3	Herkimer	7.2	7.7	Western New York	6.4	6.6
Cayuga	6.4	6.5	Montgomery	7.2	7.8	Allegany	7.9	8.4
Cortland	7.1	7.7	Oneida	5.8	6.3	Cattaraugus	7.6	7.9
Madison	6.9	7.2	Otsego	6.2	6.6	Chautauqua	7.5	7.4
Onondaga	5.3	5.6	Schoharie	7.1	7.5	Erie	5.9	6.1
Oswego	8.0	8.2	North Country	7.6	7.9	Niagara	7.6	7.7
Southern Tier	6.3	6.7	Clinton	6.3	6.4	Long Island	4.8	5.1
Broome	6.5	7.0	Essex	6.9	7.4	Nassau	4.5	4.7
Chemung	6.5	6.7	Franklin	7.2	7.5	Suffolk	5.2	5.4
Chenango	6.6	7.3	Hamilton	10.5	12.5	New York City	5.0	4.4
Delaware	6.8	7.4	Jefferson	8.4	8.7	Bronx	6.8	6.0
Schuyler	8.0	8.3	Lewis	9.3	9.2	Kings	5.0	4.4
Steuben	7.0	7.4	St. Lawrence	7.9	8.1	New York	4.5	3.9
Tioga	6.5	6.6				Queens	4.4	3.8
Tompkins	4.6	4.7				Richmond	5.0	4.3

How NY's Labor Market Has Changed... from page 2

relative to generations before them, but some are even re-entering the labor force after retiring (labor economists refer to this as “unretirement”). The RAND Corporation reports that 39% of U.S. workers age 65 and older who are currently employed had previously retired.

Analysts cite the decline of defined benefit pensions, the increasing age at which people can collect full Social Security benefits, and the need for people to rebuild depleted retirement nest eggs after the Great Recession as reasons why older people continue to work. These factors have boosted the average age of the state's workforce over the past decade.

In 2007, people age 55 and older made up 18.0% of New York's total labor force. By 2017, that figure jumped to 23.3%. That rise was driven, in part, by a 559,200 increase in the number of people age 55+ in the state's labor force. Over the decade, the LFPR of people age 55+ rose from 36.8% to 40.0%.

Shift to Services Continues

As far back as the mid-1960s, economist Victor R. Fuchs famously noted that the U.S. was a service economy. Much of the long-term shift from manufacturing to services is attributable to slower productivity growth in services than in goods production,

according to economist William Baumol. Moreover, as real per capita incomes grow over time, consumers tend to spend more of their additional income on services than on goods.

Over time, New York State's economy has become increasingly oriented towards the production and employment of services, and away from goods-producing sectors (i.e., manufacturing, mining, and construction). From 2007 to 2017, service-providing jobs' share of total employment rose from 89.6% to 91.2% as the job count in service-providing sectors grew by 872,600, or 11.2%. Growth was centered in three industry sectors (in descending order): educational and health services (+421,300), leisure and hospitality (+237,700) and professional and business services (+180,900).

In contrast, employment in the state's goods-producing sectors fell by 75,300, or 8.3%, from 2007 to 2017. This occurred as drops in manufacturing (-105,700) and mining (-1,200) more than offset a gain in construction jobs (+31,600). Since bottoming out in 2010, however, the combined employment count in New York's goods-producing sectors has grown every year, resulting in a net gain of 65,700 jobs from 2010 to 2017.

Summing Up

The Great Recession was the worst U.S. economic downturn in 75 years. Precipitated by crises in the nation's housing, credit and financial markets, the severity and the rapidity of this recession led former Federal Reserve Chair Alan Greenspan to conclude in 2008, “We are in the midst of a once-in-a-century credit tsunami.”

Over the past decade, New York State's labor force has undergone significant structural changes. While some of these changes have been underway for decades, others are a direct consequence of the Great Recession. Nevertheless, these structural changes have occurred nationwide and are not solely unique to New York.

by Kylee Teague and Kevin Phelps

Employment in New York State is published 12 times a year. To request a change of address, write to the address below and provide your old and new addresses.

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Regional Analysts' Corner

CAPITAL

James Ross — 518-242-8245

Private sector jobs in the Capital Region rose over the year by 6,200, or 1.4 percent, to 434,500 in February 2018. Job gains were centered in educational and health services (+2,400), leisure and hospitality (+1,700), professional and business services (+700), trade, transportation and utilities (+700) and manufacturing (+500). Losses were focused in information (-400).

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

Private sector jobs in the Syracuse metro area fell over the year by 100 to 254,900 in February 2018. Job growth was centered in professional and business services (+600), manufacturing (+400) and educational and health services (+300). The largest losses were in natural resources, mining and construction (-600), financial activities (-400) and leisure and hospitality (-400).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area increased over the year by 2,600, or 0.6 percent, to 450,900 in February 2018. Job gains were greatest in educational and health services (+2,400), natural resources, mining and construction (+900) and manufacturing (+800). Employment losses were largest in trade, transportation and utilities (-800) and leisure and hospitality (-500).

HUDSON VALLEY

John Nelson — 914-997-8798

Private sector jobs in the Hudson Valley increased over the year by 7,200, or 0.9 percent, to 781,200 in February 2018. Job gains were greatest in educational and health services (+7,500), professional and business services (+2,400), natural resources, mining and construction (+1,100) and other services (+900). Employment losses were largest in trade, transportation and utilities (-2,900), information (-1,400) and manufacturing (-700).

LONG ISLAND

Shital Patel — 516-934-8533

Private sector jobs on Long Island increased over the year by 14,800, or 1.3 percent, to 1,120,300 in February 2018. The largest gains were in trade, transportation and utilities (+6,600), professional and business services (+4,800), leisure and hospitality (+4,000) and natural resources, mining and construction (+2,700). Losses were greatest in educational and health services (-2,000) and manufacturing (-1,000).

MOHAWK VALLEY

Brian Acton — 315-793-2282

For the 12-month period ending February 2018, the private sector job count in the Mohawk Valley fell by 1,700, or 1.2 percent, to 142,900. Employment losses were greatest in educational and health services (-1,000), natural resources, mining and construction (-400) and manufacturing (-200).

NEW YORK CITY

James Brown — 718-613-3971

Private sector jobs in New York City rose over the year by 74,700, or 2.0 percent, to 3,896,800 in February 2018. Job gains were greatest in educational and health services (+35,700), professional and business services (+18,300), natural resources, mining and construction (+6,700), trade, transportation and utilities (+5,300), financial activities (+5,000) and leisure and hospitality (+2,600). Losses were focused in manufacturing (-1,900).

NORTH COUNTRY

Anthony Hayden — 518-523-7157

For the 12-month period ending February 2018, private sector employment in the North Country rose by 1,000, or 0.9 percent, to 106,800. Job gains were centered in educational and health services (+400), financial activities (+300) and natural resources, mining and construction (+200).

SOUTHERN TIER

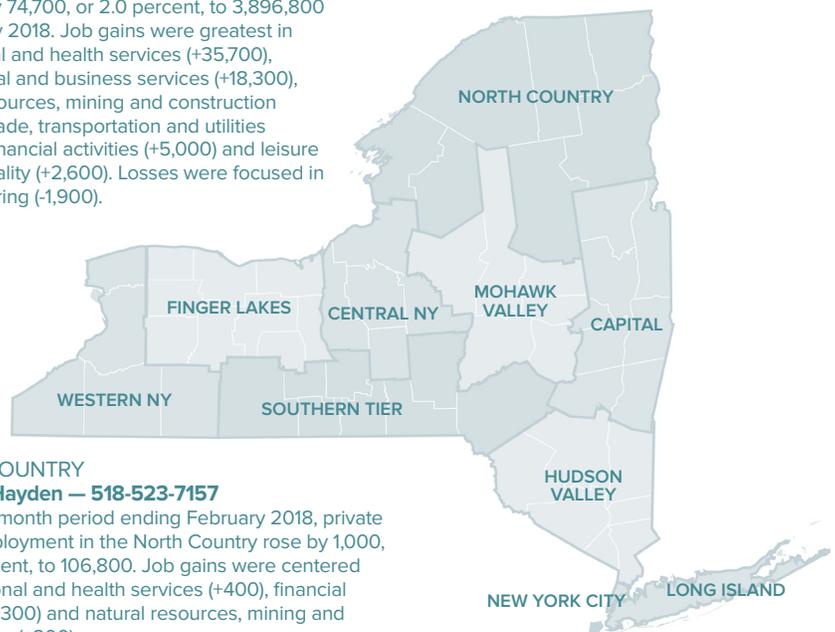
Christian Harris — 607-741-4480

For the 12-month period ending February 2018, the private sector job count in the Southern Tier increased by 1,500, or 0.7 percent, to 223,200. Job gains were centered in educational and health services (+1,300), leisure and hospitality (+700) and natural resources, mining and construction (+400). Employment losses were greatest in professional and business services (-700) and trade, transportation and utilities (-500).

WESTERN NY

John Slenker — 716-851-2742

Private sector jobs in the Buffalo-Niagara Falls metro area rose over the year by 6,600, or 1.4 percent, to 468,200 in February 2018. Job gains were centered in educational and health services (+2,300), professional and business services (+2,000), other services (+1,000), financial activities (+700) and manufacturing (+700). Losses were focused in information (-200) and trade, transportation and utilities (-200).



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