

# Employment in New York State

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RESEARCH AND STATISTICS

## At a Glance

New York State had 9,763,300 total nonfarm jobs in May 2019, including 8,271,000 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count decreased by 0.2% in April-May 2019, while the nation's job count increased by 0.1% over this period. From May 2018 to May 2019, the number of private sector jobs increased by 1.1% in New York State and by 1.7% in the U.S. (not seasonally adjusted).

In May 2019, New York State's seasonally adjusted unemployment increased from 3.9% to 4.0%. The comparable rate for the U.S. in May 2019 was 3.6%.

New York State's seasonally adjusted labor force participation rate remained unchanged at 61.2% in May 2019.

## Change in Nonfarm Jobs

May 2018 - May 2019

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	95.6	1.0%
Private Sector	87.4	1.1%
Goods-producing	5.3	0.6%
Nat. res. & mining	0.2	3.6%
Construction	5.7	1.4%
Manufacturing	-0.6	-0.1%
Durable gds.	-1.2	-0.5%
Nondurable gds.	0.6	0.3%
Service-providing	90.3	1.0%
Trade, trans. & util.	9.9	0.6%
Wholesale trade	-5.3	-1.6%
Retail trade	12.4	1.3%
Trans., wrhs. & util.	2.8	0.9%
Information	-0.4	-0.1%
Financial activities	-1.0	-0.1%
Prof. & bus. svcs.	8.1	0.6%
Educ. & health svcs.	56.4	2.7%
Leisure & hospitality	6.7	0.7%
Other services	2.4	0.6%
Government	8.2	0.5%

More craft brewers in NYS than ever before...

## The Rapid Rise of New York State's Craft Beer Industry

*"Craft. Beer. Seldom do two things go so well together."*

Richard Schmidt  
Consumer Staples Analyst, Harding Loevner

New York and brewing have been together for a long time — almost 400 years, in fact! The Dutch West India Company opened the first commercial brewery in Colonial America in Manhattan in 1632.

With the opening of the Erie Canal in 1825, brewers in New York City gained better access to vital beer-making ingredients grown Upstate, such as hops. By 1840, New York was the largest producer of hops and beer in the U.S. It held this distinction for the rest of the 1800s. But then a mildew blight in 1910 wreaked havoc with the state's hops harvest. And the passage of the federal

Volstead Act (aka "Prohibition") banned the sale of alcoholic beverages in the U.S. from 1920 to 1933. These two events ultimately forced most brewers in the state out of business.

Fast-forward to the 2010s. Favorable regulatory changes, such as New York State's "Farm Brewery" license and the elimination of annual labeling fees for small breweries, have breathed new life into the state's brewing industry. The state now has set a new record for its number of breweries, with more than 430, ranking us #3 in the U.S. Most of these operations are 'craft brewers.' This means they are independent (i.e., have less than 25% ownership by a non-craft brewer) and small (produce less than six million barrels of beer per year). Note: A barrel is 31 gallons.

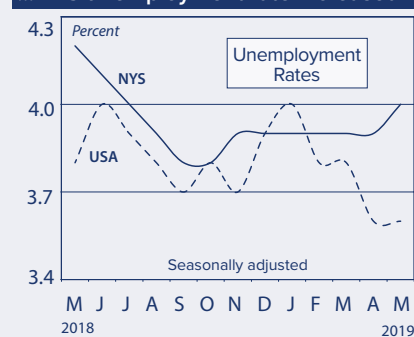
Continued on page 2

### In May...

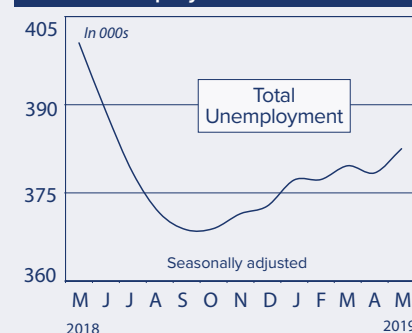
...NYS private sector jobs decreased



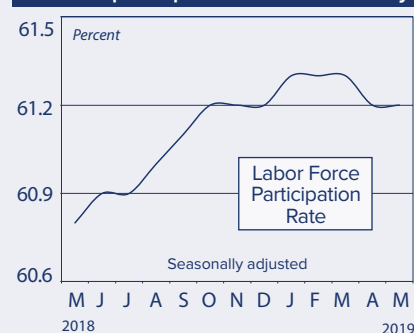
...NYS unemployment rate increased



...NYS unemployment increased



...NYS LF participation rate held steady



## Focus on the Capital Region

### The Growing Life Sciences Cluster in the Capital Region

by Kevin Alexander, Labor Market Analyst, Capital Region

Clusters are groups of related industries that drive wealth creation in a region, primarily through the export of goods and services. Some clusters have common customers, while others share a common workforce, input suppliers or technology.

Last year, New York State recognized the importance of the life sciences to the state's overall economy when it funded a \$620 million initiative to expand the state's ability to commercialize research and spur the growth of a world-class life sciences research cluster. Employers and research institutions in the Capital Region have played a significant role in this effort.

Here, we analyze recent labor market trends in the Capital Region's life sciences cluster. We use an industry list developed by the Partnership Fund for New York City (PFNYC) with data from the Quarterly Census of Employment and Wages. The PFNYC's cluster includes firms involved in several related fields, including: biotech and biomed, pharmaceuticals, medical equipment manufacturing, surgical and medical instrument manufacturing, life systems technologies, and research and development.

#### Fast-growing, High-wage Cluster

In 2018, the Capital Region's life sciences cluster employed a total of 11,900 and accounted for nearly 3% of the region's private sector jobs. The local cluster has enjoyed rapid employment growth in recent years. In 2014-2018, the number of jobs in the region's cluster grew by 1,100, or 10.2%. Not only was this twice as fast as the region's overall private sector, but the Capital Region had the fastest-growing life sciences cluster in the state.

Firms in the local life sciences cluster paid out more than \$1.1 billion in wages in 2018, or 5.2% of total private sector wages in the Capital Region. Total cluster wages grew by 15.8% in 2014-2018. In addition, the cluster's average wage was \$95,100 last year, which was more than 80% higher than the region's overall private sector average of \$51,800.

A growing life sciences sector is an important source of new jobs throughout the Capital Region. Data from the EMSI software package indicate that the employment multiplier for this cluster is 3.4. This means that for every new "direct" job created within the cluster, an additional 2.4 "spin-off" jobs are created in a variety of other industries across the Capital Region's economy.

An analysis of the cluster's staffing pattern revealed that the top five occupations, their mean annual wage and percentage share of cluster jobs in the Capital Region include:

- Assemblers and fabricators: \$27,790, 5.4%
- Inspectors and testers: \$55,740, 3.8%
- Biological technicians: \$50,700, 3.6%
- Chemists: \$80,770, 2.9%
- First-line supervisors: \$66,670, 2.6%

#### Recent Developments

Over the past year, there were several important developments involving local firms and research organizations in the life sciences cluster. For example, towards the end of 2018, Regeneron Pharmaceuticals announced plans to expand its production facility in East Greenbush (Rensselaer County). They will invest about \$800 million and create 1,500 new jobs over the next seven years.



"The Capital Region's life sciences cluster has grown rapidly in recent years."

In addition, Regeneron is a partner in a groundbreaking public-private research collaboration with the New York State Department of Health's Wadsworth Center in Albany. Working together, they are seeking to advance and improve the diagnosis and treatment of tick-borne diseases, starting with Lyme disease.

The Wadsworth Center is a research-intensive public health laboratory. They currently have staff working at four locations across the Capital Region. In January 2019, the state announced it would consolidate and replace these aging facilities with a new, world-class, state-of-the-art public health laboratory at the Governor W. Averell Harriman State Office Campus in Albany. A fiscal impact study conducted by consulting company Deloitte found that the new lab could create more than 1,200 life sciences jobs and generate \$2.3 billion in economic activity in the Capital Region.

#### Summary

The Capital Region's life sciences cluster has grown rapidly in recent years, adding many high-wage jobs in the process. The region has established itself as a hub for research and innovation, which is confirmed by the growing number of public-private partnerships.

#### NYS Craft Beer... from page 1

#### The Rise of Craft Brewing

Craft brewers' share of the overall U.S. beer market more than tripled over the past decade, growing from 4.0% in 2008 to 13.2% in 2018, per the Brewers Association (BA), a trade group based in Colorado. Several factors that help to explain this rapid growth include: rising consumer demand for full-flavored, artisanal beers; increased interest in locally produced food and drink products; the ease of small-scale brewing; and creative tie-ins with popular culture and tourism promotion to boost sales.

#### Craft Brewing's Economic Impact

A new report from the New York State

Brewers Association (NYSBA) measures the economic contributions made by the state's craft beer industry in 2018. Counting the number of breweries on a regional basis, the NYSBA study found that the Hudson Valley (63), Finger Lakes (62), New York City (53), Capital Region (52) and Long Island (45) are home to the most craft brewers in the state. Counties with the most craft brewers include Suffolk (36), Monroe (26), Erie (24), Kings (22) and Onondaga (21).

The table on page 3 lists the five largest craft brewers in the state, based on data compiled by the BA. Despite the large number of craft brewers in New York,

production is rather concentrated. The two largest beer makers account for almost 50% of the craft beer market in the state, while the five largest brewers together produce about 65% of craft output.

In the top spot, with a 24.5% share, is Artisanal Brewing Ventures. It is an umbrella company that includes Brooklyn-based Sixpoint Brewing, Southern Tier Brewing in Chautauqua County and Pennsylvania-based Victory Brewing. Brooklyn Brewery is in 2nd place with a 22.2% share, and F.X. Matt Brewing Co. in Utica, which produces the Saranac line of beers, ranks #3 with a 15.1% share.

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	MAY '18	MAY '19		MAY '18	MAY '19		MAY '18	MAY '19
<b>New York State</b>	<b>3.7</b>	<b>3.8</b>	<b>Hudson Valley</b>	<b>3.6</b>	<b>3.3</b>	<b>Finger Lakes</b>	<b>3.8</b>	<b>3.6</b>
<b>Capital</b>	<b>3.4</b>	<b>3.3</b>	Dutchess	3.4	3.2	Genesee	3.6	3.3
Albany	3.3	3.2	Orange	3.7	3.5	Livingston	4.0	3.6
Columbia	3.0	2.8	Putnam	3.4	3.3	Monroe	3.9	3.7
Greene	4.1	4.0	Rockland	3.4	3.2	Ontario	3.4	3.4
Rensselaer	3.4	3.4	Sullivan	3.7	3.4	Orleans	4.3	3.9
Saratoga	3.1	3.0	Ulster	3.5	3.3	Seneca	3.5	3.2
Schenectady	3.7	3.5	Westchester	3.6	3.4	Wayne	3.7	3.5
Warren	4.0	3.8	<b>Mohawk Valley</b>	<b>4.1</b>	<b>3.9</b>	Wyoming	3.8	3.5
Washington	3.6	3.4	Fulton	4.4	4.2	Yates	3.2	3.2
<b>Central New York</b>	<b>3.9</b>	<b>3.7</b>	Herkimer	4.2	4.1	<b>Western New York</b>	<b>4.2</b>	<b>3.9</b>
Cayuga	4.0	3.8	Montgomery	4.6	4.3	Allegany	4.9	4.8
Cortland	4.3	3.8	Oneida	4.0	3.8	Cattaraugus	4.9	4.3
Madison	4.2	3.7	Otsego	3.7	3.4	Chautauqua	4.4	4.0
Onondaga	3.6	3.4	Schoharie	4.2	3.8	Erie	4.0	3.7
Oswego	4.7	4.8	<b>North Country</b>	<b>4.6</b>	<b>4.4</b>	Niagara	4.7	4.2
<b>Southern Tier</b>	<b>4.1</b>	<b>3.8</b>	Clinton	3.9	3.9	<b>Long Island</b>	<b>3.3</b>	<b>3.2</b>
Broome	4.3	4.0	Essex	4.4	4.1	Nassau	3.3	3.1
Chemung	4.4	3.8	Franklin	4.9	4.4	Suffolk	3.4	3.2
Chenango	4.1	3.7	Hamilton	6.8	4.6	<b>New York City</b>	<b>3.6</b>	<b>4.2</b>
Delaware	4.2	4.0	Jefferson	4.8	4.5	Bronx	5.0	5.6
Schuyler	4.3	3.6	Lewis	4.7	4.5	Kings	3.7	4.3
Steuben	4.7	4.0	St. Lawrence	5.0	4.9	New York	3.3	3.8
Tioga	3.8	3.6				Queens	3.1	3.7
Tompkins	3.2	3.2				Richmond	3.6	4.1

### NYS Craft Beer... from page 2

The economic contribution made by the entire craft beer industry — which includes craft brewers, beer wholesalers and retailers, and beer tourism — is impressive. According to the NYSBA study, the craft brewing industry had a total statewide economic impact of more than \$5.3 billion with almost 20,000 brewery-related jobs.

Craft breweries are an attractive destination for both residents of New York and visitors from out of state. Tourism promotion authorities are increasingly taking advantage of their growing popularity. For example, the Visit Buffalo Niagara

tourism office printed 25,000 copies of a “Brewcation Destination” brochure last year and distributed digital and print ads in places such as Ontario, Cleveland and Pittsburgh. They also ran a promotional video about Buffalo’s craft brewers on YouTube, Instagram and Facebook. According to Visit Buffalo Niagara, it’s “no coincidence that Buffalo’s boom in craft breweries has correlated directly with its growth as a tourism destination.”

The state’s colleges and universities are key players in the craft brewing industry. For example, Cornell University and its experiment station (Cornell AgriTech), SUNY Morrisville and Hartwick College research and test barley, malt and beer quality. In addition, the Culinary Institute of America, Morrisville, Hartwick, SUNY Erie, SUNY Schenectady and Niagara Community College now have programs to train New York State’s next generation of craft brewers.

### Growing Headwinds

Craft brewers in the state and nation have enjoyed strong growth over the past decade. However, the industry now faces several headwinds. Some of these challenges include slowing overall sales growth, a saturated marketplace as many new brewers have opened in recent years,

and the acquisition of craft startups by large brewers. For instance, Anheuser-Busch InBev purchased Long Island’s Blue Point Brewing. In addition, many large brewers have started producing their own craft-like brands. For example, MillerCoors makes Blue Moon.

### Summary

Craft brewing has experienced phenomenal growth over the past decade, and New York State is a major player nationally in this growing industry. Innovative policies such as New York State’s “Farm Brewery” license boosted the important synergies that exist between the state’s brewing, agricultural and tourism industries. To plan your next outing to a craft brewery in New York State, visit [www.thinknydrinkny.com](http://www.thinknydrinkny.com).

by Kevin Phelps

### Largest New York State Craft Brewers, 2018

Brewery/Location(s)	% Share of Craft Beer Production
Artisanal Brewing Ventures* (Brooklyn, Kings Co. & Lakewood, Chautauqua Co.)	24.5%
Brooklyn Brewery (Brooklyn, Kings Co.)	22.2%
F.X. Matt Brewing Co. (Utica, Oneida Co.)	15.1%
Brewery Ommegang (Cooperstown, Otsego Co.)	2.8%
Captain Lawrence Brewing Co. (Elmsford, Westchester Co.)	2.2%

\*Production figures include two NY craft breweries and one PA craft brewer.

Sources: Brewers Association; New York State Brewers Association

**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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OFFICIAL BUSINESS

Regional Analysts' Corner

CAPITAL

Kevin Alexander — 518-242-8245

Private sector jobs in the Capital Region rose by 3,700, or 0.8 percent, to 446,500 for the year ending May 2019. Gains were centered in leisure and hospitality (+2,500), educational and health services (+1,000), natural resources, mining and construction (+1,000) and professional and business services (+300). Losses were focused in trade, transportation and utilities (-600), information (-400) and manufacturing (-400).

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

Private sector jobs in the Syracuse metro area rose over the year by 5,900, or 2.3 percent, to 267,500 in May 2019. Growth was centered in professional and business services (+1,900), educational and health services (+1,700), leisure and hospitality (+1,600) and natural resources, mining and construction (+700). The largest job loss occurred in financial activities (-500).

FINGER LAKES

Tammy Marino — 585-258-8870

Over the past year, the number of private sector jobs in the Rochester metro area rose by 1,400, or 0.3 percent, to 463,300 in May 2019. Gains were centered in natural resources, mining and construction (+1,700), educational and health services (+1,000), leisure and hospitality (+900) and trade, transportation and utilities (+600). Losses were largest in professional and business services (-1,200) and financial activities (-1,100).

HUDSON VALLEY

John Nelson — 914-997-8798

For the year ending May 2019, private sector jobs in the Hudson Valley increased by 5,200, or 0.6 percent, to 816,800. The largest gains were in educational and health services (+4,600), leisure and hospitality (+1,800), professional and business services (+1,200), financial activities (+1,100) and other services (+1,000). Losses were centered in trade, transportation and utilities (-4,600).

LONG ISLAND

Shital Patel — 516-934-8533

Private sector jobs on Long Island increased over the year by 3,600, or 0.3 percent, to 1,163,200 in May 2019. The largest gains were in educational and health services (+11,400), natural resources, mining and construction (+4,300) and manufacturing (+1,500). Losses were greatest in professional and business services (-9,400), financial activities (-1,500) and information (-1,100).

MOHAWK VALLEY

Brian Acton — 315-793-2282

Over the past year, the number of private sector jobs in the Mohawk Valley region declined by 100, or 0.1 percent, to 148,300 in May 2019. Job gains were centered in leisure and hospitality (+600) and other services (+200). Losses were focused in trade, transportation and utilities (-300), educational and health services (-200), information (-200) and manufacturing (-200).

NEW YORK CITY

Elena Volovelsky — 718-613-3971

Private sector jobs in New York City rose over the year by 95,300, or 2.4 percent, to 4,055,700 in May 2019. Gains were greatest in educational and health services (+52,800), professional and business services (+16,400), leisure and hospitality (+11,000), trade, transportation and utilities (+8,100), information (+4,000) and other services (+3,300). Losses were limited to the manufacturing sector (-2,800).

NORTH COUNTRY

Anthony Hayden — 518-523-7157

For the 12-month period ending May 2019, the number of private sector jobs in the North Country rose by 400, or 0.4 percent, to 111,200. Job growth was centered in leisure and hospitality (+200) and manufacturing (+200). Several industry sectors in the region experienced small, over-the-year job losses.

SOUTHERN TIER

Christian Harris — 607-741-4480

For the year ending May 2019, the number of private sector jobs in the Southern Tier rose by 1,100, or 0.5 percent, to 229,800. Job gains were greatest in educational and health services (+1,400), manufacturing (+300) and other services (+200). Losses were focused in trade, transportation and utilities (-500) and financial activities (-200).

WESTERN NY

Timothy Glass — 716-851-2742

Over the past year, the private sector job count in the Buffalo-Niagara Falls metro area rose by 1,600, or 0.3 percent, to 478,200 in May 2019. Job gains were largest in financial activities (+1,300), educational and health services (+1,000) and other services (+700). Employment losses were greatest in manufacturing (-900) and trade, transportation and utilities (-500).

