

# EMPLOYMENT IN NEW YORK STATE

## RESEARCH AND STATISTICS



### At a Glance

New York State had 9,430,300 total nonfarm jobs in May 2022, including 7,970,300 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.3% in April-May 2022, while the number of private sector jobs in the nation also increased by 0.3% over this period. From May 2021 to May 2022, the number of private sector jobs increased by 5.8% in the state and by 5.0% in the nation (not seasonally adjusted).

In May 2022, New York State's seasonally adjusted unemployment rate decreased from 4.5% to 4.4%. The comparable rate for the nation in May 2022 was 3.6%.

New York State's seasonally adjusted labor force participation rate increased from 59.4% to 59.8% in May 2022.

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**CHANGE IN NONFARM JOBS | NEW YORK STATE**

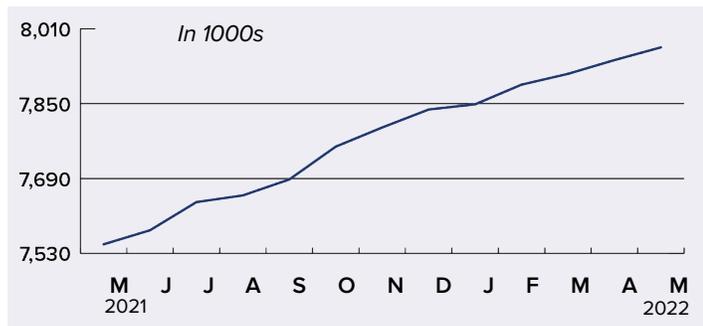
May 2021 - May 2022

(Data not seasonally adjusted, net change in thousands)

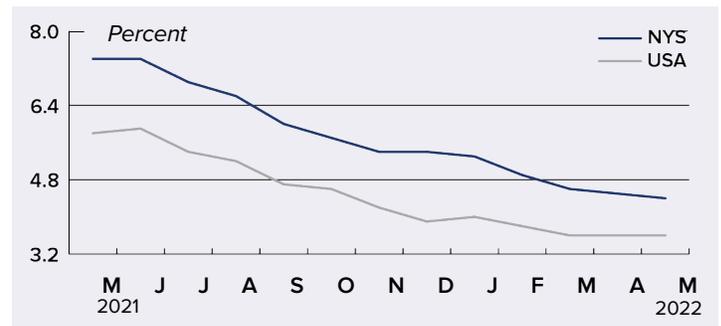
	NET	%
<b>TOTAL NONFARM JOBS</b>	<b>474.4</b>	<b>5.3</b>
<b>PRIVATE SECTOR</b>	<b>436.5</b>	<b>5.8</b>
Goods-producing	17.7	2.2
Nat. res. & mining	0.0	0.0
Construction	3.5	0.9
Manufacturing	14.2	3.5
Durable gds.	6.7	2.9
Nondurable gds.	7.5	4.3
Service-providing	456.7	5.6
Trade, trans. & util.	62.7	4.5
Wholesale trade	7.6	2.6
Retail trade	30.3	3.7
Trans., wrhs. & util.	24.8	8.6
Information	21.5	7.8
Financial activities	12.4	1.8
Prof. & bus. svcs.	83.6	6.6
Educ. & health svcs.	51.4	2.5
Leisure & hospitality	161.1	22.9
Other services	26.1	7.2
Government	37.9	2.6

**IN MAY 2022...**

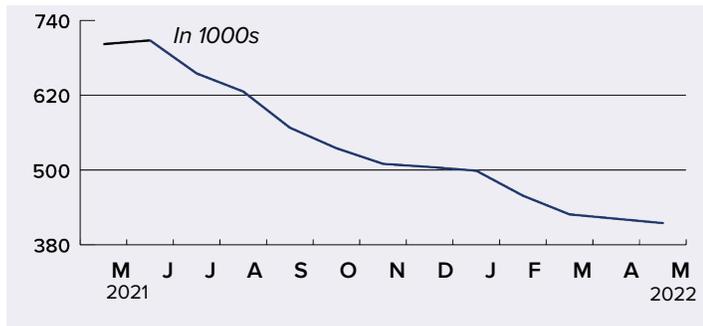
**NYS PRIVATE SECTOR JOBS\* | INCREASED**



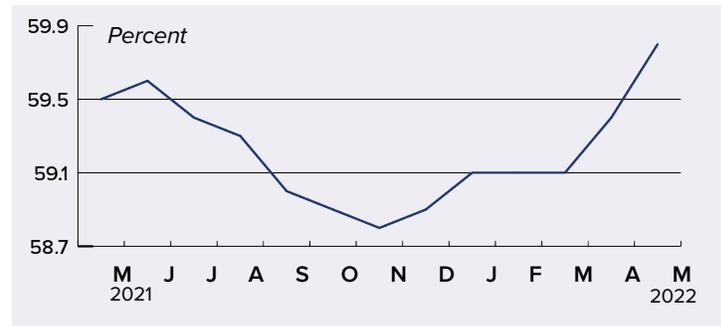
**NYS UNEMPLOYMENT RATE\* | DECREASED**



**NYS UNEMPLOYMENT\* | DECREASED**



**NYS LABOR FORCE PARTICIPATION RATE\* | INCREASED**



\*Seasonally adjusted

# Quitting Time: Millions of Workers Leave Their Jobs in Search of Better Pay Fallout from the pandemic continues to impact the U.S. labor market...

by Kevin Jack, Deputy Director

“Employees in many industries have seized on the pandemic’s upheaval to score higher pay, better benefits, flexible schedules, and more.”

*Barron’s, May 16, 2022*

Much like COVID-19 itself, the pandemic’s effects on our nation’s labor market are lingering much longer than expected as record numbers of Americans continue to voluntarily leave their jobs. Data from the BLS’s JOLTS program show that 4.27 million U.S. workers quit their jobs in May 2022. While not a record, this number is more than double the level seen at the end of the COVID-19 pandemic-induced recession in April 2020.

In this article, we look at recent trends in the number of workers who quit their jobs, the connection between an industry’s quit rate and its average wage, the wage gains of “job switchers” versus “job stayers,” and why U.S. workers say they are quitting their jobs in search of more-fulfilling positions—a phenomenon called the “Great Reshuffle.”

## Quits Grow in Robust Labor Market

Last year, employers in the U.S. made more than 75.5 million hires, while more than 47.8 million Americans quit their jobs. This translated into an annual “quit rate”—the number of quits during the entire year as a percent of total employment—of 32.7%. All three figures are records. While large numbers of workers are leaving their jobs, they are finding new jobs rather than leaving the labor force entirely. All of this movement suggests the nation’s labor market remains robust.

Analysts at the website LinkedIn found that one employee group in particular drives the high level of Americans leaving their jobs: “serial quitters.” Of those who started new jobs last year, the percentage who left their previous employer in under 12 months jumped 6.5%, the most since LinkedIn began tracking the data.

Not unexpectedly, the three U.S. industries with the highest annual quit rates in 2021—accommodation and food services (70.7%), retail trade (50.6%) and arts, entertainment and recreation (42.6%)—all pay below-average wages. A statistical analysis of quit rates and average wages by industry in the U.S. found a correlation coefficient of -0.58, indicating that quit rates tend to increase as an industry’s average wage drops.

## State JOLTS Data

State-level JOLTS data show that New York’s overall quit rate was 21.6% in 2021. This represented a jump of 4.6 percentage points from 2020’s annual quit rate of 17.0%. Despite this increase, New York still had the lowest annual quit rate of any state in 2021. In fact, New York State had the lowest quit rate in the U.S. every year between 2017 and 2021.

Rounding out the list of states with the lowest annual quit rates in 2021 were: Connecticut (24.9%), Massachusetts (24.9%), Pennsylvania (25.2%) and New Jersey (26.3%).

Last year, the highest quit rates were found in Alaska (46.8%), Georgia (45.0%), Kentucky (43.5%), Mississippi (42.9%) and Montana (42.5%).

The figure on page 3 shows the seasonally adjusted number of quits in New York State from January 2019 to May 2022 (the latest month available). After reaching a low of 86,000 in April 2020, the number of quits in the state has trended upward since, reaching an all-time high of 194,000 in July 2021. In May 2022, there were 180,000 quits in the state.

## Job Switchers and Wage Gains

The Federal Reserve Bank of Atlanta’s Wage Growth Tracker (WGT) measures the nominal wage growth of workers in the U.S., using CPS microdata. It reports the median percent change in their hourly wage, observed 12 months apart. In May 2022, the WGT showed that workers who changed jobs (“job leavers”) had a median wage gain of 7.5%, compared to 5.4% for those who did not switch jobs (“job stayers”). This wage difference of 2.1 percentage points was the widest between the two groups since late 1998.

The hunt for higher wages has caused many workers to switch jobs. Employment website Glassdoor found that, on average, job seekers expect to make 34% more than their current salary. They also found that the salary job seekers want when they look for a new position has increased by 43% between first quarter 2021 and first quarter 2022. Many workers are likely accelerating their search for better paying jobs to help offset the rising cost of living, which in May 2022 experienced its largest annual increase in more than 40 years.

## Why Do People Quit Their Jobs?

A Pew Research Center survey from February 2022 found that majorities of U.S. workers who quit a job in 2021 cited the following reasons for leaving: low pay (63%), no opportunities for advancement (63%) and feeling disrespected at work (57%). At least one-third of people surveyed say each of these factors were *major* reasons why they left.

Roughly half of respondents to the Pew survey cited childcare issues as the reason they quit a job (48% among those with a child younger than 18 in the household). A similar share of job leavers indicated a lack of flexibility to choose when they put in their hours (45%) or not having good benefits such as health insurance and paid time off (43%). Roughly one-quarter said each of these was a *major* reason.

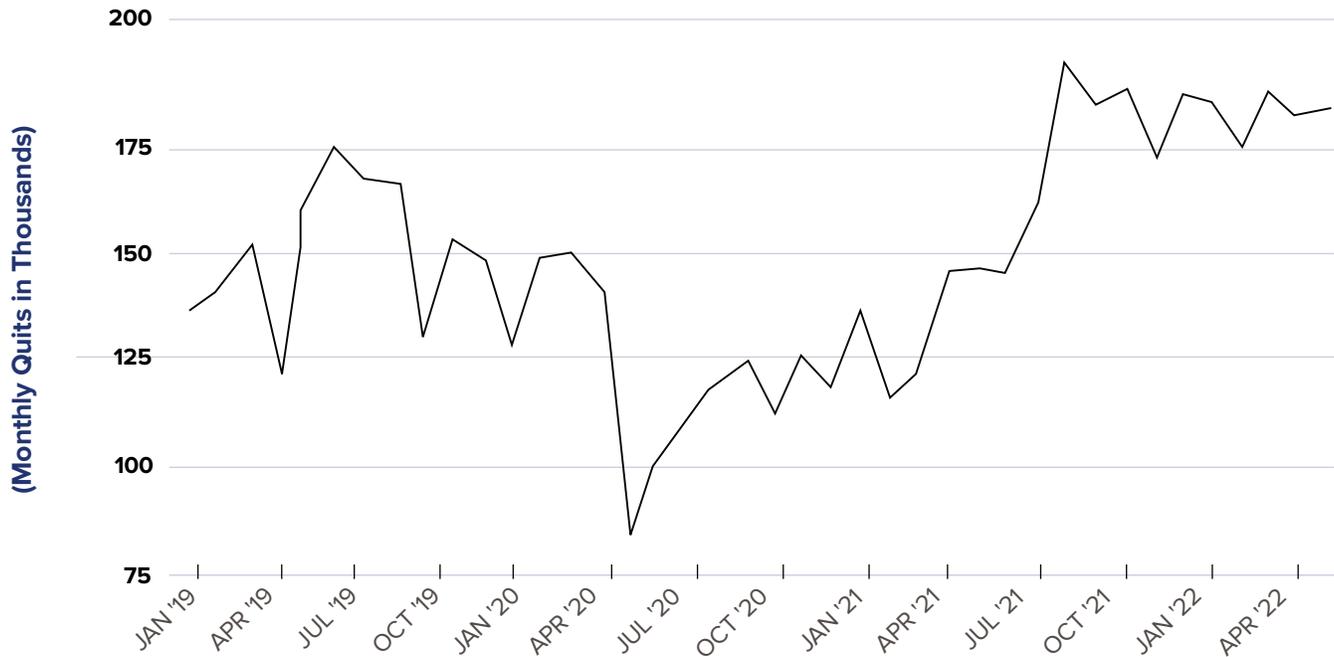
## Summing Up

The U.S. labor market remains a bright spot in today’s economy as the Federal Reserve ramps up its fight against the highest inflation rate in more than four decades. Against this backdrop, American workers continue to quit their jobs in unprecedented numbers in search of better pay. As firms compete for scarce workers, this drives up wages. For the foreseeable future, it looks like employers who wish to retain their best workers will need to offer generous pay raises.

## SEASONALLY ADJUSTED NUMBER OF MONTHLY QUILTS

### SEASONALLY ADJUSTED NUMBER OF MONTHLY QUILTS | IN THOUSANDS

New York State, January 2019 - May 2022



Source: BLS JOLTS program

## UNEMPLOYMENT RATES IN NEW YORK STATE

### UNEMPLOYMENT RATES IN NEW YORK STATE

*Data Not Seasonally Adjusted*

	MAY '21	MAY '22		MAY '21	MAY '22		MAY '21	MAY '22
<b>New York State</b>	<b>7.0</b>	<b>4.1</b>	<b>Hudson Valley</b>	<b>4.6</b>	<b>2.9</b>	<b>Finger Lakes</b>	<b>4.8</b>	<b>3.1</b>
<b>Capital</b>	<b>4.3</b>	<b>2.7</b>	Dutchess	4.3	2.8	Genesee	4.1	2.6
Albany	4.3	2.8	Orange	4.7	3.0	Livingston	4.3	2.9
Columbia	3.6	2.4	Putnam	4.1	2.7	Monroe	5.1	3.3
Greene	4.8	3.1	Rockland	4.3	2.6	Ontario	4.2	2.7
Rensselaer	4.3	2.7	Sullivan	4.9	3.0	Orleans	5.1	3.3
Saratoga	3.7	2.3	Ulster	4.6	2.8	Seneca	4.7	2.7
Schenectady	5.0	3.1	Westchester	4.8	3.0	Wayne	4.4	2.7
Warren	4.6	3.0	<b>Mohawk Valley</b>	<b>5.0</b>	<b>3.2</b>	Wyoming	4.2	2.6
Washington	4.5	2.9	Fulton	5.4	3.6	Yates	3.5	2.4
<b>Central New York</b>	<b>4.9</b>	<b>3.1</b>	Herkimer	5.5	3.5	<b>Western New York</b>	<b>5.3</b>	<b>3.4</b>
Cayuga	4.5	3.0	Montgomery	5.6	3.7	Allegany	4.5	3.2
Cortland	4.8	3.1	Oneida	4.9	3.2	Cattaraugus	5.0	3.5
Madison	4.3	2.8	Otsego	4.1	2.7	Chautauqua	5.1	3.4
Onondaga	4.9	3.1	Schoharie	4.3	2.9	Erie	5.4	3.3
Oswego	5.4	3.7	<b>North Country</b>	<b>4.6</b>	<b>3.2</b>	Niagara	5.5	3.5
<b>Southern Tier</b>	<b>4.5</b>	<b>3.0</b>	Clinton	4.4	2.9	<b>Long Island</b>	<b>4.5</b>	<b>2.7</b>
Broome	5.0	3.3	Essex	4.6	3.0	Nassau	4.5	2.7
Chemung	5.2	3.4	Franklin	4.6	3.0	Suffolk	4.5	2.8
Chenango	4.2	2.8	Hamilton	4.4	3.5	<b>New York City</b>	<b>10.2</b>	<b>5.7</b>
Delaware	4.4	3.1	Jefferson	4.7	3.3	Bronx	14.0	8.0
Schuyler	4.5	3.1	Lewis	4.5	3.2	Kings	10.4	5.8
Steuben	4.8	3.2	St. Lawrence	4.8	3.4	New York	7.8	4.4
Tioga	4.1	2.7				Queens	10.0	5.4
Tompkins	3.5	2.4				Richmond	8.8	5.2

# FOCUS ON Long Island

## Travel and Tourism Remains an Important Part of Long Island's Economy

by Shital Patel, Labor Market Analyst, Long Island

When Jones Beach opened to the public in August 1929, it represented the culmination of efforts by Robert Moses, the president of the Long Island State Parks Commission, to transform bleak swampland on the South Shore of Long Island into a resort-like beach getaway for New York's middle class. With more than eight million visitors in 2021, Jones Beach is the second most visited state park in New York, trailing only Niagara Falls State Park.

Beyond its iconic white sand beaches, Long Island's world class wineries, Gold Coast mansions, historic waterfront downtowns and a variety of cultural and historic treasures have made it a premiere destination for visitors. In this article, we explore the region's broader travel and tourism sector, which experienced record-breaking highs prior to the pandemic.

### Travel & Tourism a Major Driver

The travel and tourism sector is a major economic driver on Long Island, but it was one of the hardest hit by the COVID-19 pandemic as companies were severely affected by shutdowns, travel restrictions and the disappearance of international travel. Data from Empire State Development show that travel and tourism on Long Island was a \$6.3 billion sector in 2019, which supported more than 80,000 jobs and generated \$760 million in state and local taxes.

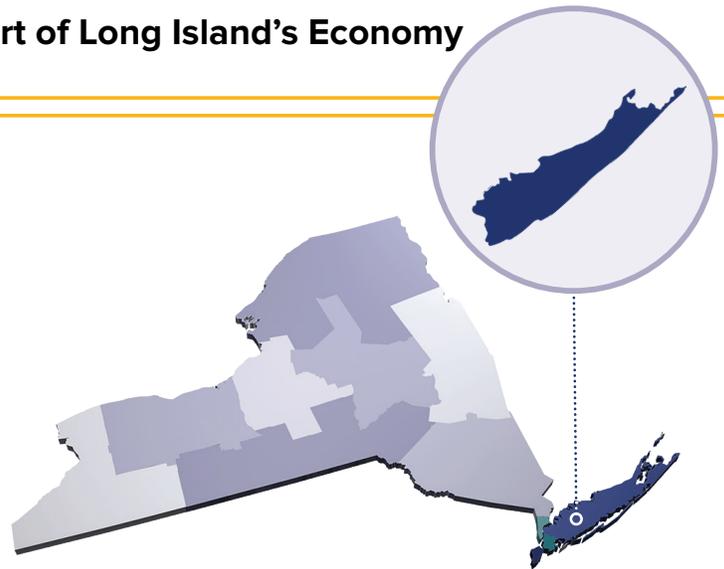
Domestic travel was deeply impacted by the COVID-19 pandemic in 2020. While Long Island benefitted from an increase in the number of local leisure travelers who preferred driving to flying, visitor spending fell by 37% to \$4.0 billion in 2020 and total tourism-supported employment fell to around 59,000. The easing of pandemic restrictions has unleashed pent-up travel demand, and Long Island is in a prime position to attract a record-breaking number of leisure visitors this year.

The Memorial Day weekend kicks off the summer spending season for travelers and is the busiest time of the year for Long Island's leisure and hospitality businesses. Employment in travel and tourism on Long Island typically peaks in the summer months. In the decade ending 2019, Long Island's leisure and hospitality sector added an average of 21,800 jobs, or 11.5%, between May and July.

### Optimism in the Hotel Industry

Visitors from outside the region are expected to boost the hotel industry, which was hard-hit by the COVID-19 pandemic. The region's hotels and motels (except casino hotels) employed 5,160 in 2019 and paid \$183 million in wages. In 2020, this industry lost nearly one-third of its workforce. As of 2021, the industry remains about 1,100 jobs below pre-pandemic levels.

Developers retain a positive outlook for the hospitality and tourism industry. There are at least eight hotels in the pipeline for Long Island including one on the Nautical Mile in Freeport and the Northport Hotel (which is expected to open this year). Notable boutique hotels that recently opened on the East End include: the Canoe Place Inn in Hampton Bays; The Shoals (Long Island's first "boatel") in Southold; and Pridwin Hotel and Cottages on Shelter Island.



“The travel and tourism sector is a major economic driver on Long Island.”

### Craft Beverages = Big Business

Wineries have proven to be an important tourism magnet for Long Island. The region, which is home to 70 wine producers and world-class tasting rooms, has been rated by *Wine Enthusiast* magazine as one of the “Top 10 Wine Regions” in the world. These wineries planted 3,000 acres and produced over 500,000 cases of wine in 2021. According to estimates from Suffolk County, the region's wineries attract 1.3 million visitors per year and generate \$99 million in tourism spending. They directly employ nearly 900 workers and generate \$114 million in sales annually. Long Island's craft brewery industry is also particularly vibrant.

### Staffing Remains an Issue

Across the nation, hospitality and other service industries can't hire enough workers for what's expected to be a busy summer. A lack of lifeguards is preventing many public pools from opening and many restaurants have been forced to cut hours due to staffing issues.

Businesses on the East End have also been struggling to hire new talent in anticipation of the impending summer rush. The lack of affordable housing remains a key issue. The pandemic-driven real estate boom on the East End has made it virtually impossible for lower-wage hospitality workers to find housing in the region.

### Looking Ahead

Even with headwinds like soaring inflation, declining consumer sentiment and labor shortages facing the sector, recently published projections from the U.S. Travel Association show that domestic leisure travel spending has already surpassed pre-pandemic levels and domestic business travel volume is expected to reach 96% of pre-pandemic levels in 2023. As a result, businesses in Long Island's travel and tourism sector have a reason to be optimistic about the future.

# Regional Analysts' Corner

## CAPITAL

**Kevin Alexander — 518-242-8245**

Over the past year, the private sector job count in the Capital Region rose by 13,200, or 3.2%, to 429,200 in May 2022. Job gains were largest in leisure and hospitality (+5,200), trade, transportation and utilities (+2,500), educational and health services (+1,900), financial activities (+1,400), other services (+1,000), professional and business services (+1,000) and manufacturing (+300). Employment losses occurred in information (-200).

## CENTRAL NY

**Karen Knapik-Scalzo — 315-479-3391**

The number of private sector jobs in the Syracuse metro area increased over the past year by 7,500, or 3.1%, to 250,600 in May 2022. Employment gains were greatest in leisure and hospitality (+5,000), professional and business services (+2,000), trade, transportation and utilities (+900), other services (+600) and manufacturing (+200). Job losses occurred in educational and health services (-1,500).

## FINGER LAKES

**Tammy Marino — 585-258-8870**

From May 2021 to May 2022, the private sector job count in the Rochester metro area rose by 12,700, or 3.0%, to 442,700. Job gains were largest in leisure and hospitality (+4,500), trade, transportation and utilities (+1,700), professional and business services (+1,600), manufacturing (+1,500), natural resources, mining and construction (+1,400), other services (+900) and educational and health services (+700).

## HUDSON VALLEY

**John Nelson — 914-997-8798**

Over the past year, the number of private sector jobs in the Hudson Valley grew by 21,300, or 2.8%, to 781,700 in May 2022. The largest job gains occurred in leisure and hospitality (+9,000), other services (+4,400), professional and business services (+4,100), trade, transportation and utilities (+1,700), manufacturing (+1,500) and information (+800). Job losses were centered in educational and health services (-600).

## LONG ISLAND

**Shital Patel — 516-934-8533**

For the year ending May 2022, private sector jobs on Long Island increased by 36,500, or 3.4%, to 1,116,100. Gains occurred in leisure and hospitality (+13,600), trade, transportation and utilities (+8,000), professional and business services (+7,200), natural resources, mining and construction (+3,500), other services (+3,500), information (+400) and manufacturing (+400). Employment losses were focused in educational and health services (-400).

## MOHAWK VALLEY

**Brion Acton — 315-793-2282**

For the 12-month period ending May 2022, the number of private sector jobs in the Mohawk Valley region rose by 2,000, or 1.5%, to 139,000. Over-the-year employment gains were greatest in leisure and hospitality (+1,700), trade, transportation and utilities (+700), manufacturing (+600), financial activities (+400) and other services (+300). Job losses occurred in educational and health services (-1,800).

## NEW YORK CITY

**Elena Volovelsky — 718-613-3971**

The private sector job count in New York City rose over the past year by 304,500, or 8.4%, to 3,924,100 in May 2022. Job gains were greatest in leisure and hospitality (+110,600), professional and business services (+63,300), educational and health services (+47,600), trade, transportation and utilities (+39,800), information (+18,700), other services (+13,500) and financial activities (+8,800). Losses occurred in natural resources, mining and construction (-1,200).

## NORTH COUNTRY

**Konstantin Sikhaou — 518-523-7157**

For the 12-month period ending May 2022, the number of private sector jobs in the North Country region rose by 1,800, or 1.7%, to 106,400. Employment gains were largest in leisure and hospitality (+1,500), professional and business services (+200) and trade, transportation and utilities (+200). Job losses occurred in natural resources, mining and construction (-200).

## SOUTHERN TIER

**Christian Harris — 607-741-4480**

For the 12-month period ending May 2022, the number of private sector jobs in the Southern Tier region increased by 3,400, or 1.6%, to 214,000. Employment gains were greatest in leisure and hospitality (+1,600), manufacturing (+600), professional and business services (+600), other services (+400) and trade, transportation and utilities (+400).

## WESTERN NY

**Timothy Glass — 716-851-2742**

Over the past year, the number of private sector jobs in the Buffalo-Niagara Falls metro area rose by 22,700, or 5.2%, to 461,100 in May 2022. Employment gains were largest in leisure and hospitality (+10,400), trade, transportation and utilities (+5,100), manufacturing (+2,000), other services (+1,700), educational and health services (+1,400), professional and business services (+1,000) and financial activities (+900).