

# Employment in New York State

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Department  
of Labor

RESEARCH AND STATISTICS

## At a Glance

New York State had 8,766,000 total nonfarm jobs in January 2021, including 7,323,500 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.4% in December 2020-January 2021, while the nation's job count increased by less than 0.1% over this period. From January 2020 to January 2021, the number of private sector jobs decreased by 12.3% in the state and by 6.2% in the nation (not seasonally adjusted).

In January 2021, New York State's seasonally adjusted unemployment rate increased from 8.7% to 8.8%. The comparable rate for the nation in January 2021 was 6.3%.

New York State's seasonally adjusted labor force participation rate remained unchanged at 59.8% in January 2021.

## Change in Nonfarm Jobs

January 2020 - January 2021

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	-1,068.7	-11.1
Private Sector	-1,005.2	-12.3
Goods-producing	-66.4	-8.1
Nat. res. & mining	0.1	2.1
Construction	-30.8	-8.1
Manufacturing	-35.7	-8.3
Durable gds.	-21.6	-8.6
Nondurable gds.	-14.1	-7.8
Service-providing	-1,002.3	-11.4
Trade, trans. & util.	-163.2	-10.6
Wholesale trade	-35.3	-10.9
Retail trade	-89.3	-9.9
Trans., wrhs. & util.	-38.6	-12.2
Information	-30.2	-10.4
Financial activities	-30.5	-4.2
Prof. & bus. svcs.	-110.6	-8.3
Educ. & health svcs.	-160.8	-7.5
Leisure & hospitality	-364.6	-40.3
Other services	-78.9	-19.2
Government	-63.5	-4.3

COVID-19 took the U.S. economy on wild ride in 2020....

## A Look at the Pandemic's Impact on the U.S. Labor Market

*"A year ago, the U.S. economy plunged into the deepest and fastest economic contraction since WWII."*

Gregory Daco, Chief U.S. Economist, Oxford Economics

*"The COVID-19 pandemic's impact on the U.S. labor market is unprecedented."*

U.S. Bureau of Labor Statistics

Looking back, 2020 will be remembered as a year of economic extremes. The nation began the year with its lowest unemployment rate in half a century. Moreover, the U.S. private sector job count stood at an all-time high in February. Then the COVID-19 pandemic hit.

Starting in March and accelerating in April, the U.S. lost more than 21 million private sector jobs as businesses shut down in the wake of the pandemic. In just two months, the U.S. economy lost almost three times as many private sector jobs as it had during

the "Great Recession" in 2007-09. In addition, the U.S. unemployment rate shot up to 14.8% in April 2020, its highest level since the end of WWII.

Moreover, U.S. real (inflation-adjusted) GDP, the broadest measure of economic output, declined by 3.5% in 2020. This was the nation's steepest annual decline in GDP since 1946, when the U.S. economy was rapidly demobilizing right after World War II. This article looks at the economic recovery currently under way and discusses some of the key labor market outcomes that have emerged since the onset of the pandemic-induced recession one year ago.

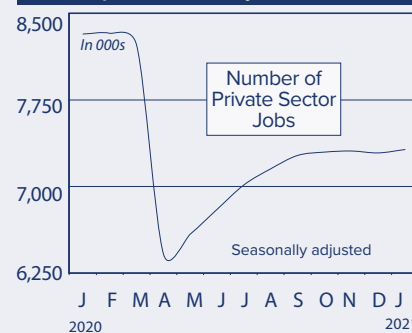
### Recession and Recovery

As of January 2021, the U.S. economy has added back about 60% of the private sector jobs lost in February-April 2020. The National Bureau of Economic Research (NBER), which is the arbiter of

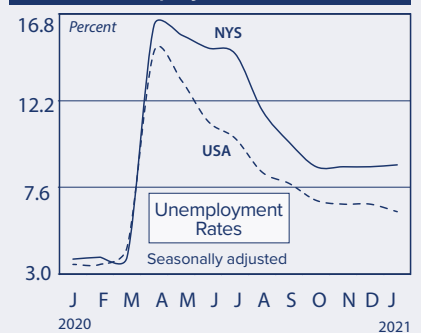
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## In January...

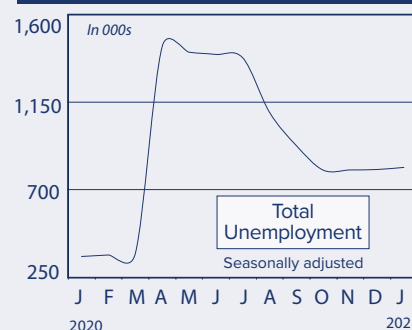
...NYS private sector jobs increased



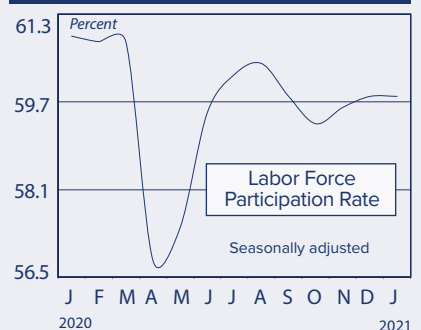
...NYS unemployment rate increased



...NYS unemployment increased



...NYS LF participation rate unchanged



## Focus on the Finger Lakes

### Significant Industries in the Finger Lakes

by Tammy Marino, Labor Market Analyst, Finger Lakes Region

The Workforce Development System encourages local workforce boards to plan strategically and focus resources in priority industries, and on priority occupations within those industries. To assist in this effort, the Division of Research and Statistics has published a series of reports to identify “significant industries” in each of New York State’s 10 labor market regions as well as statewide.

Several data points – including job count, wage level, net and percent job growth in 2015-20 and expected job growth through the 10-year period ending 2026 – were reviewed to compile the regional lists of “significant industries.” The employment and wage data used in preparing the “significant industries” reports and presented in this article come from the Quarterly Census of Employment and Wages. Here, we review some “significant industries” in the Finger Lakes.

#### Health Care

The health care sector’s three main industries include ambulatory health care services (NAICS 621), hospitals (NAICS 622) and nursing and residential care facilities (NAICS 623). Together, these three industries employed more than 78,400 workers in the Finger Lakes region in the second quarter of 2020 (2q2020), or about 15% of overall employment.

With more than 34,000 employees in 2q2020, hospitals comprise the largest segment of the region’s health care sector. Over the five-year period ending 2q2020, jobs at hospitals in the Finger Lakes rose by 3,400, or 11%. In addition, hospitals in the region pay relatively well, with an annual

average wage — \$62,000 — that is 18% higher than the region’s overall average.

Hospitals are among the largest private sector employers in the region. Strong Memorial and Highland hospitals, which are both affiliates of the University of Rochester Medical Center, and Rochester General and Unity hospitals, which are affiliated with Rochester Regional Health, rank among the region’s largest private sector employers, according to published reports.

Ambulatory health care and nursing and residential care facilities also play important roles in the region’s economy. These two industries boast a significant number of jobs and are expected to grow faster than average through 2026.

Employment growth in the health care industry is driven more by demographics than by changing economic conditions. Nearly all health care occupations are expected to be in demand over the next decade as New York State’s population continues to age.

#### Manufacturing

Three manufacturing industries — food (NAICS 311), machinery (NAICS 333) and computer and electronic products (NAICS 334) — all made the list of “significant industries” in the region. Together, they provide a large number (27,000) of high-paying jobs. For example, the average annual wage in computer and electronic products (\$95,300) was 82% greater than the region’s all-industry average (\$52,400) in 2q2020. The food (\$54,700) and machinery (\$82,400) manufacturing industries also paid above-average salaries.

average of 19 months between the official end date of the recession and when the group announced that conclusion.

The CBO also projects that real GDP will grow by 3.7% in 2021, due to expanded vaccination and less need for social distancing. This puts real GDP back to its level from before the pandemic by the middle of this year. The CBO expects the U.S. unemployment rate will gradually decline through 2026, and the number of workers will return to pre-pandemic levels in 2024.

#### WFH Takes Off

One of the biggest (positive) surprises of 2020 was how quickly employers (and

workers) embraced “work from home” (WFH) arrangements during the pandemic. Also known as “remote work” or “telecommuting,” this shift helped to preserve many jobs.

One factor that boosted WFH’s popularity was its compatibility with social distancing. University of Chicago economists Jonathan Dingel and Brent Neiman estimate that 37% of all jobs in the U.S. can be done entirely at home. They found that remote occupations tend to offer higher salaries and have a higher share of workers with a four-year college degree. Other researchers have found that the fraction of people who telecommute because of the COVID-19 pandemic varies widely by occupation and industry.



“Analyzing “significant industries” provides valuable insight into the economic forces driving the regional economy.”

The Finger Lakes region is home to many prominent food manufacturing firms, such as Wegmans Food Markets, LiDestri Food and Drink, and Kraft Heinz Co. Employment in this sector increased by 700, or 11%, outperforming the overall job market during the 2015-20 period. Employment in food manufacturing (+16%) is expected to grow much faster than overall employment in the region (+10%) over the 10-year period ending 2026.

#### Construction

Within the specialty trade contractors (NAICS 238) industry, the skilled trades (e.g., electricians, plumbers, carpenters, etc.) account for much of the employment. Industry employment increased by 1,900, or 15%, between 2015 and 2020. Construction jobs also tend to pay above-average wages (\$62,100). This industry is projected to offer many job opportunities over the next decade, due in large part to the impending retirement of many baby boomers (i.e., people born 1946-1964) currently working in skilled trade occupations.

#### Summing Up

Analyzing “significant industries” provides valuable insight into the economic forces driving the regional economy. To learn more, see [dol.ny.gov/significant-industries-finger-lakes-2019](https://dol.ny.gov/significant-industries-finger-lakes-2019).

#### Pandemic and the Labor Market... from page 1

recession start and end dates in the U.S., determined that the American economy officially went into recession in February 2020. This marked the end of the longest U.S. economic expansion (128 months) in more than 150 years.

Despite the economic and societal damage wrought by the pandemic, many are optimistic that the worst is behind us. In a report released on February 1, the Congressional Budget Office (CBO) projects the economic recovery that began in mid-2020 will continue this year, although the NBER has yet to declare an end date for the COVID-19 recession. During the last three economic downturns in the U.S., it took the NBER an

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	JAN '20	JAN '21		JAN '20	JAN '21		JAN '20	JAN '21
<b>New York State</b>	<b>4.1</b>	<b>9.4</b>	<b>Hudson Valley</b>	<b>3.9</b>	<b>6.5</b>	<b>Finger Lakes</b>	<b>4.6</b>	<b>6.9</b>
<b>Capital</b>	<b>4.0</b>	<b>6.0</b>	Dutchess	3.9	6.1	Genesee	4.9	6.2
Albany	3.8	6.0	Orange	4.0	6.6	Livingston	5.1	6.2
Columbia	3.7	5.5	Putnam	3.9	5.8	Monroe	4.4	7.3
Greene	5.0	6.7	Rockland	3.6	6.1	Ontario	4.5	6.1
Rensselaer	4.1	5.9	Sullivan	4.6	6.9	Orleans	5.6	7.3
Saratoga	3.7	5.3	Ulster	4.1	6.7	Seneca	5.0	6.9
Schenectady	4.0	6.8	Westchester	3.8	6.7	Wayne	4.9	6.2
Warren	5.7	7.2	<b>Mohawk Valley</b>	<b>5.3</b>	<b>7.4</b>	Wyoming	6.1	6.8
Washington	4.9	6.3	Fulton	5.7	7.5	Yates	4.8	5.6
<b>Central New York</b>	<b>4.9</b>	<b>7.2</b>	Herkimer	6.0	8.5	<b>Western New York</b>	<b>5.1</b>	<b>8.0</b>
Cayuga	5.1	6.9	Montgomery	6.1	7.8	Allegany	6.5	7.2
Cortland	6.3	7.4	Oneida	4.7	7.3	Cattaraugus	6.3	7.5
Madison	5.3	6.7	Otsego	5.4	6.7	Chautauqua	5.7	9.6
Onondaga	4.3	7.1	Schoharie	6.0	6.5	Erie	4.8	7.9
Oswego	6.6	8.0	<b>North Country</b>	<b>6.4</b>	<b>7.1</b>	Niagara	5.8	8.0
<b>Southern Tier</b>	<b>5.1</b>	<b>6.8</b>	Clinton	5.5	7.3	<b>Long Island</b>	<b>3.8</b>	<b>6.4</b>
Broome	5.6	7.5	Essex	5.9	6.8	Nassau	3.5	6.3
Chemung	4.7	7.3	Franklin	5.8	6.5	Suffolk	4.1	6.4
Chenango	5.3	6.3	Hamilton	8.6	6.9	<b>New York City</b>	<b>3.8</b>	<b>13.1</b>
Delaware	5.4	6.6	Jefferson	7.3	7.1	Bronx	5.3	17.7
Schuyler	6.4	7.4	Lewis	7.4	7.6	Kings	3.9	13.5
Steuben	5.4	7.0	St. Lawrence	6.4	7.0	New York	3.4	10.1
Tioga	5.1	6.3				Queens	3.4	12.9
Tompkins	3.7	5.3				Richmond	3.7	11.4

### Pandemic and the Labor Market... from page 2

Economists at the Federal Reserve Bank of Atlanta (FRB-A) concluded, "WFH has become a ubiquitous, inescapable fact of life for many people." Looking ahead, an FRB-A survey of businesses from January 2021 found that firms expect about 25% of employees will work from home at least one day per week after the pandemic.

On the flipside, a separate study at the University of Washington (UW) found that 75% of U.S. workers are in jobs that are difficult or impossible to do remotely. The two most important factors that impact a worker's ability to WFH: the importance of using a computer in the job and the importance of interacting with the public. Workers identified as "particularly vulnerable" are those with jobs that require interaction with the public and that do not require a computer. Industries employing such workers include retail, food service, personal care (e.g., barbers) and transportation (e.g., bus drivers). Altogether, this most threatened group accounts for about 20% of all U.S. workers, according to UW researchers.

### Women Leaving the Labor Force

Over the past year, the COVID-19 pandemic has had a disproportionate impact on U.S. women. Data from the BLS show that 2.52 million women left the labor force in February

2020-January 2021, compared to 1.77 million men, even though they typically make up a little less than half of the labor force. Economists at Wells Fargo Securities calculate that women in their prime working years (ages 25-54) have left the labor force at almost twice the rate as men during this recession.

Researchers cite two main reasons why so many women have left the labor force during the recession. The first is that job losses during the pandemic were largest in service-providing industries, like leisure and hospitality, retail trade and health care, in which women's employment is more concentrated. In past U.S. recessions, job losses were greatest in goods-producing industries, such as manufacturing and construction, which have more male workers.

A second factor is that childcare responsibilities in this country fall disproportionately on women. In households where both parents work full-time, mothers spend on average four hours more per week on childcare. The move to "remote learning" for most K-12 students and the closure of many daycare centers created a COVID-19 "perfect storm." As a result, many parents, especially women who could not WFH, opted to leave the labor force to stay home with their children. In February 2021, Federal Reserve chair Jerome Powell suggested that better support

for childcare might help pull more women into the labor market. Vice President Kamala Harris said, "Our economy cannot fully recover unless women can participate fully."

### Summing Up

The COVID-19 pandemic has taken the U.S. labor market on a wild rollercoaster ride over the past year. A new report from the CBO suggests that the U.S. economy may have bottomed out last year, but that it will still take several more years to get back to pre-recession employment levels. We have also learned during the pandemic that many workers can effectively work from home and that the availability of childcare plays a crucial, if perhaps underappreciated, role in the broader U.S. economy.

by Kevin Jack

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Regional Analysts' Corner

CAPITAL

Kevin Alexander — 518-242-8245

Over the past year, private sector jobs in the Capital Region fell by 30,100, or 7.0%, to 400,000 in January 2021. Job gains were focused in natural resources, mining and construction (+1,000). Losses were largest in leisure and hospitality (-12,300), educational and health services (-7,500), other services (-4,800), trade, transportation and utilities (-3,300), financial activities (-1,400), manufacturing (-1,000) and information (-500).

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

Private sector jobs in the Syracuse metro area declined by 23,500, or 9.2%, to 231,800 in the year ending January 2021. The greatest job losses occurred in leisure and hospitality (-9,400), educational and health services (-5,200), trade, transportation and utilities (-2,700), other services (-1,800), professional and business services (-1,600), manufacturing (-1,500), financial activities (-600) and information (-600).

FINGER LAKES

Tammy Marino — 585-258-8870

Over the past 12 months, private sector jobs in the Rochester metro area fell by 34,300, or 7.6%, to 414,200 in January 2021. Job gains were focused in natural resources, mining and construction (+900). The greatest losses were in educational and health services (-11,500), leisure and hospitality (-9,500), professional and business services (-5,400), manufacturing (-3,000), other services (-2,600) and trade, transportation and utilities (-1,400).

HUDSON VALLEY

John Nelson — 914-997-8798

For the 12-month period ending January 2021, the Hudson Valley's private sector job count decreased by 76,200, or 9.6%, to 721,600. The largest employment losses were in leisure and hospitality (-22,400), educational and health services (-20,000), trade, transportation and utilities (-13,200), other services (-7,400), financial activities (-3,500), manufacturing (-3,100) and professional and business services (-2,900).

LONG ISLAND

Shital Patel — 516-934-8533

For the year ending January 2021, the number of private sector jobs on Long Island declined by 113,100, or 10.1%, to 1,007,700. The greatest losses were in leisure and hospitality (-32,400), trade, transportation and utilities (-21,400), educational and health services (-20,900), professional and business services (-11,600), other services (-10,900), natural resources, mining and construction (-6,700) and manufacturing (-4,800).

MOHAWK VALLEY

Brion Acton — 315-793-2282

For the 12-month period ending January 2021, the number of private sector jobs in the Mohawk Valley region fell by 12,900, or 9.1%, to 129,200. Employment losses were largest in educational and health services (-4,200), leisure and hospitality (-3,400), manufacturing (-1,800), trade, transportation and utilities (-1,400), other services (-1,300), information (-500) and financial activities (-200).

NEW YORK CITY

Elena Volovelsky — 718-613-3971

The number of private sector jobs in New York City declined over the year by 626,400, or 15.5%, to 3,425,000 in January 2021. The greatest losses were in leisure and hospitality (-242,800), trade, transportation and utilities (-113,100), professional and business services (-80,400), educational and health services (-70,200), other services (-40,800), natural resources, mining and construction (-23,000), information (-21,800) and financial activities (-21,500).

NORTH COUNTRY

Anthony Hayden — 518-523-7157

Over the past year, the number of private sector jobs in the North Country region fell by 6,200, or 6.0%, to 97,500 in January 2021. Employment losses were largest in leisure and hospitality (-2,100), educational and health services (-1,500), other services (-1,100), trade, transportation and utilities (-700), manufacturing (-400) and natural resources, mining and construction (-300).

SOUTHERN TIER

Christian Harris — 607-741-4480

Between January 2020 and January 2021, the Southern Tier's private sector job count fell by 15,500, or 7.2%, to 201,000. Job declines were greatest in leisure and hospitality (-5,100), educational and health services (-3,400), other services (-1,700), trade, transportation and utilities (-1,700), manufacturing (-1,400), professional and business services (-1,200) and financial activities (-700).

WESTERN NY

Timothy Glass — 716-851-2742

Over the past year, the number of private sector jobs in the Buffalo-Niagara Falls metro area declined by 44,100, or 9.5%, to 419,300 in January 2021. The largest losses occurred in leisure and hospitality (-15,400), educational and health services (-9,900), professional and business services (-5,400), trade, transportation and utilities (-4,600), other services (-3,600), manufacturing (-3,400) and information (-900).

