

# Employment in New York State



Department of Labor  
Research and Statistics

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## At a Glance

New York State had 9,631,800 total nonfarm jobs in August 2018, including 8,181,100 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.1% in July-August 2018, while the nation's job count increased by 0.2% over this period. From August 2017 to August 2018, the number of private sector jobs increased by 1.5% in the state and by 1.9% in the nation (not seasonally adjusted).

In August 2018, New York State's seasonally adjusted unemployment rate decreased from 4.3% to 4.2%. The comparable rate for the nation in August 2018 was 3.9%.

New York State's seasonally adjusted labor force participation rate increased from 60.6% in July 2018 to 60.7% in August 2018.

## Change in Nonfarm Jobs

August 2017 - August 2018

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	124.0	1.3%
Private Sector	123.1	1.5%
Goods-producing	12.7	1.5%
Nat. res. & mining	-0.1	-1.9%
Construction	15.0	3.7%
Manufacturing	-2.2	-0.5%
Durable gds.	-8.1	-3.1%
Nondurable gds.	5.9	3.1%
Service-providing	111.3	1.3%
Trade, trans. & util.	6.1	0.4%
Wholesale trade	2.7	0.8%
Retail trade	-5.3	-0.6%
Trans., wrhs. & util.	8.7	3.1%
Information	-7.4	-2.7%
Financial activities	3.9	0.5%
Prof. & bus. svcs.	12.5	0.9%
Educ. & health svcs.	50.4	2.6%
Leisure & hospitality	29.3	2.9%
Other services	15.6	3.8%
Government	0.9	0.1%

Important change in methodology made to key data series...

## Think Separations, Not Replacements

Long-term occupational projections are one of the most closely followed data sets published by the New York State Department of Labor. They are designed to give us a better picture of what the workforce of tomorrow will look like. This data series is especially useful to guidance counselors who dispense career advice to high school students, college and university officials who seek to develop new "in-demand" academic programs, and workforce professionals who need to know the long-term outlook for more than 700 job titles.

The U.S. Bureau of Labor Statistics (BLS) recently changed the way it counts the number of openings within a particular occupation in a given year. This change, which was made in response to the many transformations that occurred in the labor market in recent years, does a much

better job of capturing the nuances of today's modern economy.

Here, we take an in-depth look at this important change in projections methodology. We also get a better understanding of what this change means for workforce professionals who are tasked with monitoring our ever-evolving labor market.

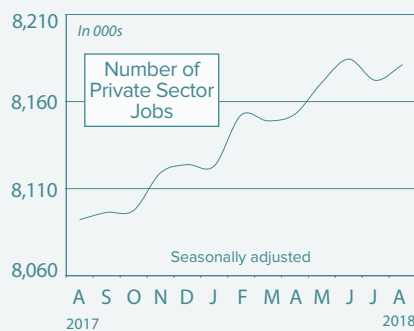
### New Methodology in Town

The approach used for the past 25 years was known as the "Replacements" methodology. One of its key assumptions was that workers entered the labor force at a young age, worked for many years and then permanently left their occupational field and hence the labor force. While not incorrect, the "Replacements" methodology

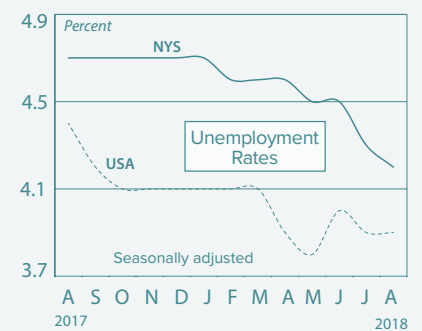
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## In August...

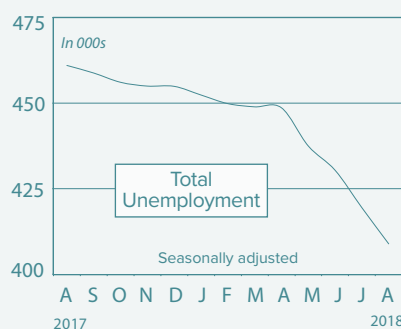
### ...NYS private sector jobs increased



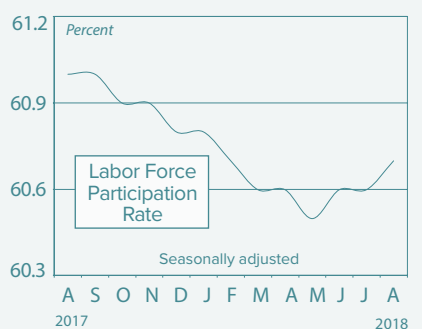
### ...NYS unemployment rate decreased



### ...NYS unemployment decreased



### ...NYS LF participation rate increased



## Focus on Long Island

### Broad-Based Job Growth Continues on Long Island

by Shital Patel, Labor Market Analyst, Long Island

The latest available annual employment data from the Quarterly Census of Employment and Wages indicate that the private sector job count on Long Island grew by 80,600, or 7.8%, to 1,107,500 between 2012 and 2017. This marked a new all-time high for the region.

Largely because of this solid job growth, the region's unemployment rate has steadily declined from 7.4% in 2012 to 4.4% in 2017. The number of unemployed residents also fell by more than 40% during that five-year period.

#### Gains Are Widespread

Job growth was widespread as 16 of 19 industry sectors added jobs between 2012 and 2017. However, three sectors – health care and social assistance (+24,640), construction (+18,700) and accommodation and food services (+15,230) – were responsible for nearly 75% of the private sector employment growth.

Within the health care and social assistance sector, hospitals and ambulatory health care services each added more than 8,000 jobs, while social assistance added more than 6,000. Health care and social assistance has been the region's steadiest performer. Technological advances in patient care, especially cancer care, and an increasing emphasis on preventative care and the health care needs of an aging population are key drivers of the health care sector's growth. Employment growth in the social assistance sector was centered in individual and family services, which added more than 4,000 jobs in 2012-2017.

Hospitals continue to rank among the largest employers in the region. Northwell Health, Winthrop University Hospital and Good Samaritan Hospital Medical Center are among the region's 10 largest employers, according to published reports.

From 2012 to 2017, Long Island's construction job count grew by 18,700, or 31.3%, to 78,470, a record high for the sector. Several factors have led to this boom.

The increase in multifamily residential and mixed-use developments near Long Island Rail Road (LIRR) stations has driven demand for construction workers. The first phase of the Ronkonkoma Hub transit-oriented development, the largest project on Long Island to date, broke ground in November 2017 and is expected to create 1,000 temporary construction jobs. A total of 11,000 jobs are expected to be created over the course of the project. Local infrastructure projects to support these new developments have also created jobs. These include new sewer systems, a third track for the LIRR from Floral Park to Hicksville and upgrades to more than a dozen LIRR passenger stations.

State investments in the region's biotech industry have also boosted construction activity at local colleges and universities. The state is funding the construction of Stony Brook University's 70,000-square-foot Institute for Discovery and Innovation in Medicine and Engineering. Stony Brook is also building a 200,000-square-foot business incubator for startups. The state has also pledged \$12 million towards a



47,000-square-foot facility at the LIU Post campus in Brookville to house a new College of Veterinary Medicine, which is slated to open in the fall of 2019.

Growth in the accommodation and food services sector (+15,230) was led by strong job gains posted by restaurants and bars (+14,520). While a long-term shift towards eating out has helped the industry, an increase in travel and tourism activity on Long Island also had a positive impact. The latest available figures show that tourists spent \$5.9 billion on Long Island in 2017, up 4% over 2016 levels. The much smaller accommodation industry added 700 jobs, representing a gain of 13.2%, between 2012 and 2017. Some recent notable hotel openings in the region include a Hilton Garden Inn in Port Washington, a Marriott Residence Inn in Riverhead and a Courtyard by Marriott in Central Islip.

#### Summary

The Long Island region is now in its eighth year of job growth, the longest stretch since the 1990s. Moreover, Long Island's job count has climbed to record highs, and the unemployment rate is back down to pre-recession levels. These positive trends are expected to keep Long Island's job market growing in the near future.

#### Separations... from page 1

did not necessarily capture all of the movements workers make between occupations in today's dynamic labor market.

The new approach, called the "Separations" methodology, is more sophisticated. It provides separate estimates for the number of people leaving the labor force and for the number of people changing occupations. There are many different reasons why a person might change occupations. Some examples include:

- Changing careers (e.g., a dental hygienist decides to become a dentist)
- Promoted into management
- Completing a retraining program

Both methodologies aim to provide estimates of the number of workers leaving an occupation who will need to be replaced by new ones. Under the new approach, the key concept is "occupational separations."

#### Measuring Annual Openings

Under the new "Separations" methodology, the number of annual openings in a particular occupation is a combination of two distinct factors:

1. Job growth or decline in the industries employing that occupation
2. The number of people "separating" from an occupation, either because they leave the labor force altogether, or they change occupations

Expressed as a formula:

$$\text{Annual Occupational Openings} = \text{Net Occupational Change} + \text{Separations}$$

Factor #1, which is referred to as "Net Occupational Change," reflects the underlying demand for workers in a particular occupation. For example, if the construction industry is growing, then we would expect increased demand for carpenters, electricians and workers in other skilled trades commonly employed by the industry.

It's also possible for labor demand to decline over time. For example, with the expansion of digital media in recent years, the job count in the U.S. printing and support activities

## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	AUG '17	AUG '18		AUG '17	AUG '18		AUG '17	AUG '18
<b>New York State</b>	<b>4.9</b>	<b>4.1</b>	<b>Hudson Valley</b>	<b>4.7</b>	<b>4.0</b>	<b>Finger Lakes</b>	<b>4.9</b>	<b>4.1</b>
<b>Capital</b>	<b>4.3</b>	<b>3.6</b>	Dutchess	4.4	3.6	Genesee	4.2	3.5
Albany	4.4	3.8	Orange	4.8	4.0	Livingston	4.7	3.8
Columbia	3.7	3.1	Putnam	4.4	3.8	Monroe	5.2	4.4
Greene	5.1	4.3	Rockland	4.6	3.9	Ontario	4.1	3.5
Rensselaer	4.5	3.9	Sullivan	4.4	3.7	Orleans	6.0	4.7
Saratoga	3.9	3.3	Ulster	4.7	3.9	Seneca	4.3	3.4
Schenectady	4.5	3.9	Westchester	4.8	4.1	Wayne	4.7	3.7
Warren	4.3	3.5	<b>Mohawk Valley</b>	<b>5.1</b>	<b>4.2</b>	Wyoming	4.8	3.7
Washington	4.2	3.5	Fulton	5.5	4.5	Yates	4.1	3.2
<b>Central New York</b>	<b>5.0</b>	<b>4.1</b>	Herkimer	5.1	4.2	<b>Western New York</b>	<b>5.4</b>	<b>4.4</b>
Cayuga	5.0	4.3	Montgomery	5.5	4.7	Allegany	6.2	5.2
Cortland	5.1	4.4	Oneida	5.0	4.1	Cattaraugus	5.7	4.8
Madison	5.1	4.1	Otsego	4.8	3.9	Chautauqua	5.5	4.5
Onondaga	4.7	3.9	Schoharie	5.0	4.3	Erie	5.2	4.2
Oswego	6.1	4.8	<b>North Country</b>	<b>5.6</b>	<b>4.6</b>	Niagara	6.0	4.7
<b>Southern Tier</b>	<b>5.1</b>	<b>4.3</b>	Clinton	5.3	4.1	<b>Long Island</b>	<b>4.6</b>	<b>3.8</b>
Broome	5.4	4.7	Essex	4.5	3.7	Nassau	4.4	3.7
Chemung	5.4	4.5	Franklin	5.4	4.4	Suffolk	4.8	4.0
Chenango	4.9	3.8	Hamilton	3.9	3.2	<b>New York City</b>	<b>5.1</b>	<b>4.3</b>
Delaware	5.3	4.2	Jefferson	5.6	4.6	Bronx	6.9	5.9
Schuyler	4.7	3.9	Lewis	5.4	4.2	Kings	5.2	4.4
Steuben	5.3	4.2	St. Lawrence	6.7	5.6	New York	4.5	3.7
Tioga	4.9	4.0				Queens	4.4	3.6
Tompkins	4.6	3.7				Richmond	5.3	4.4

### Separations... from page 2

industry (NAICS 3231) is projected to decline through 2026. As a result, the U.S. job count in each of the two largest job titles in the industry – printing press operators and print binding and finishing workers – is also expected to decline.

Factor #2, which is referred to as “Separations,” stems from people changing occupational fields or leaving the labor force altogether. As noted above, there are many reasons why people change occupations. Similarly, there are a number of factors that might cause people to leave the labor force. Some exits may be temporary, such as returning to school for additional training, taking maternity or paternity leave for the birth of a child, or caring for an ill family member. Other exits are more permanent, such as for retirement.

One consequence of the switch in methodologies is the total number of annual openings in the New York State workforce more than doubled. In general, the vast majority (about 90%) of all openings in any labor market occur due to separations rather than occupational growth.

The BLS uses sophisticated statistical regression models to estimate annual occupational separations for workers in a given occupation. These probability models,

which are based on worker demographic and economic characteristics such as gender, age, race, education, occupation and industry, among others, utilize historical data from the Current Population Survey.

### An Illustrative Example

Here, we look at current data for Registered Nurses (RNs) in New York State to illustrate the employment projections concepts discussed in this article. Statewide employment of RNs is expected to rise from 198,400 in 2016 to 238,340 in 2026. The 10-year increase of 39,940 translates into an average increase of 3,990/year. This represents the “Net Occupational Change” figure referred to above.

“Separations” for Registered Nurses are expected to total 11,000/year over the 2016-2026 study period. This total includes 6,250 people who are projected to exit the state’s labor force altogether and an additional 4,750 who are expected to transfer to other occupations within the state’s workforce.

In sum, RNs in New York State are projected to have a total of 14,990 openings/year between 2016 and 2026. Of this total, 3,990 openings stem from growth in the occupation (i.e., increased labor demand for health care workers), and an additional 11,000 openings are due to “Separations.”

### Summing Up

The BLS recently updated the methodology it follows to estimate the number of annual openings in an occupation. The new “Separations” approach represents a major improvement over the old “Replacements” methodology as it does a better job of capturing all of the movement between occupations within today’s modern labor market.

For more information on the new separations methodology, see: [www.bls.gov/emp/documentation/separations.htm](http://www.bls.gov/emp/documentation/separations.htm).

To learn more about long-term occupational projections prepared by the New York State Department of Labor, visit: [www.labor.ny.gov/stats/lsproj.shtm](http://www.labor.ny.gov/stats/lsproj.shtm).

by Anthony Hayden

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New York State Department of Labor  
Division of Research & Statistics, Pubs. Unit  
Building 12, State Office Campus  
Albany, NY 12240

Director	Bohdan M. Wynnyk
Deputy Director/Editor	Kevin Jack
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## Regional Analysts' Corner

### CAPITAL

**Kevin Alexander — 518-242-8245**

For the 12-month period ending August 2018, private sector jobs in the Capital Region increased by 700, or 0.2 percent, to 448,200. Gains were centered in educational and health services (+2,200), natural resources, mining and construction (+400), financial activities (+200) and other services (+200). Losses were greatest in trade, transportation and utilities (-1,000) and professional and business services (-600).

### CENTRAL NY

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

Private sector jobs in the Syracuse metro area rose over the year by 3,200, or 1.2 percent, to 263,900 in August 2018. Growth was centered in educational and health services (+2,100), manufacturing (+600) and trade, transportation and utilities (+300).

### FINGER LAKES

**Tammy Marino — 585-258-8870**

Private sector jobs in the Rochester metro area increased over the year by 6,000, or 1.3 percent, to 462,300 in August 2018. Job gains were largest in educational and health services (+2,100), natural resources, mining and construction (+1,800), financial activities (+1,100), manufacturing (+1,100) and leisure and hospitality (+600). Losses were focused in professional and business services (-900).

### HUDSON VALLEY

**John Nelson — 914-997-8798**

For the year ending August 2018, private sector jobs in the Hudson Valley increased by 11,300, or 1.4 percent, to 815,000. Gains were largest in educational and health services (+7,300), professional and business services (+3,600), natural resources, mining and construction (+1,900) and other services (+1,200). Losses were centered in trade, transportation and utilities (-1,400) and manufacturing (-700).

### LONG ISLAND

**Shital Patel — 516-934-8533**

The number of private sector jobs on Long Island increased over the year by 15,000, or 1.3 percent, to 1,179,100 in August 2018. The largest gains occurred in natural resources, mining and construction (+7,200), leisure and hospitality (+5,000), educational and health services (+4,300) and professional and business services (+1,500). Employment losses were greatest in manufacturing (-2,100) and financial activities (-1,400).

### MOHAWK VALLEY

**Brion Acton — 315-793-2282**

Over the past year, the private sector job count in the Mohawk Valley increased by 900, or 0.6 percent, to 151,500 in August 2018. Job gains were concentrated in educational and health services (+700) and leisure and hospitality (+300). Employment losses were greatest in other services (-200).

### NEW YORK CITY

**James Brown — 718-613-3971**

Private sector jobs in New York City rose over the year by 74,200, or 1.9 percent, to 3,927,300 in August 2018. Gains were greatest in educational and health services (+36,200), leisure and hospitality (+13,400), professional and business services (+11,100), trade, transportation and utilities (+7,700) and natural resources, mining and construction (+5,300). Losses were largest in information (-3,300) and manufacturing (-1,000).

### SOUTHERN TIER

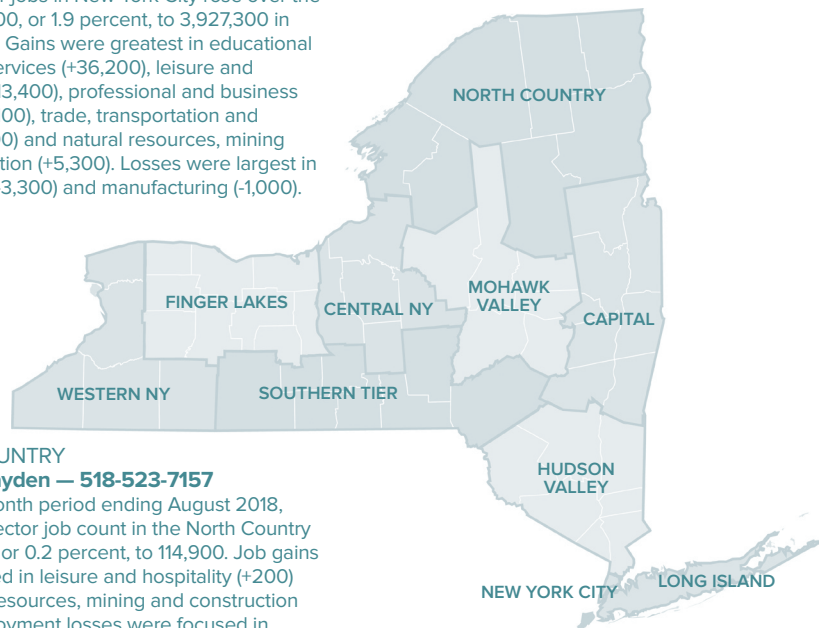
**Christian Harris — 607-741-4480**

Over the past year, the private sector job count in the Southern Tier rose by 3,000, or 1.3 percent, to 229,700 in August 2018. Gains were centered in educational and health services (+1,800), leisure and hospitality (+800), trade, transportation and utilities (+500) and other services (+300). Employment losses were greatest in financial activities (-200).

### WESTERN NY

**John Slenker — 716-851-2742**

For the year ending August 2018, private sector jobs in the Buffalo-Niagara Falls metro area rose by 9,000, or 1.9 percent, to 486,300. Gains were centered in educational and health services (+3,700), natural resources, mining and construction (+2,300), other services (+1,200) and professional and business services (+1,000). Losses were focused in trade, transportation and utilities (-1,200).



### NORTH COUNTRY

**Anthony Hayden — 518-523-7157**

For the 12-month period ending August 2018, the private sector job count in the North Country rose by 200, or 0.2 percent, to 114,900. Job gains were centered in leisure and hospitality (+200) and natural resources, mining and construction (+200). Employment losses were focused in professional and business services (-200).

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