

EMPLOYMENT IN NEW YORK STATE

RESEARCH AND STATISTICS



At a Glance

New York State had 8,945,300 total nonfarm jobs in July 2021, including 7,496,400 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.6% in July 2021, while the nation's job count also increased by 0.6% over this period. From July 2020 to July 2021, the number of private sector jobs increased by 7.0% in the state and by 5.8% in the nation (not seasonally adjusted).

In July 2021, New York State's seasonally adjusted unemployment rate decreased from 7.7% to 7.6%. The comparable rate for the nation in July 2021 was 5.4%.

New York State's seasonally adjusted labor force participation rate fell over the month from 60.9% to 60.5% in July 2021.

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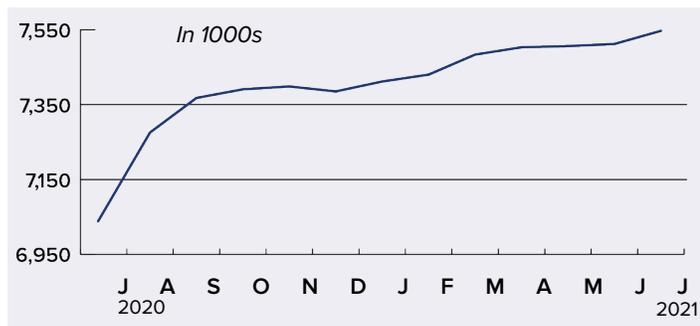
CHANGE IN NONFARM JOBS | NEW YORK STATE July 2020 - July 2021

(Data not seasonally adjusted, net change in thousands)

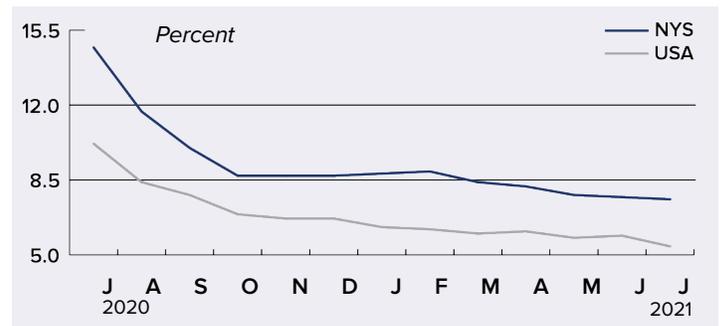
	NET	%
TOTAL NONFARM JOBS	594.8	7.1
PRIVATE SECTOR	493.2	7.0
Goods-producing	18.0	2.3
Nat. res. & mining	0.6	11.3
Construction	0.3	0.1
Manufacturing	17.1	4.3
Durable gds.	6.4	2.8
Nondurable gds.	10.7	6.4
Service-providing	576.8	7.6
Trade, trans. & util.	72.1	5.5
Wholesale trade	5.3	1.9
Retail trade	47.3	6.0
Trans., wrhs. & util.	19.5	7.9
Information	21.9	8.6
Financial activities	-12.2	-1.7
Prof. & bus. svcs.	69.9	5.8
Educ. & health svcs.	99.4	5.3
Leisure & hospitality	199.2	35.2
Other services	24.9	7.7
Government	101.6	7.7

IN JULY 2021...

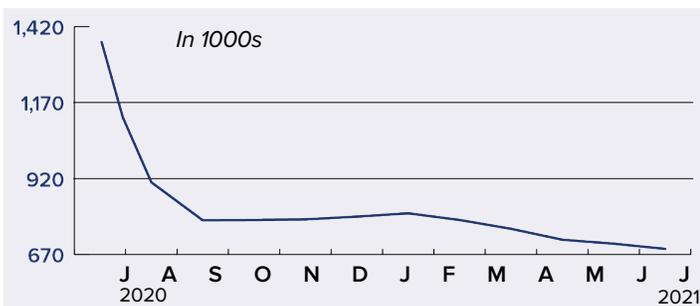
NYS PRIVATE SECTOR JOBS* | INCREASED



NYS UNEMPLOYMENT RATE* | DECREASED



NYS UNEMPLOYMENT* | DECREASED



NYS LABOR FORCE PARTICIPATION RATE* | DECREASED



*Seasonally adjusted

Shining a Light on the “Hidden Workforce”

Lack of training and use of hiring software excludes many potential workers...

by Kevin Jack, Deputy Director

“Companies are increasingly desperate for workers... with the skills they need.”

National Public Radio,
June 24, 2021

“People are leaving their jobs in search of more money, more flexibility and more happiness. Many are rethinking what work means to them.”

“Hidden Workers: Untapped Talent” report,
September 2021

Where Are the Workers?

You see the signs everywhere – “Now Hiring.” Re-opened restaurants have abbreviated hours due to short staffing. Stores show long checkout lines because there are few cashiers. Some retailers are bringing back purchase limits on some key items, like toilet paper and bottled water. Worse yet, a labor crunch affects the continuing supply chain problem. Factory slowdowns – from appliances to pickup trucks – cause ripple effects that upset American consumers.

Our nation’s labor market faces an apparent disconnect; there are a record number of job openings, yet the pool of workers who could fill them keeps shrinking. As of August 2021, the U.S. labor market — as measured by civilian employment of those age 16+ — had 5.6 million fewer workers than at the start of the pandemic in early 2020. Following a sharp reduction in employment during a “V-shaped” recession, the economy typically recovers quickly, and workers re-enter the labor market when job prospects brighten. But this has not occurred. The U.S. labor force participation rate was 61.7% in August 2021. That is 1.6 percentage points below where it stood at the onset of the COVID-19 pandemic.

As many prospective workers remain on the sidelines, the number of job vacancies in the U.S. now stands at a 20-year record high – more than 10.9 million – according to the Job Openings and Labor Turnover Survey, or JOLTS report. The tight labor market has empowered workers to demand higher pay, improved workplace conditions and other perks, like more flexible hours and the option to work remotely. In fact, the phenomenon of U.S. workers voluntarily leaving the labor force in droves over the past 18 months even has acquired its own name – the “Great Resignation” – coined by Texas A&M University professor Anthony Klotz.

New Report Just Out

Many explanations have been offered for the current tight labor market, like the ongoing fear of catching COVID and a lack of affordable child care, just to name a few. However, a new report authored by researchers at Harvard Business School (HBS) and consulting firm Accenture – titled “Hidden Workers: Untapped Talent” – suggests two other factors contributing to the growing worker shortage:

- **A widening training gap** – Many companies have not invested in corporate training programs in the face of rapid technological change in the workplace. This has made it extremely difficult for workers to obtain relevant skills in demand by employers.

- **Inflexibly configured automated recruiting systems** – Firms increasingly rely upon automated recruitment systems software to sift through a growing number of applications. These systems rely on key words and terms.

Lack of Training

The new report argues that over time, waves of “disruptive technologies” have dramatically increased worker productivity and reshaped the nature of work. But the introduction of automation, artificial intelligence, machine learning and robotics has a downside. These technologies have also increased the demand for workers with very specific skill sets, such as digital literacy and work-related social skills.

With the rapid adoption of these new technologies, many workers have fallen behind in the labor market. They no longer possess the skills that are “in demand.” Workers who lack up-to-date skills may not get them through their employer, however, due in part to cutbacks in company training programs. In 2020, the average U.S. firm spent \$1,111 per employee, which was \$175 less per person than in 2019, according to an analysis by *Training* magazine. The “Hidden Workers” report also states that “developing the capabilities employers seek increasingly requires the candidate to be employed.” Translation: You must have a job to get a job.

Overreliance on Hiring Software

The new report also attributes job vacancies to the increasing popularity of hiring programs, like Applicant Tracking Systems (ATS) and Recruiting Management Systems (RMS) software. These programs are designed to maximize hiring process efficiency. However, they may bump from consideration many viable job candidates because their resumes do not exactly match predetermined criteria. Yet, these applicants could perform at a high level, with training.

In addition, the HBS/Accenture report found that almost 50% of firms remove job candidates from consideration if their resume shows an extended employment gap. If an applicant’s work history has a gap of more than six months, the resume is automatically screened out by the ATS or RMS software, based on that consideration alone.

Sizing Up the Hidden Workforce

Altogether, the authors estimate 27.4 million people lie in this nation’s hidden workforce, as of March 2020. Members of the hidden workforce fall into one of three broad categories:

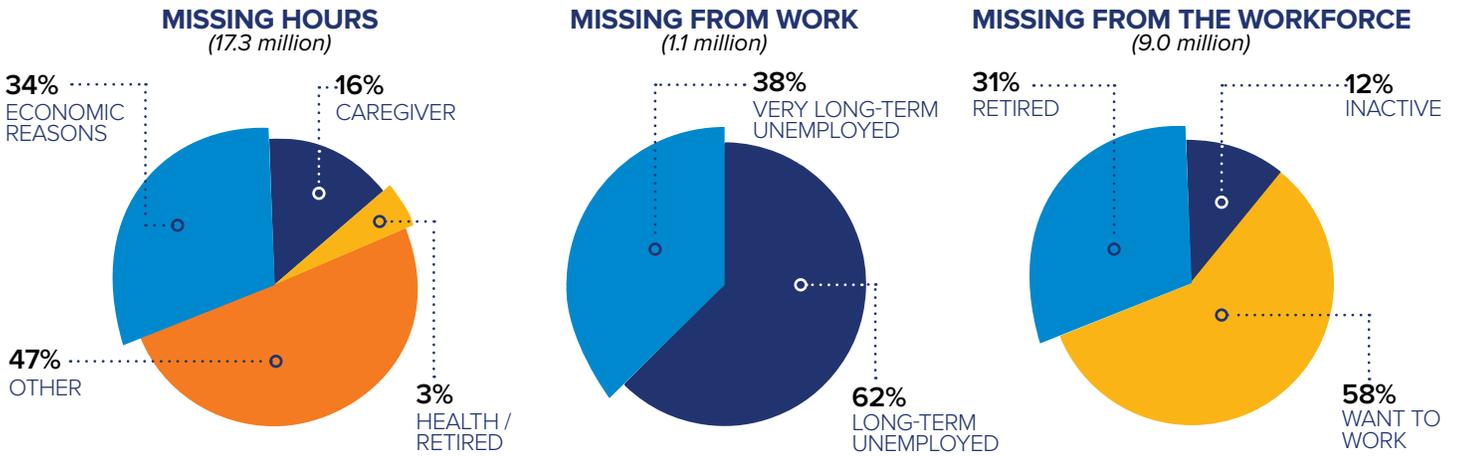
- 1. Missing Hours:** These people work one or more part-time jobs but are willing and able to work full time (17.3 million)
- 2. Missing From Work:** These people have been unemployed for a long time but are seeking employment (1.1 million)
- 3. Missing From the Workforce:** These people are not working and not seeking jobs but are willing and able to work under the right circumstances (9.0 million)

Continued on page 3

The figures below provide more detail on the composition of each of these categories. It is important to note that the hidden workforce is a diverse group. It includes caregivers, veterans, immigrants and refugees, those with physical or mental health challenges, the previously incarcerated and those without traditional educational or training qualifications.

Given the vast size of the nation's hidden workforce, it seems clear that if even a small proportion of these potential workers took full-time positions, it would go a long way towards correcting the current imbalance in the U.S. labor market. To learn more about the "Hidden Workers: Untapped Talent" report, see: hbs.edu/managing-the-future-of-work/Documents/research/hiddenworkers09032021.pdf.

COMPOSITION OF THE U.S. HIDDEN WORKFORCE, MARCH 2020



Source: "Hidden Workers: Untapped Talent" report

UNEMPLOYMENT RATES IN NEW YORK STATE

UNEMPLOYMENT RATES IN NEW YORK STATE

Data Not Seasonally Adjusted

	JULY '20	JULY '21		JULY '20	JULY '21		JULY '20	JULY '21
New York State	14.8	7.4	Hudson Valley	12.5	5.3	Finger Lakes	11.5	5.3
Capital	10.3	4.8	Dutchess	11.4	5.1	Genesee	9.6	4.6
Albany	10.6	5.0	Orange	12.4	5.3	Livingston	9.3	4.6
Columbia	9.1	4.2	Putnam	11.1	4.8	Monroe	12.5	5.7
Greene	11.9	5.6	Rockland	12.6	5.1	Ontario	10.0	4.5
Rensselaer	10.0	4.9	Sullivan	13.5	5.2	Orleans	11.5	5.8
Saratoga	9.4	4.2	Ulster	11.7	5.2	Seneca	11.2	4.9
Schenectady	12.0	5.4	Westchester	13.0	5.4	Wayne	10.1	4.8
Warren	10.2	4.8	Mohawk Valley	11.0	5.7	Wyoming	9.1	4.7
Washington	9.4	4.8	Fulton	11.8	6.0	Yates	8.5	4.1
Central New York	11.6	5.5	Herkimer	10.0	6.1	Western New York	13.0	5.8
Cayuga	11.0	5.2	Montgomery	12.2	6.3	Allegany	11.3	5.6
Cortland	10.8	5.7	Oneida	11.3	5.6	Cattaraugus	12.4	5.7
Madison	10.6	5.0	Otsego	10.0	5.3	Chautauqua	11.6	5.9
Onondaga	11.9	5.5	Schoharie	9.7	5.0	Erie	13.1	5.8
Oswego	11.7	6.1	North Country	10.8	5.5	Niagara	13.6	6.0
Southern Tier	10.8	5.4	Clinton	10.8	5.3	Long Island	12.6	5.2
Broome	12.0	5.9	Essex	9.9	4.9	Nassau	12.8	5.2
Chemung	11.9	5.7	Franklin	11.8	5.3	Suffolk	12.4	5.3
Chenango	9.3	4.9	Hamilton	7.4	3.9	New York City	18.8	10.2
Delaware	9.9	5.6	Jefferson	10.7	5.5	Bronx	23.8	13.9
Schuyler	10.4	5.1	Lewis	8.9	5.2	Kings	19.3	10.5
Steuben	10.8	5.6	St. Lawrence	11.6	6.1	New York	14.8	7.8
Tioga	10.5	4.9				Queens	19.2	9.9
Tompkins	9.3	4.6				Richmond	16.0	9.3

FOCUS ON Long Island

Offshore Wind Projects Create Jobs on Long Island

by Shital Patel, Labor Market Analyst, Long Island

With an increasing number of major hurricanes and flooding on the East Coast, along with wildfires and heat waves on the West Coast, it's hard to deny the growing impact of climate change. The increasing frequency of environmental disasters and the escalating cost attached to such events has resulted in a call for more investment in renewable energy. In response, New York State has been at the forefront of reducing its carbon footprint and increasing its use of renewable energy sources.

Offshore wind (OSW) is one of the largest components of New York's green energy agenda. According to NYSERDA, the state has five OSW projects in the pipeline in waters off Long Island – the most in the nation. These projects represent nearly half of the capacity needed to meet the state's OSW goals for 2035. The industry received a boost in June 2021 when the federal government said it would begin selling leases to develop OSW farms in the New York Bight, a triangular area of shallow waters in the Atlantic Ocean between Long Island and New Jersey.

Workforce Opportunities in OSW

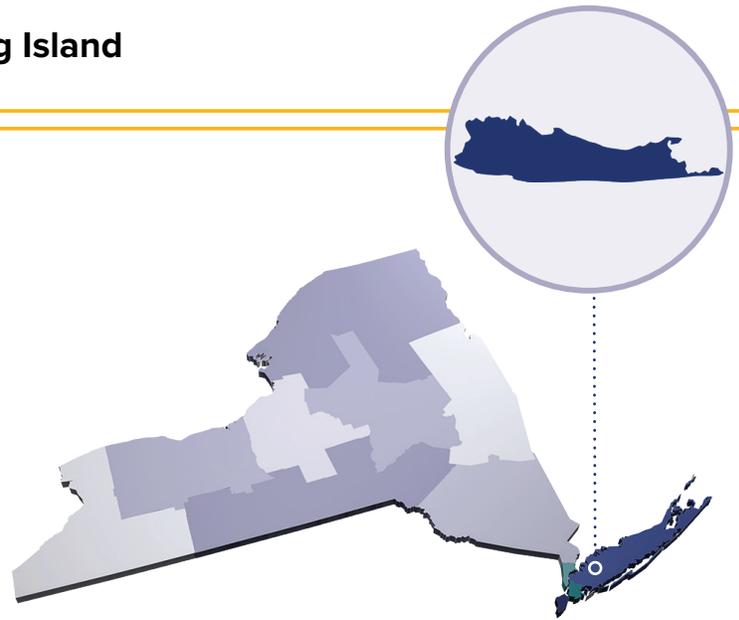
The burgeoning OSW industry has the potential to create thousands of jobs, at every educational level and ability, many of which will be based on Long Island. NYSERDA estimates that the OSW projects would support more than 6,800 jobs.

To train a new, skilled workforce to support this emerging industry, New York State is investing \$20 million in a new Offshore Wind Training Institute (OWTI), based at Stony Brook University and Farmingdale State College on Long Island. The OWTI will collaborate with the newly established \$10 million National Offshore Wind Training Center, which will be based at Suffolk County Community College. This summer, Stony Brook University launched its first OSW certificate program.

Phases of OSW Development

Two phases of OSW farm development will have the largest impact on Long Island's labor force – Installation and Commissioning (I&C) and Operations and Maintenance (O&M). The construction of an OSW farm typically lasts 18-36 months. This work involves the final assembly of wind turbines onshore, the transport of the foundations, towers, turbines and cables to the offshore site, and the installation of all components. The commissioning phase tests and inspects all the components and makes the final electrical connections.

According to NYSERDA, 86% of I&C jobs will be for construction and marine labor trade workers. The trade workers involved in the construction phase include: iron and steel workers, welders, electricians and line workers, pile drivers, crane operators and dockworkers. The experience gained during this phase will expose workers to skills and training that will enable them to transition into longer-term employment in O&M activities.



The burgeoning offshore wind industry has the potential to create thousands of jobs, many of which will be based on **Long Island**.

The O&M phase typically lasts the entire duration of a wind farm's 25-year life. This phase has the greatest potential for long-term jobs, which will most likely be filled by local workers since they must be available to perform regular inspections and emergency repairs. Port Jefferson on the east end of Long Island and the South Brooklyn Marine Terminal are expected to be O&M hubs for OSW projects.

NYSERDA estimates 80% of the O&M workforce will be trade workers. The other 20% include site managers and a variety of engineers. Most trade workers will be wind turbine technicians that require strong electromechanical skills and are able to work both at sea and at great heights.

Water Transportation and Support Services

Water transportation and support services will be in high demand due to the state's expanding OSW industry. Vessel operators will transport people and materials to the wind farm and patrol the project site during the construction phase. Heavy-lift crane vessels are often used to place the foundations, towers and blades into position. There will also be a need for support occupations related to port operations, including diesel mechanics and site managers.

Conclusion

In the near term, many green occupations, particularly those in the trades, will face hiring challenges as many workers approach retirement age. However, New York's investment in workforce training programs should result in a pipeline of skilled clean-energy workers ready to flow into the growing OSW industry, maintaining the state's position as a renewable energy leader.

Regional Analysts' Corner

CAPITAL

Kevin Alexander — 518-242-8245

Over the past year, the private sector job count in the Capital Region rose by 24,700, or 6.2%, to 420,700 in July 2021. Job gains were largest in leisure and hospitality (+12,000), educational and health services (+3,700), trade, transportation and utilities (+3,700), natural resources, mining and construction (+2,100), professional and business services (+2,100), manufacturing (+1,000) and other services (+1,000). Employment losses were focused in financial activities (-1,100).

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 12,200, or 5.2%, to 245,200 in July 2021. Employment gains were greatest in leisure and hospitality (+5,700), professional and business services (+2,700), trade, transportation and utilities (+1,000), manufacturing (+900), educational and health services (+700), natural resources, mining and construction (+500) and other services (+500).

FINGER LAKES

Tammy Marino — 585-258-8870

From July 2020 to July 2021, the private sector job count in the Rochester metro area rose by 34,500, or 8.5%, to 440,600. Gains were largest in leisure and hospitality (+11,900), manufacturing (+6,200), trade, transportation and utilities (+5,000), professional and business services (+3,800), natural resources, mining and construction (+3,500), educational and health services (+2,800) and other services (+1,300). Losses were reported in financial activities (-200).

HUDSON VALLEY

John Nelson — 914-997-8798

For the 12-month period ending July 2021, private sector jobs in the Hudson Valley increased by 54,800, or 7.8%, to 761,300. The largest gains occurred in leisure and hospitality (+25,500), trade, transportation and utilities (+11,100), educational and health services (+9,500), professional and business services (+7,200), other services (+2,300), manufacturing (+1,300) and natural resources, mining and construction (+400). Employment declined in financial activities (-2,800).

LONG ISLAND

Shital Patel — 516-934-8533

For the year ending July 2021, private sector jobs on Long Island increased by 51,200, or 5.1%, to 1,054,400. Gains were largest in leisure and hospitality (+15,600), educational and health services (+10,900), professional and business services (+10,700), trade, transportation and utilities (+9,600), other services (+4,200) and manufacturing (+2,100). Job losses were greatest in natural resources, mining and construction (-2,400).

MOHAWK VALLEY

Brion Acton — 315-793-2282

For the 12-month period ending July 2021, the number of private sector jobs in the Mohawk Valley region rose by 5,900, or 4.5%, to 136,900. Gains were greatest in leisure and hospitality (+3,400), trade, transportation and utilities (+800), manufacturing (+700), natural resources, mining and construction (+400), professional and business services (+300), financial activities (+200) and other services (+200). Job losses were experienced in educational and health services (-200).

NEW YORK CITY

Elena Volovelsky — 718-613-3971

The private sector job count in New York City increased over the year by 260,800, or 7.8%, to 3,594,100 in July 2021. Job gains were largest in leisure and hospitality (+99,500), educational and health services (+72,600), professional and business services (+40,800), trade, transportation and utilities (+31,800), information (+19,600), other services (+9,000) and manufacturing (+2,800). Employment losses occurred in financial activities (-9,000) and natural resources, mining and construction (-6,300).

NORTH COUNTRY

Anthony Hayden — 518-523-7157

Between July 2020 and July 2021, the number of private sector jobs in the North Country region increased by 4,300, or 4.3%, to 105,000. Over-the-year employment gains were greatest in leisure and hospitality (+2,600), trade, transportation and utilities (+600), professional and business services (+500), manufacturing (+300) and other services (+200).

SOUTHERN TIER

Christian Harris — 607-741-4480

For the 12-month period ending July 2021, the number of private sector jobs in the Southern Tier increased by 9,000, or 4.5%, to 209,300. Job gains were greatest in leisure and hospitality (+5,800), other services (+1,100), trade, transportation and utilities (+700), manufacturing (+600), natural resources, mining and construction (+500) and professional and business services (+300). Losses were focused in financial activities (-200).

WESTERN NY

Timothy Glass — 716-851-2742

Over the past 12 months, the private sector job count in the Buffalo-Niagara Falls metro area rose by 41,600, or 10.1%, to 455,000 in July 2021. Gains were greatest in leisure and hospitality (+19,800), trade, transportation and utilities (+5,900), professional and business services (+4,800), other services (+3,500), educational and health services (+2,800), manufacturing (+2,700) and natural resources, mining and construction (+2,000).