

EMPLOYMENT IN NEW YORK STATE

RESEARCH AND STATISTICS



At a Glance

New York State had 9,344,500 total nonfarm jobs in February 2022, including 7,888,300 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.5% in January-February 2022, while the nation's private sector job count also increased by 0.5% over this period. From February 2021 to February 2022, the number of private sector jobs increased by 6.3% in the state and by 5.4% in the nation (not seasonally adjusted).

In February 2022, New York State's seasonally adjusted unemployment rate decreased from 5.3% to 4.9%. The comparable rate for the nation in February 2022 was 3.8%.

New York State's seasonally adjusted labor force participation rate remained unchanged at 59.1% in February 2022.

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CHANGE IN NONFARM JOBS | NEW YORK STATE

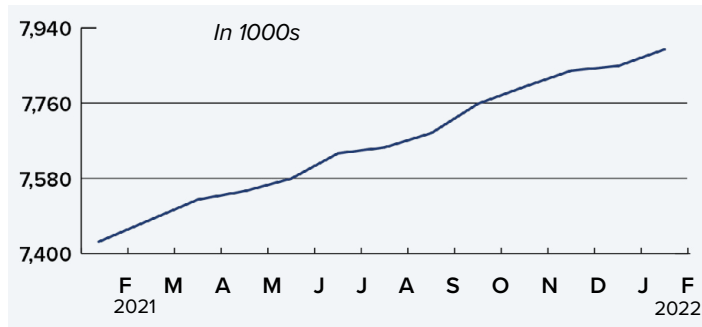
February 2021 - February 2022

(Data not seasonally adjusted, net change in thousands)

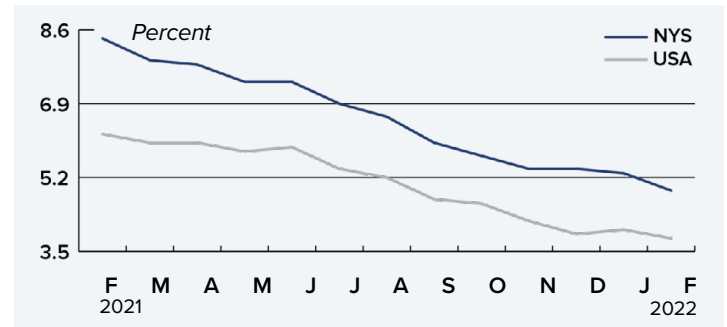
	NET	%
TOTAL NONFARM JOBS	487.7	5.6
PRIVATE SECTOR	458.0	6.3
Goods-producing	20.6	2.8
Nat. res. & mining	0.5	11.1
Construction	8.7	2.5
Manufacturing	11.4	2.9
Durable gds.	6.4	2.8
Nondurable gds.	5.0	2.9
Service-providing	467.1	5.8
Trade, trans. & util.	75.2	5.4
Wholesale trade	7.2	2.5
Retail trade	43.3	5.4
Trans., wrhs. & util.	24.7	8.7
Information	27.1	10.1
Financial activities	5.8	0.8
Prof. & bus. svcs.	74.1	6.0
Educ. & health svcs.	30.9	1.5
Leisure & hospitality	199.1	34.4
Other services	25.2	7.2
Government	29.7	2.1

IN FEBRUARY 2022...

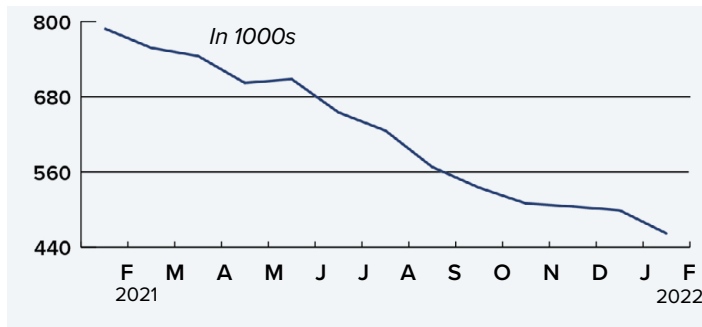
NYS PRIVATE SECTOR JOBS* | INCREASED



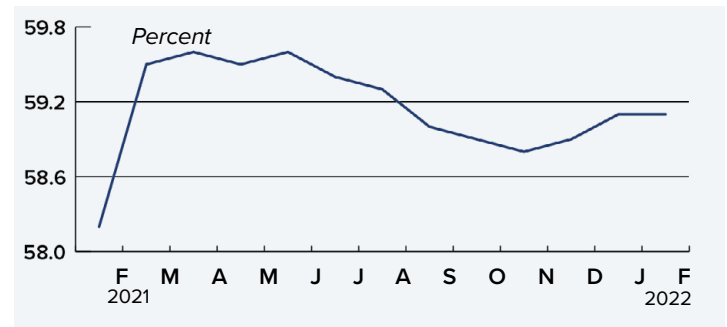
NYS UNEMPLOYMENT RATE* | DECREASED



NYS UNEMPLOYMENT* | DECREASED



NYS LABOR FORCE PARTICIPATION RATE* | HELD STEADY



*Seasonally adjusted

Pandemic Boosts Entrepreneurship in New York State

Workers quit jobs in droves to become their own bosses...

by Kevin Jack, Deputy Director and Christian Harris, Southern Tier Labor Market Analyst

“The pandemic has unleashed a historic burst in entrepreneurship and self-employment.”

Josh Mitchell and Kathryn Dill, *Wall Street Journal*,
November 2021

Over the past two years, the COVID-19 pandemic has disrupted and reshaped the U.S. labor market in many unexpected ways. One such way is what *New York Times* economics writer Ben Casselman describes as “a tidal wave of entrepreneurial activity,” which halted “a decades-long startup slump” in the U.S. In this article, we look at how this national surge in entrepreneurship and growth in self-employment in the wake of the COVID-19 pandemic has played out in New York State.

Business Startups Break Record

In 2021, NYS received about 310,000 applications to form new businesses. This was the most of any year extending back to 2005, according to business formation statistics data from the U.S. Census Bureau. It represented a 35.0% increase over the pre-pandemic record set in 2019. The graph on page 3, which shows the annual number of business applications in NYS in 2010-21, illustrates this recent uptick.

Over the past five years, New York City and Long Island accounted for 56-58% and 15-16%, respectively, of the new business applications in NYS. In 2020 (the latest year available), the three counties with the most applications were New York (45,783), Kings (45,300) and Queens (31,640).

Just over 40% of applications, or 127,000, in NYS in 2021 were for businesses that are likely to hire employees if and when they become operational. The Census Bureau labels these firms “High-Propensity Businesses” (HPBs). NYS HPB applications in 2021 were up 21,000, or 19.8%, over 2019 levels and up 16% relative to 2006, the prior peak year.

The Census Bureau bases its HPB designation on information submitted by businesses on IRS Form SS-4, which is used to apply for a federal employer identification number. If an employer applies as a corporate entity or lists a date when they first plan to pay wages, then it qualifies as an HPB.

Startup firms traditionally help to power economic recoveries, so seeing more of them is a key indicator of economic health. Analysts cite several factors for the recent growth in business applications. One is the availability of pandemic relief checks, which likely helped some people start new businesses. In addition, the greater availability of broadband, digital tools (e.g., website creation software) and e-commerce platforms (e.g., Etsy) have made it much easier for would-be entrepreneurs to translate a hobby or creative passion into an online business venture.

Self-Employment Rises Too

For the past 20 years, both New York State and the nation have shown a drop in the self-employment rate. That is, a smaller proportion of total employment is due to self-employed workers (both incorporated and unincorporated businesses).

During economic downturns, demand for salaried workers usually drops. As a result, self-employment typically grows because it enables workers who lose their jobs to continue to earn income. Conversely, self-employment levels usually decrease during economic upswings. Thus, aggregate self-employment levels are described as a “counter-cyclical” indicator, which means that they tend to move in the opposite direction of the overall economy.

Recent self-employment data for New York State show this counter-cyclical behavior. The share of self-employed workers in New York shot up from 9.0% in 2019 to 9.9% in 2020, as the COVID-19 pandemic wreaked havoc on the state’s labor market. Self-employment’s share of total jobs in New York subsequently dipped slightly to 9.8% in 2021 as the state’s economic recovery continued.

Official estimates of self-employment by the U.S. Bureau of Labor Statistics (BLS) only include the unincorporated self-employed. The BLS counts incorporated self-employed people as wage and salary workers. This is because, legally, they are employees of their own business. For example, some professional athletes and entertainers incorporate as separate legal entities, where they become an ‘employee’ of their own corporation.

Portrait of Self-Employment in NYS

Self-employment levels remain relatively high, even as the labor market has tightened enormously. This indicates that many people now choose self-employment instead of accepting it in desperation. Data from the monthly Job Openings and Labor Turnover Survey, or JOLTS report, compiled by the BLS reiterate this point—1.99 million New Yorkers quit their jobs in 2021. This was up 27%, or 430,000, over 2020’s level.

Labor market analytics firm Emsi provides detailed estimates of the self-employed. Emsi categorizes people as self-employed if self-employment generates a significant part of their income and/or if it takes a significant part of their time. These data are largely based on responses to the American Community Survey, but also include other sources.

Per Emsi, the five industry sectors in New York with the highest proportion of self-employed workers include: Agriculture (35.6%); Arts, Entertainment and Recreation (29.7%); Transportation and Warehousing (17.6%); Construction (16.1%); and Other Services (15.6%).

Among occupational groups, those with the highest share of self-employed workers in the state are: Arts, Design, Entertainment, Sports and Media (28.0%); Personal Care and Service (21.3%); Construction and Extraction (14.3%); Legal (13.6%); and Building and Grounds Cleaning and Maintenance (12.7%).

There are six counties in New York State in which the self-employed account for at least 10% of total employment, according to Emsi. This list of counties includes Columbia (11.8%), Bronx (11.4%), Queens (11.3%), Putnam (11.2%), Kings (10.7%) and Ulster (10.0%).

Continued on page 3

Summing Up

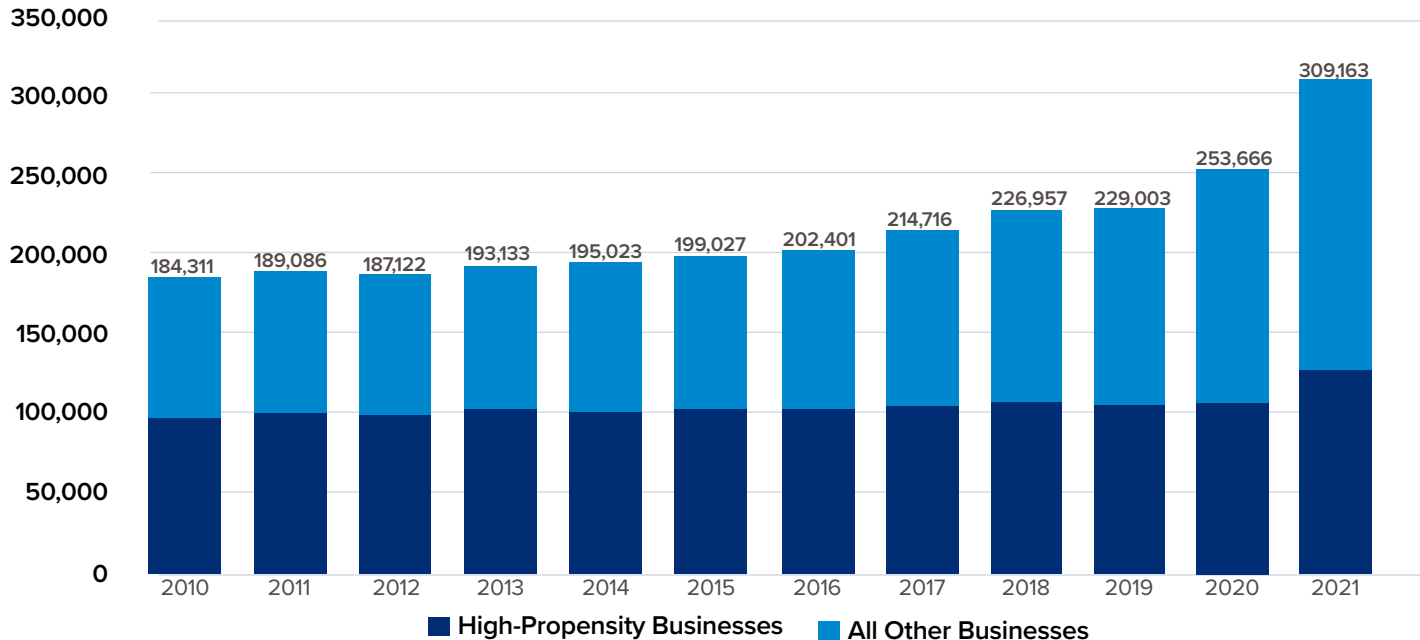
Somewhat unexpectedly, the COVID-19 pandemic has helped rekindle the entrepreneurial spirit in thousands of New Yorkers who are striking out on their own as small-business owners.

The recent rise in the number of business startups underscores the fact that self-employment remains an important source of jobs in New York State.

ANNUAL BUSINESS APPLICATIONS

ANNUAL BUSINESS APPLICATIONS by type

New York State, 2010 - 2021



UNEMPLOYMENT RATES IN NEW YORK STATE

UNEMPLOYMENT RATES IN NEW YORK STATE

Data Not Seasonally Adjusted

	FEB '21	FEB '22		FEB '21	FEB '22		FEB '21	FEB '22
New York State	9.2	5.1	Hudson Valley	6.3	3.8	Finger Lakes	6.7	4.1
Capital	6.0	3.7	Dutchess	6.0	3.7	Genesee	6.2	4.1
Albany	6.0	3.5	Orange	6.4	3.9	Livingston	6.2	4.0
Columbia	5.5	3.4	Putnam	5.7	3.5	Monroe	6.9	4.2
Greene	6.8	4.3	Rockland	6.0	3.4	Ontario	6.0	3.8
Rensselaer	6.0	3.7	Sullivan	6.8	4.3	Orleans	7.1	4.7
Saratoga	5.3	3.2	Ulster	6.5	3.9	Seneca	6.9	4.1
Schenectady	6.6	4.0	Westchester	6.5	3.8	Wayne	6.3	3.9
Warren	7.3	4.5	Mohawk Valley	7.2	4.6	Wyoming	7.0	4.7
Washington	6.6	4.3	Fulton	7.7	5.2	Yates	5.6	3.5
Central New York	6.8	4.3	Herkimer	8.3	5.3	Western New York	7.5	4.7
Cayuga	6.6	4.3	Montgomery	7.7	5.3	Allegany	6.8	4.8
Cortland	7.0	4.7	Oneida	7.0	4.3	Cattaraugus	7.3	4.9
Madison	6.5	4.2	Otsego	6.4	4.3	Chautauqua	7.7	4.9
Onondaga	6.7	4.0	Schoharie	6.5	4.6	Erie	7.5	4.6
Oswego	7.5	5.1	North Country	6.9	4.7	Niagara	7.9	5.1
Southern Tier	6.6	4.2	Clinton	6.4	3.9	Long Island	6.2	3.7
Broome	7.2	4.6	Essex	6.8	4.8	Nassau	6.1	3.5
Chemung	7.1	4.5	Franklin	6.7	4.3	Suffolk	6.3	3.9
Chenango	6.2	4.2	Hamilton	6.8	5.4	New York City	12.8	6.6
Delaware	6.5	4.3	Jefferson	7.4	5.1	Bronx	17.3	9.3
Schuyler	7.5	5.2	Lewis	7.6	5.5	Kings	13.2	6.8
Steuben	7.0	4.7	St. Lawrence	6.8	4.7	New York	9.9	5.1
Tioga	6.3	4.2				Queens	12.6	6.3
Tompkins	4.8	3.0				Richmond	11.2	6.0

FOCUS ON the Southern Tier

Lithium-ion Batteries Help Reshape Region's Economy

by Christian Harris, Labor Market Analyst, Southern Tier Region

The Binghamton metro area and the broader Southern Tier region have long been hotbeds of innovation. The precursor to IBM was founded in Endicott (Broome County) in 1911. During the Cold War, the area was home to many defense-oriented firms that conducted cutting-edge research and development (R&D) in areas such as flight simulation and virtual reality. The economic prosperity brought by these firms helped the greater Binghamton area earn the nickname "Valley of Opportunity," and these companies still help anchor the area's manufacturing sector.

The Southern Tier region continues to recover from the COVID-19 recession, as private sector job counts and labor force levels remain below pre-pandemic levels. In this article, we discuss an emerging technology, lithium-ion batteries (LiBs), which has the potential to help spur the region's labor market and create a new "Valley of Opportunity" in the Southern Tier.

Battery Innovation Hub

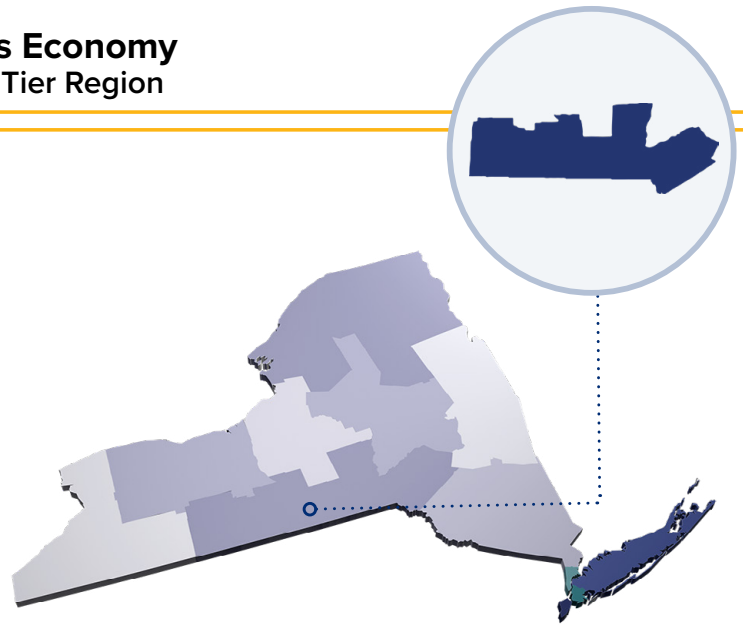
Lithium-ion batteries are ubiquitous today. They are found in a growing list of tech products, including cell phones, laptops, pacemakers, smart watches, handheld power tools, and small and large appliances. Perhaps more critically, LiBs are expected to play a key role in the battle against climate change, as they are used to power electric vehicles and to store energy produced by renewable sources like solar and wind. They are an important component in New York State's efforts to meet its goal for 70% of the state's electricity to come from renewable sources by 2030.

In recent years, the Southern Tier has emerged as a powerhouse for lithium-ion battery R&D. This success is due in large part to the efforts of scientists such as Binghamton University (BU) chemistry professor Stanley Whittingham, who shared the 2019 Nobel Prize in Chemistry for his pioneering work in developing LiBs. The commercial potential of lithium-ion batteries has been recognized by the Southern Tier Regional Economic Development Council, which designated "energy storage" as an emerging growth area for the region.

More U.S. Batteries?

China dominates the world's lithium-ion battery manufacturing market, accounting for 79.0% of the global supply in 2021. In contrast, very few LiBs are manufactured in the U.S., which had just a 6.2% share of the global battery market last year. A coalition of diverse partners called the New York New Energy (NENY) Project, which is led by BU and the New York Battery and Energy Storage Technology (NY-BEST) Consortium, wants to change that. The NENY Project hopes to establish a national hub for battery innovation, manufacturing and workforce development in Upstate New York, with a sizeable presence in the Southern Tier.

The NENY coalition was recently chosen by the U.S. Department of Commerce's Economic Development Administration as one of only 60 awardees (out of 500



The Southern Tier has long been a home to innovation. Groundbreaking research on lithium-ion batteries by world-renowned scientists builds on this legacy.

applications) in Phase 1 of the Build Back Better Regional Challenge (part of the federal American Rescue Plan). The award includes a \$500,000 planning grant and the opportunity to compete for up to \$100 million in funding. Phase 2 of the competition, which brings together BU, SUNY Broome Community College, and other partners to develop a proposal, will focus on expanding R&D activities, testing and workforce assets to meet the demand of the emerging battery manufacturing industry in the Southern Tier and Upstate New York.

Alongside this effort, manufacturer Imperium3 New York Inc. (iM3NY) recently announced it had received enough funding to build a lithium-ion battery gigafactory in Broome County. The production site in Endicott would be the first in North America and would greatly reduce our nation's reliance on foreign LiBs. iM3NY estimates its new plant may lead to about 2,500 direct jobs.

Looking Ahead

The Southern Tier has long been a home to innovation. Groundbreaking research on lithium-ion batteries by world-renowned scientists like Nobel laureate Stanley Whittingham continues to build on this legacy. Efforts by the NENY Project to establish a national hub for battery innovation in the Southern Tier look very promising. If successful, these efforts will have a sizeable payoff in the form of thousands of high-paying manufacturing and R&D jobs in the region.

Regional Analysts' Corner

CAPITAL

Kevin Alexander — 518-242-8245

Over the past year, the private sector job count in the Capital Region rose by 17,900, or 4.5%, to 416,700 in February 2022. Job gains were largest in leisure and hospitality (+9,900), trade, transportation and utilities (+3,900), educational and health services (+1,300), manufacturing (+1,000), other services (+1,000), natural resources, mining and construction (+900) and financial activities (+400). Job losses occurred in professional and business services (-400).

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 9,000, or 3.8%, to 245,600 in February 2022. Employment gains were greatest in leisure and hospitality (+6,900), professional and business services (+1,700), trade, transportation and utilities (+1,400), natural resources, mining and construction (+800), other services (+600) and manufacturing (+300). Job losses were focused in educational and health services (-2,000) and financial activities (-900).

FINGER LAKES

Tammy Marino — 585-258-8870

From February 2021 to February 2022, the private sector job count in the Rochester metro area rose by 17,100, or 4.1%, to 435,600. Job gains occurred in leisure and hospitality (+7,100), trade, transportation and utilities (+3,600), manufacturing (+1,800), natural resources, mining and construction (+1,800), professional and business services (+1,700), other services (+900) and financial activities (+400).

HUDSON VALLEY

John Nelson — 914-997-8798

Over the past year, the number of private sector jobs in the Hudson Valley grew by 33,000, or 4.5%, to 758,900 in February 2022. The largest job gains occurred in leisure and hospitality (+14,400), trade, transportation and utilities (+6,200), other services (+4,400), professional and business services (+4,000), natural resources, mining and construction (+2,000), manufacturing (+1,800) and information (+1,000). Job losses occurred in educational and health services (-600) and financial activities (-200).

LONG ISLAND

Shital Patel — 516-934-8533

For the year ending February 2022, private sector jobs on Long Island increased by 48,500, or 4.7%, to 1,078,500. Gains occurred in leisure and hospitality (+20,900), professional and business services (+11,000), trade, transportation and utilities (+7,600), other services (+4,700), natural resources, mining and construction (+3,900), financial activities (+1,500) and information (+500). Employment losses occurred in educational and health services (-1,400) and manufacturing (-200).

MOHAWK VALLEY

Brion Acton — 315-793-2282

For the 12-month period ending February 2022, the number of private sector jobs in the Mohawk Valley region rose by 5,000, or 3.8%, to 136,300. Over-the-year employment gains were greatest in leisure and hospitality (+2,700), trade, transportation and utilities (+1,300), manufacturing (+1,200), financial activities (+600), professional and business services (+300), other services (+300) and natural resources, mining and construction (+200). Job losses occurred in educational and health services (-1,600).

NEW YORK CITY

Elena Volovelsky — 718-613-3971

The private sector job count in New York City rose over the past year by 283,600, or 8.1%, to 3,801,200 in February 2022. Job gains were greatest in leisure and hospitality (+119,600), professional and business services (+55,400), trade, transportation and utilities (+39,400), educational and health services (+30,400), information (+22,700), other services (+12,200), manufacturing (+4,500) and financial activities (+2,700). Losses occurred in natural resources, mining and construction (-3,300).

NORTH COUNTRY

Konstantin Sikhaou — 518-523-7157

Between February 2021 and February 2022, the number of private sector jobs in the North Country region increased by 3,700, or 3.7%, to 102,900. Over-the-year employment gains were greatest in leisure and hospitality (+2,300), trade, transportation and utilities (+600), professional and business services (+400), financial activities (+200) and manufacturing (+200). Job losses were focused in educational and health services (-300).

SOUTHERN TIER

Christian Harris — 607-741-4480

For the 12-month period ending February 2022, the number of private sector jobs in the Southern Tier increased by 4,700, or 2.3%, to 209,800. Gains were greatest in leisure and hospitality (+3,400), trade, transportation and utilities (+1,000), manufacturing (+600), natural resources, mining and construction (+600), other services (+400) and professional and business services (+400). Over-the-year job losses were limited to educational and health services (-1,700).

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 21,000, or 5.0%, to 441,900 in February 2022. Employment gains were greatest in leisure and hospitality (+9,800), trade, transportation and utilities (+3,500), natural resources, mining and construction (+2,300), manufacturing (+2,100), other services (+1,500), financial activities (+800), educational and health services (+500) and professional and business services (+300).