

# EMPLOYMENT IN NEW YORK STATE

## RESEARCH AND STATISTICS



### At a Glance

New York State had 9,521,300 total nonfarm jobs in September 2022, including 8,061,500 private sector jobs, after seasonal adjustment. The state's seasonally adjusted private sector job count increased by 0.2% in August-September 2022, while the number of private sector jobs in the nation also increased by 0.2% over this period. From September 2021 to September 2022, the number of private sector jobs increased by 4.7% in the state and by 4.2% in the nation (not seasonally adjusted).

In September 2022, New York State's seasonally adjusted unemployment rate decreased from 4.7% to 4.3%. The comparable rate for the nation in September 2022 was 3.5%.

New York State's seasonally adjusted labor force participation rate decreased from 60.5% to 60.3% in September 2022.

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

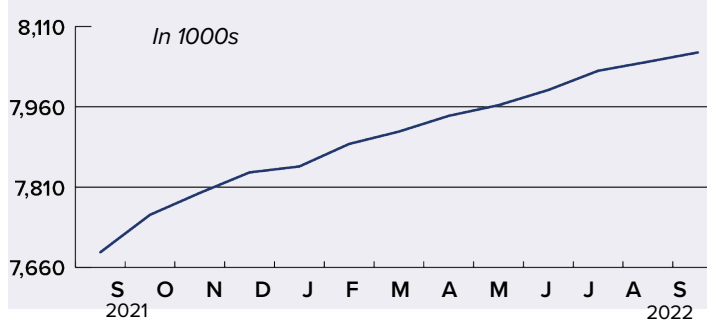
September 2021 - September 2022

(Data not seasonally adjusted, net change in thousands)

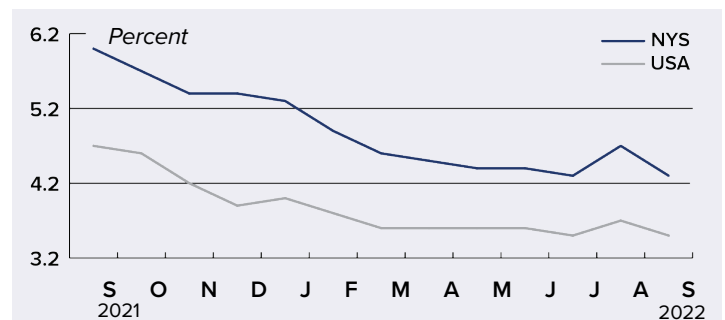
	NET	%
<b>TOTAL NONFARM JOBS</b>	<b>377.6</b>	<b>4.1</b>
<b>PRIVATE SECTOR</b>	<b>361.4</b>	<b>4.7</b>
Goods-producing	10.6	1.3
Nat. res. & mining	0.1	1.8
Construction	2.8	0.7
Manufacturing	7.7	1.9
Durable gds.	3.1	1.3
Nondurable gds.	4.6	2.6
Service-providing	367.0	4.4
Trade, trans. & util.	54.6	3.8
Wholesale trade	5.7	1.9
Retail trade	23.6	2.9
Trans., wrhs. & util.	25.3	8.5
Information	16.3	5.6
Financial activities	9.5	1.3
Prof. & bus. svcs.	87.1	6.8
Educ. & health svcs.	85.7	4.2
Leisure & hospitality	79.4	10.0
Other services	18.2	5.0
Government	16.2	1.1

**IN SEPTEMBER 2022...**

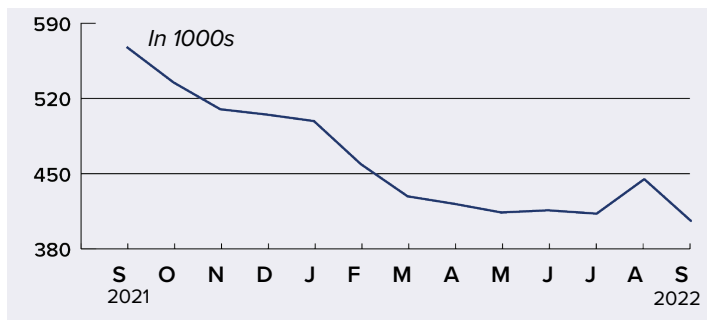
**NYS PRIVATE SECTOR JOBS\* | INCREASED**



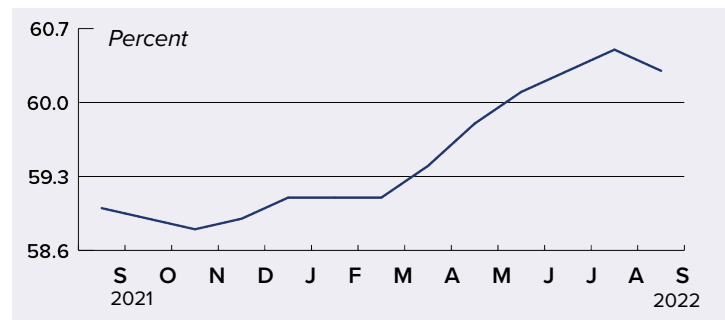
**NYS UNEMPLOYMENT RATE\* | DECREASED**



**NYS UNEMPLOYMENT\* | DECREASED**



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



\*Seasonally adjusted

# A Look at New York State's High-Wage Export Industries

## Majority of jobs in high-wage export industries based in NYC...

by Kevin Jack, Deputy Director

A principle of regional economics holds that an area only grows if it can sell goods and services outside the immediate region (exports). These exports create income and employment, which the economic multiplier—or the ripple effect caused by changes in economic activity—magnifies. However, it is not always clear what industries in an area sell a large portion of their output to customers in other states or regions.

### What is an LQ and How is it Used?

Location quotients (LQ) compare the share of local employment in an industry to the share of national employment in that industry. They are one tool regional economists use to study local employment trends. They help to identify “export industries”—those industries producing more of a good or service than needed to meet area demand. Columbia University economist Robert Murray Haig developed this tool almost 100 years ago. LQs are still widely used to compare employment concentrations of industries in a chosen area. Moreover, they play a critical role in how we understand an area's economic competitive strengths and weaknesses.

Michael Porter of the Harvard Business School suggests LQs can be used to identify potential groups of interrelated industries—known as “industry clusters”—that drive wealth creation in a region, primarily through the export of goods and services. LQs may be tracked over time by analysts to identify and target priority industry clusters.

### Calculating Location Quotients

LQ values greater than 1.00 mean the local area has a higher concentration of jobs in the industry than the nation. This implies an area produces more of a good or service than area residents consume. The excess is available for export outside the area. Values above 1.25 indicate a strong regional advantage for that industry.

An LQ equal to 1.00 means the local share of employment in the industry is equal to the national share. LQ values less than 1.00 indicate employment in the industry is less concentrated there than in the nation, and that the area produces less of a good or service than area residents consume.

The actual calculation divides the percentage of jobs an industry accounts for locally by the percentage of private sector jobs that industry accounts for nationally. For example, the motion picture and video production industry (NAICS 512110) accounted for 0.61% of private sector jobs in New York in 2021. In the U.S., this industry was responsible for 0.20% of private sector jobs. The LQ for this industry in New York is just over 3.00 (i.e., 0.61%/0.20%). This result suggests that motion picture and video production is a significant export industry for New York State.

The U.S. Bureau of Labor Statistics (BLS) provides LQ data down to the county level. LQs for the same industry can vary widely across counties. For example, the three counties in the state with the highest LQs for private colleges, universities, and professional schools (NAICS 61131) include

Monroe (6.81), Dutchess (5.96) and New York (3.93). Similarly, the highest LQs for pharmaceutical manufacturing (NAICS 32541) are found in Suffolk (7.59), Rockland (6.36) and Erie (2.59) counties.

### HWE Industries in NYS

The BLS published LQs for just under 900 private sector industries in New York State (NYS), based on 2021 data from the Quarterly Census of Employment and Wages (QCEW). The 104 six-digit industries in NYS with an LQ greater than 1.00 and an annual wage greater than \$90,000 in 2021 were designated as “high-wage export” (HWE) industries. (We chose this wage cut-off because QCEW data show that the state's annual average private sector wage was \$89,500 in 2021.)

New York's HWE industries employed more than 1.4 million workers in 2021, accounting for just under one in five private sector jobs in the state. These industries paid out over \$268 billion in total wages with an average wage of \$188,900/worker. About two-thirds of HWE industry jobs in the state are based in New York City (NYC).

Fourteen smaller HWE industries—those with less than 1,000 workers—were eliminated from the analysis. We sorted the remaining 90 HWE industries into two groups: those with more than 50% of statewide jobs based in NYC and those with a majority of employment outside of NYC. We added this breakdown because NYC dominates the list of HWE industries in the state. The division helped us to gain a better understanding of the HWE industries with most of their employment outside of NYC. Finally, we sorted each list by industry LQ. See the two lists on page 3.

There are striking differences between the two lists. Perhaps the most significant is that the LQs of industries with most of their jobs in NYC are much greater than those with most of their employment outside of NYC. For example, the LQ of the #10 industry on the NYC list (3.71) is about 50% greater than the LQ of the #1 industry on the outside-of-NYC list (2.45).

A second key difference is the type of industry found on each list. The NYC industry list is dominated by finance (four) and advertising and public relations (three). In contrast, the outside-of-NYC industry list is dominated by manufacturing (six) and wholesale trade (two). The largest industry on this latter list—colleges, universities, & professional schools—has more than three times as many jobs as the other nine industries on the list combined.

### Summing Up

Location quotients represent an important if often overlooked tool used to study regional economies. This article shows how we can use LQs, paired with QCEW data, to identify industries that offer both above-average wages and strong export prospects, due to their high concentration of employment in the region. For more information on LQs, see [data.bls.gov/cew/apps/data\\_views/data\\_views.htm#tab=Tables](https://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables).

HIGH-WAGE EXPORT (HWE) INDUSTRIES IN NEW YORK STATE, 2021

HWE Industries with >50% of Jobs in NYC

INDUSTRY (NAICS CODE)	LQ	JOBS	AVERAGE WAGE	% OF JOBS IN NYC
International trade financing (522293)	8.77	3,200	\$238,300	97
Media buying agencies (541830)	7.47	7,800	\$120,700	93
Investment banking & securities dealing (523110)	5.68	49,600	\$490,600	94
Record production & distribution (512250)	4.75	1,900	\$199,900	94
Women's/children's clothing, wholesale (424330)	4.41	17,200	\$124,200	91
Securities & commodity exchanges (523210)	4.15	1,600	\$243,400	100
Portfolio management (523920)	3.88	54,100	\$620,900	92
Book publishers (511130)	3.77	11,800	\$130,400	89
Public relations agencies (541820)	3.75	14,000	\$131,300	94
Advertising agencies (541810)	3.71	45,900	\$153,500	90

HWE Industries with >50% of Jobs Outside of NYC

INDUSTRY (NAICS CODE)	LQ	JOBS	AVERAGE WAGE	% OF JOBS IN NYC
Colleges, universities, & prof. schools (611310)	2.45	179,900	\$90,300	49
Photographic equip. & supplies, wholesalers (423410)	2.40	1,800	\$119,800	15
Ophthalmic goods, wholesalers (423460)	2.34	3,200	\$136,400	37
Biological products (excl. diagnostic) mfg. (325414)	2.27	5,600	\$126,700	5
Electric power distribution (221122)	1.93	25,200	\$135,700	46
Fluid milk mfg. (311511)	1.76	5,700	\$90,800	1
Radio/TV broadcasting equip. mfg. (334220)	1.76	5,600	\$93,300	1
Irradiation apparatus mfg. (334517)	1.70	1,500	\$95,200	6
Other communications equip. mfg. (334290)	1.57	1,700	\$103,600	18
Electronic connector mfg. (334417)	1.48	2,000	\$94,400	15

Source: BLS, QCEW program

UNEMPLOYMENT RATES IN NEW YORK STATE

UNEMPLOYMENT RATES IN NEW YORK STATE

Data Not Seasonally Adjusted

	SEP '21	SEP '22		SEP '21	SEP '22		SEP '21	SEP '22
<b>New York State</b>	<b>5.7</b>	<b>3.9</b>	<b>Hudson Valley</b>	<b>3.9</b>	<b>2.8</b>	<b>Finger Lakes</b>	<b>4.0</b>	<b>3.0</b>
<b>Capital</b>	<b>3.6</b>	<b>2.7</b>	Dutchess	3.8	2.8	Genesee	3.3	2.5
Albany	3.6	2.8	Orange	3.9	2.9	Livingston	3.4	2.8
Columbia	3.0	2.4	Putnam	3.5	2.7	Monroe	4.3	3.2
Greene	4.0	3.1	Rockland	3.7	2.6	Ontario	3.4	2.6
Rensselaer	3.6	2.8	Sullivan	4.0	2.9	Orleans	3.9	3.2
Saratoga	3.1	2.4	Ulster	3.8	2.8	Seneca	3.6	2.6
Schenectady	4.1	3.1	Westchester	4.1	2.9	Wayne	3.5	2.7
Warren	3.6	2.7	<b>Mohawk Valley</b>	<b>4.1</b>	<b>3.2</b>	Wyoming	3.2	2.5
Washington	3.8	2.6	Fulton	4.4	3.5	Yates	2.9	2.4
<b>Central New York</b>	<b>4.0</b>	<b>3.1</b>	Herkimer	4.6	3.3	<b>Western New York</b>	<b>4.4</b>	<b>3.3</b>
Cayuga	3.7	2.9	Montgomery	4.6	3.7	Allegany	3.8	3.2
Cortland	3.8	3.1	Oneida	4.1	3.2	Cattaraugus	4.1	3.5
Madison	3.5	2.8	Otsego	3.4	2.8	Chautauqua	4.3	3.5
Onondaga	4.0	3.0	Schoharie	3.6	2.8	Erie	4.4	3.3
Oswego	4.4	3.6	<b>North Country</b>	<b>3.8</b>	<b>3.1</b>	Niagara	4.5	3.4
<b>Southern Tier</b>	<b>3.8</b>	<b>3.0</b>	Clinton	3.6	3.0	<b>Long Island</b>	<b>3.7</b>	<b>2.7</b>
Broome	4.2	3.3	Essex	3.6	2.8	Nassau	3.7	2.7
Chemung	4.3	3.4	Franklin	3.6	3.0	Suffolk	3.7	2.8
Chenango	3.4	2.7	Hamilton	2.9	2.7	<b>New York City</b>	<b>8.2</b>	<b>5.2</b>
Delaware	3.5	3.1	Jefferson	3.9	3.2	Bronx	11.4	7.2
Schuyler	3.6	2.7	Lewis	3.5	2.8	Kings	8.4	5.4
Steuben	3.9	3.0	St. Lawrence	4.1	3.4	New York	6.3	4.2
Tioga	3.5	2.6				Queens	7.9	4.8
Tompkins	3.1	2.6				Richmond	7.4	4.9

# FOCUS ON the Finger Lakes

## Health Care Sector Continues to Bolster Region's Labor Market

by Kurt Meichtry, Economist, Finger Lakes Region

The labor market in the Finger Lakes region continues to rebound from the negative effects of the global COVID-19 pandemic. Between 2020 and 2021, the region's private sector job count grew by over 9,800, or 2.3%, to 440,400, according to data from the Quarterly Census of Employment and Wages. This marked the region's largest over-the-year employment increase on record.

Prior to 2020's pandemic-induced recession, health care was a key contributor to overall job accounting for nearly one-half (+48.5%) of net private sector growth in the region.

The health care sector continued to be a stabilizing force in the Finger Lakes region during 2020's downturn. While private sector employment in the region fell 9.2% in 2020, the job count in health care dropped by only 5.6%.

### Major Regional Employers

The health care sector consists of three main industry groups— ambulatory health care (NAICS 621), hospitals (NAICS 622), and nursing and residential care (NAICS 623). It is also a significant employer in the Finger Lakes. With 69,200 jobs, the sector accounted for more than 15% of the region's private sector jobs in 2021. Rochester Regional Hospital, Unity Hospital, and the University of Rochester/ Strong Memorial Hospital all rank among the region's largest employers. In 2021, the health care sector paid \$3.89 billion in total wages, or 15.6% of all private sector wages in the region.

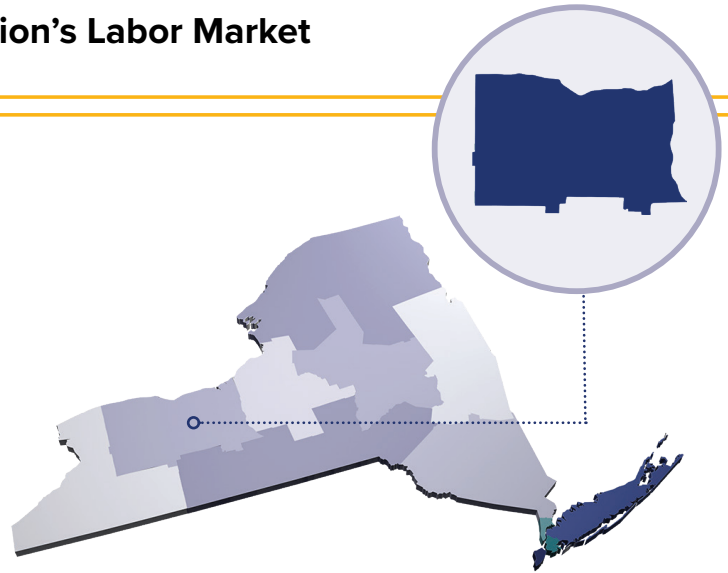
With 31,900 workers in 2021, hospitals accounted for the largest share (46.1%) of local health care jobs. At \$66,200, hospitals also paid the highest average wage of any local health care industry group.

Ambulatory health care includes doctor's offices, labs, outpatient surgical centers, and home health care. With 19,600 workers in 2021, this was the second largest health care industry in the Finger Lakes. Annual wages averaged \$57,100 in 2021.

Local employment at nursing and residential care facilities was 17,700 in 2021, while annual wages averaged \$37,500. This represented the lowest average wage of any health care industry in the Finger Lakes.

### Recent Developments

Several noteworthy health care expansion projects in the region are slated to begin soon. Strong Memorial Hospital will add more than 200 examination/treatment and patient observation stations by 2027. The University of Rochester is completing construction of a \$200 million ambulatory orthopedics center at the Marketplace Mall in Henrietta (Monroe County). The project will house a surgical center and a four-story clinic tower. By 2023, the project is expected to provide nearly 200 new jobs. In addition, Rochester Regional Health is seeking approval to construct a four-story office building containing multiple medical specialties in the Town of Batavia in Genesee County.



Health care has proven to be a consistent source of regional job growth.

### Looking Ahead

Employment growth in health care is driven by a mix of factors, such as more aid from government programs, an aging population, increases in telehealth, and the expansion of new medical technologies. The State's 2023 Executive Budget includes \$1.2 billion in funding for the Health Care and Mental Hygiene Worker Bonus Program, which will provide bonuses for certain frontline health care workers.

Going forward, long-term employment projections prepared by the State Department of Labor anticipate the creation of more than 20,000 health care jobs in the region between 2018 and 2028. This represents a growth rate of 25.2%. As a result, health care is expected to account for about one-third of all new jobs in the Finger Lakes over this timeframe.

The oldest Baby Boomers turned 75 in 2021. As this group ages, it will boost demand for a wide variety of health care job titles, including RNs, home health aides, physical therapists, chiropractors, dental hygienists, dentists, and respiratory therapists. In fact, home health aides are projected to be the region's fastest-growing occupation (+58.1%) in 2018-28. Looking ahead, we can expect regional demand for health care workers to remain strong through 2028.

The health care sector has proven to be a consistent source of regional job growth. Sector growth, which depends more on changing demographics than on fluctuating economic conditions, has been particularly stable, despite the many challenges levied by the COVID-19 pandemic.

# Regional Analysts' Corner

## CAPITAL

**Kevin Alexander — 518-242-8245**

Over the past year, the private sector job count in the Capital Region rose by 9,900, or 2.4%, to 429,200 in September 2022. Job gains were largest in educational and health services (+3,300), professional and business services (+3,100), trade, transportation and utilities (+1,900), other services (+1,100), financial activities (+700) and leisure and hospitality (+400). Job losses occurred in manufacturing (-300) and natural resources, mining and construction (-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 8,600, or 3.5%, to 254,000 in September 2022. Employment gains were greatest in leisure and hospitality (+2,500), trade, transportation and utilities (+2,400), professional and business services (+1,800), educational and health services (+1,000), financial activities (+700) and other services (+400). Losses were focused in natural resources, mining and construction (-300).

## FINGER LAKES

**Tammy Marino — 585-258-8870**

From September 2021 to September 2022, the private sector job count in the Rochester metro area rose by 13,500, or 3.1%, to 445,200. Gains were largest in educational and health services (+4,600), professional and business services (+3,500), manufacturing (+1,300), leisure and hospitality (+1,200), natural resources, mining and construction (+1,000), other services (+800) and trade, transportation and utilities (+700).

## HUDSON VALLEY

**John Nelson — 914-997-8798**

Over the past year, the number of private sector jobs in the Hudson Valley grew by 34,700, or 4.6%, to 795,700 in September 2022. The largest gains occurred in professional and business services (+9,800), educational and health services (+8,800), leisure and hospitality (+7,200), natural resources, mining and construction (+3,800), trade, transportation and utilities (+3,300) and other services (+3,000). Losses were focused in financial activities (-1,500).

## LONG ISLAND

**Shital Patel — 516-934-8533**

For the year ending September 2022, private sector jobs on Long Island increased by 29,000, or 2.7%, to 1,119,900. Gains occurred in leisure and hospitality (+12,600), trade, transportation and utilities (+7,600), professional and business services (+3,800), educational and health services (+3,200), other services (+3,100) and natural resources, mining and construction (+1,600). Employment fell in financial activities (-2,000) and manufacturing (-900).

## MOHAWK VALLEY

**Brion Acton — 315-793-2282**

For the 12-month period ending September 2022, the number of private sector jobs in the Mohawk Valley region rose by 2,400, or 1.7%, to 140,300. Over-the-year employment gains were greatest in leisure and hospitality (+1,100), trade, transportation and utilities (+600), educational and health services (+200), manufacturing (+200) and professional and business services (+200).

## NEW YORK CITY

**Elena Volovelsky — 718-613-3971**

The private sector job count in New York City rose over the past year by 250,800, or 6.8%, to 3,961,100 in September 2022. The largest gains were in educational and health services (+62,900), leisure and hospitality (+60,800), professional and business services (+60,300), trade, transportation and utilities (+31,100), information (+14,800) and other services (+9,900). Losses occurred in natural resources, mining and construction (-400).

## NORTH COUNTRY

**Konstantin Sikhaou — 518-523-8957**

For the 12-month period ending September 2022, the private sector job count in the North Country region rose by 1,800, or 1.7%, to 108,600. Job gains occurred in leisure and hospitality (+900), professional and business services (+400), educational and health services (+200), natural resources, mining and construction (+200) and other services (+200). Employment losses were focused in trade, transportation and utilities (-200).

## SOUTHERN TIER

**Christian Harris — 607-741-4480**

For the 12-month period ending September 2022, the number of private sector jobs in the Southern Tier region increased by 3,400, or 1.6%, to 214,400. Employment gains were greatest in educational and health services (+1,000), professional and business services (+800), trade, transportation and utilities (+800), leisure and hospitality (+500), financial activities (+400), manufacturing (+300) and other services (+300). Job losses occurred in information (-600).

## 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 16,300, or 3.7%, to 459,800 in September 2022. Job gains were largest in trade, transportation and utilities (+4,400), educational and health services (+4,300), leisure and hospitality (+2,000), professional and business services (+1,600), manufacturing (+1,300), other services (+1,300) and financial activities (+1,200).