

# ***New York City's Labor Market Outlook with a special emphasis on Immigrant Workers***

*Presentation by*

**James A. Parrott, Ph.D.**

**Deputy Director & Chief Economist,**

**FISCAL POLICY INSTITUTE**

11 Park Place, Suite 701

New York, NY 10007

212-721-5624

[parrott@fiscalpolicy.org](mailto:parrott@fiscalpolicy.org)



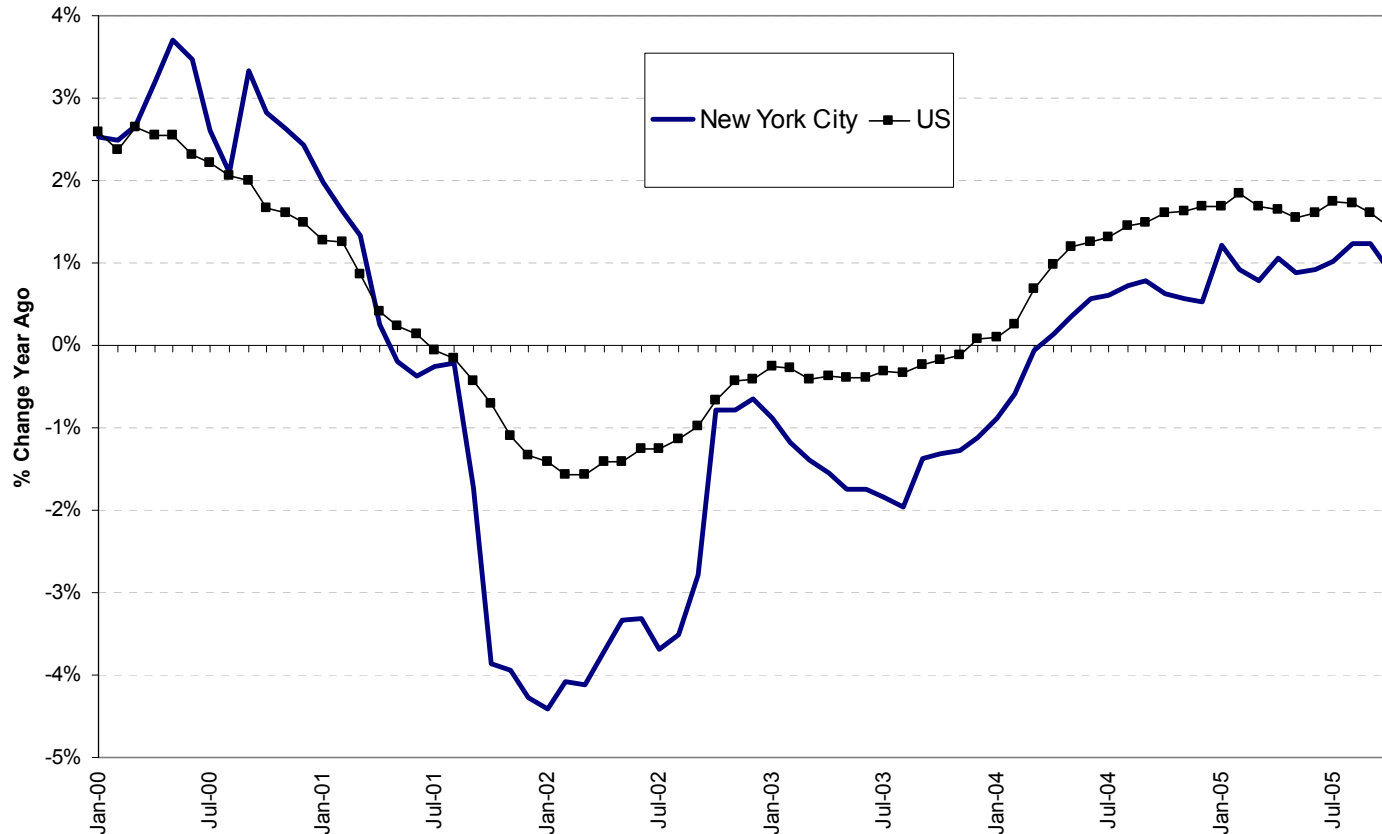
**For the NYC Employment & Training Coalition  
Forum...**

*“NYC’s Labor Market: Where Are the Jobs?”*

December 9, 2005

[www.fiscalpolicy.org](http://www.fiscalpolicy.org)

***Since mid-2003, NYC has been adding jobs, but at a slow pace...reflecting sluggish national growth.***



Sources: New York State Department of Labor and U.S. Bureau of Labor Statistics.

# ***Over the last year, more high-wage industries have started to add jobs, but several sectors are still well below their pre-recession peak levels. (1<sup>st</sup> of 2 slides)***

<b>New York City seasonally adjusted employment</b>	<b>TOTAL NONFARM</b>	<b>TOTAL PRIVATE</b>	<b>Const.</b>	<b>Manuf.</b>	<b>Wholesale Trade</b>	<b>Retail Trade</b>	<b>Utilities</b>	<b>Transp. and W'hous'g</b>	<b>Information</b>	<b>Finance and Insurance</b>	<b>Real Estate</b>
<b>Current employment October 2005</b>	3,583,397	3,033,399	109,191	112,955	146,119	278,625	14,757	98,818	161,081	328,790	116,990
<b>Share of all employment</b>	100.0%	84.7%	3.0%	3.2%	4.1%	7.8%	0.4%	2.8%	4.5%	9.2%	3.3%
<b>Change Peak to Latest (12/00-10/05)</b>	-171,267 -4.6%	-156,788 -4.9%	-15,674 -12.6%	-57,890 -33.9%	-8,614 -5.6%	-5,791 -2.0%	-260 -1.7%	-20,336 -17.1%	-31,912 -16.5%	-42,737 -11.5%	-2,579 -2.2%
<b>Changes in three periods: Peak to Trough (12/00-8/03)</b>	-239,179 -6.4%	-229,414 -7.2%	-12,521 -10.0%	-47,121 -27.6%	-7,119 -4.6%	-17,461 -6.1%	-126 -0.8%	-16,585 -13.9%	-30,109 -15.6%	-53,245 -14.3%	-5,106 -4.3%
<b>First 16 months of Recovery (8/03-12/04)</b>	34,536 1.0%	35,421 1.2%	-1,376 -1.2%	-7,811 -6.3%	-696 -0.5%	9,454 3.5%	-814 -5.5%	970 0.9%	201 0.1%	122 0.0%	2,045 1.8%
<b>2005 year to date (12/04-10/05)</b>	33,376 0.9%	37,206 1.2%	-1,777 -1.6%	-2,958 -2.6%	-799 -0.5%	2,216 0.8%	680 4.8%	-4,722 -4.6%	-2,004 -1.2%	10,387 3.3%	482 0.4%

***Over the last year, more high-wage industries have started to add jobs, but several sectors are still well below their pre-recession peak levels. (2<sup>nd</sup> of 2 slides)***

<b>New York City seasonally adjusted employment</b>	<b>Professional Scientific &amp; Technical Services</b>	<b>Management of Companies and Enterprises</b>	<b>Administration and Support and Waste Management</b>	<b>Educational Services</b>	<b>Health Care</b>	<b>Social Assistance</b>	<b>Leisure and Hospitality</b>	<b>Other Services</b>	<b>GOV'T</b>
<b>Current employment</b>									
<b>October 2005</b>	299,132	57,300	194,274	150,544	377,444	155,601	279,763	151,615	550,061
<b>Share of all employment</b>	8.3%	1.6%	5.4%	4.2%	10.5%	4.3%	7.8%	4.2%	15.4%
<b>Change Peak to Latest (12/00-10/05)</b>	-30,952 -9.4%	5,135 9.8%	-21,543 -10.0%	17,609 13.2%	26,791 7.6%	8,082 5.5%	17,343 6.6%	2,218 1.5%	-14,307 -2.5%
<b>Changes in three periods: Peak to Trough (12/00-8/03)</b>	-44,858 -13.6%	6,047 11.6%	-26,319 -12.2%	9,338 7.0%	11,510 3.3%	4,503 3.1%	-3,342 -1.3%	-779 -0.5%	-9,592 -1.7%
<b>First 16 months of Recovery (8/03-12/04)</b>	3,423 1.2%	-2,388 -4.1%	2,655 1.4%	2,902 2.0%	9,990 2.8%	639 0.4%	13,511 5.2%	2,884 1.9%	-2,099 -0.4%
<b>2005 year to date (12/04-10/05)</b>	10,482 3.6%	1,475 2.6%	2,120 1.1%	5,369 3.7%	5,291 1.4%	2,940 1.9%	7,174 2.6%	113 0.1%	-2,616 -0.5%

## ***Strong job growth emerges in 2005 on Wall St. and in computer and consulting services.***

	<b>Change 12/04-10/05</b>		<b>Employment October 2005</b>
<b>Detailed NYC industry</b>			
Securities, Commodity Contracts, and Other Financial & Related Activities	9,349	5.7%	174,383
Full-Service Restaurants	4,803	5.3%	96,122
Ambulatory Health Care Service	3,470	2.6%	137,852
Employment Services	3,462	5.3%	69,193
Sporting Goods, Hobby, Book, & Music Stores	2,475	18.0%	16,238
Colleges Universities and Professional Schools	2,399	2.8%	88,865
Management Scientific and Technical Consultant Services	2,397	9.4%	27,835
Computer Systems Design and Related Services	2,337	7.3%	34,420
Clothing and Clothing Accessories	1,917	3.0%	65,035
Individual and Family Services	1,792	1.6%	112,303
<b>Ten industries adding most jobs</b>	<b>34,399</b>	<b>4.4%</b>	<b>822,246</b>
<b>Total NYC employment</b>	<b>33,376</b>	<b>0.9%</b>	<b>3,583,397</b>

Source: NYS DOL Current Employment Series. Seasonal adjustment and analysis by FPI.

***Continued, although moderating, weaknesses in employment in apparel, banking, insurance, and government.***

	<b>Change 12/04-10/05</b>		<b>Employment October 2005</b>
<b>Detailed NYC industry</b>			
Apparel Manufacturing	-1,759	-6.2%	26,671
Commercial Banking	-1,700	-4.4%	37,100
Specialty Trade Contractors	-1,554	-2.1%	74,030
Local Government	-1,236	-0.3%	445,754
Insurance and Employee Benefit Funds	-1,150	-19.2%	4,843
Furniture and Home Furnishing Stores	-1,100	-10.4%	9,500
Scheduled Air Transportation	-1,002	-3.9%	24,366
Miscellaneous Retailers	-800	-4.1%	18,800
Federal Government	-787	-1.4%	55,577
Insurance Carriers and Related	-778	-1.4%	55,263
<b>Ten industries losing most jobs</b>	<b>-11,866</b>	<b>-1.6%</b>	<b>751,903</b>
<b>Total NYC employment</b>	<b>33,376</b>	<b>0.9%</b>	<b>3,583,397</b>

Source: NYS DOL Current Employment Series. Seasonal adjustment and analysis by FPI.

***Between 2000 and 2005, the real median hourly wage for all NYC workers fell by nearly 5% ... females, Blacks and Hispanics fared the worst ... wages increased only for workers with a bachelors or higher degree.***

<b>Real median hourly wage*</b>	<b>First half of 2000</b>	<b>First half of 2005</b>	<b>% change</b>
All NYC resident workers	\$15.13	\$14.40	-4.8%
Males	\$16.59	\$15.42	-7.1%
Females	\$14.55	\$13.23	-9.1%
White, non-Hispanic	\$19.16	\$18.16	-5.2%
Black, non-Hispanic	\$13.97	\$12.85	-8.0%
Hispanic	\$11.64	\$10.00	-14.1%
Less than high school	\$9.31	\$9.00	-3.3%
High school	\$13.30	\$12.00	-9.8%
Some college	\$13.97	\$13.50	-3.4%
Bachelors and higher	\$23.28	\$23.85	2.4%
Native born	\$17.22	\$15.85	-8.0%
Foreign born	\$13.30	\$13.00	-2.3%

\* 2005 first-half dollars; NY metro CPI used to deflate nominal wages.  
source: CPS, analysis by FPI.

***The official unemployment rate of 6% provides a misleading picture of the condition of NYC's labor market. Long-term unemployment is much higher (35%) than nationally (22%). NYC's underemployment rate is 10.2%. Among blacks, underemployment is 15%, and for Hispanics, 12.6%***

**Labor force statistics, New York City, July 2004 - June 2005**

	<b>All</b>	<b>males</b>	<b>females</b>	<b>White only</b>	<b>Black only</b>	<b>Hispanic</b>	<b>Other</b>
Labor force participation rate	59.4%	68.1%	51.7%	60.0%	57.8%	59.3%	60.5%
Employment to population rate	55.8%	64.0%	48.6%	57.7%	52.4%	54.6%	58.7%
Unemployment rate	6.0%	6.0%	6.1%	3.9%	9.4%	8.0%	2.8%
Long-term unemployment share	35.4%	39.0%	31.4%	37.7%	37.9%	30.0%	40.6%
Underemployment rate	10.2%	9.7%	10.7%	6.8%	15.0%	12.6%	6.6%
Part-time workers share	16.7%	12.5%	21.6%	16.4%	18.1%	16.9%	15.1%
Part-time for economic reasons share	16.1%	19.4%	13.9%	11.3%	19.8%	21.8%	12.4%
Share of labor force	100.0%	53.4%	46.6%	38.5%	23.5%	24.8%	13.3%

Source: Fiscal Policy Institute analysis of Current Population Survey (CPS) data



***Immigrants are nearly half of the NYC labor force. Men are a higher proportion among immigrant workers than among non-immigrant workers.***

	<b>All*</b>	<b>Immigrant</b>	<b>Native**</b>
All NYC resident labor force	3,675,000	1,766,000	1,909,000
as percent of labor force	100.0%	48.1%	51.9%
<b>By gender:</b>			
Males	53.0%	56.2%	50.0%
Females	47.0%	43.8%	50.0%
	<hr/> 100.0%	<hr/> 100.0%	<hr/> 100.0%

Source: CPS ORG, July 2000 - June 2005. Analysis by FPI.

Counts and shares are 5-year averages.

\*Universe is all 16 and older in the labor force

\*\* Native includes those born in Puerto Rico

***Immigrant workers are more concentrated in the prime working-age range (35-54) than native workers.***

	<b>All*</b>	<b>Immigrant</b>	<b>Native**</b>
<b>age</b>			
16-24	11.2%	8.8%	13.3%
25-34	26.4%	25.0%	27.7%
35-44	26.5%	29.7%	23.5%
45-54	21.2%	22.7%	19.9%
55 and older	14.7%	13.9%	15.5%
All NYC resident labor force	100.0%	100.0%	100.0%
Mean age	40.2	40.7	39.7
Median age	39	40	38

Source: CPS ORG, July 2003 - June 2005. Analysis by FPI.

Counts and shares are 2-year averages.

\*Universe is all 16 and older in the labor force

\*\* Native includes those born in Puerto Rico

***One-third of immigrants have 2- or 4-year college degrees, but half have only high school or less. The pattern for native workers is the reverse.***

	<b>All*</b>	<b>Immigrant</b>	<b>Native**</b>
Less than HS	15.5%	22.9%	8.2%
High School	28.3%	31.7%	25.1%
Some college no degree	12.9%	10.6%	15.2%
Associates (vocational)	2.9%	2.9%	3.0%
Associates (academic)	3.5%	3.4%	3.7%
4-year college degree or higher	36.8%	28.6%	44.9%
All NYC resident labor force	100.0%	100.0%	100.0%

Source: CPS ORG, July 2000 - June 2005. Analysis by FPI.

Counts and shares are 5-year averages.

\*Universe is all 24 and older in the labor force

\*\* Native includes those born in Puerto Rico

## ***Major industries employing immigrants in NYC, by gender***

	<b>Immigrant men</b>	<b>Share of all (M&amp;F) in industry</b>
<b>Major industry group</b>		
Wholesale & Retail	157,000	35.3%
Leisure & hospitality	147,000	41.1%
Construction	131,000	57.8%
Transportation & Utilities	107,000	43.4%
Education, health & social services	92,000	10.7%
<b>All industries</b>	<b>993,000</b>	<b>27.0%</b>

	<b>Immigrant women</b>	<b>Share of all (M&amp;F) in industry</b>
<b>Major industry group</b>		
Education, health & social services	291,000	33.9%
Wholesale & Retail	82,000	18.3%
Other services	81,000	37.8%
Manufacturing	69,000	31.7%
Finance Insurance & Real Estate	62,000	16.4%
<b>All industries</b>	<b>773,000</b>	<b>21.0%</b>

Source: CPS outgoing rotation groups, July 2000 - June 2005. Analysis by FPI

Numbers represent 5-year averages

# Major occupations employing immigrants in NYC, by gender

	Immigrant men	Share of all (M&F) in occupation
<b>Major occupation group</b>		
Technicians & service occupations	226,000	27.7%
Transportation and material moving	126,000	56.9%
Construction occupations	123,000	63.0%
Professionals and related	122,000	15.5%
Sales and related	103,000	26.7%
<b>All occupations</b>	<b>993,000</b>	<b>27.0%</b>

	Immigrant women	Share of all (M&F) in occupation
<b>Major occupation group</b>		
Technicians & service occupations	277,000	34.0%
Professionals and related	150,000	19.0%
Office & administrative support	132,000	24.4%
Mgmt. business and financial occupations	63,000	13.8%
Production occupations	62,000	32.5%
<b>All occupations</b>	<b>773,000</b>	<b>21.0%</b>

Source: CPS outgoing rotation groups, July 2000 - June 2005. Analysis by FPI  
Numbers represent 5-year averages

# ***Over the past 5 years, immigrants have gained ground in finance & real estate and in office & administrative support, but lost share of professional jobs.***

## **Greatest differences between immigrants and natives in changes in employment in major industry and occupation groups, NYC residents, 2000 to 7/04-6/05**

<b>Major industry group</b>	<b>Immigrants</b>			<b>Natives</b>			<b>Immigrant growth less native growth</b>
	<b>2000</b>	<b>7/04-6/05</b>	<b>% change</b>	<b>2000</b>	<b>7/04-6/05</b>	<b>% change</b>	
Finance insurance & real estate	133,046	173,731	30.6%	234,178	220,346	-5.9%	54,517
Transportation & utilities	120,072	116,201	-3.2%	154,439	125,064	-19.0%	25,504
Leisure and hospitality	218,135	210,975	-3.3%	158,119	179,503	13.5%	-28,544
Manufacturing	191,151	106,631	-44.2%	91,742	71,131	-22.5%	-63,909
Professional and business services	189,339	170,933	-9.7%	252,462	298,437	18.2%	-64,381
<b>All industries</b>	<b>1,795,468</b>	<b>1,804,909</b>		<b>1,896,489</b>	<b>1,949,102</b>		

<b>Major occupation group</b>	<b>Immigrants</b>			<b>Natives</b>			<b>Immigrant growth less native growth</b>
	<b>2000</b>	<b>7/04-6/05</b>	<b>% change</b>	<b>2000</b>	<b>7/04-6/05</b>	<b>% change</b>	
Office & administrative support	204,115	219,414	7.5%	386,647	301,072	-22.1%	100,874
Production occupations	188,715	115,416	-38.8%	56,826	60,153	5.9%	-76,626
Professionals & related	259,496	254,241	-2.0%	458,589	546,111	19.1%	-92,777
<b>All occupations</b>	<b>1,795,469</b>	<b>1,804,908</b>		<b>1,896,488</b>	<b>1,949,105</b>		

Source: CPS ORG files; analysis by FPI

# ***About one in six NYC-resident immigrant workers arrived in the US less than 7 years ago. Their employment patterns differ from those of earlier immigrants.***

## **Industry groups with a concentration of more recent immigrants\***

- Construction
- Leisure and hospitality
- Manufacturing
- Wholesale & retail

## **Industry groups with an under-representation of more recent immigrants**

- Education, health & social services
- Transportation and utilities
- Professional Scientific & Management Services
- Public administration

## **Occupation groups with a concentration of more recent immigrants**

- Construction occupations
- Production occupations
- Transportation and material moving

## **Occupation groups with an under-representation of more recent immigrants**

- Office & administrative support
- Professionals and related
- Installation maintenance & repair

\*Each group compares the share of recent immigrants in the industry or occupation to that of all other immigrants.

Source: CPS ORG data, July 2003 - June 2005. Analysis by FPI.

For 2005 data, "recent" means after 1999. For 2003 and 2004 data, "recent" means after 1997.

# ***Pay rises with education, and the native-to-immigrant wage premium is small among the least-educated.***

## **New York City resident median wage\* by nativity and education**

	<b>All</b>	<b>Immigrant</b>	<b>Native</b>	<b>Native-born wage premium</b>	
<b>Educational attainment</b>					
Less than HS	\$8.76	\$8.75	\$9.00	\$0.25	2.9%
High School	\$12.04	\$11.21	\$13.00	\$1.79	16.0%
Some college no degree	\$12.94	\$12.36	\$13.44	\$1.08	8.7%
Associates (voc.)	\$14.73	\$14.58	\$14.90	\$0.32	2.2%
Associates (acad.)	\$15.87	\$14.91	\$17.26	\$2.35	15.7%
College	\$22.80	\$20.48	\$24.28	\$3.80	18.5%
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	\$14.04	\$12.13	\$16.35	\$4.23	34.9%

Source: CPS outgoing rotation groups, 7/2000 - 6/2005

Shares are 5-year averages

\* 2004\$ using CPI-NY metro



***Having some college or a vocational associates' degree provides a much bigger boost to immigrants' wages than to natives'. There is a significant earnings premium to more education for all workers.***

**New York City resident median wage\* by nativity and education**

Educational attainment	All	Immigrant	Native	Premium for educational attainment (relative to high-school completion)	
				Immigrant	Native
Less than HS	\$8.76	\$8.75	\$9.00	-21.9%	-30.8%
High School	\$12.04	\$11.21	\$13.00		
Some college no degree	\$12.94	\$12.36	\$13.44	10.3%	3.4%
Associates (vocational)	\$14.73	\$14.58	\$14.90	30.1%	14.6%
Associates (academic)	\$15.87	\$14.91	\$17.26	33.1%	32.7%
College	\$22.80	\$20.48	\$24.28	82.8%	86.8%
	\$14.04	\$12.13	\$16.35		

Source: CPS outgoing rotation groups, 7/2000 - 6/2005

Shares are 5-year averages

\* 2004\$ using CPI-NY metro

***Immigrants from the Dominican Republic, Mexico, Ecuador, and Haiti are more concentrated in low-wage jobs. Those from China, Jamaica, and Guyana have higher proportions earning more than \$10/hour.***

<b>Country of Birth</b>	<b>Share of NYC's Low-wage* Immigrant Workforce</b>	<b>Approximate number of low- wage immigrants</b>	<b>Share of NYC's Foreign Born Population, 2004</b>
Dominican Republic	17.5%	96,000	12.0%
Mexico	12.5%	68,000	4.9%
China	6.8%	37,000	8.1%
Jamaica	6.0%	32,000	6.5%
Ecuador	5.3%	29,000	3.7%
Guyana	4.6%	25,000	5.2%
Haiti	3.6%	19,000	3.0%
Trinidad & Tobago	3.3%	18,000	3.4%
Russia	3.0%	16,000	3.1%
Colombia	2.4%	13,000	2.1%
El Salvador	2.4%	13,000	1.1%
Bangladesh	2.2%	12,000	1.3%
India	2.1%	11,000	2.9%
Poland	1.7%	9,000	1.9%
Korea/ South Korea	1.6%	9,000	2.0%
Peru	1.1%	6,000	0.8%
Ukraine	1.0%	6,000	1.9%
<b>Total, 17 countries</b>	<b>77.0%</b>	<b>420,000</b>	<b>64.0%</b>

\* Low-wage workforce defined as those earning below \$10/hour in inflation-adjusted 2004\$, or \$20,800/year. The immigrant low-wage workforce numbered approximately 546,000 for the five-year period used in the analysis. Shares are 5-year averages.

Source: CPS ORG files, July 2000 - June 2005; ACS 2004. Analysis by FPI

# ***Industry and occupation groups where less-educated immigrants earn the best wages.***

	Education	
	Less than High School	High School
<b>Median wage, all immigrant workers</b>	\$8.75	\$11.21
<b>Industry groups</b>		
Construction	\$11.34	\$14.14
Transportation & utilities	\$10.67	\$14.00
Finance, insurance, & real estate	\$10.95	\$12.60
<b>Occupation group</b>		
Professionals and related	#	\$15.53
Office and administrative support	\$8.76	\$13.87
Construction	\$11.65	\$14.23
Installation maintenance & repair	#	\$15.45

Source: CPS ORG files, July 2000 - June 2005  
5-year averages, in 2004\$, using CPI-NY metro deflator

# too few observations to report result

# ***Is immigration a factor in NYC's adverse wage and income trends since 2000?***

- *Immigration is a significant, and complicated, factor in the city's population and labor force dynamics. But immigration was also significant during the 1990s and research for the 10 largest cities then showed that there was no direct relationship between a rising immigrant population share and adverse wage and income trends. Even with a high immigrant share of the labor force, real wages for low- and middle-wage NYC workers rose at the end of the late 1990s economic expansion.*
- *Just as it did in the aftermath of the early 1990s recession, immigration has played a critical role in helping to stabilize the city's population in the wake of the departure of hundreds of thousands of residents since 2000. But rather than immigration being the decisive factor in the labor market in this decade, it's much more likely that adverse wage and income trends result from the larger economic factors that characterize this period: the weak labor market, the net loss of tens of thousands of middle- and high-wage jobs, and slow wage growth relative to profits.*
- *It is also worth noting the following trends:*
- *Immigrants account for 48% of NYC's labor force, about the same as in 2000.*
- *While NYC immigrant workers have a median hourly wage of \$13.00 vs. \$15.85 for native born workers, the median wage of immigrant workers declined less (-2.3%) between 2000 and 2005 than did that of native-born workers (-8.0%).*
- *Immigrants have a higher labor force participation rate than native born workers (63.5% vs. 56.0%), and are concentrated in the prime working-age range of 35-54.*

## ***Major occupations for NYC men with less than high-school education.***

	<b>Number employed</b>	<b>Percent of employed males</b>
Janitors and building cleaners	31,687	8.8%
Drivers/sales and truck drivers	20,233	5.6%
Cooks	18,279	5.1%
Construction laborers	18,180	5.1%
Stock clerks and order filers	12,232	3.4%
Food preparation workers	12,165	3.4%
Taxi drivers and chauffeurs	11,889	3.3%
Cashiers	10,431	2.9%
Laborers and material movers, hand	9,641	2.7%
Carpenters	7,047	2.0%
Subtotal	151,784	42.2%
Total men with less than H.S. employed	359,921	100.0%

Source: CPS data, 2000 - 2004. Analysis by FPI  
 Counts represent 5-year average employment levels

## ***Major occupations for NYC women with less than high-school education.***

	<b>Number employed</b>	<b>Percent of employed females</b>
Nursing, psychiatric, and home health aides	36,126	13.9%
Maids and housekeeping cleaners	20,403	7.9%
Child care workers	20,383	7.9%
Cashiers	19,384	7.5%
Sewing machine operators	15,748	6.1%
Retail sales	10,463	4.0%
Janitors and building cleaners	10,119	3.9%
Personal and home care aides	7,299	2.8%
Waiters & waitresses	5,730	2.2%
Receptionists and information clerks	4,436	1.7%
Subtotal	150,092	57.8%
Total women with less than H.S. employed	259,549	100.0%

Source: CPS data, 2000 - 2004. Analysis by FPI  
 Counts represent 5-year average employment levels

## **Key NYC Economic Trends Since 2000**

- ***While NYC's economy has been in recovery since mid-2003, the pace of job growth is modest, largely because of historically weak national job growth. Tourism is booming and finance and professional jobs are increasing but remain well below 2000 peak levels.***
- ***At the end of 2005, NYC still has 150,000 fewer private-sector jobs (-5%) than 5 years ago, with employment in several sectors still down by 10% or more.***
- ***The housing bubble and the tenuous recovery may come to an end as the Federal Reserve has increased interest rates 12 times since mid-2004 and is intent on cooling the over-heated housing market.***
- ***At best, NYC workers and their families are treading water economically. Median wages and incomes have fallen and poverty has risen, particularly among married couple families with children.***
- ***The share of NYC families with incomes in the middle range has declined sharply since 2000, with most moving downward.***
- ***Official unemployment understates labor market difficulties – under-employment and long-term unemployment are both very high in NYC.***

# **NYC 2006 Labor Market Outlook**

- ***Increased commercial and infrastructure spending will boost construction employment and more than offset the eventual slowing in residential.***
- ***Job growth in retail trade, neighborhood services and restaurants will be helped by bonus season spending but could slow in 2006 due to higher energy costs and interest rates.***
- ***Job growth will likely continue, though not accelerate, in Wall Street securities.***
- ***As long as national economic growth continues, NYC job growth should persist in professional services, particularly management consulting, computer services and advertising.***
- ***Strength in tourism will continue to boost job growth in the arts, hotels and restaurants.***
- ***The pace of job loss should continue to ease in apparel manufacturing and banking, the industries beset by the steepest declines.***
- ***The cooling housing market will bring job growth to an end in real estate and mortgage banking.***
- ***The job outlook is mixed in the information and media sector with gains in publishing but losses in broadcasting, cable and telecommunications.***
- ***Most segments within the private educational, health care and social services complex will continue to generate new jobs.***
- ***Overall, NYC's net job growth over the next year or two is likely to stay in the 1% range (a net annual gain of 30,000 to 40,000 jobs). The aging out of baby boomers will create a significant number of openings for skilled workers over the next several years.***