City Economy Hinges on Multiple Factors
At Jobs Forum, Panelists Disagree About How Deep Slowdown Will Be

Experts on the city’s economy speaking at the NYCETC Jobs Outlook and Trends Forum ‘08 last Tuesday concurred that the city is in for a downturn but they disagree about its impact because so many factors can moderate or increase its impact. These include the economic strength of the nation as a whole, whether the dollar stays weak and encourages tourism, and the mortgage crisis that has led 20 percent of the adjustable rate sub-prime mortgages into foreclosure.

James Brown, New York City Labor Market Analyst for the state Department of Labor, predicted that problems in the financial sector could cost the city as many as 50,000 jobs in the coming year, or by the end of 2009 at least. However, he believes that the city’s job growth rate will only flatten and not decline in 2008 thanks to the city’s population growth, tourism and rising number of retail chain stores. Acknowledging that low skilled workers will feel the effects of a downturn more than others, he urged calm. “At the end of ’08 or early ’09 we will be in recovery, but the transition from the bottom is just an uptick. Your clients may feel worse than they do now.”

He stressed that there are always available jobs. “New York City hires and fires 100,000 people in any given month. There is enormous churn that means tens of thousands of jobs are always open.” Brown observed that the local unemployment rate has been slowly creeping up because more people are seeking work at a time when job growth has been flat. He noted that the city’s share of financial sector jobs like those in insurance and banking has been drifting down for some time. “We now have less than a quarter of the financial securities jobs in the nation. We used to have 40 percent. We are losing share to New Jersey, which is getting any Wall Street job that does not involve face to face interaction with clients.” He says that for years, particularly in past recessions, rising commercial rents in New York City have prompted...
Entry Level Jobs Growing
Forum Panelists Elaborate On Fields with Career Ladders

Even in a slowing economy, jobs abound for New York City’s entry level workers in the burgeoning fields of home health care, food service, retail sales and green construction. These are all local jobs that are unlikely to be shipped overseas, as U.S. manufacturing jobs have been. So great is employer need in these four areas that workers might be able to negotiate for better pay and benefits.

Experts at the NYCETC Job Outlook and Trend Forum ’08 last Tuesday told the forum audience about growing job demand:

Food Service/Retail

Charles Hunt, executive vice president of the New York State Restaurant Association, said that 32 percent of all adults get their first job experience in the labor-intensive restaurant business. Underscoring that the sector offers advancement and ownership, he said that three in five food businesses are women or minority-owned. “On the job training is available to everyone. All someone needs is to be able to show up on schedule, and have good personal hygiene and a willingness to work,” he said.

Michele Valdez, director of the NYC Sales and Service Training Partnership at LaGuardia Community College, said there will be 14,000 openings in local retail sales in the coming year, with an additional 13,000 spots for cashiers. Commercial developments like Gateway in the South Bronx; Macy’s and H & M stores in Harlem, airports in Queens, and Ikea in Red Hook are job creators. This sector is adopting more technology, particularly radiofrequency tags to control inventory. “There is a shortage of workers who can maintain the machines. It is a great opportunity,” she said.

She stressed that retailers are increasingly concerned about retention and turnover and say that they have difficulty finding qualified staff that have communication, customer service and leadership skills. This means retailers are willing to provide better wages and benefits to those workers they want to retain. “There isn’t a defined career path now,” Ms. Valdez admitted. “We are working on certification programs at LaGuardia that might help.”

(Growing Jobs, continued on pg. 5)
(Jobs Forum continued from pg. 1)

firms to move across the Hudson River. “I tell back office job seekers to include New Jersey in their searches and to think of the PATH as an extension of the subway system.”

Reporter Patrick McGeehan, who covers the city’s economy for the N.Y. Times, said that Wall Street has not yet felt the full effect of the sub-prime lending crisis. “The question is how long it will play out. If it is slowly, things will be okay,” he said. “The city housing market hasn't cracked, but it will have a rough 2008.”

Carl Hum, president of the Brooklyn Chamber of Commerce, reported that his membership is optimistic. “Brooklyn does not depend upon Wall Street,” he said, “It’s a local economy and our burgeoning industries benefit from the weak dollar. We have hotels, hotel construction, tourism and emerging communities like Dumbo, Gowanus and East Williamsburg.” He also said that corporations like big box retailers are planning for the long term and buying commercial property when it is available.

James Parrott, Deputy Director and Chief Economist of the Fiscal Policy Institute, said, “The speed with which the Federal Reserve is cutting interest rates and the speed of the basic agreement between the Administration and Congress on a stimulus package, make me think they see a recession.” He expects its effects here to be muted, noting that this is the most diverse metropolitan area in the nation. The financial industry, construction of public works and affordable housing, and tourism are all key elements that he predicts will cushion the effects of the recession.

Parrott called for the re-regulation of the financial sector. “It’s clear that it can’t be left to its own devices. Wall Street took this economy at all levels and drove it off a cliff.” He is more concerned about the future of the middle class than about recession. “You can’t have a middle class without middle class jobs. The economy isn’t producing them. Productivity is rising faster than income. We are not good at lifting all boats when times are good.”

Parrott would like to see a further increase in the state minimum wage, which was raised to $7.15 an hour at the beginning of 2007. The federal minimum wage reached $5.85 last July. The economist pointed out that the increase did not lead to the job loss and business relocation that naysayers predicted. He also said that the misclassification of regular employees as independent contractors deprives them of benefits like pensions and health insurance that are the mainstay of the middle class.

NYCETC Testifies on Measuring Program Success

NYCETC Executive Director Tim Ford joined representatives from the Department of Small Business Services and other workforce development advocacy groups who testified before the City Council Committee on Small Business Thursday about how to measure the success of workforce development programs.

“How do we know which efforts are succeeding and succeeding the most?” asked Committee Chairman David Yassky (D-BK).

Ford emphasized that if programs are to be measured successfully, there needs to be a consistent financial investment in workforce programs, particularly at the federal level, where funding has been cut by about 40 percent 20 years. He also said that the workforce development community needs to develop common standards and benchmarks for measuring outcomes, and that outcomes should be defined based on providers’ experiences and ideas.

SBS Commissioner Rob Walsh stated that job placement is the agency’s highest measure of success, and that SBS will only fund programs that target growth occupations as defined by the New York State Department of Labor and SBS’ analyses. The agency is also focusing greater attention on job placements that have a career pathway.

To read Ford’s full testimony, visit http://www.nycetc.org/pdf/Measuring_WF_Progs_1_31_08.pdf.
**Workforce1 Job Center Placement Jumps**

Workforce1 Career Centers placed 17,294 job applicants in 2007, an increase of 6 percent over the previous year and of 2 percent over the previous quarter. Last year’s placements represented a sevenfold increase over 2004, the first year for which SBS has figures, when the centers placed 2503 applicants throughout the city.

In the last quarter, the Staten Island center showed the greatest increase, 32 percent, over the prior quarter. Both the Brooklyn and Queens centers exceeded 1000 placements for the first time. The Brooklyn center placed 1007, Queens 1000, the Bronx 692, Upper Manhattan 713, LaGuardia 507, and Staten Island 526, for a total of 4,445 placements citywide from October to the end of December, 2007.

A quarterly evaluation of the centers indicates that more training money is available; data collection has helped SBS focus on needs in sectors; efficiency is increasing overall, and large volume hiring is improving. Going forward, more attention will be paid to centers’ account management teams.

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**WIB Prefers Industry and Occupation Codes**

What are we talking about when we discuss the hospitality industry? Turns out, we may not all mean the same thing. To improve clarity, transparency and efficiency, the Workforce Investment Board is urging the workforce community to become familiar with North American Industry Classification System (NAICS) and Standard Occupation Classification System (SOC) to clarify and simplify discussions about populations served, efforts and outcomes.

Turns out that when we say “hospitality industry,” what we really mean is Accommodation and Food Service, also known as Sector 32, comprised of the separate Accommodation and Food Service industries. Workers in these and all other industries have Standard Occupational Codes. For example, food workers are in SOC group 35-0000 or “Food Preparation and Serving Related.”

It’s easy when you have the codes. Here is a sample of sectors and their codes:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>23</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>31</td>
</tr>
<tr>
<td>Retail</td>
<td>44</td>
</tr>
<tr>
<td>Transportation and Warehousing</td>
<td>48</td>
</tr>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>62</td>
</tr>
</tbody>
</table>

Here’s a sample of major occupational groups:

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building &amp; Groups Cleaning &amp; Maintenance</td>
<td>37-0000</td>
</tr>
<tr>
<td>Healthcare Practitioners &amp; Technical</td>
<td>29-0000</td>
</tr>
<tr>
<td>Healthcare Support</td>
<td>31-0000</td>
</tr>
<tr>
<td>Construction &amp; Extraction</td>
<td>47-0000</td>
</tr>
<tr>
<td>Transportation &amp; Material Moving</td>
<td>53-0000</td>
</tr>
</tbody>
</table>

“When we try to count the number of jobs or businesses we count differently if we aren’t talking about the same thing,” Blake Foote, executive director of the Workforce Investment Board, says. “From the WIB perspective, it’s an opportunity to create system change.”

*For more on NAICS, go to http://www.census.gov/epcd/www/naics.html*
*For info on SOC go to http://www.bls.gov/soc/*
Health Care

In every borough, health care is the largest industry, accounting for 220,000 jobs throughout the city. Future jobs will be linked to specific diseases and the aging population. Openings for personal and home care aides will rise by 31 percent in the decade ending in 2012, but the nature of the field changing. At-home care will increase because of improving technologies, including those enabling workers to monitor at-home patients from a distance, according to Rosa Mejias, director of 1199 SEIU Job Security Fund and Employment Center. Nursing attendant, a physically demanding job, is the entry level position to a field that offers many career ladders. She said that requirements are good English skills, checkable references, ability to work nights and weekends and computer skills.

Carol Rodat, New York policy director of the Paraprofessional Health care Institute, said, “We will need 30,000 more home care aides in the next few years. We must place people in good training programs connected to employers that pay well and offer benefits.” She says nursing job categories and their degree requirements need to be clarified and updated to address the nursing shortage. On average, the number of openings for home care nurse each year is 2,630.

Green Collar Construction and Management

Concerns about global warming and the environment, along with state and city conservation initiatives, will create a $9.82 billion green job market in the city alone. Joanne Derwin, director of the Urban Agenda, called on the city to coordinate its efforts to establish standards and train the workforce. She pointed out that retrofitting and changing construction techniques will require new training for incumbent workers since boilers, air conditioners and light fixtures are all required to be more energy efficient. “SBS, the EDC and Sustainable New York are all talking about the changes to come, but no one has pulled it all together to be specific about jobs and training,” she said.

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Youth Dollars Fate in Stimulus Package Unclear

Youth advocates were hopeful this week when they learned that the Senate’s version of the economic stimulus bill might include a billion dollar boost for summer youth employment. Without the necessary 60 votes they would need to pass the measure, it now appears that the Senate’s action on their $200 billion plan will be delayed another week. The Senate is likely to take up the House version of the plan early next week and they will likely to try to add their favorite items - including jobless benefits, food stamps and heating aid for the poor and housing relief to the bill. At this time, it is unclear whether the youth funding will make this list. It is also unclear if a Senate’s desire for a larger stimulus package will gain the support of the White House and House Leadership. Stay tuned.
RFPs

The New York City Department of Human Resources Administration is seeking bids from providers for 200 qualified and experienced clerical temporary personnel to support various projects through the agency. An optional pre-bid conference will be held Friday Feb. 8, on the 22nd floor of 2 Washington Street in Manhattan at 10 a.m. Sealed bids are due Feb. 20 at 3 p.m.

For more information contact Geraldine King at 212-480-6825.

The Human Services Council is seeking a research consultant to analyze group purchasing options to reduce non-personal expenses incurred by non-profits. The project should take six months, beginning Mar. 1. Applicants must submit a letter of interest, including qualifications and a work sample.

For more information contact SessoA@humanservicescouncil.org.

The New York State Labor Department has extended its deadline for Advance-NY requests for applications to Feb. 29. The program uses WIA monies to address employer needs for skilled workers by upgrading skills for incumbent workers.

Go to www.workforcenewyork.org

Events

JobsFirst NYC and Workforce Professionals Training Institute are holding a 10-hour training program starting Mar. 13 for organizations with disconnected youth and young adults aged 16-24.

For further information contact Amy Landesman alandesman@workforceprofessionals.org or 646-278-5687, or David Nidus at david_nidus@yahoo.com, or 646-723-0756.

The 2008 Workforce Leaders Academy is accepting applications for its April, 2008 through March 2009 program. Preference will go to those involved with the employment of disconnected youth. Deadline is Feb. 29.

For more information, go to wwwppv.org

Resources


Job Change

Emily Stover DeRocco has been named senior vice president of the National Association of Manufacturers and president of its National Center for the American Workforce. Her resignation as Assistant Secretary of Labor for Employment and Training was effective Jan. 3. In 2004 the Washington Post ran a photograph of DeRocco awarding John Engler, current president of NAM and then-governor of Michigan, an over-sized check for $498,520. The paper reported DeRocco’s new appointment as a “revolving door alert.”

Workforce Marketplace is the gathering place for act-on news such as funding opportunities, RFPs, job postings, training program recruitment, and event announcements. For other job announcements, visit www.nycetc.org. For information on submitting items to Workforce Marketplace, contact Lisa Moore lmoore@nycetc.org or 212/253-6811.