



News from the Fiscal Policy Institute

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New report from FPI: <http://www.fiscalspolicy.org/SOWNYC2009.html>.

Unemployment rates diverge widely across NYC *First ever estimates by neighborhood and race/ethnicity*

New York—Huge variations underlie the unemployment situation in New York City, according to a new study by the Fiscal Policy Institute (FPI). The institute estimates that unemployment was 5.1 percent on Manhattan’s Upper East and West Sides in the third quarter, compared to 15.7 percent in the South and Central Bronx and 19.2 percent in Brooklyn’s East New York neighborhood. The overall unemployment rate in New York City was 10.1 percent in the third quarter of 2009.

The FPI report is the first to provide relatively current unemployment rates at a neighborhood level for New York City, as well as the first to provide such estimates on the basis of race/ethnicity and gender.

“Wall Street might be recovering, but the recession rages on in New York City’s Main Street neighborhoods,” said James Parrott, FPI’s Deputy Director and Chief Economist. “In some cases, great disparities exist within neighborhoods. For example, in the West Brooklyn neighborhood stretching from Brooklyn Heights to Red Hook and Park Slope, white male unemployment was 3 percent, while in the same neighborhood, 46 percent of black men were jobless.”

Parrott also noted that the reported decline in New York City’s unemployment rate in November to 10.0 percent (seasonally adjusted) from 10.3 percent in October did not signal an improvement in the local job market. A closer look at the data shows that this decline was entirely due to people leaving the labor force, rather than an increase in the number of jobs.

The FPI report found that the citywide unemployment rate in the third quarter was 15.7 percent for blacks, 11.8 percent for Hispanics, 7.3 percent for white non-Hispanics, and 6.1 percent for the Asian and other category. Unemployment was higher for men (11.0 percent) than for women (9.1 percent).

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The highest rates of unemployment were for blacks, particularly black men. In ten of the 24 neighborhoods identified in the report, black non-Hispanic unemployment was over 15 percent—one and a half times greater than the city's overall unemployment rate. For black men, the official city-wide unemployment rate for the third quarter was 19.9 percent.

The report also showed a pronounced inverse relationship between neighborhood income and unemployment. The lowest income neighborhoods—those with median incomes from \$20,000 to \$30,000—had the highest average unemployment rate of 15.3 percent. At the other end of the spectrum, the highest income neighborhoods—those with median incomes of \$80,000 to \$100,000—had an average unemployment rate of 6.9 percent.

For a more in-depth analysis of the recession in New York City, see the Fiscal Policy Institute's report, *New York City: A Tale of Two Recessions*, November 19, 2009, available at <http://www.fiscalpolicy.org/SOWNYC2009.html>.

The Fiscal Policy Institute (www.fiscalpolicy.org) is a nonpartisan research and education organization that focuses on tax, budget, and economic public policy issues that affect the quality of life and the economic well being of New York State residents.