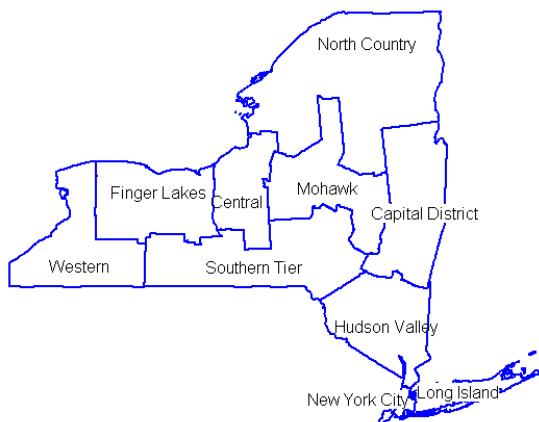


New York State



New York City continues to be the most dynamic, and volatile experiencing substantial population, employment and income growth in the nineties, but also severe job losses in the current recession. Eastern New York is less dynamic, but continues to grow. In contrast, Western and Northern New York is stalled—experiencing both population and employment declines.

New York is experiencing a gradually improving economy. However, the effects of the downturn on Wall Street, the Dot-Com bust, 9/11, manufacturing erosion, and the recession linger, making it unlikely that the state economy can expand fast enough to alleviate the burden of joblessness, low wages and regional distress.

New York’s economic performance in the nineties did not create the conditions necessary for either an equitable or a balanced economic future. The state experienced job growth, but most of it was in low paying jobs. The state continued to lose jobs that paid well. And, the disparity between the types of jobs being created and those being lost was matched by the uneven economic performance regionally. These trends were compounded by the loss of a significant portion of the state’s manufacturing base in regions where it was the main source of decent wages and local income. In turn, the absence of job opportunities and economic stagnation in many upstate areas contributed to the thinning of the young work force population.

The pattern of economic and population growth in the state suggest, that the state is made up of three broad regional economies: New York City; Eastern New York (the Capital District, Hudson Valley and Long Island); and, Western and Northern New York (North Country, Mohawk, Central New York, the Southern Tier, the Finger Lakes, and Western New York.)

NEW YORK STATE DATA BANK		
	NYS	US
Population		
2002	19,157,532	288,317,559
% Change 1990-2002	6.5	15.9
Employment		
2002 level	8,116,000	130,376,000
% Change 2000-2002	-2.3	-1.1
2000 level	8,308,000	131,785,000
% Change 1992-2000	11.2	20.9
Unemployment		
2003 1st half (#)	584,900	8,771,571
2003 1st half (rate)	6.3	6.0
%Pt Change 2001-2003 1st half	1.8	1.7
2000 (rate)	4.8	4.0
%Pt Change 1990-2000	-0.8	-1.6
Labor Force Participation		
2000 (rate)	61.0	63.7
%Pt Change 1990-2000	-2.5	-1.2
Per Capita Income (2002\$)		
2001	36,449	30,897
% Change 1990-2001	17.3	18.3
Poverty Rate		
2000	14.6	12.4
%Pt Change 1990-2000	1.6	-0.7
Percent of Population Earning less than 200% of Poverty level,		
2000	30.5	29.6
%Pt Change 1990-2000	2.7	-1.3
Median Family Income		
	2000	% Change
	(2002\$)	1990-2000
USA	54,011	9.5
New York State	55,786	0.2

Income

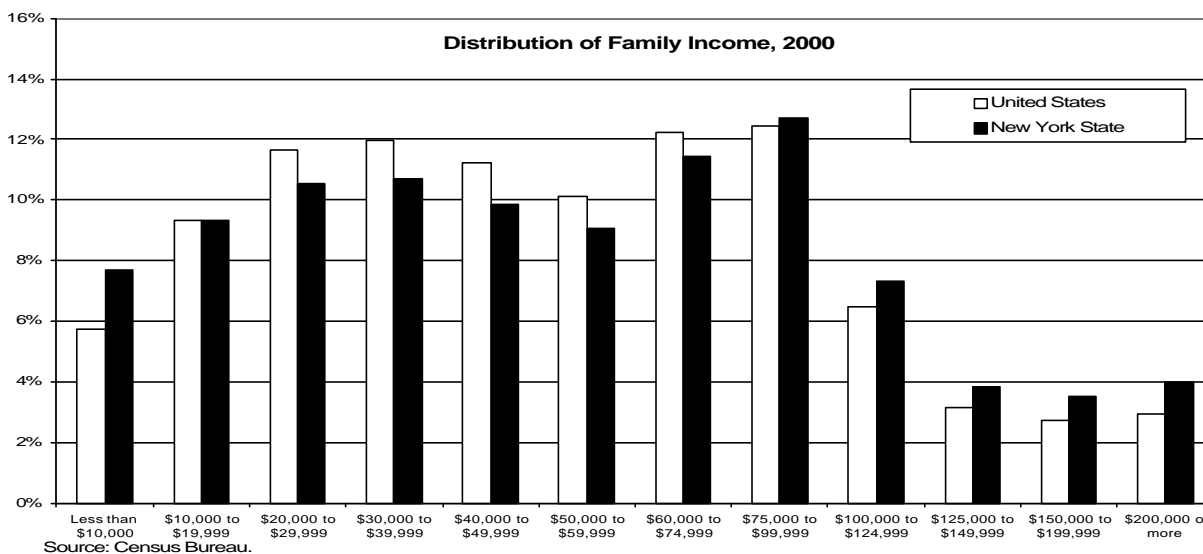
New York State - Change in Personal Income and Components, Selected Years						
(in billions of 2002 dollars)						
	Personal Income	Wages & Salaries	Proprietors Income	Dividends, Interest, Rent	Transfer Payments	Residency Adjustment
1980	402.8	242.3	32.1	69.3	57.7	-16.9
1990	560.0	331.3	43.6	113.8	76.0	-18.7
2000	695.3	420.1	64.9	127.2	104.5	-29.4
2001	695.5	417.7	64.7	126.8	108.3	-30.4
1980-1990						
Change	157.2	89.0	11.5	44.6	18.3	-1.8
Ann Avg % Change	3.3%	3.2%	3.1%	5.1%	2.8%	1.0%
1990-2000						
Change	135.3	88.8	21.2	13.4	28.5	-10.6
Ann Avg % Change	2.2%	2.4%	4.0%	1.1%	3.2%	4.6%
2000-2001						
Change	0.2	-2.4	-0.2	-0.5	3.9	-1.1
Ann Avg % Change	0.0%	-0.6%	-0.3%	-0.4%	3.7%	3.6%

Source: BEA. Deflator applied by Fiscal Policy Institute.

- During the nineties, the poverty rate increased across New York State. During the decade the share of the poor and near poor in the population increased to over 30%. This occurred across most regions of the state.
- Working New Yorkers experienced a downward trend in median hourly wage. In 2001, median wages of New Yorkers grew by 3.4% compared to 1.5% this year.
- The state continues to lose high wage jobs. The state lost 107,000 manufacturing jobs or 39% of the total jobs lost in the state during the current recession. The loss of these high-wage manufacturing jobs was compounded by job

losses in finance and information technology industries.

- Over the 1990-2000 decade, growth in real wages and salaries was not uniform either across regions or within regions in the state. Most counties experienced a total 10 year growth rate of less than 12% in wages and salaries. In this period, the adjusted median income for New Yorkers increased by only two-tenths of one percent.



Employment

New York State: 20 Industries with the Largest Employment Gains 2000-2002						
NAICS	Industry	Employment		Change 2000-2002		Avg. Wage 2002
		2000	2002	#	%	
	Total Employment	8,307,907	8,116,190	-191,716	-2.3%	\$45,888
92	Government	1,389,899	1,413,588	23,689	1.7%	\$42,577
611	Educational Services	228,547	247,320	18,773	8.2%	\$35,810
624	Social Assistance	234,953	252,289	17,335	7.4%	\$20,870
722	Food Services and Drinking Places	414,209	426,340	12,132	2.9%	\$15,325
623	Nursing and Residential Care Facilities	203,039	214,080	11,041	5.4%	\$26,730
621	Ambulatory Health Care Services	305,298	314,731	9,434	3.1%	\$41,620
813	Religious, Grantmaking, Civic, Professional, and Similar Organizations	127,688	133,039	5,351	4.2%	\$30,027
622	Hospitals	322,626	326,848	4,222	1.3%	\$42,556
713	Amusement, Gambling, and Recreation Industries	59,030	62,480	3,449	5.8%	\$18,394
551	Management of Companies and Enterprises	113,674	116,162	2,488	2.2%	\$101,330
444	Building Material and Garden Equipment and Supplies Dealers	58,278	60,118	1,840	3.2%	\$28,077
425	Wholesale Electronic Markets and Agents and Brokers	24,532	26,350	1,818	7.4%	\$59,450
493	Warehousing and Storage	15,043	16,321	1,278	8.5%	\$36,530
221	Utilities	41,014	42,012	999	2.4%	\$77,778
237	Heavy and Civil Engineering Construction	27,382	28,103	721	2.6%	\$57,987
112	Animal Production	6,699	7,345	646	9.6%	\$23,370
441	Motor Vehicle and Parts Dealers	77,922	78,448	526	0.7%	\$39,795
525	Funds, Trusts, and Other Financial Vehicles	9,070	9,584	514	5.7%	\$84,857
312	Beverage and Tobacco Product Manufacturing	7,018	7,508	490	7.0%	\$65,032
515	Broadcasting (except Internet)	38,308	38,780	473	1.2%	\$78,107
	Total of above industries	3,704,228	3,821,446	117,218	3.2%	\$38,430

Source: ES 202. NYS DOL.

- New Yorkers and their families have borne a large share of the burden in the current recession. At a time when the nation's job base shrunk by 2%,--between March 2001 and June 2003—New York's job base decreased by 3.2%. New York lost 279,000 jobs during this period, more than any other state. This figure does not include those who have dropped out of the workforce entirely or are underemployed in part-time jobs.
- While the pace of aggregate job loss has slowed, those seeking unemployment benefits rose through the first 27 weeks of 2003, about 1.8% above the same period in 2002.
- New York's unemployment benefit exhaustion rate at 57%--compared to 42.4% nationally—was higher than the 42% exhaustion rate reached in New York in the third year of the last recession.
- New York City's economic downturn was a major factor influencing the state economy and the poor fiscal conditions of both New York City and the state. New York City lost 240,000 jobs since the December 2000 peak of New York employment. This represents 71% of the statewide job loss.
- Over the 1990-2000 decade, employment growth did not occur uniformly within and across regions in the State. Growth was concentrated in the downstate region. Western New York had one of the lowest employment growth rates. Over this period, declining unemployment rates did not reduce the ranks of the poor and near poor, suggesting that many of these people had access to only low paying jobs.

New York State: 20 Industries with the Largest Employment Losses 2000-2002						
NAICS	Industry	Employment		Change 2000-2002		Avg. Wage 2002
		2000	2002	#	%	
	Total Employment	8,307,907	8,116,190	-191,716	-2.3%	\$45,888
541	Professional, Scientific, and Technical Services	530,338	492,342	-37,996	-7.2%	\$68,650
561	Administrative and Support Services	407,623	374,599	-33,024	-8.1%	\$29,903
523	Securities, Commodity Contracts, and Other Financial Investments and Related Activities	208,087	183,303	-24,784	-11.9%	\$217,112
423	Merchant Wholesalers, Durable Goods	186,670	166,007	-20,663	-11.1%	\$53,555
315	Apparel Manufacturing	65,064	45,545	-19,520	-30.0%	\$33,310
332	Fabricated Metal Product Manufacturing	69,037	60,041	-8,996	-13.0%	\$39,515
424	Merchant Wholesalers, Nondurable Goods	144,775	136,336	-8,440	-5.8%	\$54,898
333	Machinery Manufacturing	68,667	60,243	-8,424	-12.3%	\$51,260
339	Miscellaneous Manufacturing	54,857	46,933	-7,924	-14.4%	\$37,463
481	Air Transportation	37,449	29,583	-7,867	-21.0%	\$58,803
518	Internet Service Providers, Web Search Portals, and Data Processing Services	34,714	27,367	-7,347	-21.2%	\$61,200
511	Publishing Industries (except Internet)	93,902	86,744	-7,158	-7.6%	\$68,714
512	Motion Picture and Sound Recording Industries	46,812	40,045	-6,767	-14.5%	\$67,316
325	Chemical Manufacturing	66,746	60,277	-6,469	-9.7%	\$57,610
522	Credit Intermediation and Related Activities	182,904	176,436	-6,468	-3.5%	\$78,718
238	Specialty Trade Contractors	213,648	207,286	-6,362	-3.0%	\$46,470
334	Computer and Electronic Product Manufacturing	86,593	80,425	-6,168	-7.1%	\$65,796
492	Couriers and Messengers	43,690	37,815	-5,874	-13.4%	\$33,254
323	Printing and Related Support Activities	43,633	38,191	-5,442	-12.5%	\$41,146
326	Plastics and Rubber Products Manufacturing	33,103	28,218	-4,884	-14.8%	\$36,715
	Total of above industries	2,618,311	2,377,735	-240,576	-9.2%	\$66,505

Source: ES 202. NYS DOL.

Upstate

Although the job loss has been concentrated in New York City, every region has had significant job losses upstate, particularly Binghamton and Rochester. Job losses in upstate regions are of special concern because many of them are manufacturing jobs that cannot easily be replaced. With the exception of the Hudson Valley, every region of the state experienced job losses between the fourth quarters in 2000 and 2002. Since the first half of 2001, the upstate region lost 56,000 jobs.

Low unemployment rates in the upstate region are explained by dramatic declines in the working age population. Most significant is the loss of the 20-34 aged cohort. With the exception of New York City and a few sparsely populated counties, every county and region in the state lost this cohort at a significantly higher rate than the nation—in some cases at a rate over 150% of the national average.

Between 1990-2000, migration increased from center cities and incorporated localities to suburbs. This has added to the disparity between center cities and suburbs and has worsened suburban and rural sprawl.