

The State of Working New  
York 2010

High Unemployment Persists  
but Most States Fare  
Far Worse than New York



Fiscal Policy Institute  
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## **I. Recession job losses end, but job growth remains weak**

Net job losses from the Great Recession tapered off at the end of 2009 in New York State and in the United States as a whole. From the start of the recession, December of 2007 for the U.S. and March 2008 for New York State, through December 2009, 8.4 million jobs (6.1 percent) were lost nationally while 372,000 (4.2 percent) were lost in the Empire State. Since many very high wage financial sector jobs were lost in the New York City area, New York State had a steeper decline in total personal income in 2009 (4.2 percent), than did the country overall (1.7 percent).<sup>1</sup>

Through the first seven months of 2010, U.S. employment increased by 0.5 percent. This gain of 654,000 jobs amounted to less than one out of every 12 jobs lost during the recession. New York's job growth from December 2009 to July 2010 was 0.9 percent, restoring 73,400 jobs, about one in five of the job losses sustained in the Empire State. Most of New York's job growth in 2010 has taken place in New York City. The city experienced a 1.9 percent job growth (67,300 jobs) for the first seven months of 2010, while it is estimated that the rest of the state—the New York City suburbs and upstate—saw only a 0.1 percent increase in employment (6,200 jobs). (See Figures 1A and 1B.)<sup>2</sup>

Because monthly payroll employment data are not available for all of New York's counties or metropolitan areas on a seasonally adjusted basis, it is difficult to pinpoint precisely the extent of job recovery on a local area basis during the first part of 2010. Figure 2 shows the change in employment by metro area and non-metropolitan counties for the first half of 2010 compared to the first half of 2009. Through this lens one can see that Long Island (the Nassau-Suffolk Metropolitan Division), and the metro areas of Glens Falls, Kingston, Ithaca and Utica-Rome have had very minor net job losses, or a small net job gain in the case of the Glens Falls metro area. On the other hand, the northern New York City suburbs (Putnam-Rockland-Westchester counties) and the Binghamton metro area have had net job declines of two percent or more.

The Western and Northern New York non-metropolitan counties as a group had 1.5 percent fewer jobs in the first half of 2010 than in the first half of 2009. The Hudson Valley counties of Columbia and Sullivan both had 1.7 percent job declines over this period.

For New York State as a whole, its smaller relative job decline through the end of 2009 and its slightly better job growth during the first seven months of 2010 leave it ranking fairly well overall compared to most other states. From December 2007 to July 2010, New York State lost 250,000 jobs but this 2.8 percent job decline meant that 40 states had even worse job performance over that period. North Dakota and Alaska were the only two states to gain jobs over that period (the District of Columbia did as well). The other states doing better than New

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<sup>1</sup> New York and U.S. personal income estimates for 2009 from New York State Division of the Budget, Enacted Budget, August 20, 2010. The Division of the Budget forecasts that personal income growth in New York will exceed that in the U.S. in 2010 (4.6 percent vs. 3.4 percent).

<sup>2</sup> The data charted in Figures 1A and 1B include government as well as private employment. Some of the employment increase occurring in the spring and early summer months of 2010 resulted from the hiring of tens of thousands of temporary federal government workers needed to compile the 2010 Census enumeration. The sharp upward blip in July and August 2009 in the New York City line in Figure 1B reflects the hiring of 50,000 temporary workers through the Summer Youth Program.

York were mainly mineral resource-rich states (Texas, Oklahoma, Louisiana, and West Virginia), heavily agricultural states (South Dakota, Nebraska), and Massachusetts. Twenty states, including such major states as Florida, Michigan, California, Ohio, Illinois, and New Jersey had net job declines between December 2007 and July 2010 of more than twice New York's 2.8 percent job decline. (See Figure 3.)

## **II. Unemployment has started to decline but remains very high**

While there has been recent job growth in New York City, unemployment is still extremely high in the city and throughout the state. This protracted high unemployment is likely to lead to long-term damage to the economy—and to people's lives.

Although unemployment rates have declined this year, they are still much higher in New York than before the recession began. The unemployment rate in New York City in December, 2007, was 4.7 percent, and in the New York City suburbs and upstate it was 4.6 percent. These rates peaked in late 2009 at 10.5 percent (New York City) and 7.9 percent (suburbs and upstate), and have declined since, but are still extremely high, at 9.5 percent for the city—more than double the rate before the recession—and 7.3 percent for the rest of the state (the New York City suburbs and upstate). (See Figures 4A and 4B.)

Hundreds of thousands of New Yorkers have been direct casualties of increased unemployment. Between the first half of 2008 and the first half of 2010, the number of unemployed persons in New York State increased by three-fourths, rising from 473,600 to 831,500. An additional 205,000 New York City residents were jobless, and an additional 153,000 residents in the rest of the state either lost jobs or could not find a job. During the first half of 2010 a total of 391,000 people were unemployed in the city, 233,000 in the Eastern New York State region (the suburbs and the Hudson Valley region up to Albany and Glens Falls), and 207,600 in Western and Northern New York.

Job losses were most severe in the ten-county downstate area (the city plus Nassau, Suffolk, Westchester, Putnam, and Rockland counties), where the number of unemployed nearly doubled. The 93 percent increase in unemployment in the downstate area between the first half of 2008 and the first half of 2010 slightly exceeded the 89 percent unemployment increase in the U.S. overall during this period. But the 52-county upstate New York area suffered as well, with a 50 percent increase in the number of unemployed. (See Figure 5.)

In both New York City and the city suburbs and upstate, unemployment is highest for black and Hispanic residents, and higher for men than for women. In the city, while the overall unemployment rate was 9.8 percent on average for the first six months of 2010, among blacks, unemployment was 13.6 percent, and for Hispanics 12.6 percent. Non-Hispanic whites and the Asian and other category, on the other hand, had unemployment rates of 6.1 percent and 7.6 percent, respectively. (See Figure 6A.)

In the rest of New York—the city suburbs and upstate—while overall unemployment was lower at 7.8 percent during the first half of 2010, it was higher for blacks, at 16.7 percent, than in New

York City. Unemployment in the balance of the state is higher for Hispanics (12.1 percent) than for non-Hispanic whites (6.7 percent) or for Asians and others (4.5 percent). (See Figure 6B.) Unemployment in New York is about two percentage points higher for men than for women. Among men in New York City, first half 2010 unemployment was 10.9 percent, while for women it was 8.6 percent. In the rest of the state, the rates were 8.6 percent for men and 6.9 percent for women. (See Figures 6A and 6B.)

The standard unemployment rates cited here do not count as unemployed all those who want to work but have given up on finding work, or those who have taken part-time jobs because full-time ones were not available. A broader unemployment rate would include these hundreds of thousands of people who are directly affected by the downturn in the economy. For New York City, this more inclusive definition yields an unemployment rate of 16.2 percent during the first half of 2010, and for the rest of the state it was 14.2 percent.

As with the standard rate, broader unemployment is highest among blacks and Hispanics, and higher for men than for women. In New York City, the inclusive unemployment rate for the first half of 2010 was 20.6 percent for blacks and 21.2 percent for Hispanics, compared with 11.2 percent for non-Hispanic whites and 11.9 percent for Asians and others. In the city suburbs and upstate, broader unemployment was 24.6 percent for blacks and 22.0 percent for Hispanics, compared with 12.7 percent for non-Hispanic whites and 9.3 percent for Asians and others. The broader unemployment rate among men in the city was 17.2 percent, and 15.0 percent for women. In the rest of the state, the rates were 14.6 percent for men and 13.8 percent for women. For the entire state, *nearly one and a half million residents* are unemployed or underemployed by this definition—approximately 635,000 in New York City and 842,000 in the city suburbs and upstate. (See Figures 7A and 7B.)

Another indication of crisis in the job market is continuing job losses, as measured by initial claims for unemployment. While initial claims are now lower than they were a year ago, they are still higher than before the recession. The 12-week moving average for initial claims (used to smooth normal week-to-week fluctuations) for New York City<sup>3</sup> was 10,900, a 30 percent increase over two years before, shortly after the recession hit New York, when it was 8,300. For the New York City suburbs and upstate, initial claims went from 11,750, two years ago, to 15,300 for the 12-week period through the end of July 2010, also a 30 percent increase. (See Figure 8.)

The Great Recession is also characterized by persistently high long-term unemployment, considered to be a period without work exceeding six months. The median duration of unemployment has reached record levels during the post-World War II period for the U.S. While the data needed to make this type of long-term assessment is not readily accessible for New York, data for the past 15 years show the dramatic rise in the median duration of unemployment. In New York City, the median duration of unemployment surged to 19 weeks at the end of the 2001-to-2003 recession and ensuing period of very slow growth. However, by mid-2010, the median duration of unemployment spells in New York City surpassed six months. (See Figure 9A.)

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<sup>3</sup> 12 weeks ending July 23, 2010, compared with 12 weeks ending July 25, 2008.

In the rest of New York State—the city suburbs and upstate—the median duration of unemployment doubled from 11 weeks to 22 weeks. (See Figure 9B.)

These dramatic increases in long-term unemployment among New Yorkers are likely to lead to long-term financial ills for many. In a recent Pew Research Center survey,<sup>4</sup> most of those unemployed six months or longer reported that their family incomes had declined significantly during the recession. People unemployed six months or longer were more likely to say that the recession would have a “big impact” on their ability to achieve their career goals, and more likely to have to accept new jobs with lower pay than those they had left. While clearly affecting these families’ financial health, extended periods of unemployment have the potential for severe emotional and social effects as well. The report found that unemployment for six months or longer increases the chances of losing self-respect, of straining family relationships, of losing contact with close friends, and of having depression severe enough to seek professional help. These stresses are bound to lead to higher rates of divorce, family violence, and suicide, as the employment picture continues to be bleak.

Unemployment among the youngest New Yorkers (ages 16-19) is more than double the average, both in the city and throughout the state, and unemployment in the next cohort (ages 20-24) is much higher than the overall average as well.<sup>5</sup> Research has shown that delayed entry into the labor force, or starting with jobs that are lower-paying than one is qualified for because they are the only ones available, can have life-long repercussions in poorer employment prospects and lower incomes.<sup>6</sup> Thus the dearth of job possibilities for young people may make life for this generation harder into the indefinite future.

### **III. Wage trends during the Great Recession**

Many workers still holding jobs have felt the effects of the recession as the real value of their weekly wages has declined. High unemployment lessens the ability of workers to negotiate higher wages, and recession conditions reduce the number of hours worked each week for many hourly-paid workers. These trends have not been uniform within the state, with variations by occupation, gender, and geography.

Within New York City, workers’ wage earnings have fared very differently depending on the kind of job they hold. There has been a sharp divergence between the changes in median weekly wages of those in managerial/professional occupations and those in non-managerial/non-professional positions. People in managerial/professional occupations as a group saw median wage growth of 9.5 percent between the first half of 2007 and the first half of 2010. New York

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<sup>4</sup> Pew Research Center, *The Impact of Long-term Unemployment: Lost Income, Lost Friends—and Loss of Self-Respect*, July, 2010, at <http://pewresearch.org/pubs/1674/poll-impact-long-term-unemployment>.

<sup>5</sup> Fiscal Policy Institute analysis of Current Population Survey data. Note that these unemployment rates do not include full-time students unavailable for work.

<sup>6</sup> See, for example, David Ellwood, *Teenage Unemployment: Permanent Scars or Temporary Blemishes*, NBER Working Paper No.399, October, 1979, and Kahn, L. 2009, *The Long-Term Labor Market Consequences of Graduating from College in a Bad Economy*, Princeton, N.J.: Yale School of Management.

City workers in non-managerial/non-professional jobs, on the other hand, experienced a 4.3 percent decline in their wages during this same period. (See Figure 10A.<sup>7</sup>)

Within the New York City managerial/professional worker category, the strong growth in median wages was even more pronounced for males, registering 13.7 percent, as compared with 7.5 percent for females. Wages in the male-dominated finance sector are not driving this gender disparity since the wages of highly-paid finance professionals—near the top of the wage distribution—do not exert a large influence on the median. Changes in weekly hours worked may help explain the greater increase in the wages of men in managerial/professional jobs than of women in such jobs. An analysis of average weekly hours worked by gender and broad occupational category found a much larger increase in that hours worked by males in managerial/professional occupations than in the hours worked by women in this group.

The decline in the median weekly wages of New York City workers in non-managerial/non-professional occupations was borne by males as a group. While the median wage of females in these occupations actually increased by 4.1 percent, men in these occupations saw their median wages drop by 7.3 percent. Some explanation for these outcomes may be found in the concentration of males in industries such as construction and manufacturing that have been hit hard during the recession and a decline in their average weekly hours worked. Females, meanwhile, are more prevalent in occupations such as healthcare support that are often low-wage but in which there has nonetheless been a continued expansion of employment.

The significance of the divergence in wage growth between the two broad occupational groups is heightened when one considers the distribution of New York City residents among these categories. Non-managerial/non-professional occupations represent the majority of jobs held by the city's residents—56.9 percent.

The wage growth pattern is different for the areas of the state outside New York City. In the balance of the state, there has been decline in median wages in both the managerial/professional and the non-managerial/non-professional occupational groupings, with one exception: females in managerial/professional jobs saw a small increase of 2 percent in their median wages. In contrast with New York City, managerial/professional males in the rest of the state saw their median wages decline by 6.8 percent. (Note, though, that this category includes many highly-paid workers who commute into New York City. A sharp decline in finance sector jobs held by male commuters helps explain the drop in median wages.) Still, the decrease in the median wage of non-New York City managerial/professional workers overall—1 percent—was very small compared with the 5.9 percent drop in median weekly earnings for those in non-managerial/non-professional positions. (See Figure 10B.)

In the rest of the state excluding New York City, there was a 2 percent shift in the distribution of jobs from managerial/professional occupations to non-managerial/non-professional ones. As in New York City, the majority (55.6 percent) of residents in the suburban and upstate areas hold non-managerial/non-professional jobs.

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<sup>7</sup> For the data used in Figures 10A and 10B, including median weekly earnings levels for the first half of 2007 and the first half of 2010, see the Appendix Figure.

Growth in median wages is only one part of this picture. While females as a group fared better than did their males counterparts within the non-managerial/non-professional occupations both in New York City and the balance of state and within the managerial/professional occupations in the balance of state with respect to growth in median wages, they started (and ended) with lower absolute median wages across the board. The gender wage gap is smallest within managerial/professional jobs in New York City. During the first half of 2010, the median wage of females in this group was 87 percent that of that of their male counterparts. In the rest of the state, the median wage of females in this broad occupational grouping was only 76 percent that of males. In the non-managerial/non-professional positions, women's median wages are 77 percent those of men's in New York City and only 65 percent those of men's in the balance of the state. Whatever the wage trends resulting from the Great Recession, the gender wage gap is a persistent feature across the booms and busts of the economic cycle.

#### **IV. New York's greatest job losses occurred in manufacturing, finance and construction**

Measured from July 2008 to July 2010, New York State's net job loss was 285,000. That net number reflects the job growth that has occurred in 2010, and as noted earlier, most of the state's 2010 job growth has taken place in New York City. Among all sectors, manufacturing lost the most jobs (70,000) in the Empire State. On a percentage basis, New York's 13.1 percent decline in manufacturing employment was slightly greater than the 12.9 percent national decline. (See Figure 11.)

The finance and insurance sector was the second greatest contributor to New York's job losses, with a decline of 50,000. This 9.3 percent decline was much greater than the 6.4 percent decline for the nation as a whole. While construction was the third greatest source of job losses statewide (46,000), New York's rate of decline in construction jobs was well below the national decline (12.9 percent vs. 22.2 percent.) The housing bubble of 2005-2007, which helped fuel an unsustainably high level of construction activity, was more pronounced in certain parts of the country.

Most of the state's job losses from July 2008 to July 2010 occurred in blue collar and lower-wage white collar industries. New York's job losses in construction, manufacturing, wholesale and retail trade, transportation, and administrative and support services totaled 230,000, compared to 106,000 for the predominantly higher-paid white collar sectors of finance, information, professional services, real estate, and management of companies. (Note: these two losses sum to more than the overall statewide job loss because, as discussed below, there were job gains in a few sectors.)

In the suburban and upstate areas, job losses in the blue collar/lower-wage white collar sectors were four times greater than in the predominantly higher-paid white collar sectors (148,000 vs. 37,000). Even in New York City, job losses in the higher-wage white collar sectors were less than in the blue collar/lower-wage white collar sectors (68,000 vs. 80,000).

State and local government has also been a significant source of job loss in New York over the past two years. Statewide, 40,000 state and local government jobs have been lost, making it the

fourth greatest source of job losses in the state. This 2.9 percent decline in state and local government employment in New York is nearly twice the overall national pace of decline in state and local government employment. New York City has lost 25,000 state and local government jobs and suburban and upstate areas have lost 15,000. (See Figure 11.<sup>8</sup>)

Both in New York and nationally, educational services (private primary and secondary, higher education and trade schools) and health care and social assistance have seen increased employment over the past two years. Nearly 50,000 jobs have been added in the Empire State in these two sectors since July 2008. New York's statewide growth rates in these two broad sectors have been virtually identical with national growth trends.

In three sectors—arts and entertainment, accommodation and food services, and other services—New York has bucked the national trend over the past two years. In each of these sectors, New York has seen moderate job growth while nationally these sectors have all lost jobs since mid-2008. Within New York, both New York City and the suburban/upstate areas have seen roughly comparable growth rates in each of these sectors.

#### **V. Upstate metro areas have fared better than most metro areas in the U.S. over the past four years**

Partly because the housing bubble largely bypassed upstate New York, the 11 upstate New York metropolitan areas experienced smaller employment losses between July 2008 and July 2010 than most of the 365 metro areas in the U.S. This certainly does not mean that upstate New York areas were spared the recession's devastating effects, only that New York was hit a lot less hard than most parts of the country.

Among all New York metro areas, only the downstate suburban Putnam-Rockland-Westchester metropolitan division had a job loss greater than the national average for all 365 metro areas (5.9 percent vs. 5.0 percent). In ranking metro areas by job growth or decline, the Ithaca metro area ranked 36th among all U.S. metro areas, Utica-Rome ranked 42nd, the Kingston metro area ranked 46th, and the Glens Falls area was 50th. Syracuse ranked 81st, Buffalo-Niagara Falls 97th, and Rochester 135th. (See Figure 12).

Ranking metro areas by per capita income growth yields similar results, showing upstate New York's metro areas performing relatively better than most of their counterparts around the country. Figure 13 shows per capita income growth rates for the last two years of the expansion (2005 to 2007), the first two years of the Great Recession (2007 to 2009), and the combined four-year period. During the last two years of the expansion, all of New York's metro areas except Glens Falls had per capita income growth rates above the 11.3 percent average for all metro areas in the U.S. (Per capita income growth in this analysis is calculated based on current

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<sup>8</sup> Temporary hiring by the federal government of workers to help conduct the 2010 Census enumeration significantly boosted federal government employment in the spring months of 2010. As of July 2010, there were still nearly 200,000 temporary Census workers on the Federal payroll. This largely accounts for the increase in federal government employment from July 2008 to July 2010 shown in Figure 11.



dollars, not adjusted for inflation.) With a growth rate of 10.8 percent, Glens Falls was only slightly below the national average.

During the two-year recession period (2007 to 2009), all of New York's metro areas except the New York City area performed much better than the 1.2 percent decline in per capita income that was the average across all U.S. metro areas. All of New York's metro areas had per capita income growth except for the broad metro area category that includes New York City and the downstate suburban areas (as well as parts of Northern New Jersey and Pennsylvania), which had a 2.8 percent per capita income decline over this period.

Taking the four-year 2005-to-2009 period as a whole, per capita income growth among all New York metro areas ranged from 14 to 20.7 percent and far surpassed the 9.9 percent national average for all metro areas. Seven upstate New York metro areas, including Buffalo and Syracuse, ranked among the top 50 metro areas in terms of per capita income growth over this four-year period. Even the greater New York City metro area, which ranked 116th and lowest among all New York metro areas, would fall in the top third among the 366 metro areas analyzed by the U.S. Bureau of Economic Analysis. (See Figure 13.<sup>9</sup>)

## **VI. Additional federal action is needed to boost job growth and create a sustained recovery**

Despite some tentative glimmerings of rebound, unemployment remains extraordinarily high in both New York and in the nation overall. Factoring in discouraged workers and those who are underemployed (working part-time because full-time employment is not available), there are 24.3 million persons unemployed or underemployed nationally, and 1.5 million unemployed or underemployed in New York State. Thus, for both the state and the nation, one out of every six workers is directly affected by a lack of work.

The outlook is for a historically weak rebound in Gross Domestic Product and for unemployment to remain well above pre-recession levels for many months to come. The August 2010 forecast by the Congressional Budget Office projects an average national unemployment rate of 9.0 percent for 2011, and the consensus among forecasters surveyed in August by Blue Chip Economic Indicators foresees a slightly higher 9.1 percent rate for next year.

While New York State has seen slightly better job growth than the nation so far in 2010, it is not clear that New York City—where most of the state's 2010 job growth has occurred—can sustain that growth if national economic and employment growth remain tepid.<sup>10</sup> Job growth in the downstate suburbs and upstate has been slower than the very moderate national rate over the past year.

A number of commentators have pointed to New York State's budget deficit and the state's tax burden as reasons for the state's weak economic performance. Along with most states around the

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<sup>9</sup> The data for the U.S. metropolitan average was corrected from an earlier version of this report.

<sup>10</sup> In the August update to its New York economic forecast, the state's Division of the Budget forecasts payroll employment growth of only 1.0 percent for New York State for 2011.

country, New York faces significant budget challenges.<sup>11</sup> Tax revenues have been very slow to recover, in New York and in almost every state in the nation.<sup>12</sup> However, New York's budget situation is certainly not unique. And as the analysis of relative job growth performance in recent years compared to other states and metro areas around the country indicates, New York and the upstate metro areas have not fared as badly as most states and metro areas in the United States. Make no mistake, the recession has hit New York and its residents extremely hard; it's just that New York has not been as devastated as much of the country by the Great Recession. Claims that state and local spending patterns are holding back New York's economic growth are often just that, claims that are not substantiated by credible economic analysis.

In the wake of the September 2008 financial market collapse, the economy contracted sharply and job losses rapidly mounted in New York and around the country. Anticipating a profoundly severe contraction, businesses everywhere slashed their payrolls. A double digit decline in sales tax collections in late 2008 and early 2009 reflected a steep falloff in consumer retail spending. It was in this context that the \$860 billion American Recovery and Reinvestment Act (ARRA), was enacted in February 2009. By now it is clear to serious economic analysts that the economic stimulus that ARRA provided helped rescue an economy that was headed off a cliff. By itself, ARRA has not been sufficient to generate a sustained recovery. But it was critical in halting the precipitous freefall in consumer and business spending.

While a precise accounting is not possible, given the magnitude and diversity in the forms of ARRA spending and tax cuts, it is likely that ARRA saved or created 200,000 jobs in New York State.<sup>13</sup> ARRA's impact helps explain why the Great Recession was not as severe as expected by many economists in late 2008.

With a total price tag representing roughly five percent of one year's national GDP, ARRA's various funding streams were meant to stimulate different segments of the economy, retaining and creating jobs in a range of sectors, providing aid to the unemployed and vulnerable individuals and families, providing fiscal relief to states to avert damaging budget cuts, and funding strategic investments to increase long-term growth potential as well as encouraging energy efficiency and development. Now that the economy has largely stopped hemorrhaging jobs, it is time for a booster shot of stimulus to pave the way toward recovery.

Policy makers need to focus on spurring aggregate demand, averting economy-shrinking cuts in state budgets, and investing in productivity-enhancing infrastructure, particularly such areas as mass transit. Also critical are measures to ensure that the fruits of productivity growth are broadly shared; data showing income polarization at its greatest since the eve of the 1929 crash demonstrate that growth has not been so shared, to our collective economic and social detriment.

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<sup>11</sup> Michael Leachman, Erica Williams, and Nicholas Johnson. "Failing to Extend Fiscal Relief to States Will Create New Budget Gaps, Forcing Cuts and Job Loss in at least 34 States: More Cuts in Health, Education, and Other Areas Could Stall Nation's Economic Recovery." Center for Budget and Policy Priorities. August 13, 2010. <http://www.cbpp.org/cms/index.cfm?fa=view&id=3207>.

<sup>12</sup> The Nelson A. Rockefeller Institute of Government. *State Revenue Flash Report*. August 30, 2010. [http://www.rockinst.org/government\\_finance/](http://www.rockinst.org/government_finance/).

<sup>13</sup> Executive Office of the President, Council of Economic Advisers, *The Economic Impact of the American Recovery and Reinvestment Act of 2009, Fourth Quarterly Report*, July 14, 2010, p. 49.

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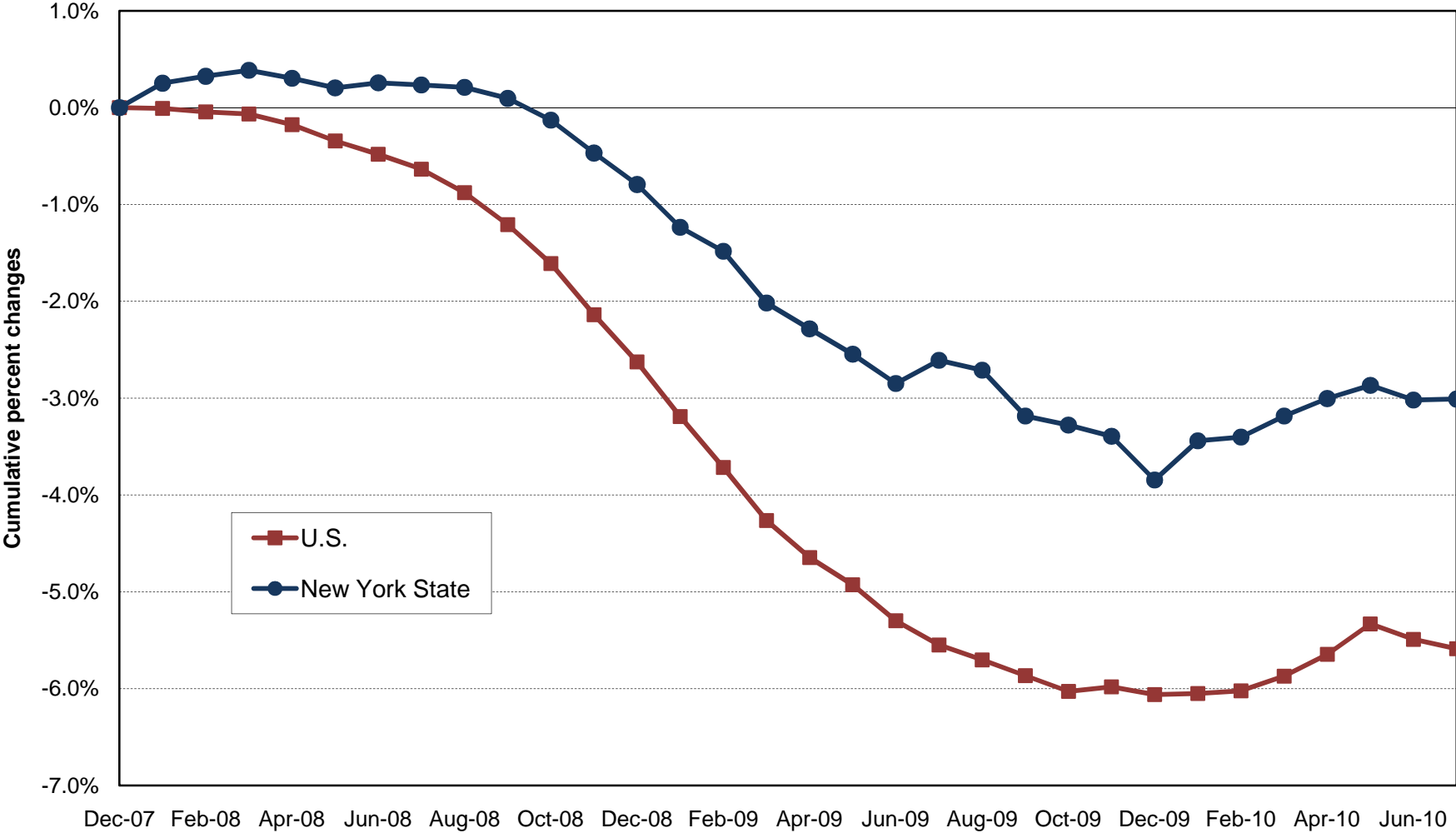
Federal, state, and local governments should keep one final issue clearly in mind as they take actions to move the economy out of the recession. Occupational projections indicate that a disproportionate number of new jobs in the United States will be low-wage, paying less than 150 percent of the poverty level. While there is no doubt that individual workers are likely to achieve more success in the labor market with a college education, it is far from clear that the economy on its current track will produce a sufficient supply of high quality jobs to accommodate all who receive post-secondary schooling. Public policies and private practices are needed to raise the skill requirements of jobs, and to increase the pay for the large majority of jobs that will not require a college degree.

New York's economy has a lot going for it. For most major sectors in the state's economy, output per worker leads most large industrial states and is well above the national average.<sup>14</sup> The state will do well once a sustained national economic recovery gets underway.

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<sup>14</sup> See Figure 5.9, Fiscal Policy Institute, *The State of Working New York 2009: Unemployment and Economic Insecurity in the Great Recession*, p. 41.

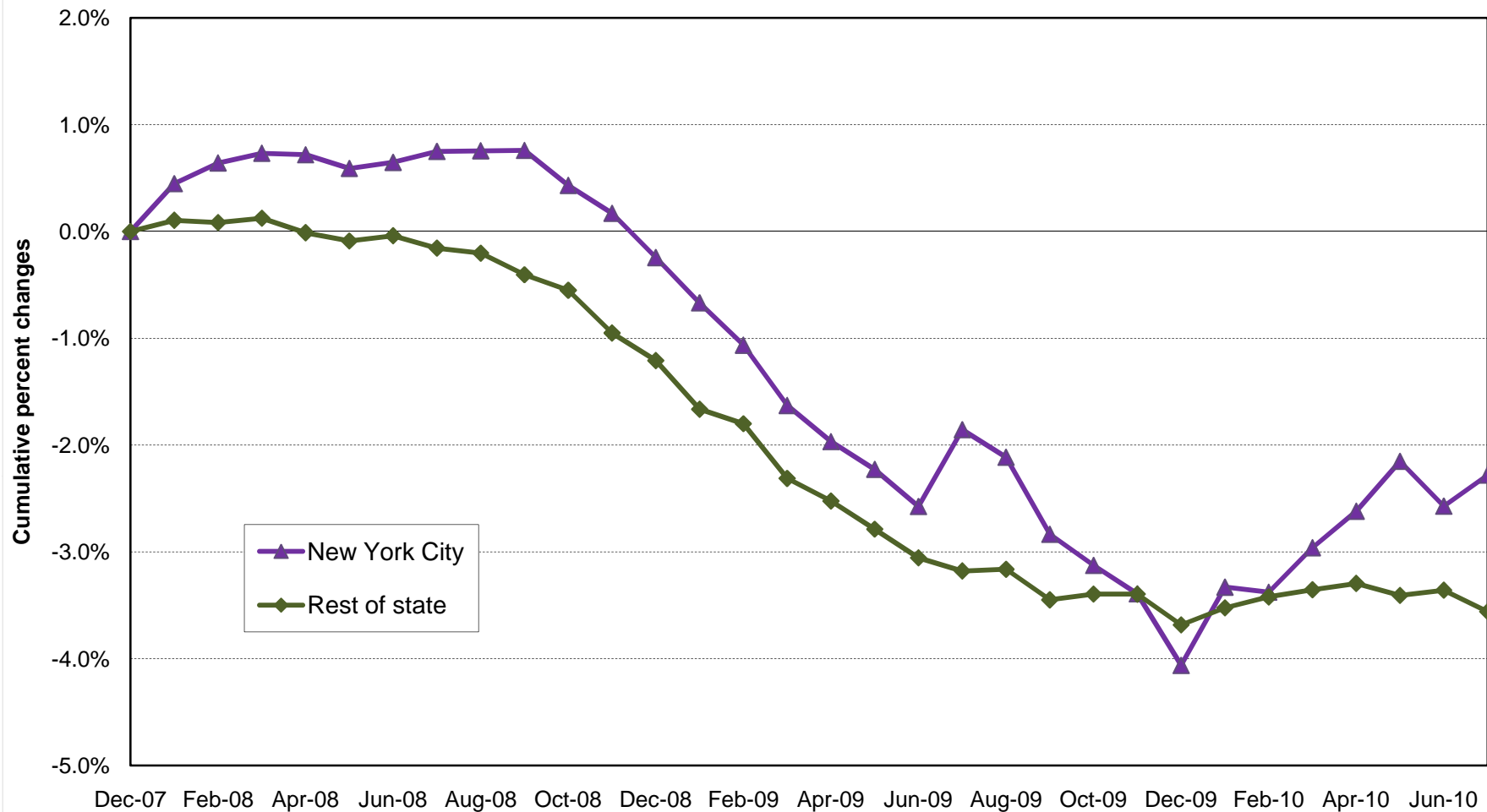
**Since the start of the recession in December 2007, New York State's job loss has been much less than that of the United States as a whole.**



Source: FPI analysis of NYS Department of Labor and Bureau of Labor Statistics payroll employment data (seasonally adjusted).

FIGURE 1A

**Since the start of the recession in December 2007, job losses in the rest of New York have been proportionally higher than in New York City, and there has been little recovery outside the city.**



Source: FPI analysis of NYS Department of Labor and Bureau of Labor Statistics payroll employment data (seasonally adjusted).

FIGURE 1B

**Across New York State, the number of payroll jobs remained considerably below the level of two years ago.**

|  | First 6 months average employment |                 |                 | Absolute changes in first 6 months average employment |              |               | Percent changes in first 6 months average employment |              |              |
|--|-----------------------------------|-----------------|-----------------|---|--------------|---------------|--|--------------|--------------|
|  | First half 2008                   | First half 2009 | First half 2010 | 2008-2009   | 2009-2010    | 2008-2010     | 2008-2009  | 2009-2010    | 2008-2010    |
| <b>United States</b>                     | 137,149.5                         | 131,441.2       | 129,573.0       | -5,708.3  | -1,868.2     | -7,576.5      | -4.2%  | -1.4%        | -5.5%        |
| <b>New York State</b>                    | 8,760.6                           | 8,553.8         | 8,461.6         | -206.8  | -92.2        | -299.0        | -2.4%  | -1.1%        | -3.4%        |
| <b>New York City</b>                     | 3,782.8                           | 3,695.5         | 3,653.5         | -87.3   | -42.0        | -129.3        | -2.3%  | -1.1%        | -3.4%        |
| <b>Eastern New York</b>                  | <b>2,723.6</b>                    | <b>2,647.7</b>  | <b>2,621.4</b>  | <b>-75.9</b>  | <b>-26.3</b> | <b>-102.2</b> | <b>-2.8%</b>   | <b>-1.0%</b> | <b>-3.8%</b> |
| Nassau-Suffolk, NY Metropolitan Division | 1,260.5                           | 1,223.7         | 1,222.6         | -36.8   | -1.1         | -37.9         | -2.9%  | -0.1%        | -3.0%        |
| Putnam-Rockland-Westchester              | 578.4                             | 557.2           | 541.1           | -21.2   | -16.1        | -37.3         | -3.7%  | -2.9%        | -6.5%        |
| Albany-Schenectady-Troy, NY MSA          | 450.5                             | 443.6           | 438.3           | -6.9  | -5.3         | -12.2         | -1.5%  | -1.2%        | -2.7%        |
| Glens Falls, NY MSA                      | 54.1                              | 53.1            | 53.4            | -1.0  | 0.3          | -0.7          | -1.8%  | 0.5%         | -1.2%        |
| Kingston, NY MSA                         | 63.2                              | 61.3            | 61.2            | -1.9  | -0.1         | -1.9          | -3.0%  | -0.1%        | -3.1%        |
| Poughkeepsie-Newburgh-Middletown, NY MSA | 254.5                             | 248.4           | 245.0           | -6.1  | -3.4         | -9.5          | -2.4%  | -1.4%        | -3.7%        |
| Columbia County                          | 21.2                              | 20.4            | 20.0            | -0.9  | -0.3         | -1.2          | -4.0%  | -1.7%        | -5.7%        |
| Greene County                            | 15.1                              | 14.6            | 14.8            | -0.5  | 0.2          | -0.3          | -3.4%  | 1.6%         | -1.9%        |
| Sullivan County                          | 26.2                              | 25.6            | 25.1            | -0.7  | -0.4         | -1.1          | -2.5%  | -1.7%        | -4.1%        |
| <b>Western and Northern New York</b>     | <b>2,324.2</b>                    | <b>2,271.5</b>  | <b>2,250.6</b>  | <b>-52.7</b>  | <b>-20.9</b> | <b>-73.6</b>  | <b>-2.3%</b>   | <b>-0.9%</b> | <b>-3.2%</b> |
| <b>W&amp;N NY Metropolitan Areas</b>     | <b>1,765.0</b>                    | <b>1,726.1</b>  | <b>1,713.5</b>  | <b>-38.9</b>  | <b>-12.6</b> | <b>-51.5</b>  | <b>-2.2%</b>   | <b>-0.7%</b> | <b>-2.9%</b> |
| Binghamton, NY MSA                       | 114.8                             | 111.8           | 109.6           | -3.0  | -2.2         | -5.3          | -2.6%  | -2.0%        | -4.6%        |
| Buffalo-Niagara Falls, NY MSA            | 548.1                             | 535.8           | 532.8           | -12.2   | -3.0         | -15.2         | -2.2%  | -0.6%        | -2.8%        |
| Ithaca, NY MSA                           | 132.5                             | 130.4           | 130.4           | -2.1  | -0.1         | -2.2          | -1.6%  | -0.1%        | -1.6%        |
| Rochester, NY MSA                        | 514.4                             | 502.3           | 497.4           | -12.1   | -4.9         | -17.0         | -2.4%  | -1.0%        | -3.3%        |
| Syracuse, NY MSA                         | 322.7                             | 315.3           | 313.1           | -7.3  | -2.3         | -9.6          | -2.3%  | -0.7%        | -3.0%        |
| Utica-Rome, NY MSA                       | 132.5                             | 130.4           | 130.4           | -2.1  | -0.1         | -2.2          | -1.6%  | -0.1%        | -1.6%        |
| <b>W&amp;N NY Non-metropolitan areas</b> | <b>559.2</b>                      | <b>545.4</b>    | <b>537.1</b>    | <b>-13.8</b>  | <b>-8.3</b>  | <b>-22.1</b>  | <b>-2.5%</b>   | <b>-1.5%</b> | <b>-4.0%</b> |

Source: Non-farm payroll employment, Bureau of Labor Statistics and NYS Department of Labor (not seasonally adjusted).

Note: Absolute and percent changes are from the first half of the first year to the first half of the second year.

FIGURE 2

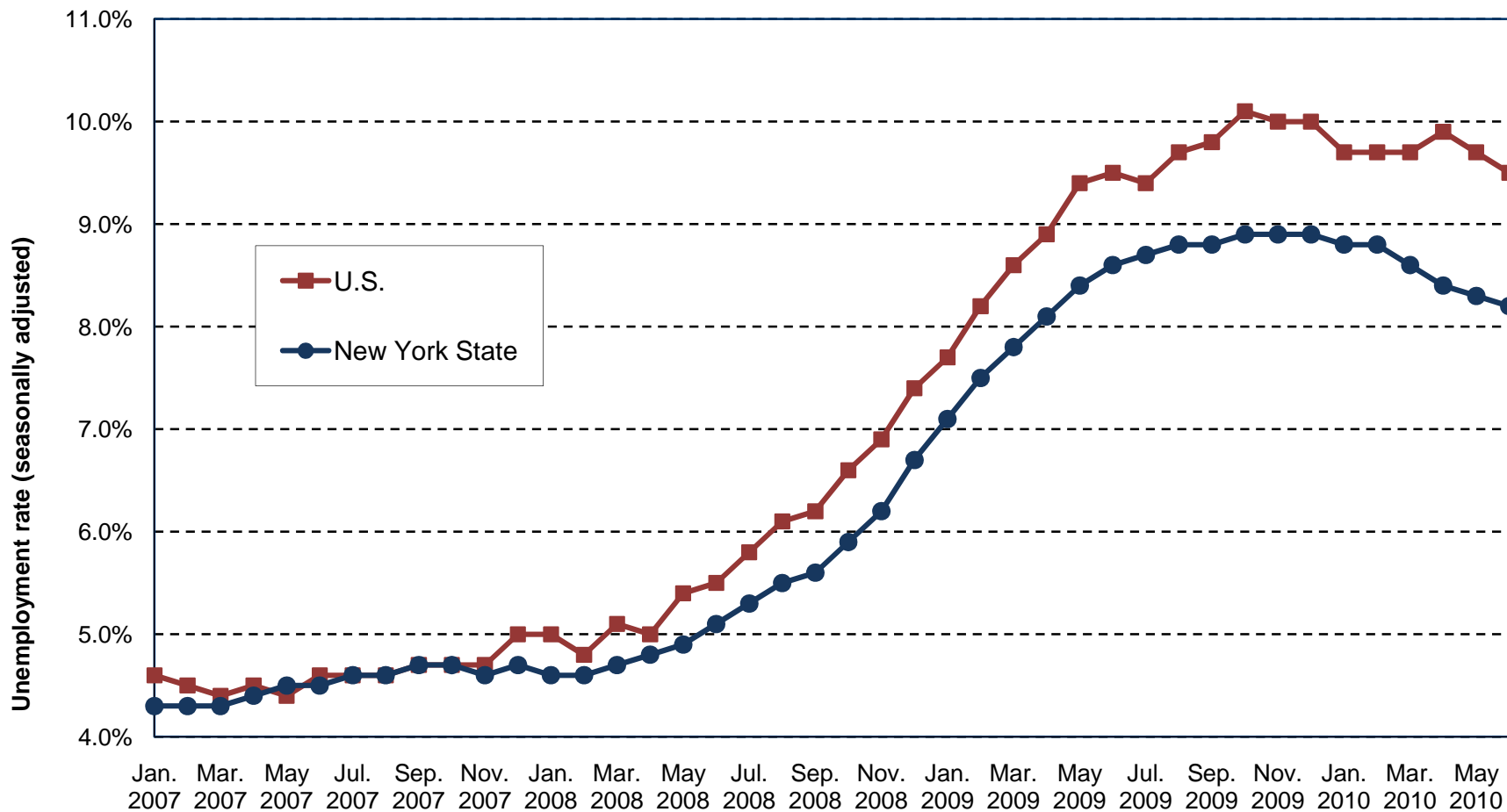
## Forty states have experienced greater job losses than New York State since December 2007.

|                      | <u>December<br/>2007</u> | <u>July<br/>2010</u> | <u>Number<br/>change</u> | <u>Percent<br/>change</u> | <u>State<br/>ranking</u> |
|----------------------|--------------------------|----------------------|--------------------------|---------------------------|--------------------------|
| <b>UNITED STATES</b> | <b>137,951</b>           | <b>130,242</b>       | <b>-7,709</b>            | <b>-5.6%</b>              |                          |
| North Dakota         | 362                      | 374                  | 11                       | 3.1%                      | 1                        |
| Alaska               | 319                      | 327                  | 8                        | 2.4%                      | 2                        |
| South Dakota         | 408                      | 405                  | -3                       | -0.8%                     | 3                        |
| Texas                | 10,526                   | 10,400               | -125                     | -1.2%                     | 4                        |
| Louisiana            | 1,934                    | 1,907                | -27                      | -1.4%                     | 5                        |
| Nebraska             | 963                      | 947                  | -16                      | -1.7%                     | 6                        |
| Oklahoma             | 1,575                    | 1,544                | -31                      | -2.0%                     | 7                        |
| West Virginia        | 761                      | 743                  | -18                      | -2.4%                     | 8                        |
| Massachusetts        | 3,289                    | 3,198                | -91                      | -2.8%                     | 9                        |
| <b>New York</b>      | <b>8,780</b>             | <b>8,530</b>         | <b>-250</b>              | <b>-2.8%</b>              | <b>10</b>                |
| Maryland             | 2,612                    | 2,531                | -81                      | -3.1%                     | 11                       |
| Arkansas             | 1,207                    | 1,170                | -38                      | -3.1%                     | 12                       |
| Wyoming              | 293                      | 284                  | -9                       | -3.2%                     | 13                       |
| New Hampshire        | 648                      | 627                  | -21                      | -3.2%                     | 14                       |
| Iowa                 | 1,524                    | 1,475                | -49                      | -3.2%                     | 15                       |
| Virginia             | 3,767                    | 3,641                | -126                     | -3.3%                     | 16                       |
| Pennsylvania         | 5,810                    | 5,607                | -203                     | -3.5%                     | 17                       |
| Kansas               | 1,385                    | 1,336                | -49                      | -3.5%                     | 18                       |
| Minnesota            | 2,770                    | 2,661                | -109                     | -3.9%                     | 19                       |
| Maine                | 620                      | 594                  | -26                      | -4.2%                     | 20                       |
| Montana              | 447                      | 427                  | -20                      | -4.4%                     | 21                       |
| Missouri             | 2,800                    | 2,666                | -134                     | -4.8%                     | 22                       |
| Delaware             | 439                      | 418                  | -21                      | -4.9%                     | 23                       |
| Connecticut          | 1,704                    | 1,620                | -84                      | -4.9%                     | 24                       |
| Utah                 | 1,264                    | 1,200                | -64                      | -5.1%                     | 25                       |
| Vermont              | 309                      | 293                  | -16                      | -5.1%                     | 26                       |
| Washington           | 2,961                    | 2,809                | -152                     | -5.1%                     | 27                       |
| Kentucky             | 1,870                    | 1,772                | -98                      | -5.2%                     | 28                       |
| Hawaii               | 628                      | 594                  | -34                      | -5.4%                     | 29                       |
| Wisconsin            | 2,886                    | 2,730                | -155                     | -5.4%                     | 30                       |
| Indiana              | 2,987                    | 2,814                | -173                     | -5.8%                     | 31                       |
| New Mexico           | 849                      | 799                  | -50                      | -5.9%                     | 32                       |
| New Jersey           | 4,087                    | 3,842                | -245                     | -6.0%                     | 33                       |
| South Carolina       | 1,946                    | 1,829                | -117                     | -6.0%                     | 34                       |
| Colorado             | 2,349                    | 2,205                | -144                     | -6.1%                     | 35                       |
| Illinois             | 5,984                    | 5,602                | -383                     | -6.4%                     | 36                       |
| North Carolina       | 4,170                    | 3,895                | -274                     | -6.6%                     | 37                       |
| Mississippi          | 1,158                    | 1,080                | -78                      | -6.7%                     | 38                       |
| Alabama              | 2,011                    | 1,873                | -139                     | -6.9%                     | 39                       |
| Ohio                 | 5,422                    | 5,047                | -375                     | -6.9%                     | 40                       |
| Tennessee            | 2,804                    | 2,603                | -202                     | -7.2%                     | 41                       |
| Idaho                | 657                      | 608                  | -49                      | -7.4%                     | 42                       |
| Rhode Island         | 489                      | 452                  | -37                      | -7.5%                     | 43                       |
| Georgia              | 4,151                    | 3,826                | -325                     | -7.8%                     | 44                       |
| Oregon               | 1,738                    | 1,597                | -141                     | -8.1%                     | 45                       |
| California           | 15,181                   | 13,875               | -1,306                   | -8.6%                     | 46                       |
| Michigan             | 4,246                    | 3,876                | -370                     | -8.7%                     | 47                       |
| Florida              | 7,953                    | 7,239                | -715                     | -9.0%                     | 48                       |
| Arizona              | 2,674                    | 2,402                | -271                     | -10.2%                    | 49                       |
| Nevada               | 1,293                    | 1,117                | -176                     | -13.6%                    | 50                       |

Note: All figures are in thousands except percent change.

Source: Bureau of Labor Statistics national and state and Metro Area Employment data (seasonally adjusted).

**Although unemployment rates have declined in 2010, they are still much higher in New York and the U.S. than before the recession began.**

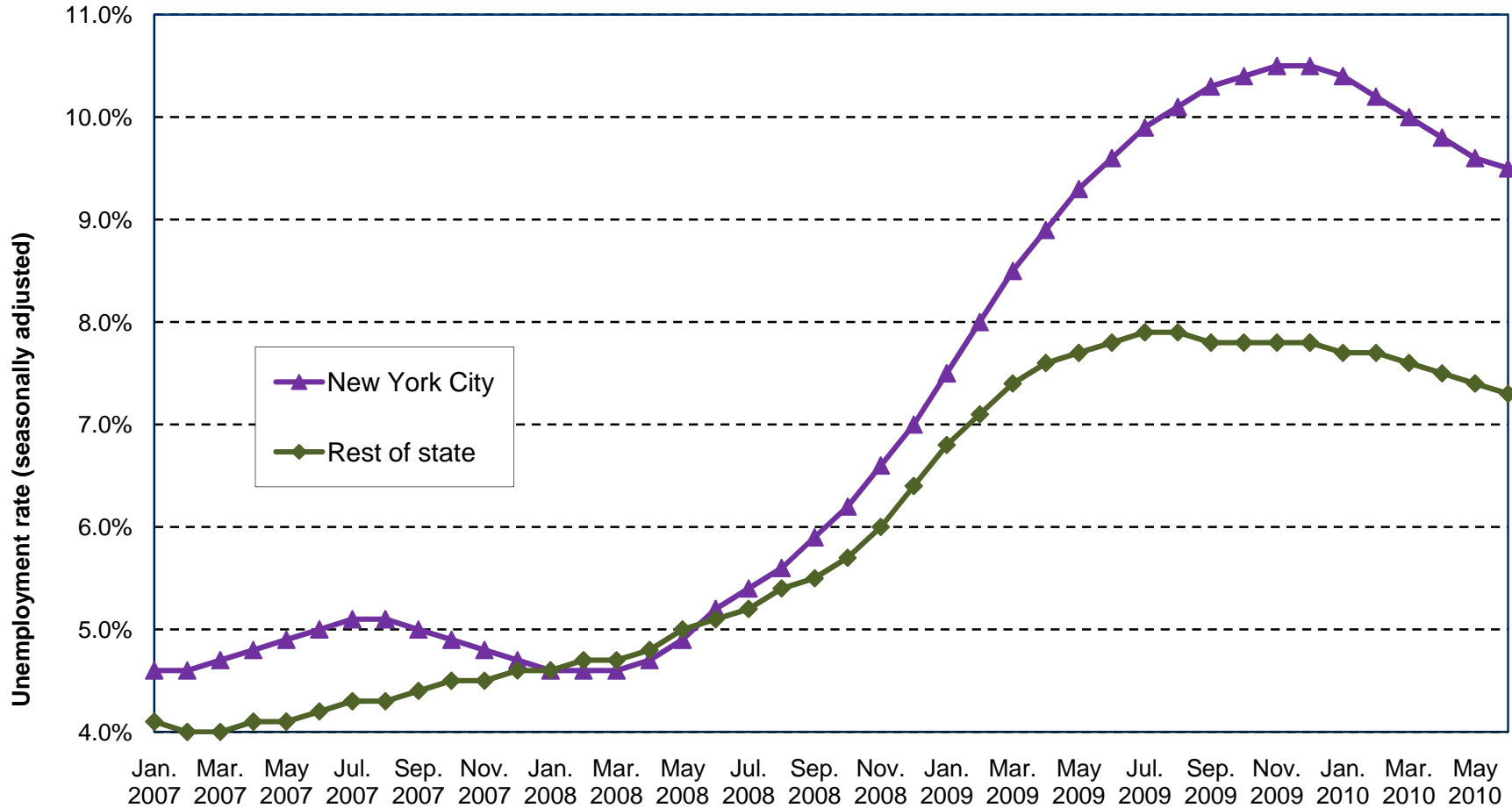


Source: NYS Department of Labor and U.S Bureau of Labor Statistics.

FIGURE 4A



**Although unemployment rates have declined in 2010, they are still much higher throughout New York than before the recession began. In New York City, the rate has doubled.**



Source: NYS Department of Labor and U.S Bureau of Labor Statistics.

FIGURE 4B

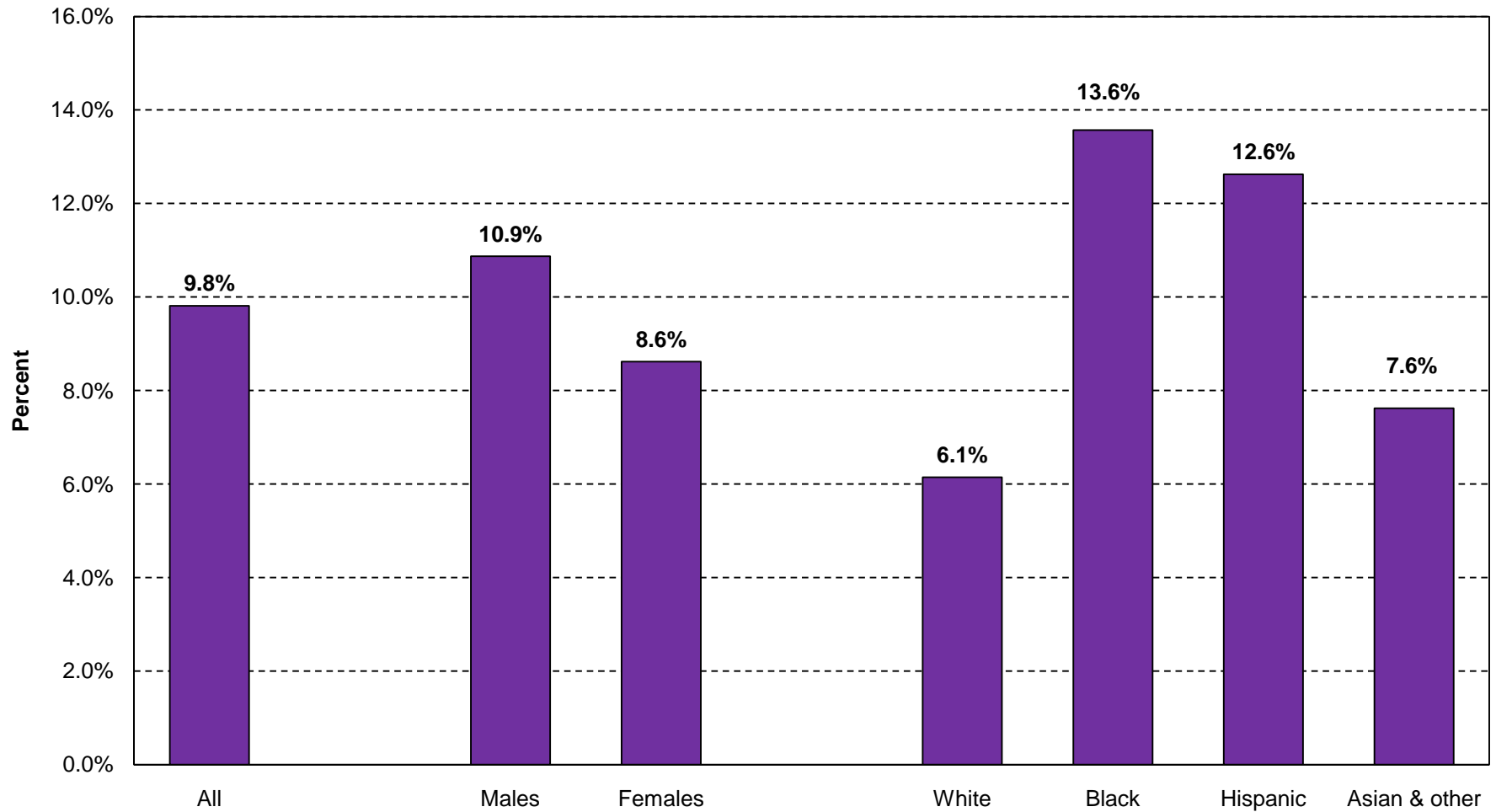
**For the first half of 2010, the number of unemployed persons remained much higher than in the first half of 2008, particularly in New York City.**

|  | <u>First half<br/>2008</u> | <u>First half<br/>2010</u> | <u>Absolute<br/>change</u> | <u>Percent<br/>change</u> | <u>Rate<br/>June 2010</u> |
|--|----------------------------|----------------------------|----------------------------|---------------------------|---------------------------|
| <b>United States</b>                     | 8,082,833                  | 15,279,833                 | 7,197,000                  | 89%                       | 9.6%                      |
| <b>New York State</b>                    | 473,567                    | 831,467                    | 357,900                    | 76%                       | 8.2%                      |
| <b>New York City</b>                     | <b>185,700</b>             | <b>390,867</b>             | <b>205,167</b>             | <b>110%</b>               | <b>9.5%</b>               |
| <b>Eastern New York</b>                  | <b>148,750</b>             | <b>233,017</b>             | <b>84,267</b>              | <b>57%</b>                | <b>6.9%</b>               |
| Nassau-Suffolk, NY Metropolitan Division | 66,833                     | 106,583                    | 39,750                     | 59%                       | 6.7%                      |
| Putnam-Rockland-Westchester              | 30,633                     | 48,167                     | 17,533                     | 57%                       | 6.7%                      |
| Albany-Schenectady-Troy, NY MSA          | 21,833                     | 32,233                     | 10,400                     | 48%                       | 6.6%                      |
| Glens Falls, NY MSA                      | 3,750                      | 5,750                      | 2,000                      | 53%                       | 6.8%                      |
| Kingston, NY MSA                         | 4,633                      | 7,133                      | 2,500                      | 54%                       | 7.5%                      |
| Poughkeepsie-Newburgh-Middletown, NY MSA | 15,983                     | 25,500                     | 9,517                      | 60%                       | 7.6%                      |
| Columbia County                          | 1,467                      | 2,350                      | 883                        | 60%                       | 6.9%                      |
| Greene County                            | 1,367                      | 2,067                      | 700                        | 51%                       | 7.8%                      |
| Sullivan County                          | 2,250                      | 3,233                      | 983                        | 44%                       | 8.1%                      |
| <b>Western and Northern New York</b>     | <b>139,250</b>             | <b>207,567</b>             | <b>68,317</b>              | <b>49%</b>                | <b>7.8%</b>               |
| <b>Metropolitan Areas</b>                | <b>98,083</b>              | <b>146,733</b>             | <b>48,650</b>              | <b>50%</b>                | <b>7.6%</b>               |
| Binghamton, NY MSA                       | 6,550                      | 10,617                     | 4,067                      | 62%                       | 7.9%                      |
| Buffalo-Niagara Falls, NY MSA            | 33,683                     | 48,617                     | 14,933                     | 44%                       | 7.7%                      |
| Elmira, NY MSA                           | 2,150                      | 3,483                      | 1,333                      | 62%                       | 7.9%                      |
| Ithaca, NY MSA                           | 2,133                      | 3,283                      | 1,150                      | 54%                       | 6.1%                      |
| Rochester, NY MSA                        | 28,333                     | 42,333                     | 14,000                     | 49%                       | 7.5%                      |
| Utica-Rome, NY MSA                       | 7,750                      | 11,083                     | 3,333                      | 43%                       | 7.1%                      |
| Syracuse, NY MSA                         | 17,483                     | 27,317                     | 9,833                      | 56%                       | 7.8%                      |
| <b>Non-Metropolitan Areas</b>            | <b>41,167</b>              | <b>60,833</b>              | <b>19,667</b>              | <b>48%</b>                | <b>8.3%</b>               |
| Allegany County                          | 1,567                      | 2,233                      | 667                        | 43%                       | 9.3%                      |
| Cattaraugus County                       | 2,533                      | 3,767                      | 1,233                      | 49%                       | 8.1%                      |
| Cayuga County                            | 2,200                      | 3,550                      | 1,350                      | 61%                       | 7.4%                      |
| Chautauqua County                        | 3,567                      | 5,850                      | 2,283                      | 64%                       | 7.9%                      |
| Chenango County                          | 1,567                      | 2,267                      | 700                        | 45%                       | 8.1%                      |
| Clinton County                           | 2,567                      | 3,967                      | 1,400                      | 55%                       | 9.7%                      |
| Cortland County                          | 1,500                      | 2,233                      | 733                        | 49%                       | 8.3%                      |
| Delaware County                          | 1,350                      | 1,950                      | 600                        | 44%                       | 8.1%                      |
| Essex County                             | 1,283                      | 1,767                      | 483                        | 38%                       | 7.8%                      |
| Franklin County                          | 1,617                      | 2,083                      | 467                        | 29%                       | 7.9%                      |
| Fulton County                            | 1,767                      | 2,750                      | 983                        | 56%                       | 9.0%                      |
| Genesee County                           | 1,917                      | 2,567                      | 650                        | 34%                       | 6.4%                      |
| Hamilton County                          | 200                        | 267                        | 67                         | 33%                       | 6.1%                      |
| Jefferson County                         | 3,333                      | 4,733                      | 1,400                      | 42%                       | 8.1%                      |
| Lewis County                             | 867                        | 1,217                      | 350                        | 40%                       | 7.5%                      |
| Montgomery County                        | 1,783                      | 2,367                      | 583                        | 33%                       | 8.5%                      |
| Otsego County                            | 1,783                      | 2,433                      | 650                        | 36%                       | 6.8%                      |
| St. Lawrence County                      | 3,450                      | 5,133                      | 1,683                      | 49%                       | 10.1%                     |
| Schuyler County                          | 583                        | 850                        | 267                        | 46%                       | 7.1%                      |
| Seneca County                            | 967                        | 1,367                      | 400                        | 41%                       | 7.0%                      |
| Steuben County                           | 2,717                      | 4,517                      | 1,800                      | 66%                       | 9.0%                      |
| Wyoming County                           | 1,367                      | 2,017                      | 650                        | 48%                       | 7.9%                      |
| Yates County                             | 683                        | 950                        | 267                        | 39%                       | 6.2%                      |
| <b>10-county downstate area</b>          | <b>283,167</b>             | <b>545,617</b>             | <b>262,450</b>             | <b>93%</b>                | <b>8.5%</b>               |
| <b>52-county upstate area</b>            | <b>190,533</b>             | <b>285,833</b>             | <b>95,300</b>              | <b>50%</b>                | <b>7.6%</b>               |

Source: Bureau of Labor Statistics and NYS Department of Labor MSA and County Level unemployment data.

FIGURE 5

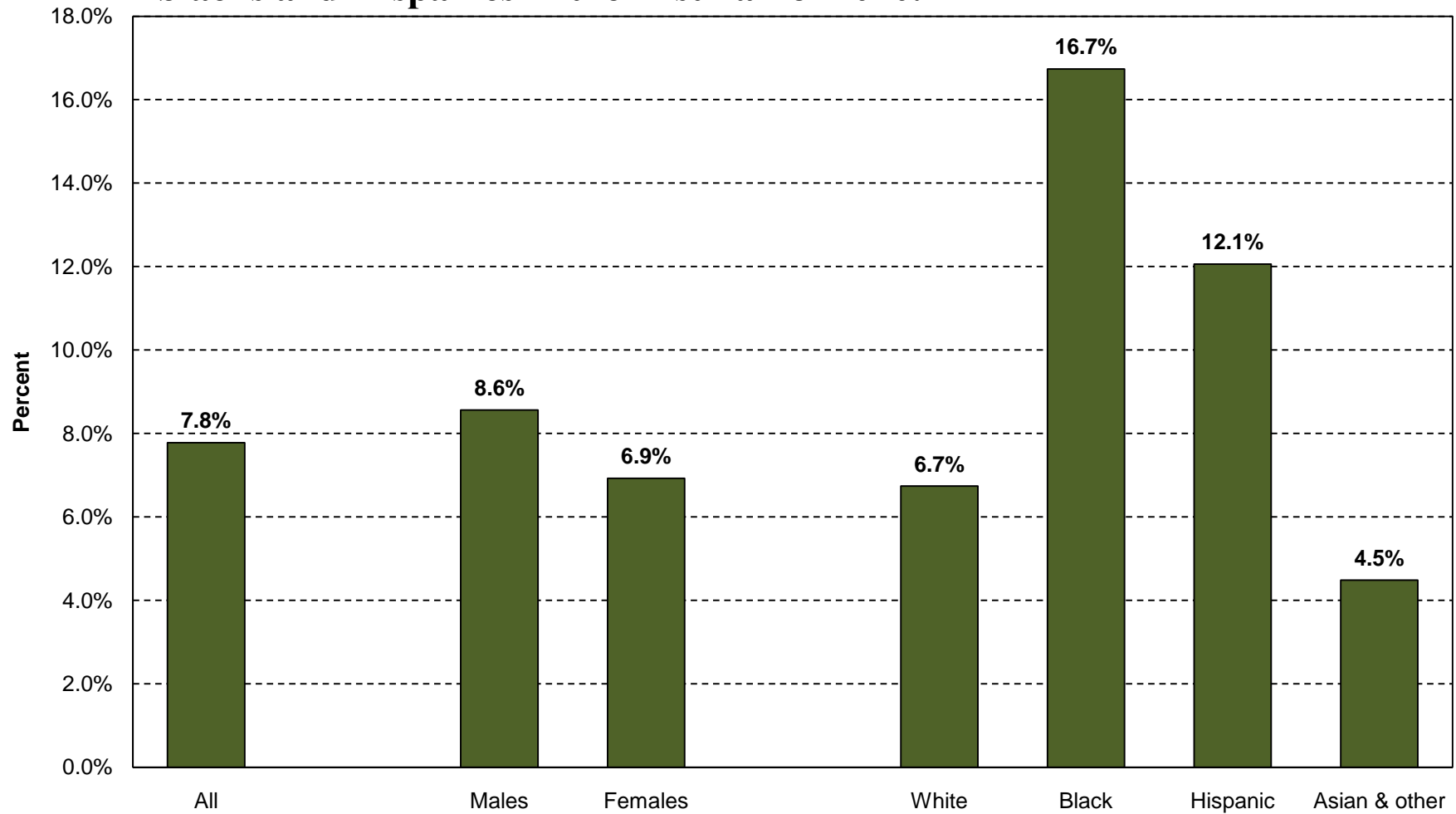
## Unemployment in New York City was higher for men, blacks and Hispanics in the first half of 2010.



Source: FPI analysis of Current Population Survey data for first five months of 2010; adjusted to NYS Department of Labor Local Area Unemployment Statistics data.

FIGURE 6A

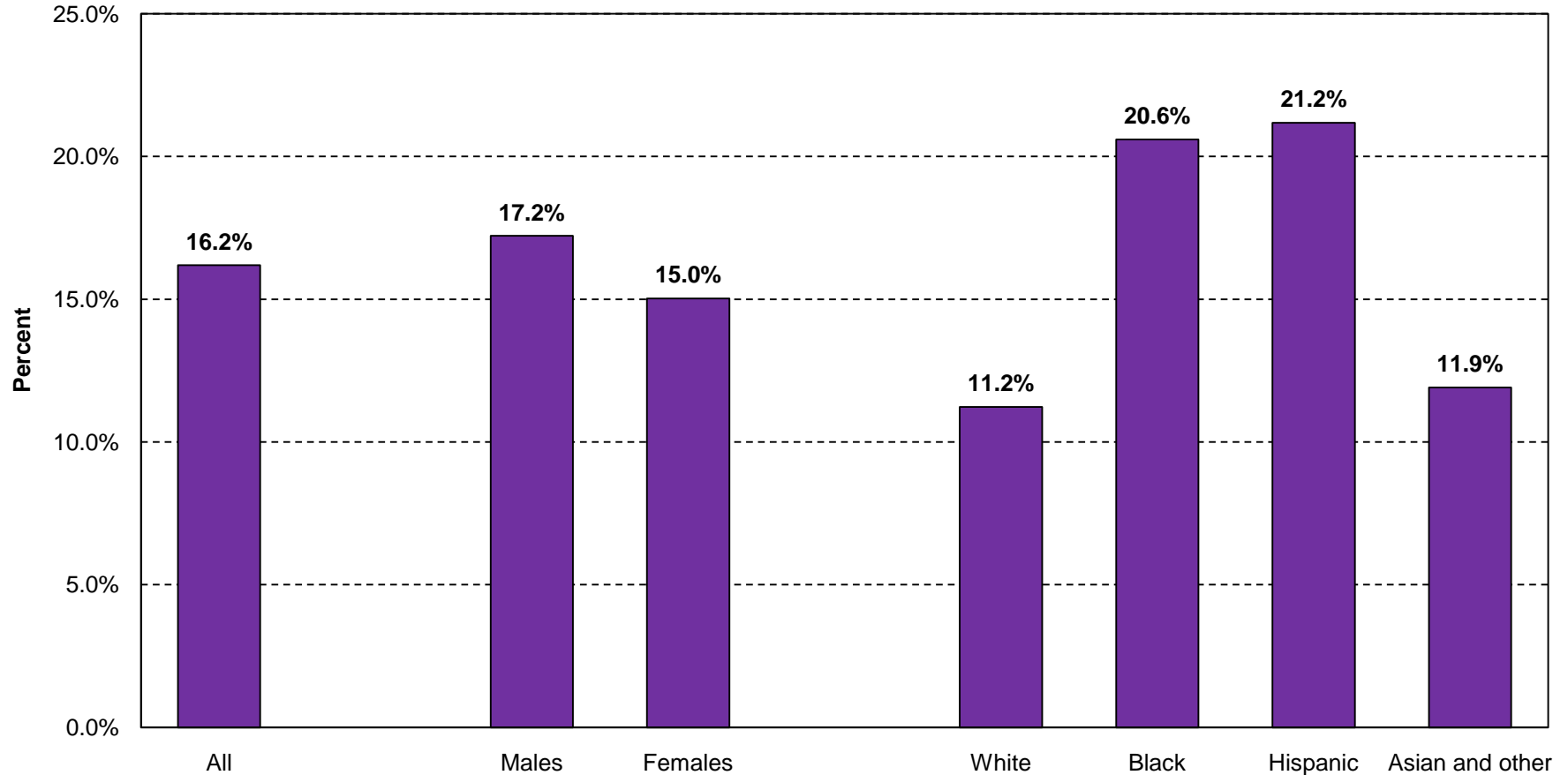
**Likewise, unemployment in the rest of the state was higher for men, blacks and Hispanics in the first half of 2010.**



Source: FPI analysis of Current Population Survey data for first five months of 2010; adjusted to NYS Department of Labor Local Area Unemployment Statistics data.

FIGURE 6B

## NYC unemployment is even higher—in all categories—when discouraged workers and involuntary part-timers are included.

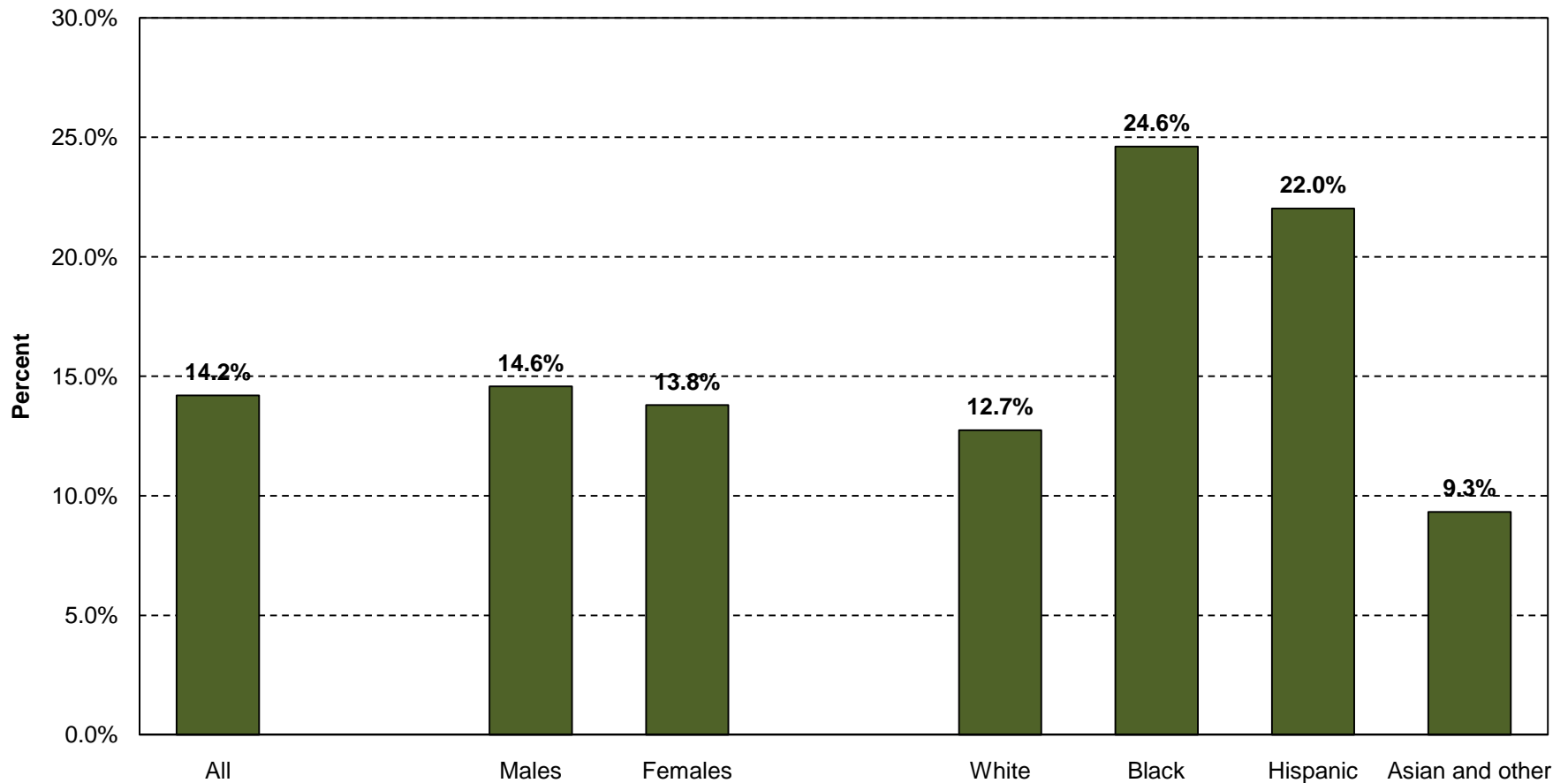


Source: FPI analysis of Current Population Survey data for first five months of 2010; adjusted to NYS Department of Labor Local Area Unemployment Statistics data.

Note: U-6 is an alternative unemployment rate specified by the Bureau of Labor Statistics th

FIGURE 7A

**Unemployment in the rest of the state is higher—in all categories—  
when discouraged workers and involuntary part-timers are included.**

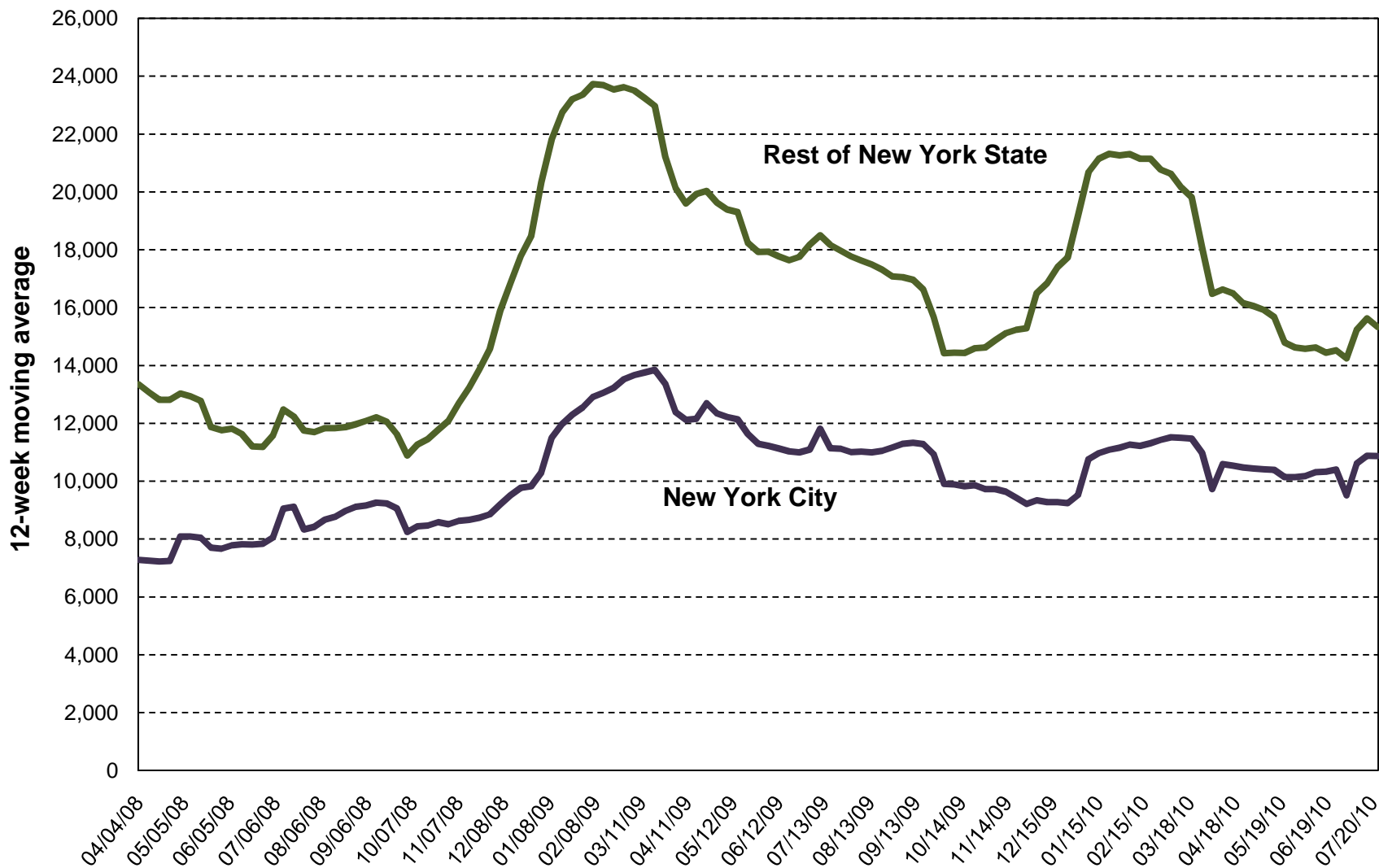


Source: FPI analysis of Current Population Survey data for first five months of 2010; adjusted to NYS Department of Labor Local Area Unemployment Statistics data.

Note: U-6 is an alternative unemployment rate specified by the Bureau of Labor Statistics th

FIGURE 7B

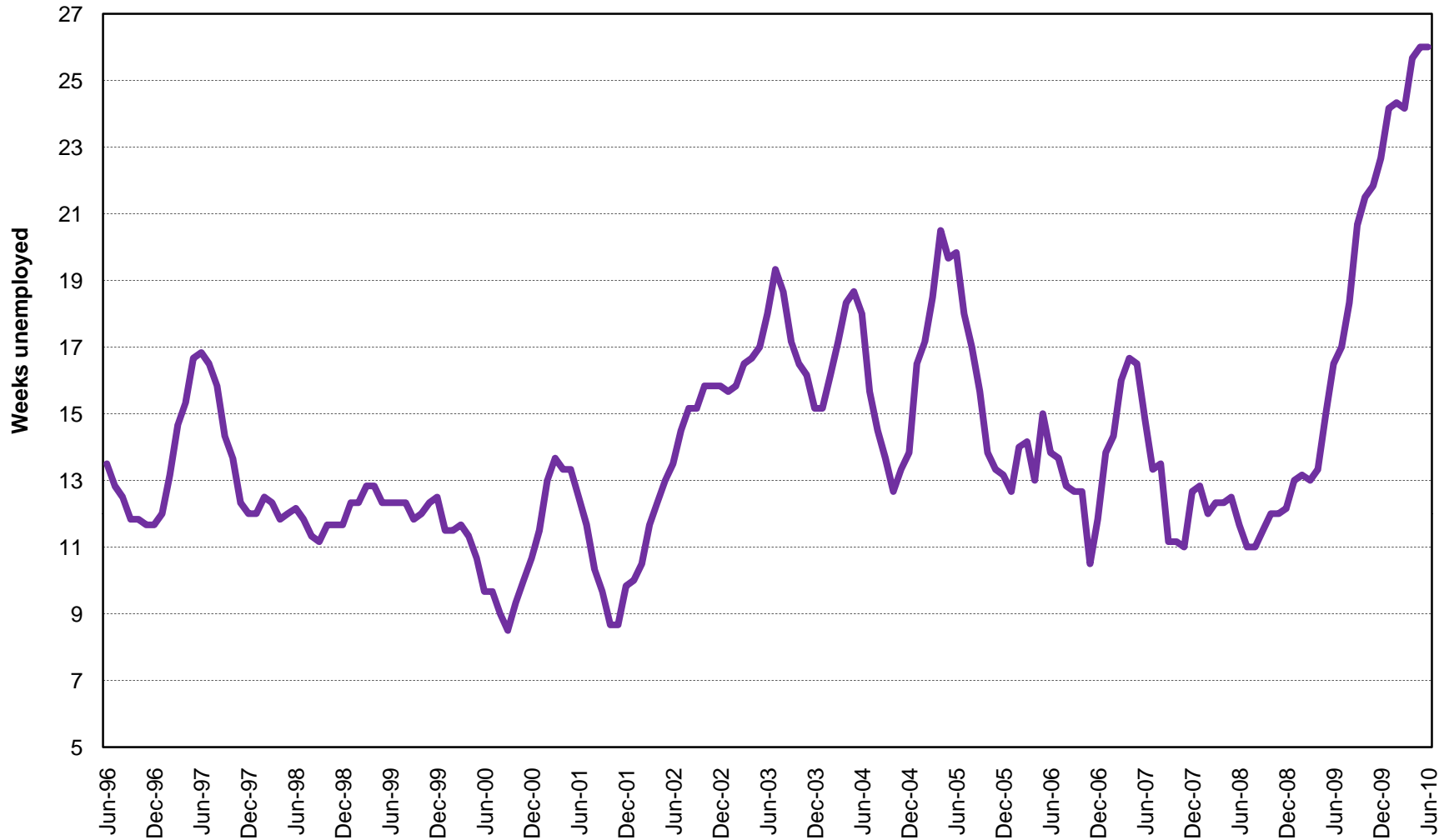
**Initial unemployment claims in NYC and the rest of the state are down from a year ago but still greater than before the recession.**



Source: New York State Department of Labor. The recession started later in New York than in the rest of the US, in Spring-Summer of 2008.

FIGURE 8

**The median period of unemployment in New York City has reached six months, a significant jump from previous recessions.**

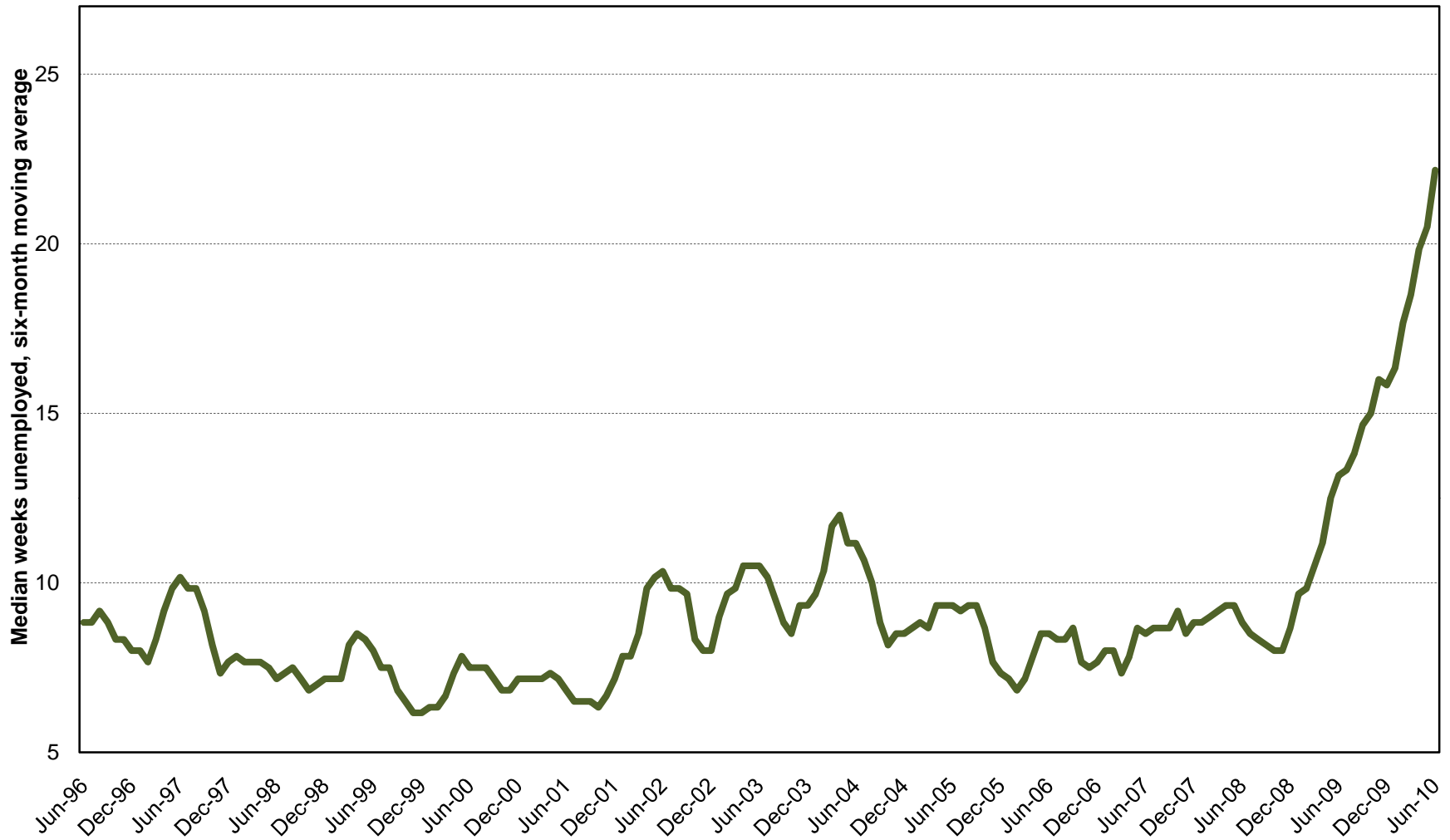


Source: FPI analysis of Economic Policy Institute Current Population Survey data, June 1996 - June 2010.

FIGURE 9A



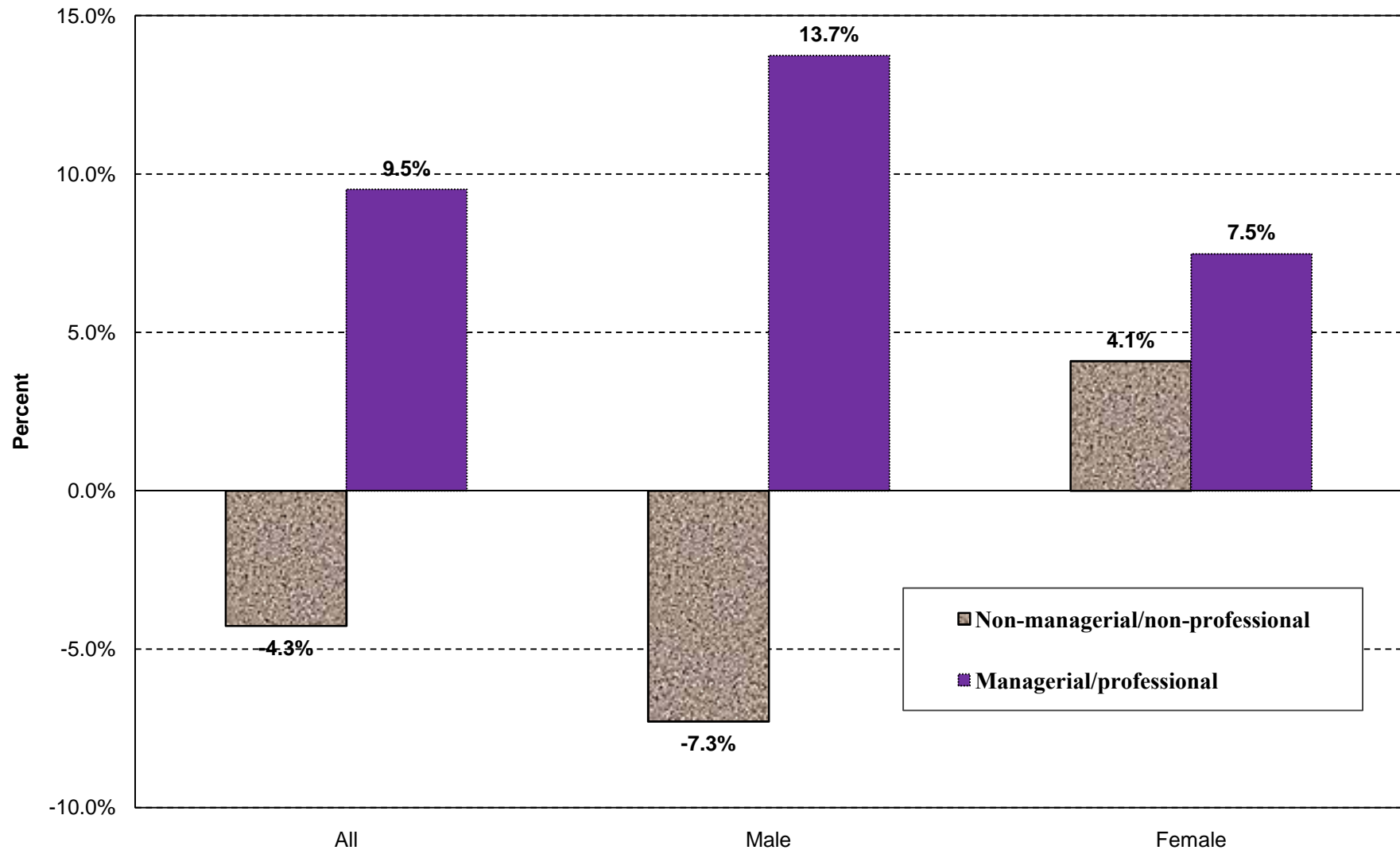
**In the rest of New York State, the median duration of unemployment has increased dramatically during the Great Recession.**



Source: FPI analysis of Economic Policy Institute Current Population Survey data, June 1996 - June 2010.

FIGURE 9B

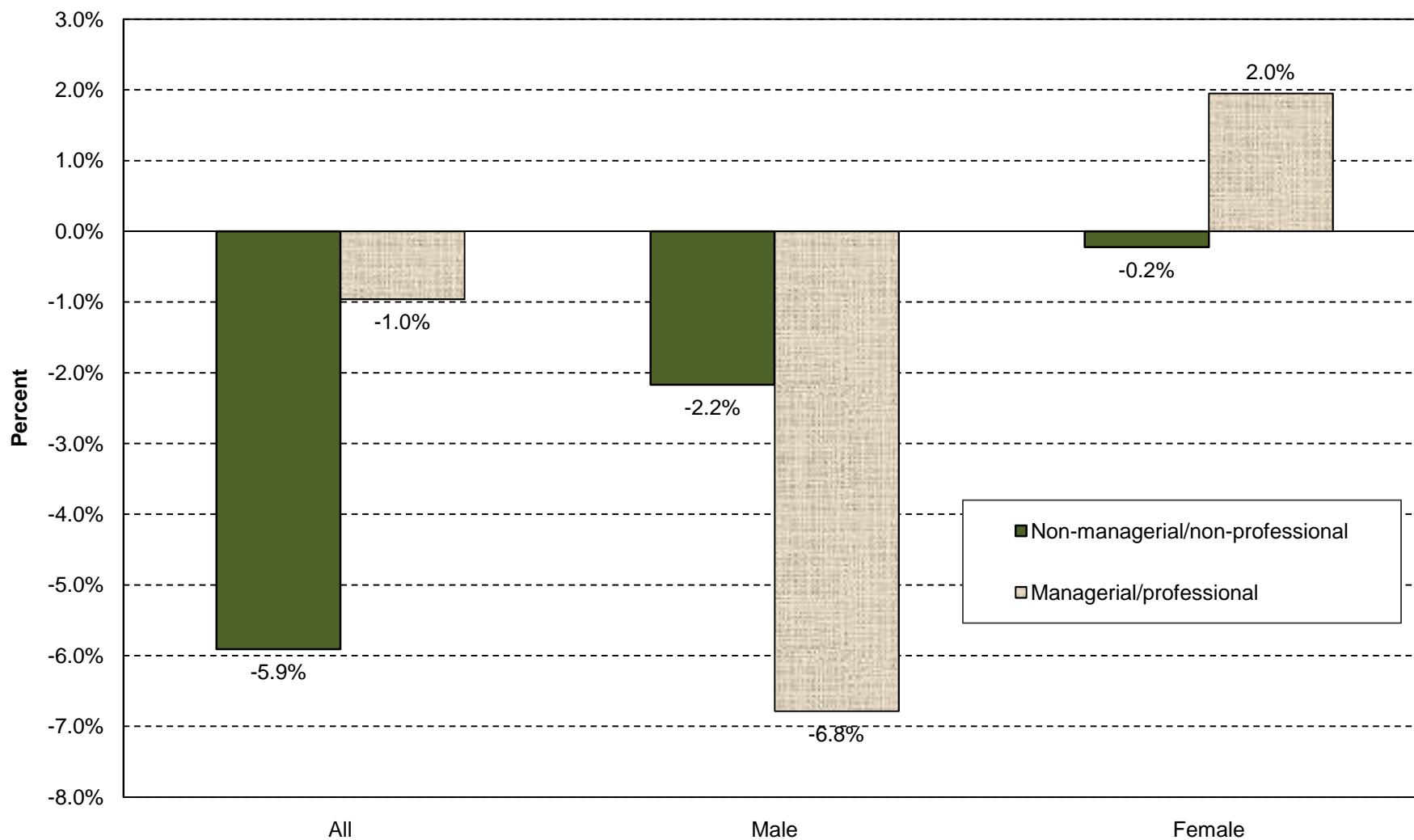
## The median weekly wages of New York City's managerial/professional workers showed strong growth even during the recession.



Source: FPI analysis of Current Population Survey.

FIGURE 10A

**Male managerial/professional workers had the greatest decline in median weekly wages in the suburbs and upstate between the first half of 2007 and the first half of 2010.**



Source: FPI analysis of Current Population Survey.

FIGURE 10B

**In New York State, job losses have been greatest in manufacturing, finance, construction, retail trade and professional services. Government employment has fallen more in New York than nationally.**

| Industrial sector                | U.S. employment |           |                 |                | NYS employment |           |                 |                |
|----------------------------------|-----------------|-----------|-----------------|----------------|----------------|-----------|-----------------|----------------|
|                                  | July 2008       | July 2010 | Absolute change | Percent change | July 2008      | July 2010 | Absolute change | Percent change |
| Total nonfarm                    | 137,075         | 130,242   | -6,833          | -5.0%          | 8,807          | 8,522     | -285            | -3.2%          |
| Total private                    | 114,518         | 107,737   | -6,781          | -5.9%          | 7,290          | 7,041     | -249            | -3.4%          |
| Construction                     | 7,164           | 5,573     | -1,591          | -22.2%         | 360            | 314       | -46             | -12.9%         |
| Manufacturing                    | 13,456          | 11,717    | -1,739          | -12.9%         | 533            | 463       | -70             | -13.1%         |
| Wholesale trade                  | 5,947           | 5,586     | -361            | -6.1%          | 352            | 322       | -30             | -8.5%          |
| Retail trade                     | 15,305          | 14,434    | -872            | -5.7%          | 896            | 857       | -39             | -4.4%          |
| Transportation & warehousing     | 5,087           | 4,742     | -346            | -6.8%          | 276            | 260       | -16             | -5.7%          |
| Information                      | 2,988           | 2,712     | -276            | -9.2%          | 263            | 250       | -14             | -5.3%          |
| Finance & insurance              | 6,024           | 5,640     | -384            | -6.4%          | 535            | 486       | -50             | -9.3%          |
| Real estate                      | 1,489           | 1,375     | -115            | -7.7%          | 159            | 153       | -6              | -3.9%          |
| Prof. & technical services       | 7,813           | 7,406     | -408            | -5.2%          | 591            | 557       | -34             | -5.7%          |
| Management of companies          | 1,910           | 1,824     | -86             | -4.5%          | 134            | 132       | -2              | -1.6%          |
| Admin. & support services        | 7,700           | 7,087     | -613            | -8.0%          | 416            | 387       | -29             | -7.0%          |
| Educational services             | 3,068           | 3,147     | 79              | 2.6%           | 375            | 385       | 10              | 2.6%           |
| Health care & social assistance  | 15,815          | 16,412    | 596             | 3.8%           | 1,256          | 1,303     | 47              | 3.7%           |
| Arts, entertainment & recreation | 1,972           | 1,915     | -57             | -2.9%          | 144            | 146       | 2               | 1.3%           |
| Accomm. & food services          | 11,480          | 11,182    | -298            | -2.6%          | 574            | 589       | 15              | 2.6%           |
| Other services                   | 5,522           | 5,339     | -183            | -3.3%          | 368            | 387       | 19              | 5.2%           |
| Federal Government               | 2,763           | 3,017     | 254             | 9.2%           | 126            | 137       | 11              | 8.4%           |
| State and Local Government       | 19,794          | 19,488    | -306            | -1.5%          | 1,404          | 1,364     | -40             | -2.9%          |

| Industrial sector                | NYC employment |           |                 |                | Suburban and upstate employment |           |                 |                |
|----------------------------------|----------------|-----------|-----------------|----------------|---------------------------------|-----------|-----------------|----------------|
|                                  | July 2008      | July 2010 | Absolute change | Percent change | July 2008                       | July 2010 | Absolute change | Percent change |
| Total nonfarm                    | 3,802          | 3,688     | -114            | -3.0%          | 5,005                           | 4,835     | -171            | -3.4%          |
| Total private                    | 3,240          | 3,146     | -94             | -2.9%          | 4,050                           | 3,895     | -155            | -3.8%          |
| Construction                     | 133            | 114       | -19             | -14.3%         | 227                             | 199       | -27             | -12.1%         |
| Manufacturing                    | 96             | 79        | -16             | -17.2%         | 438                             | 384       | -54             | -12.3%         |
| Wholesale trade                  | 149            | 137       | -13             | -8.4%          | 203                             | 186       | -17             | -8.5%          |
| Retail trade                     | 300            | 293       | -7              | -2.3%          | 596                             | 564       | -32             | -5.4%          |
| Transportation & warehousing     | 126            | 116       | -9              | -7.4%          | 150                             | 143       | -6              | -4.3%          |
| Information                      | 167            | 159       | -9              | -5.1%          | 96                              | 91        | -5              | -5.5%          |
| Finance & insurance              | 345            | 308       | -36             | -10.5%         | 191                             | 177       | -13             | -7.0%          |
| Real estate                      | 111            | 109       | -2              | -1.6%          | 48                              | 43        | -4              | -9.3%          |
| Prof. & technical services       | 348            | 330       | -19             | -5.3%          | 243                             | 228       | -15             | -6.3%          |
| Management of companies          | 63             | 60        | -2              | -3.7%          | 71                              | 71        | 0               | 0.2%           |
| Admin. & support services        | 192            | 175       | -16             | -8.6%          | 224                             | 212       | -12             | -5.6%          |
| Educational services             | 159            | 174       | 15              | 9.6%           | 216                             | 211       | -5              | -2.4%          |
| Health care & social assistance  | 559            | 580       | 21              | 3.8%           | 697                             | 723       | 26              | 3.7%           |
| Arts, entertainment & recreation | 70             | 70        | 1               | 1.0%           | 74                              | 76        | 1               | 1.6%           |
| Accomm. & food services          | 242            | 250       | 8               | 3.3%           | 332                             | 339       | 7               | 2.1%           |
| Other services                   | 161            | 170       | 9               | 5.9%           | 208                             | 217       | 10              | 4.7%           |
| Federal Government               | 56             | 63        | 6               | 11.3%          | 70                              | 74        | 4               | 6.0%           |
| State and Local Government       | 509            | 484       | -25             | -4.9%          | 895                             | 879       | -15             | -1.7%          |

Note: All figures are in thousands except percent change

Source: U.S. employment data from the Bureau of Labor Statistics CES (seasonally adjusted) and FPI's seasonal adjustment for CES data for NYS, NYC and the rest of the state.

FIGURE 11

## From July 2008 to July 2010, most New York metro areas had smaller job declines than metro areas in other states.

| Metropolitan Statistical Area (MSA)                 | Change in percent | Rank among 365 MSAs |
|---|-------------------|---------------------|
| <b>United States average</b>                        | <b>-5.0%</b>      |                     |
| Ithaca, NY  | -1.1%             | 36                  |
| Utica-Rome, NY                                      | -1.6%             | 42                  |
| Kingston, NY  | -1.8%             | 46                  |
| Glens Falls, NY                                     | -1.9%             | 50                  |
| Syracuse, NY  | -2.7%             | 81                  |
| Nassau-Suffolk, NY Metropolitan Division            | -2.9%             | 93                  |
| New York City, NY                                   | -3.0%             | 96                  |
| Buffalo-Niagara Falls, NY                           | -3.0%             | 97                  |
| Albany-Schenectady-Troy, NY                         | -3.1%             | 98                  |
| Elmira, NY  | -3.4%             | 111                 |
| Poughkeepsie-Newburgh-Middletown, NY                | -3.7%             | 129                 |
| Rochester, NY                                       | -3.9%             | 135                 |
| Binghamton, NY                                      | -4.7%             | 175                 |
| Putnam-Rockland-Westchester, NY Metrolitan Division | -5.6%             | 219                 |

Note: The New York portion of the New York-Northern New Jersey-Long Island MSA is separated into New York City, and Nassau-Suffolk and Putnam-Rockland-Westchester metropolitan divisions.  
Source: Bureau of Labor Statistics MSA total nonfarm employment, not seasonally adjusted.

**During the last two years of the expansion (2005-2007), and during the first two years of the Great Recession (2007-2009), most metro areas in New York State had faster per capita personal income growth than the metropolitan average for the nation.**

| Metropolitan Statistical Area (MSA)        | Per capita personal income |                 |                 | Per capita income growth rate |              |             | Rank among 366 MSAs, 2005-2009 |
|--|----------------------------|-----------------|-----------------|-------------------------------|--------------|-------------|--------------------------------|
|  | 2005                       | 2007            | 2009            | 2005-2007                     | 2007-2009    | 2005-2009   |                                |
| <b>United States metropolitan portion</b>  | <b>\$37,082</b>            | <b>\$41,260</b> | <b>\$40,757</b> | <b>11.3%</b>                  | <b>-1.2%</b> | <b>9.9%</b> |                                |
| Binghamton, NY (MSA)                       | \$28,262                   | \$32,870        | \$34,116        | 16.3%                         | 3.8%         | 20.7%       | 14                             |
| Ithaca, NY (MSA)                           | \$28,272                   | \$32,374        | \$33,632        | 14.5%                         | 3.9%         | 19.0%       | 27                             |
| Kingston, NY (MSA)                         | \$30,677                   | \$35,738        | \$36,481        | 16.5%                         | 2.1%         | 18.9%       | 28                             |
| Utica-Rome, NY (MSA)                       | \$27,972                   | \$31,614        | \$33,069        | 13.0%                         | 4.6%         | 18.2%       | 32                             |
| Buffalo-Niagara Falls, NY (MSA)            | \$31,801                   | \$36,216        | \$37,511        | 13.9%                         | 3.6%         | 18.0%       | 36                             |
| Elmira, NY (MSA)                           | \$27,952                   | \$31,656        | \$32,814        | 13.3%                         | 3.7%         | 17.4%       | 44                             |
| Syracuse, NY (MSA)                         | \$31,474                   | \$35,797        | \$36,784        | 13.7%                         | 2.8%         | 16.9%       | 50                             |
| Albany-Schenectady-Troy, NY (MSA)          | \$36,239                   | \$40,941        | \$42,318        | 13.0%                         | 3.4%         | 16.8%       | 52                             |
| Rochester, NY (MSA)                        | \$34,114                   | \$38,635        | \$39,192        | 13.3%                         | 1.4%         | 14.9%       | 92                             |
| Glens Falls, NY (MSA)                      | \$28,740                   | \$31,833        | \$32,994        | 10.8%                         | 3.6%         | 14.8%       | 98                             |
| Poughkeepsie-Newburgh-Middletown, NY (MSA) | \$34,396                   | \$39,109        | \$39,282        | 13.7%                         | 0.4%         | 14.2%       | 111                            |
| NY-No. NJ -Long Island, NY-NJ-PA (MSA)     | \$45,952                   | \$53,864        | \$52,375        | 17.2%                         | -2.8%        | 14.0%       | 116                            |

Note: All income figures are in current dollars.

Source: Bureau of Economic Analysis, Regional Income Division.

**Weekly earnings for many New York non-managerial, non-professional workers have dropped sharply over the past three years, while earnings for NYC managerial/professional workers have increased.**

**NYC Median Weekly Wages by Occupational Group, first half 2007 and first half 2010**

|                                 | <b>First half<br/>2007</b> | <b>First half<br/>2010</b> | <b>Absolute<br/>change</b> | <b>Percent<br/>change</b> |
|---------------------------------|----------------------------|----------------------------|----------------------------|---------------------------|
| Non-managerial/non-professional |                            |                            |                            |                           |
| All                             | \$515                      | \$493                      | -\$22                      | -4.3%                     |
| Male                            | \$611                      | \$567                      | -\$45                      | -7.3%                     |
| Female                          | \$428                      | \$446                      | \$18                       | 4.1%                      |
| Managerial/professional         |                            |                            |                            |                           |
| All                             | \$958                      | \$1,049                    | \$91                       | 9.5%                      |
| Male                            | \$998                      | \$1,135                    | \$137                      | 13.7%                     |
| Female                          | \$917                      | \$986                      | \$69                       | 7.5%                      |

**Rest of NYS Median Weekly Wages by Occupational Group, first half 2007 and first half 2010**

|                                 | <b>First half<br/>2007</b> | <b>First half<br/>2010</b> | <b>Absolute<br/>change</b> | <b>Percent<br/>change</b> |
|---------------------------------|----------------------------|----------------------------|----------------------------|---------------------------|
| Non-managerial/non-professional |                            |                            |                            |                           |
| All                             | \$509                      | \$479                      | -\$30                      | -5.9%                     |
| Male                            | \$619                      | \$606                      | -\$13                      | -2.2%                     |
| Female                          | \$397                      | \$396                      | -\$1                       | -0.2%                     |
| Managerial/professional         |                            |                            |                            |                           |
| All                             | \$1,014                    | \$1,004                    | -\$10                      | -1.0%                     |
| Male                            | \$1,226                    | \$1,142                    | -\$83                      | -6.8%                     |
| Female                          | \$854                      | \$871                      | \$17                       | 2.0%                      |

Notes: Median weekly wages are adjusted to 2009 annual average dollars using CPI-US city average.

Managerial/professional includes Standard Occupational Classifications (SOC) 11-29, plus SOC 41 except for cashiers and retail salespersons; Non-managerial/non-professional occupations includes SOC 31-39 and 43-53, plus retail salespersons and cashiers from SOC 41, and includes healthcare support; protective service; food preparation and serving related; building and grounds cleaning and maintenance; personal care and service; retail salespersons and retail cashiers; office and administrative support; farming, fishing, and forestry; construction and extraction; installation, maintenance, and repair; production; transportation and material moving.

Source: FPI analysis of Current Population Survey.



*The Fiscal Policy Institute is a nonpartisan research and education organization that focuses on tax, budget, and economic issues that affect the quality of life and the economic well being of New York State residents.*

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