The State of Working New York 2011: The Unemployment Crisis Two Years into Recovery

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Executive Summary

Two years into the “recovery” from the Great Recession of 2008-09, 1.4 million, or one in every seven, New York workers is unemployed, under-employed or has given up looking for work. While there has been improvement in some economic indicators for New York State, job growth has been too weak to put a meaningful dent in the continuing unemployment crisis. Under-employment has actually risen despite two years of “recovery.”

The reported decline in New York’s unemployment rate is deceiving. Were it not for a labor force decline due to discouraged workers dropping out of the workforce, New York State’s unemployment rate in July 2011 would have been 9.6 percent, more than a percent-and-a-half higher than the official 8.0 percent unemployment rate for that month and higher than in late 2009, the period considered the recession “bottom” for the labor market. This under-statement of unemployment due to discouraged workers dropping out is equally true for New York City, the downstate suburbs and upstate.

Long-term unemployment is at record levels. Half of New York’s unemployed have been out of work for more than six months, and 29 percent have been jobless for a year or more.

A great deal of political energy has been focused on the federal budget deficit, but the deficit that matters most for New Yorkers is the “jobs deficit.” To bring the state’s current unemployment rate back to where it was pre-recession, New York would need 512,000 additional jobs today.

Hundreds of thousands of New York families are struggling to make ends meet and to keep a roof over their heads. Worker skills are eroding, and the likelihood that tens of thousands of long-term unemployed workers will never productively re-enter the work force grows with each passing month. Our economy is squandering the productive labor of unemployed men and women on a colossal scale, and our homegrown small businesses that depend on local sales are put in jeopardy because the unemployment crisis deprives them of customers.

This is the weakest recovery from a recession since World War II. In prior recoveries, real Gross Domestic Product (GDP) averaged 5.4 percent annual growth through the first two years. In the two years of this recovery, GDP growth has been less than half the average, only 2.5 percent. Several factors account for this subpar record, including the wrecked housing market that has eliminated one of the mainstays of expansion in every prior postwar recovery period, and exceptionally weak consumer demand. Consumer spending, which accounts for 70 percent of GDP, has faltered because of high household debt burdens, high unemployment, and stagnant wages. Finally, the slow recovery of tax revenues coupled with the winding down of federal fiscal relief to state and local governments have translated into reductions in state and local government spending, historically a steady contributor to economic growth.

Over the entire 42-month period from the start of the national recession in December 2007, through June 2011, New York has experienced a net job loss of 1.8 percent compared to a five percent national job loss. New York's job picture has fared better than that of 40 other states since the end of 2007, including California, Florida, North Carolina, New Jersey and Illinois. Among large states, only Massachusetts and Texas have fared better.

Partly driven by the profit rebound among Wall Street firms but also by gains in many major sectors, New York State ranked second among all states in both real state GDP growth and total personal income growth in 2010. The Empire State recorded a 5.1 percent real GDP gain, second only to North Dakota, and a 4.1 percent total income gain, second only to New Mexico.

New York has re-gained 118,000 of the 316,000 payroll jobs lost during the recession, or 37 percent. Fourteen of the 18 major sectors of the state's economy lost jobs during the recession, but only two have completely made up recession losses (management of companies and other services.) The two sectors that lost the most jobs—manufacturing and construction—continued to lose jobs, but at a much slower pace, during the first 18 months of the state's recovery through June 2011. Government is the only sector that has lost more jobs in the recovery than during the recession. Over the past three years, New York has lost 54,000 jobs for teachers and other state and local public servants. That is a greater decline than in any other sector except for manufacturing, and that includes finance and insurance, and construction. It is expected that New York's schools will open this fall with 12,000 fewer teachers and other staff.

Within the state over the past three years of recession and recovery, New York City has had the smallest net payroll job loss (1.6 percent.) The greatest payroll job losses occurred in the downstate suburbs (3.6 percent) and the Hudson Valley between Newburgh and Glens Falls (4.0 percent). The six upstate metro areas west of the Hudson had a combined payroll job loss of 1.8 percent, and the non-metropolitan counties north and west of Albany had a 3.3 percent job loss.

Unemployment increased substantially during the recession for every demographic group in New York, and while unemployment rates may have improved for some groups during the recovery, every group is considerably worse off compared to the pre-recession period. Blacks and Hispanics were particularly hard hit, experiencing large unemployment increases during the recession, with both groups having unemployment rates about twice the level for non-Hispanic whites. Unemployment for black non-Hispanic workers was an estimated 13.8 percent during the first half of 2011. Young workers—both those 16-21 and those 22-27—also saw their unemployment rates increase rapidly during the recession. Less educated workers have seen their unemployment rates continue to rise during the recovery.

The recovery has done little to improve the job picture for most New Yorkers since the *employment rate*—the ratio of those holding a job to all in the working age—continued to decline during the recovery, falling from 57.3 percent at the end of 2009 to 56.9 percent in the first half of 2011.

Since the start of the national recession through the first quarter of 2011, $12.7 billion in unemployment insurance (UI) benefits have been paid in New York. Yet, the state's UI program has not been updated in over a decade and has fallen behind nearly every other state in the extent to which it replaces lost wages. New York's maximum weekly unemployment insurance benefit has been frozen at $405 since 1999, and has fallen from half to only 34 percent of the average weekly wage. New York's average weekly benefit of $305 replaces less than 27 percent of the average weekly wage, putting New York in 48th place compared to other states.

To address the continuing economic crisis that exists despite two years of "recovery," smart policy choices are needed from Washington and Albany. Federal Reserve Chairman Bernanke recently emphasized the short- and long-term importance of fiscal policies that "put people back to work … to reduce hardships … and to help ensure that our economy is producing at its full potential." At the federal level, policies are needed to foster large scale job creation, provide fiscal relief to state governments, invest in rebuilding the nation's infrastructure, and to promote long-term innovation and high-skill jobs by investing in advanced manufacturing capacity.

New York cannot escape the adverse effects of the extremely weak national economy. However, there are several things that policy-makers can do to boost jobs and the state's economic future:

- Restore the commitment to having one of the nation's best systems of public higher education, one that can provide access to high quality and affordable higher education;
- In revamping regional economic development, prioritize the creation of good jobs and make decisions regarding subsidies to businesses more transparent and accountable as well as consistent with a coherent regionally-based economic strategy;
- Provide assistance to advanced manufacturing across the state to support good-paying, high-skilled jobs and foster innovation; and
- Adequately fund transportation infrastructure needs, and exploit the potential of the nation's largest mass transportation network to promote advanced transit-related manufacturing.

Not allowing New York's current high-end personal income tax surcharge to lapse in 2012 would make a huge difference in substantially reducing job cuts that would otherwise be necessary among state and local government employees, including school teachers and educational support staff. Greater reliance on a progressive state personal income tax, an expanded circuit breaker to provide property tax relief, and closing corporate tax loopholes will benefit all New Yorkers with a more evenly shared tax burden.

New York should link its economic policies to raising wage levels so that workers can start to bridge the wage-productivity gap. Along these lines, New York should raise the state minimum wage in stages to restore its purchasing power which is currently 26 percent lower than it was in 1970. Eighteen states and the District of Columbia have minimum wages higher than New York's $7.25 minimum.

New York can help address retirement insecurity by providing a state-managed voluntary retirement fund that small employers and individuals could participate in to help the growing number of workers who currently have no retirement plan to supplement their Social Security.

Introduction

The Great Recession of 2008-09 was the most profound economic crisis since the Great Depression of the 1930s. This is particularly true for the average working New Yorker. Unemployment sky-rocketed, and while some economic indicators have improved since the depth of the downturn, unemployment both nationally and in New York remains much higher than before the recession. Compounding the problem, long spells of unemployment are widespread among the jobless to a degree not experienced in more than seven decades, while many others who remain employed are involuntarily working only part-time.

Technically, the "recovery"[1] has been underway for more than two years, but it is the weakest recovery since World War II, and the pace of the job recovery in New York over the past year is no stronger than that of the nation overall. In New York and many states across the nation, continuing declines in state and local government employment contribute to the weakness in total job growth. New York State's real Gross Domestic Product and total personal income began to rebound in 2010, but this did not trigger a sustained and meaningful job bounce-back. The already very modest pace of the recovery has slowed to a crawl in 2011. The halting course of the recovery promises to keep unemployment unusually high for months, and possibly years, to come.

This report provides an in-depth examination of the trends in New York's economy and job market two years into the current recovery. The report looks at where job growth has been occurring and how that compares to the U.S. overall. It also looks at the extent of the under-utilization of labor and the long-term nature of unemployment in New York. This report, focused on employment and unemployment trends, represents Part I of *The State of Working New York 2011*, one of the signature annual publications of the Fiscal Policy Institute. Part II of *The State of Working New York* will be released in early October and will focus on wage, income and income polarization trends. Part III, to be released later this fall, will examine economic trends affecting upstate New York. These statewide reports are supplemented by *The State of Working New York City 2011*, released by FPI in July.[2]

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[1] On September 20, 2010, the National Bureau of Economic Research (NBER) announced that its Business Cycle Dating Committee, the official non-governmental arbiters of the timing of turning points in the economy, at a meeting the previous day had "determined that a trough in business activity occurred in the U.S. economy in June 2009" and that this trough marked both "the end of the recession that began in December 2007 and the beginning of an expansion." In its announcement, the NBER also pointed out that "in determining that a trough occurred in June 2009, the committee did not conclude that economic conditions since that month have been favorable or that the economy has returned to operating at normal capacity. Rather, the committee determined only that the recession ended and a recovery began in that month." http://www.nber.org/cycles/sept2010.html

[2] Fiscal Policy Institute, *The State of Working New York City 2011: Scant Recovery for Workers—Some See Gains but Recession Conditions Persist for Most*, July 20, 2011. http://www.fiscalpolicy.org/FPI_NewYorkCityUnemployment_20110720.pdf.

I. New York's unemployment crisis reaches new heights

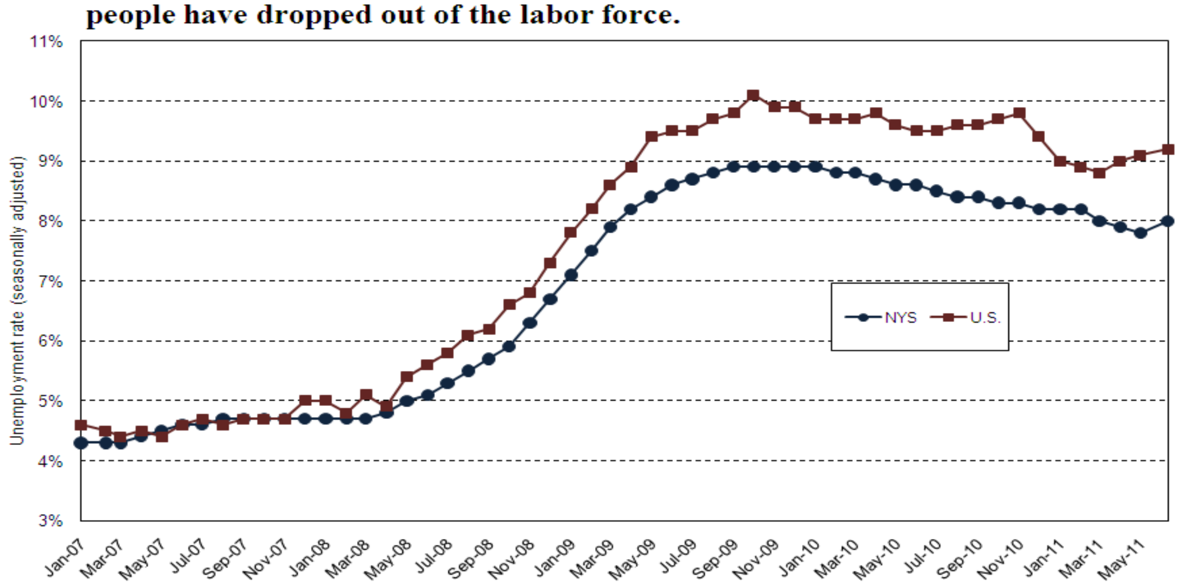
Two years into the "recovery" from the Great Recession, more than one in every seven New York workers is unemployed, under-employed or has given up looking for work. In all, nearly 1.4 million New Yorkers were jobless or under-employed during the first half of 2011. In the last 35 years of monthly unemployment data for the Empire State, there have never been more workers who cannot find a job or who are working part-time because they cannot find full-time work. To make matters worse, people are out of work for record lengths of time. Half of the unemployed have been out of work for more than six months, and 29 percent have been jobless for a year or more.

Hundreds of thousands of New York families are struggling to make ends meet and to keep a roof over their heads. In addition, worker skills are eroding, and the likelihood that tens of thousands of long-term unemployed workers will never productively re-enter the work force becomes more likely with each passing month. Our economy is squandering the productive labor of unemployed men and women on a colossal scale, and our homegrown small businesses that depend on local sales are put in jeopardy because the unemployment crisis deprives them of customers.

The Great Recession began nationally in December 2007. The New York State economy did not start to deteriorate rapidly until the fall of 2008 when the nation's major financial institutions, most of which are headquartered in New York City, were rocked by the financial meltdown in September that year. In the months that followed, both the national and the New York State unemployment rates climbed rapidly, nearly doubling by the fall of 2009. See Figure 1.

FIGURE 1

Unemployment rose sharply during the recession, and has declined only slightly during the recovery, with much of that decline because people have dropped out of the labor force.

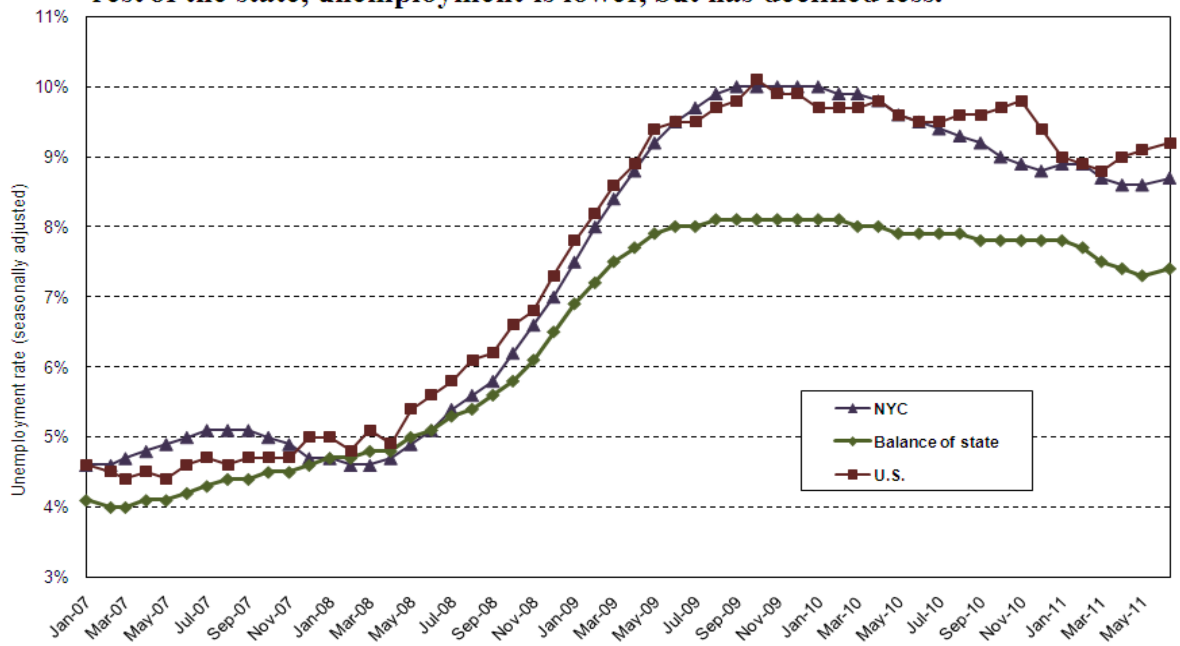


Source: Bureau of Labor Statistics and NYS Department of Labor.

Within New York State, both New York City and the *balance of the state* (encompassing the downstate suburbs and upstate metropolitan and rural areas) saw their unemployment rates doubled during the recession. New York City's unemployment rose from 4.6 percent in early 2008 to 10 percent in late 2009. Unemployment for the balance of the state rose to the low eight percent range, twice the pre-recession level. See Figure 2. (A later section will note that recession job declines were greater in the downstate suburbs and the Hudson Valley than in the upstate areas north and west of Albany.)

FIGURE 2

Unemployment in NYC has roughly tracked the nation overall. In the rest of the state, unemployment is lower, but has declined less.



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

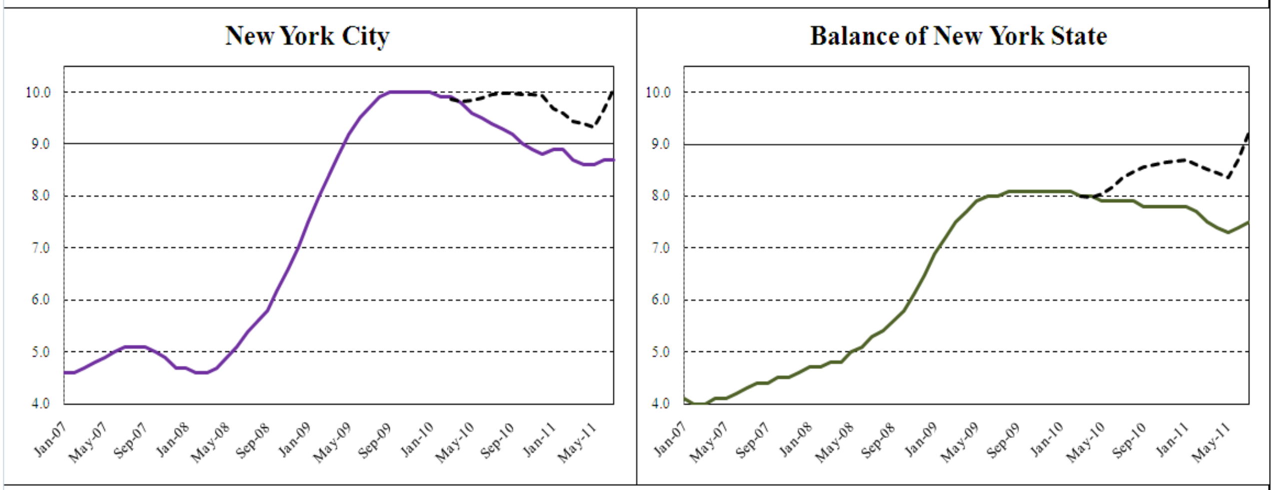
New York's real unemployment rate is much higher than reported

New York's overall officially reported unemployment rate has fallen from nine percent at the beginning of 2010 to eight percent in July of 2011. Even this slight decline results entirely from discouraged workers exiting the labor force, and not from an employment rebound. Were it not for a labor force decline due to discouraged workers dropping out of the workforce, New York State's unemployment rate in July 2011 would have been 9.6 percent, more than a percent-and-a-half higher than the official unemployment rate for that month and higher than at the point in late 2009 when the official New York and the national unemployment rates reached their high points during the downturn. Twenty-six months into the recovery, New York's employment outlook has improved very little, if at all.

Similarly, as Figure 3 shows, unemployment rates would be considerably higher in New York City and the balance of the state had not thousands of discouraged workers given up and left the labor force since the spring of 2010. Assuming the size of the labor force had remained at the level of March 2010, and that all those who left the labor force would still be unemployed (not an unreasonable assumption,) New York City's July 2011 unemployment rate would have been 10.1 percent rather than 8.7 percent, and in the balance of the state the unemployment rate would have been 9.2 percent rather than 7.5 percent in July 2011. In both cases, this would put unemployment higher than it was when the recession was at its worst in late 2009. Household employment according to the Current Population Survey—distinct from payroll employment based on the monthly survey of employers)—has actually fallen in both New York City and in the balance of the state during the first 18 months of the recovery.[3]

Figure 3

Unemployment rates in New York City and the balance of the state would be considerably higher if discouraged workers had not given up and left the labor force since the spring of 2010.



Note: dashed line indicates where unemployment rates would be if discouraged workers had not left the labor force since March 2010.

Source: FPI analysis of New York State Department of Labor (NYSDOL) Local Area Unemployment Statistics (LAUS) series.

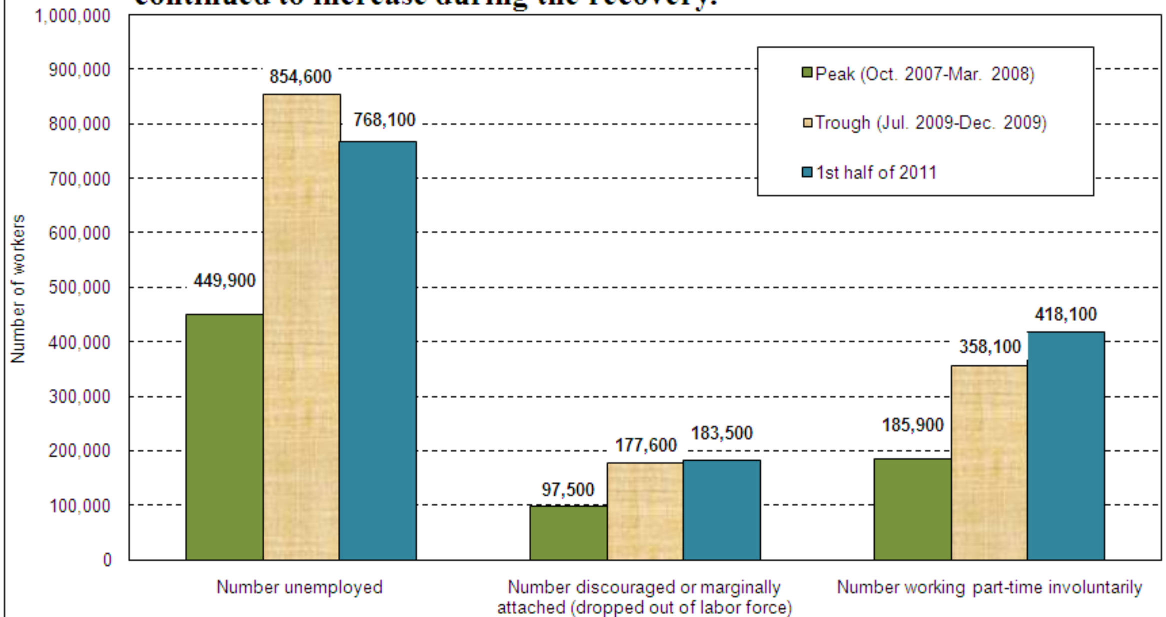
In addition to unemployment, weakness in the labor market is reflected in the number of discouraged workers and the ranks of those who are working part-time involuntary, that is, workers who want to work full-time but who can only find part-time work. As economic conditions deteriorated in the recession and have remained weak during the recovery, there has been a steady increase in involuntary part-time employment. We analyzed the Current Population Survey and provide estimates in Figure 4 for three six-month periods: the pre-

[3] See the seasonally adjusted labor force (LAUS) data file for New York State, New York City, and the "balance of the state" on the NYS Department of Labor website, http://www.labor.ny.gov/stats/LSLAUS.shtm. Household employment on a seasonally adjusted basis has also declined for New York State overall from the spring of 2010 to July 2011.

recession peak in New York (October 2007-to-March 2008), the recession "trough" or low-point (July-to-December 2009), and the latest six month period for which data are available when this report was prepared (January-to-June 2011, i.e., the first half of 2011).

FIGURE 4

The number of discouraged workers, and those working part-time involuntarily soared during the recession in New York State, and have continued to increase during the recovery.



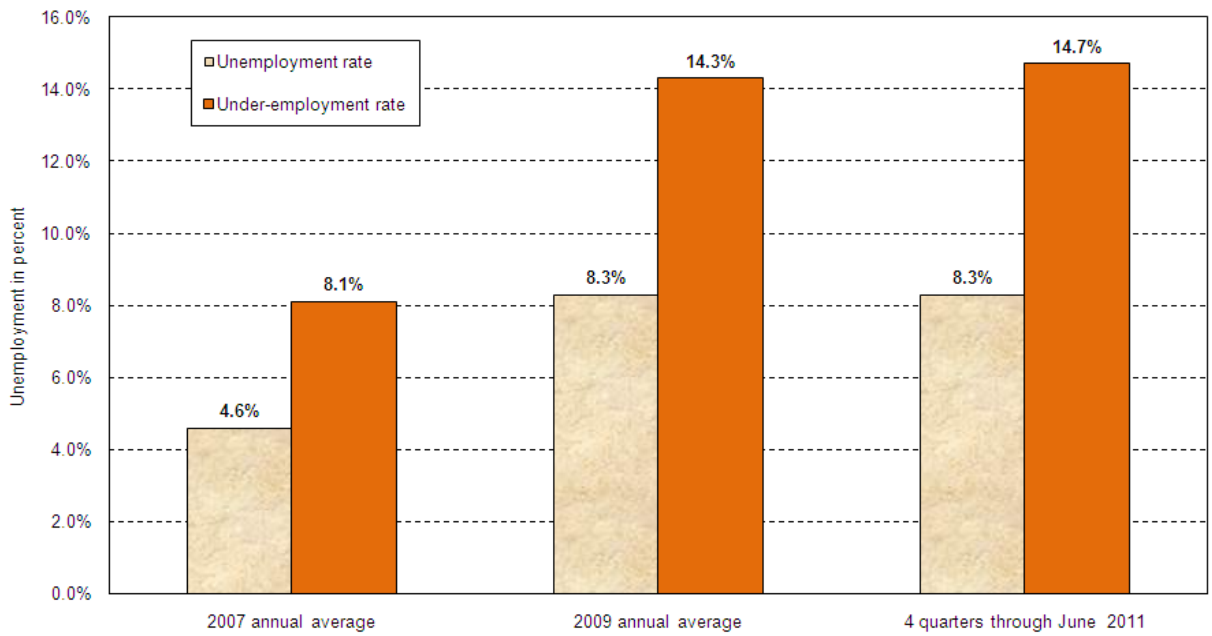
"Peak" is the average for October 2007 to March 2008. "Trough" is the average for July 2009 to December 2009. "Recovery" is the average for January 2011 to June 2011.
Source: FPI analysis of Current Population Survey microdata.

As the data in Figure 4 indicate, even though the number of those officially unemployed has declined in New York since the recession trough, the number of discouraged workers and the number of involuntary part-time employed have both continued to increase. Altogether, there were nearly 1.4 million New Yorkers unemployed or under-employed during the first half of 2011, that is, either officially unemployed (768,100), discouraged and not counted in the labor force (183,500), or involuntarily working part-time (418,100).

These data underscore the high degree of labor under-utilization. The U.S. Labor Department calculates a broad measure of the under-utilization of labor that adds to the unemployed, the number of discouraged workers and those working part-time involuntarily. This broader measure is often referred to as the under-employment rate. Using what is called the U-6 definition of under-employment, the U.S. Labor Department indicates that New York's under-employment rate was 14.7 percent for the four quarters through the second quarter of 2011, higher than during recession year of 2009. See Figure 5. Substantial labor under-utilization not only inflicts hardship on the families affected, it also robs the broader economy of the goods and services that could be produced.

FIGURE 5

New York State's unemployment and under-employment rates remain much greater than before the recession. Underemployment is now higher than it was in 2009.



Source: U.S. BLS. Under-employment rate includes unemployed plus marginally attached workers and those who are working part-time involuntarily.

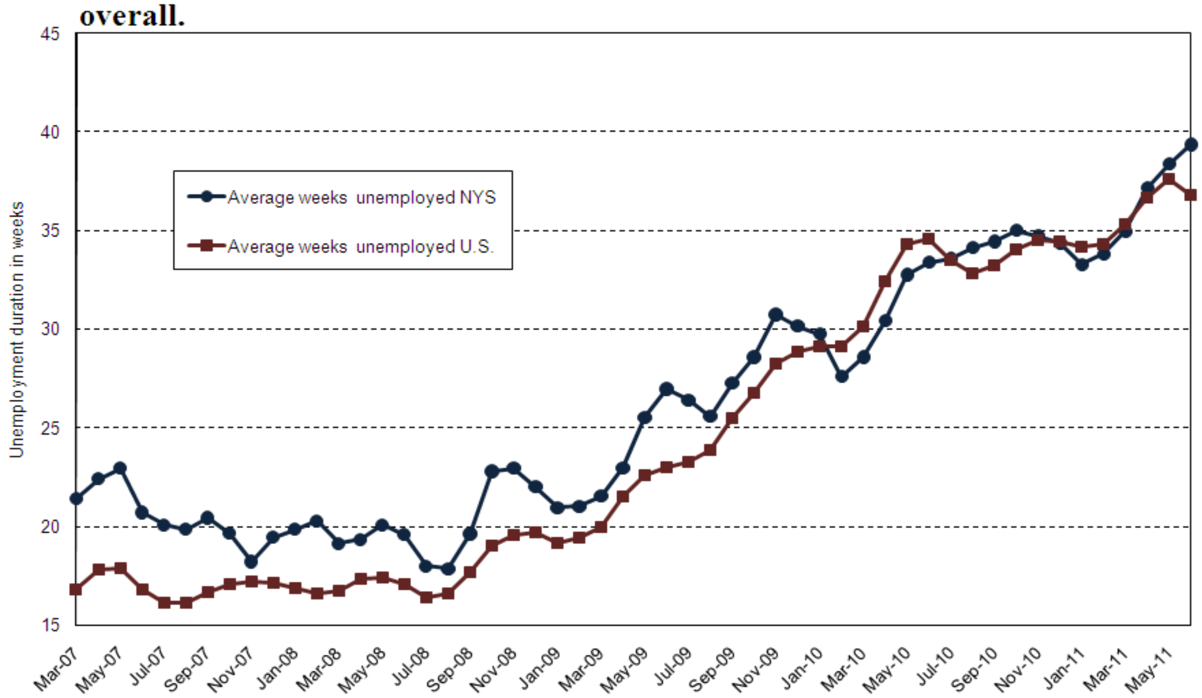
The duration of unemployment keeps getting longer

Another indicator of the continuing unemployment crisis is the fact that the duration of unemployment has continued to lengthen as the recovery enters its third year. The average length of unemployment in New York has increased from 30 weeks (about 7 months) at the end of 2009 to almost 40 weeks (a little over 9 months) in June 2011. The data on the lengthening duration of unemployment are very similar for the U.S. overall. See Figure 6. Among unemployed New Yorkers, half have been without a job for more than six months, and 29 percent have been jobless for more than a year.

These figures on the long duration of unemployment likely would be even higher if they included the swelling ranks of discouraged workers who are giving up the search for jobs and who are likely to already have endured very long periods of joblessness. Well over a half million New Yorkers have been jobless for more than six months or are so discouraged they have dropped out of the labor force. This is destructive on many levels, individual, psychological and social. Widespread and long-term unemployment erodes workers skills, discourages and prevents many from investing in new skills and advanced education, and deprives young workers from gaining a foothold in the job market. Mass unemployment is clearly harmful to families. Moreover, given the pervasive home mortgage foreclosure crisis, persistent unemployment is now also jeopardizing home ownership for increasing numbers of American families.

FIGURE 6

Average unemployment duration continues to rise in the recovery. It is now nearly 40 weeks in New York State, greater than for the U.S. overall.

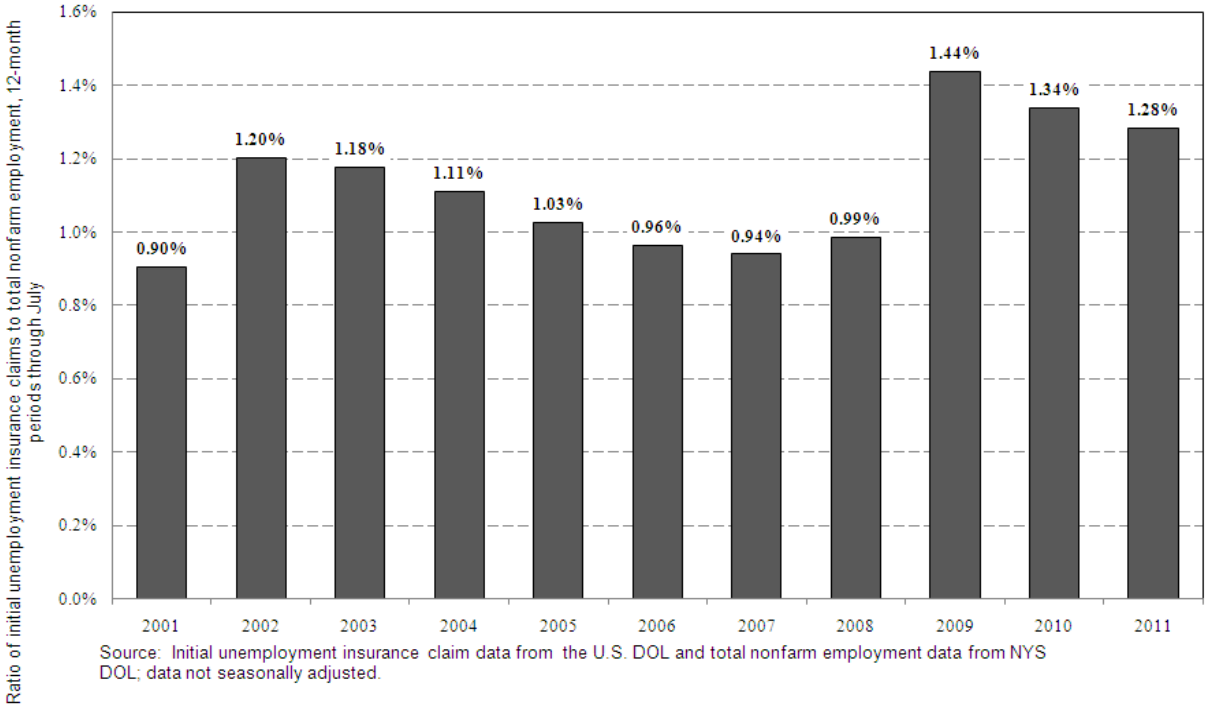


Source: FPI analysis of CPS; 3 month moving average ending on date.

Initial filings for unemployment insurance are a measure of the extent to which workers are currently losing jobs. Not surprisingly, the ratio of initial unemployment claims to the state's payroll employment level rose sharply in the months following the September 2008 financial market crash. The ratio of initial unemployment claims filings to payroll jobs rose from 0.94 percent in the 12 months through July 2007 to 0.99 percent in the 12 months through July 2008, but then jumped to 1.44 percent for the 12 months through July 2009. While the rate of workers losing jobs, as measured by initial unemployment insurance claims, has moderated since then, it remains much greater than before the 2008-09 Great Recession. For the 12 months through July 2011, the ratio was 1.28 percent, more than one-third greater than in the 2006 and 2007 periods, and higher than at any point from 2001 through 2008. See Figure 7. While the pace of New York's job loss has moderated some, it is still very high, and together with the long duration of joblessness for many workers, New York's unemployment rate has stayed high.

Figure 7

The ratio of NYS's initial unemployment claims to payroll employment has come down since the worst of the recession in 2009, but is still much greater than before the recession.



Source: Initial unemployment insurance claim data from the U.S. DOL and total nonfarm employment data from NYS DOL; data not seasonally adjusted.

New York faces a substantial jobs deficit

The deficit that matters most for New York is the "jobs deficit." Clearly, job growth has been so weak through two years of recovery that real unemployment is higher now than in the midst of the actual recession. To lower the state's unemployment rate to the 4.3 percent level that prevailed at the beginning of 2007, New York needs 512,000 more jobs today. And this is only the number needed given the size of the state labor force that existed in March 2010. If job growth were to really start to recover, it is likely that more people would decide to join the labor force and before long, its size would surpass the March 2010 level.

II. Historically weak national economic recovery

For several reasons, this is the weakest recovery on record in the post-World War II period. The bursting of the unprecedented mortgage-lending-fueled housing bubble and the dislocations related to financial sector excesses were largely responsible for the severity of the Great Recession and the associated financial crisis. It will take many years to overcome the myriad problems in the wrecked housing market in the U.S. New home construction and home buying are at feeble levels, completely eliminating one of the mainstays of economic expansion in every prior postwar recovery period.

Consumption demand, which accounts for 70 percent of Gross Domestic Product (GDP), is exceptionally weak because of high household debt burdens, extraordinarily high unemployment, and nearly stagnant wages for most of those who remain employed. While the 20 largest banks benefitted handsomely from the "too big to fail" bailout policies of the U.S. Treasury Department, Federal Deposit Insurance Corporation, and the Federal Reserve—bank assets are more highly concentrated now than before the crisis—lending to small- and medium-size businesses has suffered, in part because many small- and medium-size banks failed during the recession. Bank lending to smaller businesses relies heavily on personal credit and this lending is similarly constrained by still-high debt burdens. Finally, the slow recovery of tax revenues coupled with the winding down of federal fiscal relief to state and local governments have translated into reductions in state and local government spending, historically a steady contributor to economic growth.

National GDP dropped more during the 2008-09 Great Recession than during any downturn since the Great Depression of the 1930s. And the pace of recovery has been the slowest on record. In the nine previous recoveries since the end of World War II, GDP has grown at an average annual pace of 5.4 percent during the first two years (eight quarters) following the end of the prior recession. The pace for the current recovery—the eight quarters from the third quarter of 2009 through the second quarter of 2011—is less than half the average. GDP growth in the current recovery has averaged an annual rate of only 2.5 percent. The trend over those eight quarters is decidedly one of sharp slowing. Through the first four quarters of recovery—July 2009 to June 2010—the average GDP growth rate was 3.3 percent. But that slowed to a very anemic 0.7 percent annual growth rate for the first half of 2011, and there is nothing to indicate this will improve in the short run.

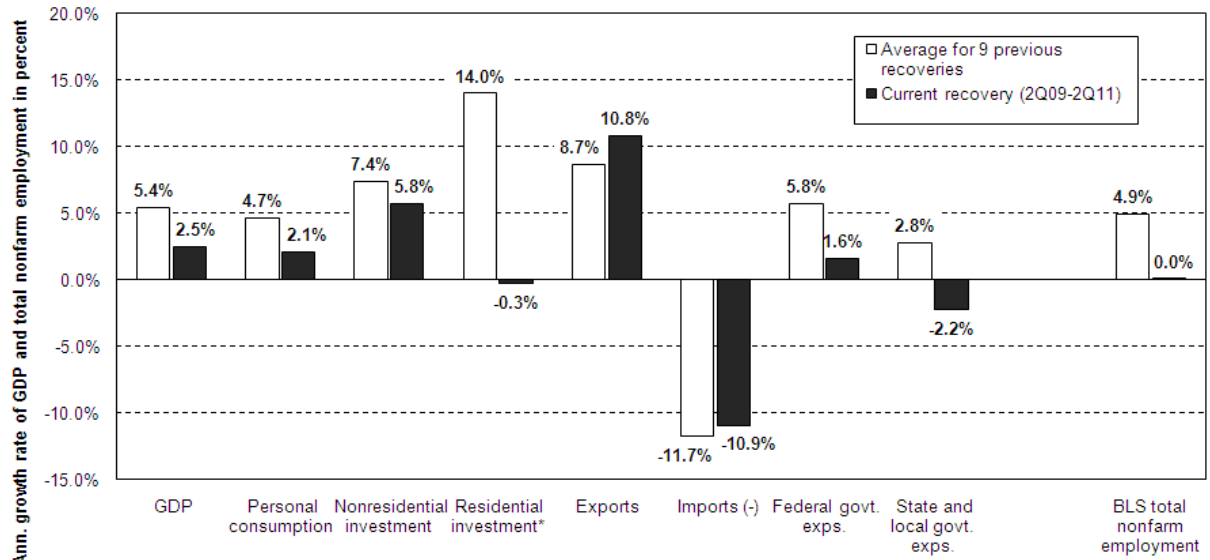
In the past, the deeper a recession, the faster the growth in the recovery. That was true in the second-deepest post-war recession in the early1980s, but isn't the case today. Before this recession the largest GDP drop occurred during the early-1980s recession. Following that recession, GDP growth averaged a healthy 6.7 percent annual pace through the first two years of recovery. Growth during the first half of this year was barely one-tenth the annual pace of the rebound following the early 1980s recession.

A big part of the reason for the slowing in the pace of the current recovery is that the spending impact of the $800 billion Recovery Act (formally known as American Recovery and Reinvestment Act, or ARRA) was concentrated in calendar years 2009 and 2010. ARRA-related spending was largely wound down by the first half of 2011.

The sources of the weakness in GDP growth during this recovery are apparent in examining the major GDP components. Personal consumption expenditures—again which account for 70 percent of GDP—have grown at only a 2.1 percent pace, less than half of the 4.7 percent average for prior recovery periods. Residential investment (housing), which normally accounts for five percent of GDP and increased at an annual rate of 14 percent during prior recoveries, has been stagnant during the current recovery. Housing spending typically has significant spillover effects in related areas, such as consumer durables spending on appliances and furniture. See Figure 8.

FIGURE 8

National economic growth during the first two years of the current recovery is less than half the pace of previous recoveries.



Average share of selected GDP components in current recovery (2Q 2009 through 2Q 2011):

GDP	Personal consumption	Nonresidential investment	Residential investment	Export	Import(-)	Federal govt. exps.	State & local govt. exps.
100.0%	70.7%	10.1%	2.6%	12.7%	-15.8%	8.2%	11.4%

Note: The private residential investment share of GDP in the current recession is unusually small because of the depressed condition of the housing market. For previous recovery periods, the residential investment share of GDP averaged 5.2 percent.
Source: BEA NIPA table 1.5.1 and 1.5.6 for GDP components and BLS CES employment data for total nonfarm employment level.

Another major source of drag on recent economic growth has been the 2.2 percent average annual drop in state and local government spending. In nine previous recoveries, there has never been a decline in state and local government spending and its growth has averaged 2.8 percent. For the first half of 2011, the decline in state and local government spending subtracted 0.4 percentage points from overall GDP growth, i.e., GDP growth would have been more than half again stronger than its 0.7 percent clip were it not for the continued cutbacks in state and local spending and infrastructure investments. Federal government expenditures have grown slightly during this recovery, but at a far slower pace than during a typical recovery.

Combined federal, state and local government spending account for 20 percent of GDP and have grown an annual average of 4.1 percent in real terms during past recoveries. In this recovery, government spending has dropped 0.7 percent. This is the opposite of what sound economic policy would suggest. There should be *more* net government spending in a recession, not less.

Nonresidential, or business fixed investment, which accounts for about 10 percent of GDP, has grown during the recovery, but its average 5.8 percent annual pace also trails the historic average 7.4 percent annual rate for a recovery. Exports, which account for about one-eighth of the national economy, is the one component of GDP that has performed better during this recovery than the average for prior recoveries. However, imports, which have grown by less than the historic average, are larger in dollar volume than U.S. exports, so they have largely offset the positive impact of exports.

Figure 8 also shows the average rate of nonfarm payroll job growth through the first two years of this recovery compared to the average for prior recoveries. In prior post-war recoveries, jobs grew at a 4.9 percent annual rate during the first two years of recovery, nearly matching the 5.4 percent GDP growth. In this recovery, on the other hand, there has been no net job growth through the first two years following the recession.

III. New York's weak recovery still better than in many states

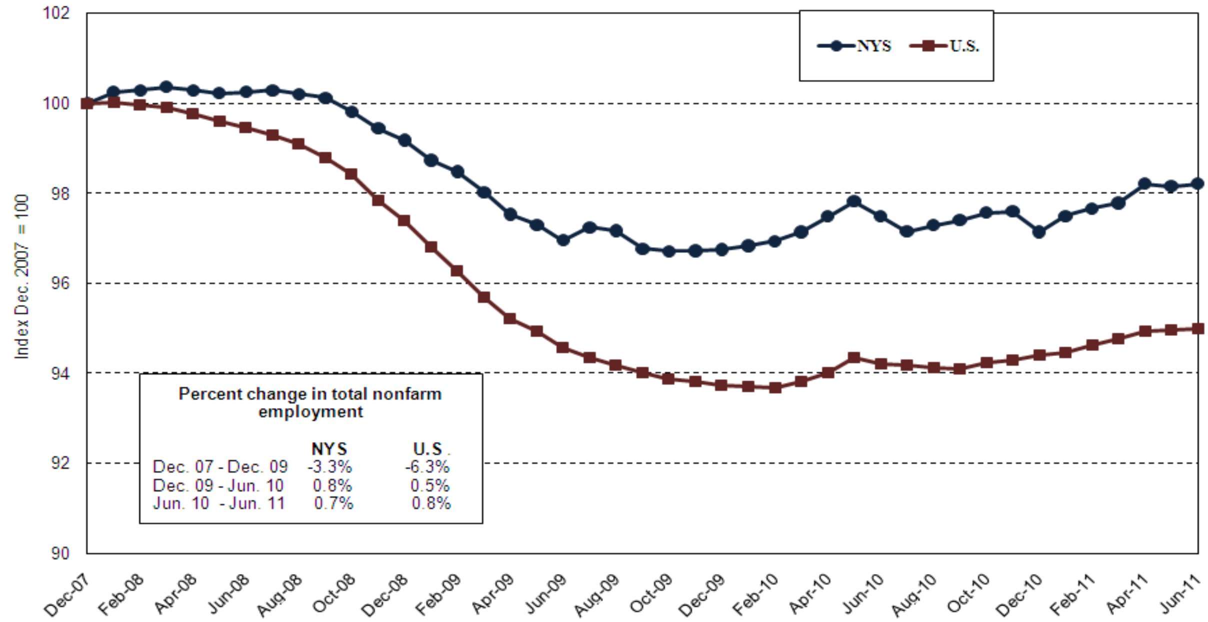
Largely because of the unprecedented taxpayer-financed bailout of the major New York City-based financial firms and the fact that the housing bubble and the eventual housing crash by-passed most of the upstate areas, New York State's payroll job decline during the recession was less than the nation's overall. From the onset of the national recession in December 2007 until December 2009 when New York's job level bottomed out, New York lost 3.3 percent of its payroll jobs, slightly more than half of the national 6.2 percent job decline. Initially led by a New York City's employment rebound, New York State began gaining jobs sooner than the U.S. However, over the past year, from June 2010 to June 2011, New York gained jobs at roughly the same pace as the nation overall. See Figure 9.

As Figure 10 shows, while the downstate suburbs and upstate (the "balance of the state") lost slightly more jobs during the recession than did New York City, the 3.6 percent job loss for the balance of the state was far less than the 6.2 percent national job loss. Over the most recent year of recovery—June 2010 to June 2011—the balance of the state areas have gained jobs at roughly the same pace as New York City and the U.S. overall.

Over the entire 42-month period since the start of the national recession in December 2007, through June 2011, New York State has experienced a net job loss of 1.8 percent. This results from a 3.3 percent recession loss, partially offset by a 1.5 percent employment gain during the recovery. Over the same period, the U.S. overall saw a net five percent loss (a 6.2 percent recession loss partially offset by a 1.2 percent gain during the recovery.)

FIGURE 9

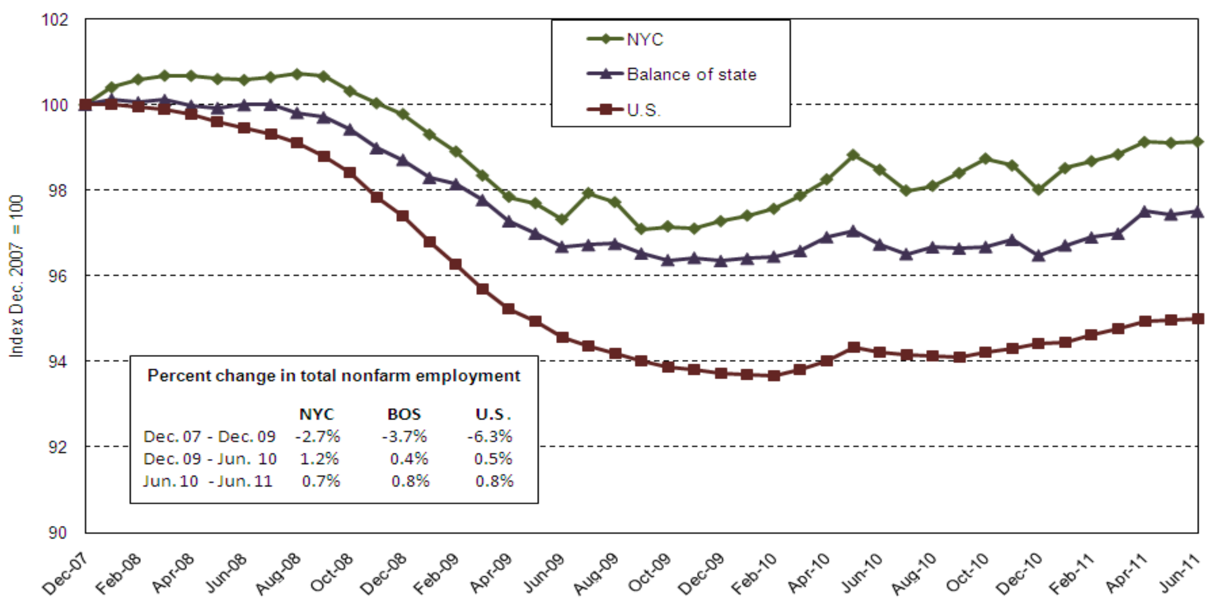
New York State's recession job decline was much less than for the U.S. While the state started to recover sooner than the nation, job growth over the past year has been about the same for New York and the U.S.



Source: BLS and NYS DOL (FPI seasonal adjustment of NYS employment data); indexed Dec. 2007 = 100.

FIGURE 10

Compared to NYC, recession job losses were slightly greater in the rest of New York State. The recovery was weaker through the first several months, but roughly the same over the past year.



Source: BLS and NYS DOL (FPI seasonal adjustment of NYC and BOS employment data); indexed Dec. 2007 = 100.

This relative better performance by New York State also means that New York's job picture has fared better than that of 40 other states since the end of 2007. New York State has fared much better than states such as Florida (net job loss of 8.9 percent), California (net 7.4 percent loss), North Carolina (net 7.2 percent loss), New Jersey (net 5.4 percent loss), and Illinois (net 5.2 percent loss.) Among large states, only Massachusetts with a net job loss of 1.7 percent, and Texas with a net 0.6 percent job gain, have fared better than New York. See Figure 11.

FIGURE 11

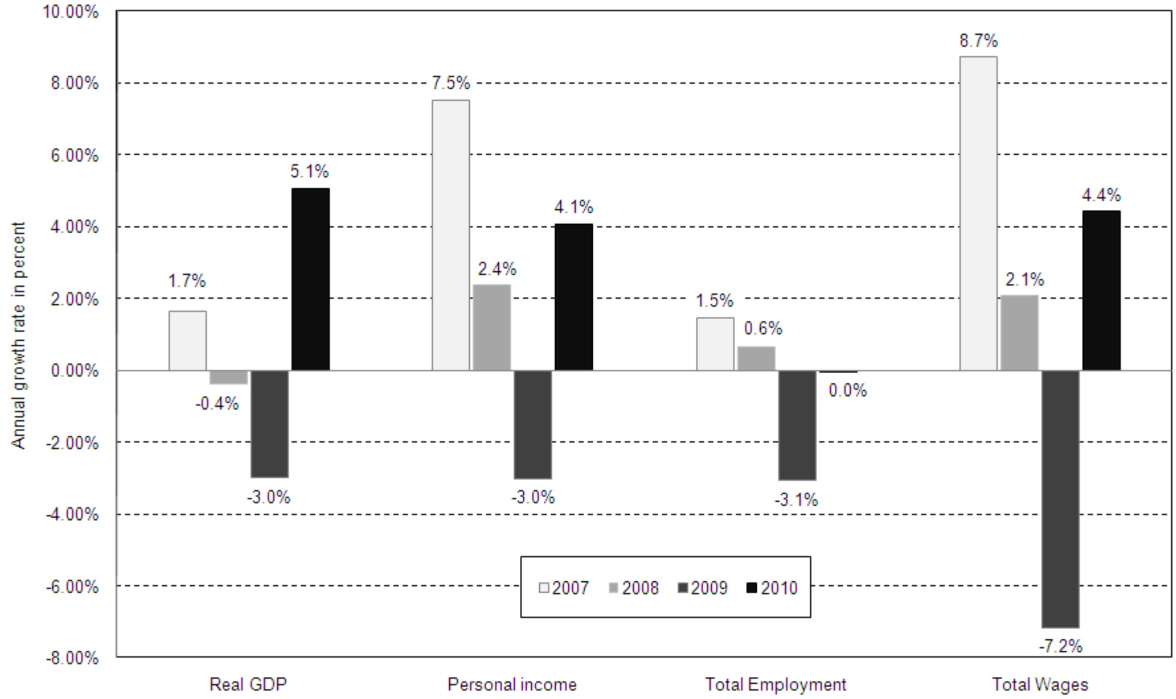
New York's net job loss since the beginning of the national recession in December 2007 is less than that in 40 other states.

	Rank	Percent change in jobs Dec. 2007 to Jun. 2011
United States	-	-5.0%
New York	41	-1.8%
10 states with greatest job loss		
Nevada	1	-13.7%
Arizona	2	-10.7%
Florida	3	-8.9%
Georgia	4	-8.0%
Idaho	5	-8.0%
Michigan	6	-7.6%
California	7	-7.4%
North Carolina	8	-7.2%
Alabama	9	-7.2%
Tennessee	10	-6.7%
States neighboring New York State		
Connecticut	23	-5.2%
Massachusetts	42	-1.7%
New Jersey	19	-5.4%
Pennsylvania	38	-2.3%
Vermont	39	-2.1%
Other states often compared to New York State		
North Carolina	8	-7.2%
Illinois	24	-5.2%
Texas	48	0.6%

Source: EPI's analysis of BLS CES employment change (seasonally adjusted).

With the exception of payroll employment, which was unchanged from 2009 to 2010 based on the change in the annual averages, other major economic indicators, including state GDP, personal income and total wages, started to recover in 2010. See Figure 12. In fact, partly driven by the profit rebound among Wall Street firms but also as a result of gains in many major sectors, New York State ranked second among all states in both real state GDP growth and in total personal income growth in 2010. The Empire State recorded a 5.1 percent gain in real GDP in 2010, second only to North Dakota, and a 4.1 percent gain in total personal income, second only to New Mexico. See Appendix 1.

FIGURE 12
All major economic indicators in New York State showed improvement in 2010, following steep drops in 2009.



Source: Real GDP and personal income data from BEA; employment and wage data from BLS QCEW.

IV. New York's job changes during the recession and recovery by sector and by region

New York State's job level continued to rise during the first several months of the national recession and reached a peak in July 2008. From July 2008 through December 2009, the state lost a total of 316,000 payroll jobs. During the first 18 months of the state's employment recovery, from December 2009 to June 2011, New York has re-gained 118,000 or about four out of every ten jobs lost during the downturn.

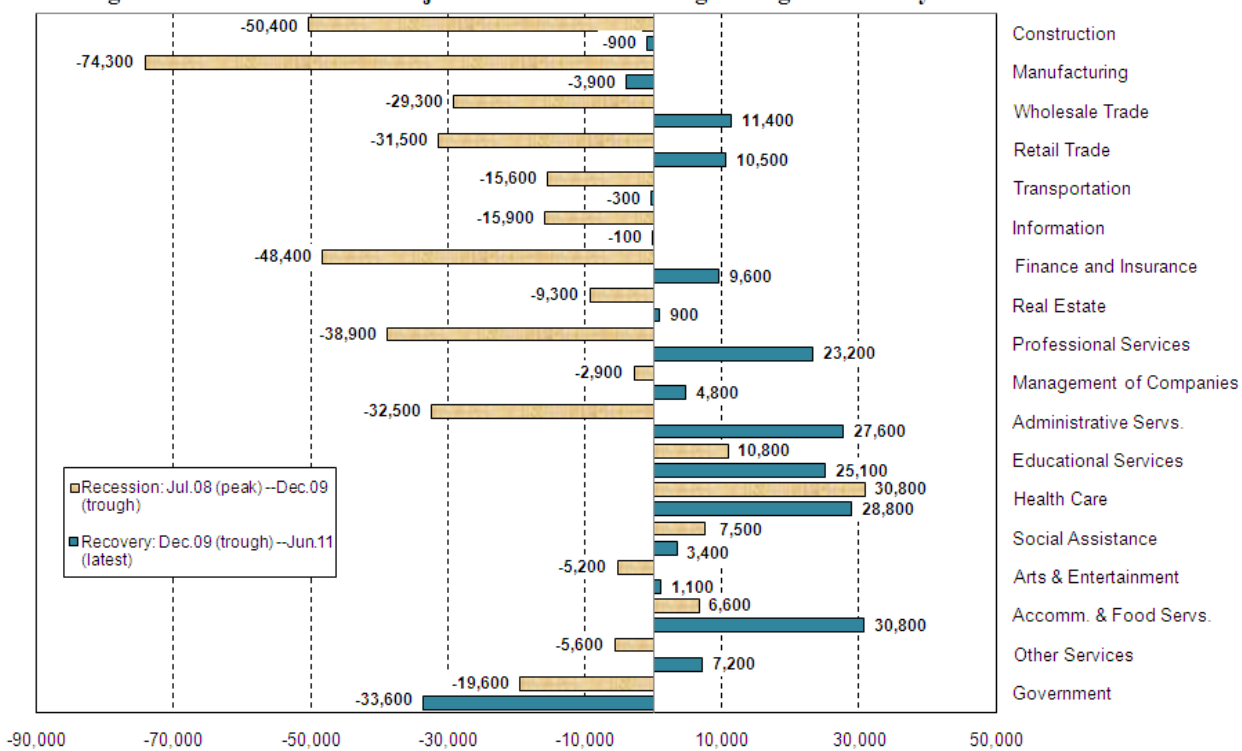
Fourteen of the 18 major sectors of the state's economy lost jobs during the recession; only two have completely made up recession losses (management of companies and other services.) Of the 14 sectors losing jobs, seven sectors each lost roughly 30,000 jobs or more. The two sectors that lost the most jobs—manufacturing and construction—continued to lose jobs, albeit at a much slower pace, during the first 18 months of the state's employment recovery through June 2011.[4]

[4] Most states and the nation as a whole have continued to lose construction jobs over the past 18 months. New York's decline in construction employment from December 2007 to December 2009 was 13.3 percent, while the national decline was 24.6 percent. Among the 10 largest manufacturing states, New York was the only one that did not have an increase in manufacturing employment between December 2009 and June 2011. There was a 2.5 percent national gain in manufacturing jobs over this period, led by Michigan and Wisconsin. From January 2000 to December 2009, New York lost 40 percent of its manufacturing jobs; however, three of the 10 largest manufacturing

The finance and insurance sector, which lost over 48,000 jobs in the recession, has gained back only about one-fifth that number in the recovery. Continuing in order of recession job loss: professional services has regained 60 percent of its 39,000 recession job loss; administrative services has re-couped 85 percent of its 32,500 job loss; retail trade has recovered only one-third of its 31,500 recession job loss; and wholesale trade has made up almost 40 percent of its 29,000 job loss. See Figure 13.

FIGURE 13

Many sectors of the New York State economy have only partly re-couped the jobs lost during the recession. Government job losses are accelerating during the recovery.



Source: FPI seasonal adjustment and analysis of NYS DOL CES employment data; figures rounded to nearest hundreds.

Of the four sectors that have gained jobs through both the recession and the recovery, health care tops the list in total jobs added with a gain of almost 56,000 jobs. Altogether, health care, educational services, accommodation and food services, and social assistance have added 144,000 jobs over the past three years. Government job losses in New York State have accelerated in recent months at a time when net job losses in every other sector of the state's economy have largely subsided. Nearly 20,000 government jobs were lost during the recession period. In the first 18 months of recovery, government job losses have increased to 33,600, bringing the total government employment decline since the start of the recession to 53,600.

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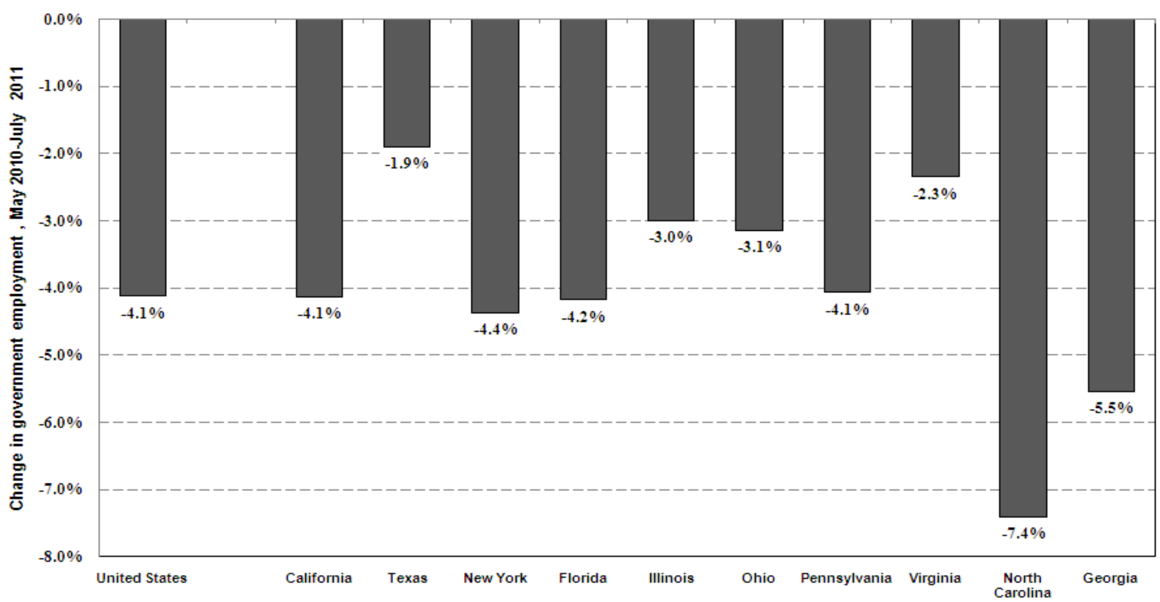
states had greater declines, Michigan lost 49 percent, North Carolina 43 percent, and Ohio 41 percent of factory jobs over the decade. Source: EPI analysis of seasonally adjusted BLS CES employment data.

Mounting government job losses in New York and around the country

The continuing loss of government jobs is one of the main factors responsible for the weakening of the national employment recovery. Government job losses have accelerated across the country over the past year or so, particularly as federal fiscal relief to states has run out. From May 2010 to July 2011, the number of New York State public sector jobs fell by 4.4 percent. This was slightly greater than the 4.1 percent government employment decline nationally over this period. Figure 14 shows that most of the 10 largest states in the nation have seen government employment declines of three percent or more over the past 14 months.

FIGURE 14

Government sector employment has dropped sharply since May 2010, with declines of 3 percent or more in most of the 10 largest states.



Source: Economic Policy Institute (EPI) analysis of BLS CES data; seasonally adjusted; the 10 largest states are selected by the total government employment level as of July 2011

New York State budget cuts enacted in the spring of 2011 sharply reduced state aid to local school districts, triggering widespread announcements of layoffs and the loss of positions through attrition among teachers and school administrators and support staff in scores of school districts across the state. According to the New York State United Teachers, which has compiled notices regarding projected changes in school staffing levels, local school districts in New York State will see the loss of about 12,000 positions in the 2011-2012 school year.[5] [6] Public school

[5] Data compiled by New York State United Teachers from school district notices and news reports.

[6] In addition, the state legislature and the governor enacted a statewide (except for New York City) two percent local property tax cap this past June that will take effect for local school districts in the 2012-2013 school year. The property tax cap could result in further school staffing reductions. For school districts to override the two percent

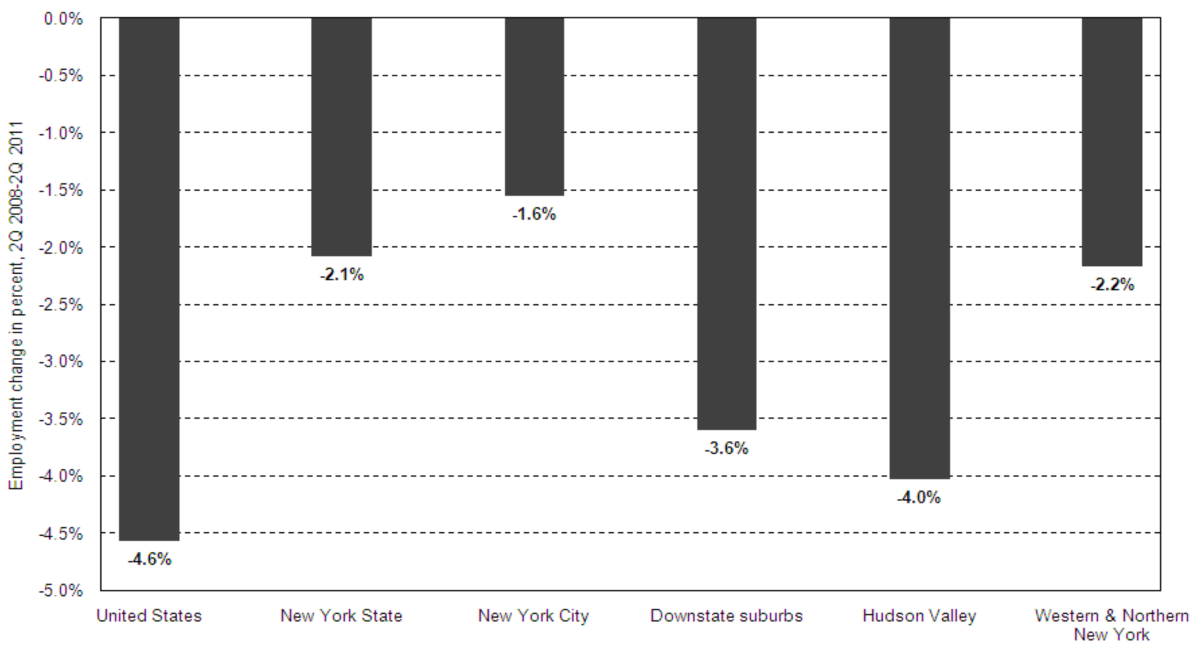
teacher, administrator and support staff layoffs will disproportionately affect women since they hold 75 percent of such positions.

Downstate suburbs and Hudson Valley have fared the worst within New York State

Within New York State over the past three years of recession and recovery, New York City has experienced the smallest net payroll job loss (1.6 percent). The downstate suburbs (3.6 percent) and the Hudson Valley between Newburgh and Glens Falls (4.0 percent) have experienced the greatest payroll job losses. The six upstate metro areas and the non-metropolitan counties west of the Hudson River together lost a net of 2.2 percent of their total payroll employment base. See Figure 15.

FIGURE 15

The downstate suburbs and the Hudson Valley have fared the worst over the three years since the recession began in New York State.



Source: NYS DOL CES total non-farm employment data by MSA and county. Note: Hudson Valley excludes northern New York City suburbs.

The six upstate metro areas west of the Hudson had a combined net payroll job loss of 1.8 percent from the second quarter of 2008 to the second quarter of 2011, nearly matching New

property tax cap, a sixty percent majority in a public referendum will be required. If an override vote fails to achieve such a sixty percent "super majority" and the proposed tax levy is not submitted to the public for a second vote, or if both an initial override vote and a revote both fail to win a sixty percent majority, no increase at all over the prior year's tax levy will be permitted. It is expected that the property tax cap will exacerbate the already substantial disparities in spending per pupil that exist between high wealth and low wealth school districts. See, for example, Phil Oliff and Iris J. Lav, "Hidden Consequences: Lessons From Massachusetts for States Considering a Property Tax Cap," Center on Budget and Policy Priorities, Revised May 25, 2010, http://www.cbpp.org/files/5-21-08sfp.pdf.

York City's job record for that period. For the past year—from the second quarter 2010 to the second quarter 2011—the six western upstate metro areas actually recorded the best job growth in New York State with a 1.2 percent job growth, twice that of New York City over the same period. The Rochester and Ithaca metropolitan areas have set the pace, each with 2.1 percent job growth over the past year. See Figure 16.

FIGURE 16

Within NYS, NYC started to recover sooner. Over the past year, job growth has been better in NYC and the upstate metro areas than in the downstate suburbs and the Hudson Valley.

	Total non-farm empl. (thousands) in 2Q				Absolute change				Percent change			
Total non-farm employment in thousands	**2008**	**2009**	**2010**	**2011**	**2008 - 2009**	**2009 - 2010**	**2010 - 2011**	**2008 - 2011**	**2008 - 2009**	**2009 - 2010**	**2010 - 2011**	**2008 - 2011**
United States	137,919.0	131,475.0	130,469.0	131,618.0	-6,444.0	-1,006.0	1,149.0	-6,301.0	-4.7%	-0.8%	0.9%	-4.6%
New York State	8,842.5	8,575.7	8,608.1	8,658.2	-266.8	32.4	50.1	-184.3	-3.0%	0.4%	0.6%	-2.1%
New York City	3,804.6	3,689.1	3,723.9	3,745.4	-115.5	34.8	21.5	-59.2	-3.0%	0.9%	0.6%	-1.6%
Eastern New York (Downstate suburbs and Hudson Valley)	2,757.4	2,670.4	2,665.4	2,654.3	-87.0	-5.0	-11.1	-103.1	-3.2%	-0.2%	-0.4%	-3.7%
Albany-Schenectady-Troy, NY MSA	454.7	445.1	440.4	436.1	-9.6	-4.6	-4.4	-18.6	-2.1%	-1.0%	-1.0%	-4.1%
Glens Falls, NY MSA	57.2	56.0	55.6	53.9	-1.2	-0.4	-1.7	-3.3	-2.1%	-0.7%	-3.0%	-5.7%
Kingston, NY MSA	63.9	61.7	61.7	60.3	-2.2	0.0	-1.5	-3.7	-3.5%	0.1%	-2.4%	-5.7%
Nassau-Suffolk, NY Metropolitan Division	1,277.4	1,237.4	1,238.8	1,236.8	-40.0	1.4	-2.0	-40.6	-3.1%	0.1%	-0.2%	-3.2%
Poughkeepsie-Newburgh-Middletown, NY MSA	256.1	248.9	249.2	248.6	-7.2	0.2	-0.6	-7.5	-2.8%	0.1%	-0.2%	-2.9%
Putnam-Rockland-Westchester, NY MSA	584.7	560.4	558.4	558.3	-24.2	-2.0	-0.1	-26.4	-4.1%	-0.4%	0.0%	-4.5%
Columbia County	21.5	20.6	20.5	19.9	-0.9	-0.1	-0.7	-1.7	-4.3%	-0.3%	-3.2%	-7.7%
Greene County	14.9	14.2	14.7	14.7	-0.7	0.5	0.0	-0.3	-4.9%	3.5%	-0.2%	-1.8%
Sullivan County	26.9	26.1	26.0	25.8	-0.8	-0.1	-0.2	-1.0	-2.9%	-0.4%	-0.6%	-3.8%
Western and Northern New York	2,283.1	2,215.4	2,215.8	2,233.5	-67.7	0.4	17.8	-49.6	-3.0%	0.0%	0.8%	-2.2%
Metropolitan Areas	1,716.1	1,666.0	1,665.9	1,685.1	-50.1	-0.2	19.2	-31.1	-2.9%	0.0%	1.2%	-1.8%
Binghamton, NY MSA	116.3	112.6	110.6	111.1	-3.7	-2.0	0.5	-5.2	-3.2%	-1.7%	0.4%	-4.5%
Buffalo-Niagara Falls, NY MSA	555.0	538.7	540.2	544.6	-16.3	1.5	4.4	-10.4	-2.9%	0.3%	0.8%	-1.9%
Ithaca, NY MSA	64.6	64.0	64.7	66.0	-0.6	0.7	1.4	1.4	-1.0%	1.1%	2.1%	2.2%
Rochester, NY MSA	520.4	503.7	505.0	515.6	-16.7	1.3	10.6	-4.8	-3.2%	0.3%	2.1%	-0.9%
Syracuse, NY MSA	325.7	315.6	313.7	316.5	-10.1	-1.9	2.8	-9.2	-3.1%	-0.6%	0.9%	-2.8%
Utica-Rome, NY MSA	134.1	131.5	131.8	131.3	-2.6	0.2	-0.5	-2.8	-1.9%	0.2%	-0.4%	-2.1%
Non-Metropolitan Areas	567.0	549.4	549.9	548.5	-17.6	0.5	-1.4	-18.5	-3.1%	0.1%	-0.3%	-3.3%
Allegany County	17.4	16.8	17.1	17.1	-0.6	0.3	-0.1	-0.4	-3.4%	1.8%	-0.4%	-2.1%
Cattaraugus County	33.9	33.4	33.4	33.2	-0.5	0.0	-0.2	-0.7	-1.5%	0.0%	-0.6%	-2.1%
Cayuga County	26.9	26.1	26.4	26.3	-0.9	0.4	-0.2	-0.7	-3.2%	1.4%	-0.6%	-2.5%
Chautauqua County	57.8	55.0	54.2	53.6	-2.7	-0.8	-0.6	-4.1	-4.7%	-1.5%	-1.0%	-7.2%
Chemung County	41.5	39.3	40.0	40.5	-2.2	0.7	0.5	-1.0	-5.4%	1.7%	1.3%	-2.5%
Chenango County	17.3	16.9	16.9	17.3	-0.3	0.0	0.4	0.0	-1.9%	-0.2%	2.4%	0.2%
Clinton County	36.1	35.1	34.5	34.6	-1.0	-0.6	0.0	-1.5	-2.7%	-1.7%	0.1%	-4.2%
Cortland County	18.7	18.5	18.4	18.5	-0.3	-0.1	0.1	-0.3	-1.4%	-0.4%	0.4%	-1.4%
Delaware County	18.4	16.8	16.9	16.6	-1.5	0.1	-0.3	-1.7	-8.3%	0.6%	-1.8%	-9.4%
Essex County	14.9	14.3	14.3	14.4	-0.7	0.0	0.1	-0.6	-4.5%	0.0%	0.7%	-3.8%
Franklin County	19.7	19.7	19.5	19.5	0.0	-0.3	0.1	-0.2	0.2%	-1.4%	0.3%	-0.8%
Fulton County	19.3	18.4	18.7	18.3	-0.9	0.2	-0.3	-1.0	-4.7%	1.3%	-1.8%	-5.2%
Genesee County	24.1	23.7	23.5	23.5	-0.4	-0.2	0.0	-0.6	-1.7%	-0.7%	-0.1%	-2.5%
Hamilton County	2.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0%	1.7%	-1.6%	0.0%
Jefferson County	44.0	43.3	44.2	44.2	-0.7	0.8	0.0	0.2	-1.5%	1.9%	0.0%	0.4%
Lewis County	6.8	6.7	6.7	6.6	0.0	-0.1	-0.1	-0.2	-0.5%	-1.0%	-1.5%	-3.0%
Montgomery County	19.7	19.1	19.1	18.8	-0.6	0.0	-0.3	-0.9	-3.2%	0.0%	-1.6%	-4.7%
Otsego County	27.0	26.5	26.8	26.9	-0.4	0.3	0.1	0.0	-1.6%	1.1%	0.4%	-0.1%
Schuyler County	5.1	5.0	5.0	5.0	-0.1	0.0	0.0	-0.2	-1.9%	-0.7%	-0.7%	-3.2%
Seneca County	11.7	11.6	11.6	11.7	-0.1	0.1	0.1	0.0	-1.1%	0.6%	0.6%	0.0%
St. Lawrence County	42.4	41.1	40.6	40.6	-1.3	-0.4	0.0	-1.8	-3.1%	-1.1%	-0.1%	-4.2%
Steuben County	40.5	38.9	38.9	38.8	-1.6	0.0	-0.1	-1.7	-4.0%	0.1%	-0.3%	-4.2%
Wyoming County	14.2	13.5	13.4	13.2	-0.7	-0.1	-0.2	-1.0	-4.7%	-0.5%	-1.7%	-6.8%
Yates County	7.6	7.5	7.7	7.4	-0.1	0.2	-0.3	-0.2	-0.9%	2.2%	-3.9%	-2.6%
10-county downstate area	**5,666.7**	**5,486.9**	**5,521.1**	**5,540.4**	**-179.8**	**34.2**	**19.3**	**-126.2**	**-3.2%**	**0.6%**	**0.4%**	**-2.2%**
52-county upstate area	**3,178.4**	**3,088.0**	**3,083.9**	**3,092.8**	**-90.4**	**-4.1**	**8.8**	**-85.7**	**-2.8%**	**-0.1%**	**0.3%**	**-2.7%**

Note: Data are not seasonally adjusted.
Source: BLS US total nonfarm employment data and NYS DOL CES LAUS Total Non-farm Employment data by NY MSA and County

Unemployment was much higher in July 2011 than three years ago at the start of the recession all across the state. In New York City and the five downstate suburban counties, 500,000 workers were officially unemployed in July 2011, almost 50 percent greater than three years before. In the 52-county upstate area, there were 280,000 unemployed, 37 percent more than in mid-2008. See Appendix 2.

V. Changing unemployment and employment rates by demographic group in recession and recovery, with comparisons to the U.S.

When the unemployment rate declines in significant measure because discouraged workers drop out of the labor force, the unemployment rate loses some of its value as an indicator of trends in the job market. Another job market indicator, the employment-population ratio, or EPOP (or also, the *employment rate*), provides a better read in such circumstances since it directly reflects the extent of job-holding relative to the working age population. Even if someone stops looking for a job and is no longer counted as part of the labor force, as long as they still live in the geographic area in question, they are included in the working age population, the denominator in the EPOP ratio. There could be positive reasons, such as going to college, for people to leave the labor force. College enrollments in public higher education institutions did rise during the recession. However, a decline in the employment rate (EPOP) is an unambiguous indicator of the existence of fewer jobs.

To take a closer look at how different demographic groups in New York State have fared during the recession and the recovery in terms of their unemployment and employment rates, we analyzed microdata from the monthly Current Population Survey. To get meaningful samples for purposes of analysis, we used six-month periods to represent the *peak* period before the recession (October 2007 to March 2008), the low point, or *trough*, of the recession (July 2009 to December 2009), and the most recent six-month period for which data are available as this is written (January to June 2011, representing a year to a year-and-a-half into the recovery). Comparisons were also made to the labor force for the United States overall.

It is clear from Figure 17 that unemployment increased substantially during the recession for every demographic group in New York, and while unemployment rates may have dropped for some groups during the recovery, every group is considerably worse off compared to the pre-recession period. Blacks and Hispanics have been particularly hard hit, experiencing very large unemployment increases during the recession, and with both groups having unemployment rates about twice the level for non-Hispanic whites. Unemployment rates for black non-Hispanic workers was an estimated 13.8 percent during the first half of 2011. Young workers—both those 16-21 and those 22-27—also saw their unemployment rates increase rapidly during the recession. Less educated workers have seen their unemployment rates continue to rise during the recovery.[7]

The fact that the recovery period has done little to improve the labor market situation for most workers is evident in Figure 17 that shows that the *employment rate* for New York workers has continued to decline during the first 18 months of recovery, dropping from 57.3 percent in the last half of 2009 to 56.9 percent in the first half of 2011. The two groups with the largest employment rate increases during the recovery—blacks and those with a 4-year college degree or better—both had very large declines in their respective employment rates during the recession. Employment rates for Asians and workers with less than a high school education have fallen the most during the recovery period.

The labor market picture for the U.S. as a whole is fairly similar to that for New York: even with some decline in unemployment rates in the recovery, unemployment rates are still much higher than before the recession; employment rates have continued to fall despite the recovery and the decline in unemployment rates; black and Hispanic workers have seen the largest increases in unemployment; and younger workers and less-educated workers are faring much worse than older workers and better-educated workers, respectively. See Figure 18.

[7] For a detailed look at unemployment and employment rate changes among various demographic groups in New York City, see Fiscal Policy Institute, The State of Working New York City 2011: Scant Recovery for Workers—Some See Gains but Recession Conditions Persist for Most, July 20, 2011. http://www.fiscalpolicy.org/FPI_NewYorkCityUnemployment_20110720.pdf.

FIGURE 17

New York State unemployment and employment rates by demographic group at the pre-recession peak, the recession low point, and the first half of 2011.

	Oct. 2007 to Mar. 2008	Jul. 2009 to Dec. 2009	Jan. 2011 to Jun. 2011	Percent point changes		
Unemployment rates	*Pre-recession*	*Recession low point*	*1H of 2011*	*Peak to trough*	*Trough to*	*Peak to present*
ALL 16 and over	4.7%	8.8%	8.0%	4.2%	-0.8%	3.3%
Gender						
Male	5.0%	9.4%	8.4%	4.3%	-1.0%	3.4%
Female	4.3%	8.3%	7.6%	4.0%	-0.7%	3.3%
Race and ethnicity						
White non-Hispanic	3.9%	7.2%	6.1%	3.3%	-1.1%	2.2%
Black non-Hispanic	6.8%	14.6%	13.8%	7.8%	-0.8%	6.9%
Hispanic	6.1%	11.7%	11.9%	5.6%	0.3%	5.9%
Asians & others	4.5%	6.7%	5.2%	2.1%	-1.4%	0.7%
Selected age groups						
16-21	14.2%	23.9%	20.2%	9.7%	-3.7%	6.0%
22-27	7.3%	12.9%	11.4%	5.7%	-1.5%	4.1%
28-34	3.8%	8.7%	8.5%	4.8%	-0.1%	4.7%
35-44	3.7%	6.8%	6.1%	3.1%	-0.7%	2.4%
45-54	3.3%	7.0%	6.3%	3.7%	-0.7%	3.0%
55 and over	3.4%	5.7%	5.7%	2.3%	0.0%	2.3%
Educational attainment level*						
Less than high school	7.7%	11.6%	12.6%	3.9%	1.0%	4.9%
High school or equivalent	5.5%	8.2%	9.3%	2.7%	1.1%	3.7%
Some college or vocational school	3.7%	9.1%	7.5%	5.4%	-1.6%	3.8%
4-year college degree or higher	2.3%	5.7%	4.7%	3.4%	-1.1%	2.3%
Employment rates**						
ALL 16 and over	60.1%	57.3%	56.9%	-2.9%	-0.4%	-3.3%
Gender						
Male	66.1%	62.9%	62.1%	-3.2%	-0.8%	-3.9%
Female	54.8%	52.2%	52.0%	-2.6%	-0.2%	-2.7%
Race and ethnicity						
White non-Hispanic	61.0%	59.5%	59.6%	-1.6%	0.1%	-1.4%
Black non-Hispanic	58.2%	50.3%	52.7%	-8.0%	2.4%	-5.5%
Hispanic	58.9%	55.0%	52.7%	-3.9%	-2.3%	-6.3%
Asians & others	58.9%	57.6%	52.2%	-1.3%	-5.4%	-6.7%
Selected age groups						
16-21	31.7%	30.0%	28.5%	-1.7%	-1.5%	-3.2%
22-27	69.7%	66.3%	64.5%	-3.4%	-1.8%	-5.2%
28-34	81.0%	73.4%	74.0%	-7.7%	0.6%	-7.0%
35-44	79.8%	75.8%	76.5%	-4.0%	0.7%	-3.3%
45-54	79.4%	74.1%	74.4%	-5.3%	0.3%	-5.0%
55 and over	36.7%	37.8%	37.6%	1.1%	-0.3%	0.8%
Educational attainment level*						
Less than high school	38.2%	39.9%	33.5%	1.7%	-6.5%	-4.7%
High school or equivalent	57.0%	54.2%	53.8%	-2.8%	-0.4%	-3.2%
Some college or vocational school	67.3%	64.6%	63.4%	-2.7%	-1.2%	-3.9%
4-year college degree or higher	78.1%	71.4%	73.9%	-6.7%	2.5%	-4.2%

Note: * Educational attainment level is restricted to 22 years old and older

** Employed divided by population ages 16 and over

Source: FPI analysis of Current Population Survey microdata, adjusted to NYS LAUS

FIGURE 18

U.S. unemployment rates and employment rates by gender, race/ethnicity, age and education, at the pre-recession peak, the recession low point, and the first half of 2011.

	Oct. 2007 to Mar. 2008	Jul. 2009 to Dec. 2009	Jan. 2011 to Jun. 2011	Percent point changes		
Unemployment rates	*Pre-recession*	*Recession low point*	*1H of 2011*	*Peak to trough*	*Trough to*	*Peak to present*
ALL 16 and over	4.9%	9.8%	9.0%	4.9%	-0.8%	4.1%
Gender						
Male	5.2%	10.7%	9.7%	5.5%	-1.0%	4.5%
Female	4.6%	8.8%	8.2%	4.2%	-0.6%	3.6%
Race and ethnicity						
White non-Hispanic	4.0%	8.2%	7.4%	4.2%	-0.8%	3.4%
Black non-Hispanic	8.5%	15.7%	15.6%	7.2%	-0.1%	7.1%
Hispanic	6.4%	12.9%	11.7%	6.5%	-1.2%	5.3%
Asians & others	4.5%	9.5%	8.5%	5.0%	-1.0%	4.0%
Selected age groups						
16-21	13.4%	22.4%	20.9%	9.0%	-1.5%	7.5%
22-27	7.0%	12.6%	12.0%	5.6%	-0.6%	5.0%
28-34	4.5%	9.8%	9.0%	5.3%	-0.9%	4.4%
35-44	3.7%	8.6%	7.4%	4.9%	-1.2%	3.7%
45-54	3.5%	7.7%	7.2%	4.2%	-0.5%	3.7%
55 and over	3.2%	7.0%	6.5%	3.8%	-0.5%	3.3%
Educational attainment level*						
Less than high school	8.7%	15.6%	15.2%	6.9%	-0.4%	6.5%
High school or equivalent	5.3%	10.7%	10.3%	5.4%	-0.4%	5.0%
Some college or vocational school	3.9%	8.9%	8.1%	5.0%	-0.8%	4.2%
4-year college degree or higher	2.2%	5.2%	4.4%	3.0%	-0.8%	2.2%
Employment rates**						
ALL 16 and over	62.8%	58.7%	58.4%	-4.1%	-0.3%	-4.4%
Gender						
Male	69.2%	64.0%	63.6%	-5.2%	-0.4%	-5.6%
Female	56.8%	53.8%	53.4%	-3.0%	-0.4%	-3.4%
Race and ethnicity						
White non-Hispanic	63.3%	59.7%	59.5%	-3.6%	-0.2%	-3.8%
Black non-Hispanic	57.9%	52.4%	51.6%	-5.5%	-0.8%	-6.3%
Hispanic	64.3%	59.2%	58.5%	-5.1%	-0.7%	-5.8%
Asians & others	63.1%	58.6%	58.6%	-4.5%	0.0%	-4.5%
Selected age groups						
16-21	41.2%	36.5%	34.8%	-4.7%	-1.7%	-6.3%
22-27	74.9%	69.1%	68.7%	-5.8%	-0.5%	-6.3%
28-34	80.0%	74.6%	74.5%	-5.4%	-0.1%	-5.5%
35-44	81.1%	76.3%	76.9%	-4.8%	0.6%	-4.2%
45-54	79.6%	75.1%	75.1%	-4.5%	0.0%	-4.5%
55 and over	38.0%	37.0%	37.6%	-1.0%	0.6%	-0.3%
Educational attainment level*						
Less than high school	43.2%	40.1%	39.4%	-3.1%	-0.7%	-3.8%
High school or equivalent	60.6%	55.8%	55.1%	-4.8%	-0.7%	-5.5%
Some college or vocational school	69.7%	64.9%	64.3%	-4.8%	-0.6%	-5.4%
4-year college degree or higher	76.9%	73.3%	73.8%	-3.6%	0.5%	-3.1%

Note: * Educational attainment level is restricted to 22 years old and older
** Employed divided by population ages 16 and over
Source: FPI's CPS analysis adjusted to BLS labor force data for the U.S.

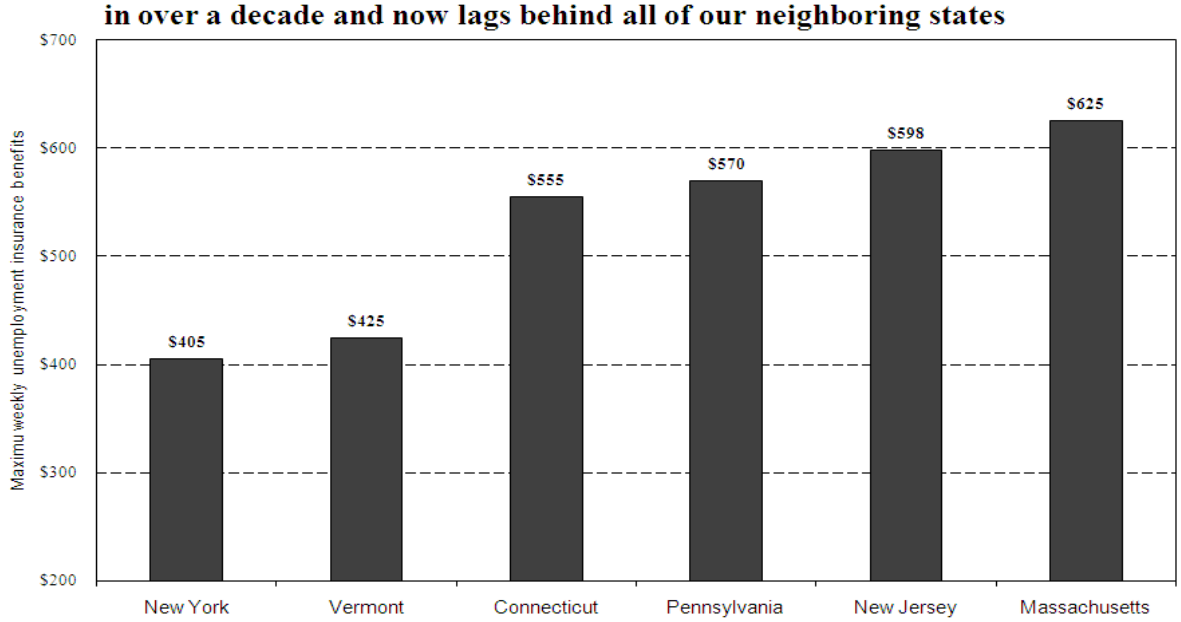
VI. New York's eroding unemployment insurance benefit

The unemployment insurance (UI) program provides an essential safety net for New York workers who lose jobs through no fault of their own. UI payments also aid the economy generally as an "automatic stabilizer," helping to maintain spending on necessities such as housing, food, transportation, and medical care when consumer demand has been eroded by widespread wage loss. Thus, UI payments provide a targeted economic stimulus in precisely those areas that have been hard hit by high levels of job loss. Since the start of the national recession, $12.7 billion in UI benefits have been paid in New York State through the first quarter of 2011.[8]

However, New York's UI program has not been updated in over a decade and has fallen behind nearly every other state in the extent to which it replaces wages lost when workers become unemployed. New York's maximum weekly unemployment insurance benefit has been frozen at $405 since 1999. All of New York's neighboring states have maximum weekly benefit levels that surpass New York's. Laid-off workers qualify for up to $570 per week in Pennsylvania, up to $598 per week in New Jersey, and up to $625 weekly in Massachusetts. See Figure 19.

Figure 19

New York's maximum weekly unemployment benefit has not changed in over a decade and now lags behind all of our neighboring states



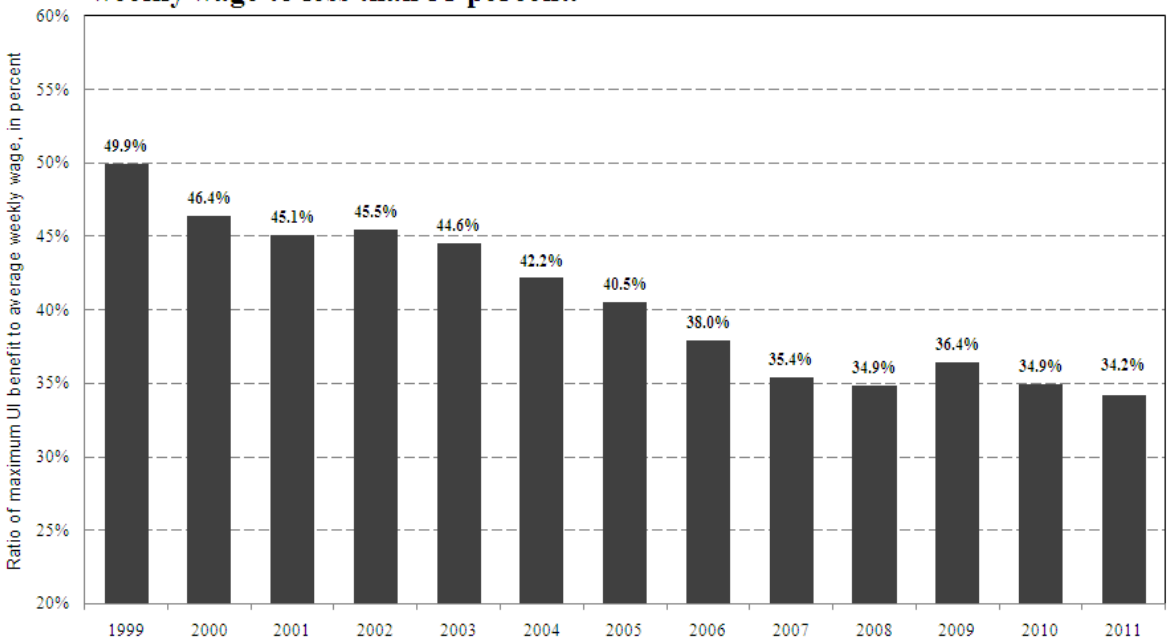
Source: State Labor Department for each state.

[8] U.S. Department of Labor, Employment and Training Administration, UI Data Summary, 1st Q 2011, 4th Q 2010, 4th Q 2009, and 4th Q 2008.
http://workforcesecurity.doleta.gov/unemploy/content/data_stats/datasum11/DataSum_2011_1.pdf

At the time the maximum was set, in 1999, $405 replaced half of the average weekly wage in New York. Since then the consumer price index has increased by 36 percent and, in the downstate metropolitan area, by over 40 percent. And New York's average wages have risen. Today, $405 represents only 34 percent of the average weekly wage in the state, two-thirds of what it used to. See Figure 20. New York's average weekly UI benefit of about $305 replaces less than 27 percent of the average weekly wage, putting New York in 48th place compared to other states in terms of how well its UI benefits support recipients and their families.[9]

Figure 20

Over the past decade, the value of New York's maximum unemployment insurance benefit has fallen from half of the average weekly wage to less than 35 percent.



Note: New York State's maximum weekly unemployment insurance benefit was set at $405 in 1998 and has not been adjusted since then. Average weekly wages estimated for 2011 is based on change in average weekly earnings ffor the first seven month, 2010-to 2011. Source: NYS DOL QCEW average annual wages divided by 52.

[9]U.S. Department of Labor, Employment and Training Administration, UI Data Summary, 1st Q 2011, http://workforcesecurity.doleta.gov/unemploy/content/data_stats/datasum11/DataSum_2011_1.pdf

Conclusion and Recommendations

Coming up on Labor Day, 2011, it is 26 months since the Great Recession officially ended, according to the National Bureau of Economic Research (NBER). Over these last 26 months there has been improvement in some economic indicators for New York State, but job growth during this period has been too weak to put a meaningful dent in the continuing unemployment crisis. Under-employment has actually risen despite two years of "recovery." Long-term unemployment is at record levels. Well over a half million New Yorkers have been jobless for more than six months or are so discouraged they have dropped out of the labor force.

This massive under-utilization of workers is economically wasteful, not to mention destructive on many levels, including personal, psychological, and social. It is a serious violation of the social contract that says people should be able to support themselves through their own labor. Widespread and long-term unemployment erodes workers skills, discourages and prevents many from investing in new skills and advanced education, and deprives many young workers of the opportunity to gain a foothold in the job market. Moreover, the continuing home mortgage foreclosure crisis is both exacerbated and reinforced by that persistent unemployment, thus jeopardizing home ownership for increasing numbers of American families.

The deficit that matters most for New Yorkers is the "jobs deficit." To bring the state's current unemployment rate back to where it was pre-recession, New York would need 512,000 additional jobs today.

Perhaps the most disturbing aspect of the current economic morass is the absence of a policy consensus about how to rectify an economic crisis that cries out for real recovery. In fact, there isn't even a policy consensus that something needs to be done to fix the unemployment crisis. Instead, there has been a mis-guided preoccupation with reining in government spending in Washington. It is not a stretch to think that some policy makers want to keep the economy weak to boost their narrow political interests. It should be clear from the weakness of this recovery compared to prior recoveries that the paucity of consumer demand is the main problem to be addressed by corrective policies. This clearly suggests the need for policies to foster job creation on a large scale and to provide fiscal relief to state and local governments; and that such policies, in the short run, require more rather than less federal government spending.

The overriding fiscal policy imperative to reduce unemployment was the centerpiece of Federal Reserve Chairman Benjamin Bernanke's recent Jackson Hole economic symposium speech on the near-term and long-term prospects for the U.S. economy. Bernanke said:

> Our economy is suffering today from an extraordinarily high level of long-term unemployment, with nearly half of the unemployed having been out of work for more than six months. Under these unusual circumstances, policies that promote a stronger recovery in the near term may serve longer-term objectives as well. In the short term, putting people back to work reduces the hardships inflicted by difficult

> economic times and helps ensure that our economy is producing at its full potential rather than leaving productive resource fallow. In the longer term, minimizing the duration of unemployment supports a healthy economy by avoiding some of the erosion of skills and loss of attachment to the labor force that is often associated with long-term unemployment. … Although the issue of fiscal sustainability must urgently be addressed, fiscal policymakers should not, as a consequence, disregard the fragility of the current economic recovery.[10]

Create jobs and stem the further loss of jobs

To pull the economy out of the rut it was pushed into by the Great Recession, the federal government must do four things:

1) support a substantial job creation program ;
2) restore fiscal relief to state governments;
3) invest in rebuilding the nation's infrastructure; and
4) promote long-term innovation and high-skill jobs by investing in the nation's advanced manufacturing capacity.

Congressperson Jan Schakowsky (D-Illinois) recently introduced legislation to put more than two million people to work. Schakowsky's plan is illustrative of what should be included in an ambitious and multi-pronged approach.[11] It would create 350,000 jobs for young people and students, hire 300,000 new teachers, 52,000 police and fire fighters, 40,000 health care providers, 100,000 teachers and support staff in early childhood care and education, and 750,000 members of a Community Corps to help communities with weatherization, housing rehab, recycling and rural conservation. Her plan would also rehab public schools, creating 400,000 construction and 250,000 maintenance positions.

The federal government also needs to bolster the nation's transportation infrastructure by reauthorizing and expanding funding for mass transportation, airports, roads, bridges and highways. Most major industrial countries recognize the importance of a modern infrastructure and are taking steps to invest in their long-term economic growth. The U.S. should also stay on the leading edge of technological innovation by investing in advanced manufacturing and the creation of high-skill jobs.

To reverse the recent surge in state government budget cutting and the associated loss of hundreds of thousands of jobs held by teachers and other state and local public servants, the

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[10] Ben S. Bernanke, Chairman, Board of Governors of the Federal Reserve System, "The Near- and Longer-Term Prospects for the U.S. Economy," Remarks at the Federal Reserve Bank of Kansas City Economic Symposium, Jackson Hole, Wyoming, August 26, 2011.

[11] See the Emergency Jobs to Restore the American Dream Act, http://schakowsky.house.gov/. Another worthy model for federally-supported job creation is the Fix America's Schools Today (FAST!) proposal by Mary Filardo, Jared Bernstein, and Ross Eisenbrey, August 11, 2011, 21st Century School Fund and Economic Policy Institute. http://web.epi-data.org/temp727/Fix%20America%27s%20Schools_Today_FINAL.pdf

federal government should restore substantial state fiscal relief until a strong recovery is clearly underway. According to Moody's economist Mark Zandi, federal spending on aid to the states and on infrastructure spending have a much greater counter-cyclical economic impact than do tax cuts, particularly business tax cuts like accelerated depreciation or a reduction in the corporate tax rate.[12]

The central factor driving the long-term federal deficit is health care costs. The Obama Administration's health care plan goes some of the way toward helping expand coverage while reducing costs, but it does not go far enough. In Europe and other advanced countries, per capita health care costs are as little as half what they are in the United States, while health outcomes are by numerous measures better. Implementing a truly universal healthcare program would improve health care coverage, and is the key to getting the federal deficit under control.[13]

The federal government should also take far bolder action to address the home foreclosure crisis. Millions of families have lost their homes, and with it the only wealth they had accumulated. Foreclosures have hit particularly hard in communities of color, particularly in Brooklyn, Queens and Nassau County. First quarter data also indicate that 28 percent of homeowners with mortgages owe more than their home is worth, putting in serious jeopardy over 10 million families around the country. Foreclosures have negative impacts on entire neighborhoods. The foreclosure crisis acts as a significant damper on consumer spending, which in turn puts added drag on an already very weak recovery.

How New York State can aid job creation

New York cannot escape the adverse effects of the extremely weak national economy. However, there are several things that New York policy-makers can do to boost jobs.

One of the things that New York can do to simultaneously address the current problem and prepare for the future is to reform its unemployment insurance system to increase the maximum weekly unemployment insurance benefit and improve the financing of the state's unemployment trust fund by increasing the taxable wage base, which has been held at an extraordinarily low $8,500 for more than a decade. Following the lead of other states, New York should raise its maximum weekly benefit in stages to half of the average weekly wage. Senator Richard Durbin (D-Illinois) has introduced legislation to reward states for taking steps to improve their trust fund financing so that states are in a better position for the next downturn. Many states, like New York, had to borrow from the federal government to keep paying unemployment benefits during

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[12] Mark Zandi, "At Last, the U.S. Begins a Serious Fiscal Debate," Moody's Analytics, April 14, 2011.
[13] Center for Economic and Policy Research Health Care Budget Deficit Calculator, at www.cepr.net/calculators/hc/hc-calculator.html.

this recession and now employers in these states are pressed to begin paying higher unemployment taxes to re-pay interest and principle on these federal loans.[14]

New York can also help the economy by balancing the state budget in a way that more accurately assesses the pluses and minuses of alternative economic strategies. It is well established that during periods of reduced consumer demand, most reductions in state and local government spending will reduce economic activity more than the revenue increases that would reduce the magnitude of the cuts necessary to balance the budget.[15] In New York, not allowing the current high-end personal income tax surcharge to lapse in 2012 would make a huge difference in substantially reducing the number of job cuts that would otherwise be necessary among state and local government employees, including school teachers and educational support staff.

The worst thing about New York's state and local tax structure is its regressivity—middle- and low-income families pay a much higher share of their income in state and local taxes than do the richest one percent who have 35 percent of all income, up from 10 percent in 1980. Regressive property and sales taxes are high partly because the state went on a tax-cutting spree in the 1990s. As revenues failed to keep up with economic growth, expenditures were shifted more heavily onto localities and the overall state-local tax system became more regressive. Greater reliance on a progressive state personal income tax, an expanded circuit breaker to provide property tax relief, and closing corporate tax loopholes will benefit all New Yorkers with a more evenly shared tax burden. The state can ease local budget pressures through sharing more state tax revenues with localities based on need, and revamping how Medicaid costs are shared with counties to also base that on need.

To promote the long-term economic future of the Empire State, New York needs to restore its commitment to having one of the nation's best systems of public higher education, one that can provide access to high quality and affordable higher education. Governor Cuomo's ongoing effort to re-structure how the state supports regional economic development should include prioritizing the creation of good jobs and making decisions regarding subsidies to businesses more transparent and accountable as well as consistent with a coherent regionally-based economic strategy. Subsidy decisions made by the 100-plus local Industrial Development Agencies should be included in the improved regional coordination the governor is seeking to foster. Providing assistance to advanced manufacturing across the state can support good-paying,

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[14] The Durbin legislation would also provide immediate relief to employers by waiving federal interest payments on trust fund borrowing for two years and forgiving up to 60 percent of state loans in exchange for maintaining benefits and improving solvency including through increasing the taxable wage base. See Linda Baran, Lenny Caro, Jack Friedman, Carl Hum and Nancy Ploeger, "Insurance fund slams employers," op-ed, Crain's New York Business, August 7, 2011.

[15] Joseph Stiglitz and Peter Orszag, Budget Cuts vs. Tax Increases at the State Level: Is One More Counter-Productive than the Other During a Recession?, Center on Budget and Policy Priorities, 2001, http://www.fiscalpolicy.org/10-30-01sfp.pdf.

high-skilled jobs and foster innovation, and should be one of New York State's economic development priorities.[16]

New York should adequately fund its transportation infrastructure needs, and should exploit the potential that exists in having the nation's largest mass transportation network to promote advanced transit-related manufacturing across the state. The Metropolitan Transportation Authority carries one-third of the nation's transit riders; tapping that potential can help generate thousands of high-skilled innovation-related and manufacturing jobs.

Labor market projections show that many of the occupations expected to grow in the coming decade tend to pay wages at the low-end of the pay spectrum. New York should link its economic policies to raising wage levels so that New York workers can start to bridge the wage-productivity gap that has emerged in recent years. Along these lines, New York should raise the state minimum wage in stages to restore its purchasing power which is currently 26 percent lower than it was in 1970. Eighteen states and the District of Columbia have minimum wages higher than New York's $7.25 minimum. After its purchasing power is restored, the minimum wage should be indexed to inflation so that its real value is maintained in the future.

The financial crash further exacerbated the retirement insecurity felt by hundreds of thousands of New York workers approaching retirement age. New York can help address that problem by providing a state-managed voluntary retirement fund that small employers and individuals could participate in to help the growing number of workers in the state who currently have no retirement plan to supplement their Social Security.

[16] See, e.g., the recent op-ed by M.I.T. President Susan Hockfield, "Manufacturing Recovery," New York Times, August 29, 2011.

Appendix 1

State ranking of percent change in real GDP and personal income, 2009-2010

State name	Real GDP (in billions of 2005 chained dollars) 2009	Real GDP 2010	% change, 2009-10	Rank of % change, 2009-10	State name	Personal income (in billions of current dollars) 2009	Personal income 2010	% change, 2009-10	Rank of % change, 2009-10
United States	**12,773.9**	**13,099.7**	**2.6**	--	**United States**	**12,168.2**	**12,530.1**	**3.0**	--
North Dakota	29.2	31.3	7.1	1	New Mexico	66.9	69.7	4.2	1
New York	**984.4**	**1,034.3**	**5.1**	**2**	**New York**	**909.0**	**946.1**	**4.1**	**2**
Indiana	234.8	245.4	4.6	3	Kentucky	139.2	144.7	4.0	3
Massachusetts	328.2	342.1	4.2	4	Alaska	30.2	31.4	3.9	4
West Virginia	53.8	56.0	4.0	5	North Carolina	327.2	339.8	3.9	5
Tennessee	220.9	228.7	3.5	6	Tennessee	215.8	224.1	3.8	6
Oregon	161.2	166.7	3.4	7	Texas	956.8	993.1	3.8	7
North Carolina	368.0	380.6	3.4	8	Indiana	218.5	226.6	3.7	8
Kentucky	140.1	144.6	3.2	9	West Virginia	58.4	60.5	3.6	9
Vermont	22.4	23.1	3.2	10	Arkansas	93.4	96.7	3.5	10
Minnesota	236.0	243.4	3.2	11	South Carolina	148.3	153.4	3.5	11
Connecticut	205.0	211.3	3.1	12	North Dakota	26.4	27.3	3.5	12
Iowa	123.8	127.7	3.1	13	Wisconsin	211.3	218.6	3.4	13
Pennsylvania	491.0	505.9	3.0	14	Vermont	24.4	25.2	3.4	14
Michigan	335.0	344.9	2.9	15	Oklahoma	132.1	136.6	3.4	15
Maryland	257.4	264.9	2.9	16	Pennsylvania	506.4	522.7	3.2	16
Texas	1,076.4	1,106.2	2.8	17	Alabama	157.3	162.2	3.1	17
Rhode Island	42.8	44.0	2.8	18	Virginia	347.3	358.1	3.1	18
Louisiana	190.1	195.2	2.6	19	Mississippi	89.7	92.5	3.1	19
Virginia	370.9	380.6	2.6	20	Louisiana	169.0	174.3	3.1	20
South Carolina	141.4	145.1	2.6	21	Massachusetts	327.4	337.5	3.1	21
Wisconsin	215.9	221.3	2.5	22	Minnesota	220.4	227.2	3.1	22
New Jersey	428.2	438.7	2.5	23	Iowa	113.2	116.6	3.0	23
Arkansas	89.7	91.8	2.3	24	Maryland	275.0	283.0	2.9	24
South Dakota	35.5	36.3	2.2	25	Montana	34.0	34.9	2.9	25
Ohio	417.3	426.1	2.1	26	Connecticut	194.5	200.2	2.9	26
Maine	45.0	46.0	2.1	27	Michigan	342.1	351.8	2.8	27
Kansas	111.7	114.0	2.1	28	Maine	48.2	49.5	2.8	28
Alabama	151.0	154.1	2.0	29	Rhode Island	43.6	44.8	2.8	29
Idaho	49.7	50.7	2.0	30	New Hampshire	56.5	58.0	2.7	30
Illinois	570.3	581.3	1.9	31	Ohio	408.7	419.9	2.7	31
Nebraska	78.2	79.7	1.9	32	Idaho	49.2	50.6	2.7	32
Alaska	44.2	45.0	1.9	33	Kansas	110.4	113.4	2.7	33
California	1,701.3	1,731.8	1.8	34	Oregon	138.5	142.1	2.6	34
New Mexico	71.6	72.8	1.7	35	Wyoming	26.3	27.0	2.6	35
Utah	101.1	102.8	1.7	36	New Jersey	435.2	446.5	2.6	36
Washington	301.9	306.6	1.6	37	Washington	285.7	293.0	2.5	37
Colorado	231.8	235.2	1.4	38	Georgia	335.5	343.8	2.5	38
Missouri	214.3	217.3	1.4	39	California	1,567.0	1,605.8	2.5	39
Florida	664.1	673.4	1.4	40	Illinois	540.4	553.8	2.5	40
Georgia	357.2	362.0	1.4	41	Utah	87.9	90.1	2.4	41
Delaware	55.5	56.2	1.3	42	Delaware	35.0	35.9	2.4	42
New Hampshire	53.9	54.6	1.3	43	Colorado	210.5	215.3	2.3	43
Hawaii	58.6	59.3	1.2	44	Nebraska	70.7	72.2	2.2	44
Mississippi	86.1	87.1	1.1	45	Missouri	216.6	221.5	2.2	45
Montana	31.5	31.8	1.1	46	Florida	722.3	738.4	2.2	46
Oklahoma	132.1	133.5	1.0	47	Hawaii	54.6	55.8	2.2	47
Arizona	226.8	228.5	0.7	48	Arizona	219.0	223.7	2.1	48
Nevada	111.9	111.6	-0.2	49	South Dakota	31.2	31.6	1.5	49
Wyoming	34.5	34.4	-0.3	50	Nevada	99.6	99.9	0.3	50
District of Columbia	87.6	90.7	3.5	--	District of Columbia	41.3	42.7	3.6	--

Source: Real GDP and personal income by state from U.S. Bureau of Economic Analysis

Appendix 2

Unemployment is much higher in mid-2011 than in mid-2008 all across New York State.

	Total number of unemployed in July				Absolute change				Percent change			
(Total number of unemployed in thousands)	2008	2009	2010	2011	2008-2009	2009-2010	2010-2011	2008-2011	2008-2009	2009-2010	2010-2011	2008-2011
United States	9,433.0	15,201.0	15,137.0	14,428.0	5,768.0	-64.0	-709.0	4,995.0	61.1%	-0.4%	-4.7%	53.0%
New York State	531.6	865.4	843.5	768.5	333.8	-21.9	-75.0	236.9	62.8%	-2.5%	-8.9%	44.6%
New York City	223.3	406.2	391.4	350.4	182.9	-14.8	-41.0	127.1	81.9%	-3.6%	-10.5%	56.9%
Eastern New York (Downstate suburbs and Hudson Valley)	168.3	249.6	245.7	227.5	81.3	-3.9	-18.2	59.2	48.3%	-1.6%	-7.4%	35.2%
Albany-Schenectady-Troy, NY MSA	22.9	33.5	33.6	31.4	10.6	0.1	-2.2	8.5	46.3%	0.3%	-6.5%	37.1%
Glens Falls, NY MSA	3.5	5.0	5.1	4.9	1.5	0.1	-0.2	1.4	42.9%	2.0%	-3.9%	40.0%
Kingston, NY MSA	5.1	7.5	7.5	7.2	2.4	0.0	-0.3	2.1	47.1%	0.0%	-4.0%	41.2%
Nassau-Suffolk, NY Metropolitan Division	77.8	114.9	113.2	105.0	37.1	-1.7	-8.2	27.2	47.7%	-1.5%	-7.2%	35.0%
Poughkeepsie-Newburgh-Middletown, NY MSA	18.1	27.5	27.1	25.0	9.4	-0.4	-2.1	6.9	51.9%	-1.5%	-7.7%	38.1%
Putnam-Rockland-Westchester NY MSA	35.7	53.6	51.6	46.9	17.9	-2.0	-4.7	11.2	50.1%	-3.7%	-9.1%	31.4%
Columbia County	1.6	2.5	2.4	2.2	0.9	-0.1	-0.2	0.6	56.3%	-4.0%	-8.3%	37.5%
Greene County	1.4	2.1	2.1	2.0	0.7	0.0	-0.1	0.6	50.0%	0.0%	-4.8%	42.9%
Sullivan County	2.2	3.0	3.1	2.9	0.8	0.1	-0.2	0.7	36.4%	3.3%	-6.5%	31.8%
Western and Northern New York	149.0	223.3	219.4	203.2	74.3	-3.9	-16.2	54.2	49.9%	-1.7%	-7.4%	36.4%
Metropolitan Areas	101.5	151.9	148.4	136.8	50.4	-3.5	-11.6	35.3	49.7%	-2.3%	-7.8%	34.8%
Binghamton, NY MSA	6.7	10.3	10.4	9.5	3.6	0.1	-0.9	2.8	53.7%	1.0%	-8.7%	41.8%
Buffalo-Niagara Falls, NY MSA	34.5	50.7	49.0	44.8	16.2	-1.7	-4.2	10.3	47.0%	-3.4%	-8.6%	29.9%
Elmira, NY MSA	2.3	3.9	3.5	3.1	1.6	-0.4	-0.4	0.8	69.6%	-10.3%	-11.4%	34.8%
Ithaca, NY MSA	2.5	3.7	3.7	3.5	1.2	0.0	-0.2	1.0	48.0%	0.0%	-5.4%	40.0%
Rochester, NY MSA	29.7	45.0	43.1	39.7	15.3	-1.9	-3.4	10.0	51.5%	-4.2%	-7.9%	33.7%
Syracuse, NY MSA	18.3	27.7	27.9	25.5	9.4	0.2	-2.4	7.2	51.4%	0.7%	-8.6%	39.3%
Utica-Rome, NY MSA	7.5	10.6	10.8	10.7	3.1	0.2	-0.1	3.2	41.3%	1.9%	-0.9%	42.7%
Non-Metropolitan Areas	47.5	71.4	71.0	66.4	23.9	-0.4	-4.6	18.9	50.3%	-0.6%	-6.5%	39.8%
Albany County	8.1	11.7	11.9	11.3	3.6	0.2	-0.6	3.2	44.4%	1.7%	-5.0%	39.5%
Cattaraugus County	2.4	3.6	3.6	3.3	1.2	0.0	-0.3	0.9	50.0%	0.0%	-8.3%	37.5%
Cayuga County	2.2	3.5	3.3	3.0	1.3	-0.2	-0.3	0.8	59.1%	-5.7%	-9.1%	36.4%
Chautauqua County	3.7	5.7	5.6	4.8	2.0	-0.1	-0.8	1.1	54.1%	-1.8%	-14.3%	29.7%
Chemung County	2.3	3.9	3.5	3.1	1.6	-0.4	-0.4	0.8	69.6%	-10.3%	-11.4%	34.8%
Chenango County	1.5	2.2	2.1	2.0	0.7	-0.1	-0.1	0.5	46.7%	-4.5%	-4.8%	33.3%
Clinton County	2.5	3.8	4.1	3.7	1.3	0.3	-0.4	1.2	52.0%	7.9%	-9.8%	48.0%
Cortland County	1.4	2.2	2.1	1.9	0.8	-0.1	-0.2	0.5	57.1%	-4.5%	-9.5%	35.7%
Delaware County	1.4	2.0	1.9	1.8	0.6	-0.1	-0.1	0.4	42.9%	-5.0%	-5.3%	28.6%
Essex County	1.0	1.5	1.5	1.4	0.5	0.0	-0.1	0.4	50.0%	0.0%	-6.7%	40.0%
Franklin County	1.4	1.9	1.9	1.9	0.5	0.0	0.0	0.5	35.7%	0.0%	0.0%	35.7%
Fulton County	1.7	2.6	2.6	2.5	0.9	0.0	-0.1	0.8	52.9%	0.0%	-3.8%	47.1%
Genesee County	1.7	2.4	2.3	2.2	0.7	-0.1	-0.1	0.5	41.2%	-4.2%	-4.3%	29.4%
Hamilton County	0.1	0.2	0.2	0.2	0.1	0.0	0.0	0.1	100.0%	0.0%	0.0%	100.0%
Jefferson County	3.0	4.2	4.5	4.5	1.2	0.3	0.0	1.5	40.0%	7.1%	0.0%	50.0%
Lewis County	0.7	1.0	1.0	1.0	0.3	0.0	0.0	0.3	42.9%	0.0%	0.0%	42.9%
Montgomery County	1.6	2.3	2.3	2.2	0.7	0.0	-0.1	0.6	43.8%	0.0%	-4.3%	37.5%
Otsego County	1.7	2.4	2.4	2.4	0.7	0.0	0.0	0.7	41.2%	0.0%	0.0%	41.2%
Schuyler County	0.5	0.8	0.8	0.7	0.3	0.0	-0.1	0.2	60.0%	0.0%	-12.5%	40.0%
Seneca County	0.9	1.3	1.3	1.2	0.4	0.0	-0.1	0.3	44.4%	0.0%	-7.7%	33.3%
St. Lawrence County	3.4	5.0	5.3	5.0	1.6	0.3	-0.3	1.6	47.1%	6.0%	-5.7%	47.1%
Steuben County	2.6	4.5	4.3	3.9	1.9	-0.2	-0.4	1.3	73.1%	-4.4%	-9.3%	50.0%
Wyoming County	1.1	1.8	1.7	1.5	0.7	-0.1	-0.2	0.4	63.6%	-5.6%	-11.8%	36.4%
Yates County	0.6	0.9	0.8	0.9	0.3	-0.1	0.1	0.3	50.0%	-11.1%	12.5%	50.0%
10-county downstate area	336.8	574.7	556.2	502.3	237.9	-18.5	-53.9	165.5	70.6%	-3.2%	-9.7%	49.1%
52-county upstate aera	203.8	304.4	300.3	278.8	100.6	-4.1	-21.5	75.0	49.4%	-1.3%	-7.2%	36.8%

Note: Data are not seasonally adjusted.
Source: US BLS unemployment data and NYS DOL CES LAUS unemployment data by MSA and County

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