

## Capital District

The Capital District includes four of the six counties in the Albany-Schenectady-Troy metropolitan statistical area (MSA) and the two-county Glen's Falls MSA. Two adjacent counties, Montgomery and Schoharie are also part of the Albany-Schenectady-Troy MSA, but are included in the Labor Department's Mohawk Valley Region.



### Demographics

- The Capital District's population grew an estimated 36,836 from 1990 to 2002, a 3.7% gain compared to 6.5% growth statewide. The region comprises 5.4% percent of the total state population and is the 6th largest region in the state.
- From 1990 to 2000, the Capital District experienced a net loss of 54,117 persons aged 20-34, or 21.6% of the 20-34 young adult cohort. The region also experienced population growth of 1.9% in the 16-64 age cohort compared to 4.4% growth statewide.

CAPITAL DISTRICT DATA BANK			
	CAP	NYS	US
<b>Population</b>			
2002 Estimate	1,040,898	-	-
% Change 1990-2002	3.7	6.5	15.9
<b>Employment</b>			
2002 Level	492,685	8,116,000	130,376,000
% Change 2000-2002	0.0	-2.3	-1.1
2000 Level	492,492	8,308,000	131,785,000
% Change 1992-2000	8.7	11.2	20.9
<b>Unemployment</b>			
2003 1st Half (#)	18,249	584,900	8,771,571
2003 1st Half (rate)	4.0	6.3	6.0
%Pt Change 2001-2003 1st Half	0.7	1.8	1.7
2000 (rate)	3.6	4.8	4.0
%Pt Change 1990-2000	-0.3	-0.8	-1.6
<b>Labor Force Participation</b>			
2000 (rate)	65.0	61.0	63.7
%Pt Change 1990-2000	-0.2	-2.5	-1.2
<b>Per Capita Income (2002\$)</b>			
2001	28,988	36,449	30,897
% Change 1990-2001	17.2	17.3	18.3
<b>Poverty Rate</b>			
2000	9.4	14.6	12.4
%Pt Change 1990-2000	0.7	1.6	-0.7
Percent of Population Earning less than 200% of Poverty level, 2000	24.4	30.5	29.6
%Pt Change 1990-2000	1.2	2.7	-1.3
<b>Median Family Income</b>			
	<b>2000 (2002\$)</b>	<b>% Change 1990-2000</b>	
USA	54,011	9.5	
New York State	55,786	0.2	
Albany	61,218	4.9	
Columbia	53,267	8.2	
Greene	47,328	3.7	
Rensselaer	57,052	4.7	
Saratoga	62,825	7.0	
Schenectady	57,922	6.6	
Warren	50,500	1.6	
Washington	46,946	3.2	

### Employment and Labor Force Characteristics

Capital District: 10 Industries with the Largest Employment Gains 2000-2002						
NAICS	Industry	Employment		2000-2002 Change		Avg. Wage
		2000	2002	#	%	2002
	<b>Total Employment</b>	492,492	492,685	193	0.0%	\$35,315
92	Government	117,601	119,549	1,948	1.7%	\$41,190
722	Food Services and Drinking Places	26,338	28,094	1,756	6.7%	\$12,091
623	Nursing and Residential Care Facilities	15,548	16,754	1,207	7.8%	\$22,566
624	Social Assistance	10,237	11,224	987	9.6%	\$19,796
611	Educational Services	12,257	13,119	862	7.0%	\$39,190
621	Ambulatory Health Care Services	17,473	17,969	496	2.8%	\$41,281
493	Warehousing and Storage	1,340	1,815	475	35.5%	\$32,382
425	Wholesale Electronic Markets and Agents and Brokers	880	1,235	355	40.3%	\$49,981
622	Hospitals	18,728	19,079	351	1.9%	\$30,311
713	Amusement, Gambling, and Recreation Industries	4,232	4,547	315	7.4%	\$17,192
	Total of above industries	224,632	233,385	8,752	3.9%	\$33,837

Source: NYS DOL.

- The Capital District region's stagnant employment growth, only 193 jobs between 2000 and 2002, reflects the slow state of the New York economy, which suffered a 2.3% decline in total insured employment over the two year period. Between 1990 and 2000 the Capital District's employment grew 8.6% compared to 11.3% growth statewide.
- Industries in the government, educational services, health care and social services sectors were among the best performers during the period between 2000 and 2002. While the food services and drinking places industry gained almost 1,800 jobs (6.7%), average wages in the industry (\$12,091) represent 34% of the average overall annual wage in the Capital District of \$35,315.
- Declining industries in the Capital District were concentrated in manufacturing and services with merchant wholesalers, nondurable goods, plastics and rubber products manufacturing and paper manufacturing experiencing the largest employment losses in the region. Nine out of the ten industries with the largest employment losses in the region had higher average wages than the Capital District's 2002 average annual wage of \$35,315.
- The region's unemployment rate rose 0.7 percentage points to 4.0% in 2003, less than the 1.8 percentage point increase experienced by the state overall. The labor force participation rate declined slightly over the decade to 65% in 2000.

Capital District: 10 Industries with the Largest Employment Losses 2000-2002						
NAICS	Industry	Employment		2000-2002 Change		Avg. Wage
		2000	2002	#	%	2002
	<b>Total Employment</b>	492,492	492,685	193	0.0%	\$35,315
424	Merchant Wholesalers, Nondurable Goods	7,180	6,427	-753	-10.5%	\$40,002
326	Plastics and Rubber Products Manufacturing	2,501	1,755	-746	-29.8%	\$36,579
322	Paper Manufacturing	4,122	3,440	-682	-16.6%	\$52,166
561	Administrative and Support Services	18,957	18,395	-562	-3.0%	\$22,081
492	Couriers and Messengers	2,372	1,820	-552	-23.3%	\$31,011
333	Machinery Manufacturing	5,680	5,137	-543	-9.6%	\$66,970
541	Professional, Scientific, and Technical Services	26,713	26,177	-536	-2.0%	\$54,883
484	Truck Transportation	3,445	3,043	-402	-11.7%	\$36,473
332	Fabricated Metal Product Manufacturing	3,036	2,662	-373	-12.3%	\$41,751
323	Printing and Related Support Activities	2,750	2,381	-368	-13.4%	\$36,674
	Total of above industries	76,755	71,237	-5,518	-7.2%	\$42,864

Source: NYS DOL.

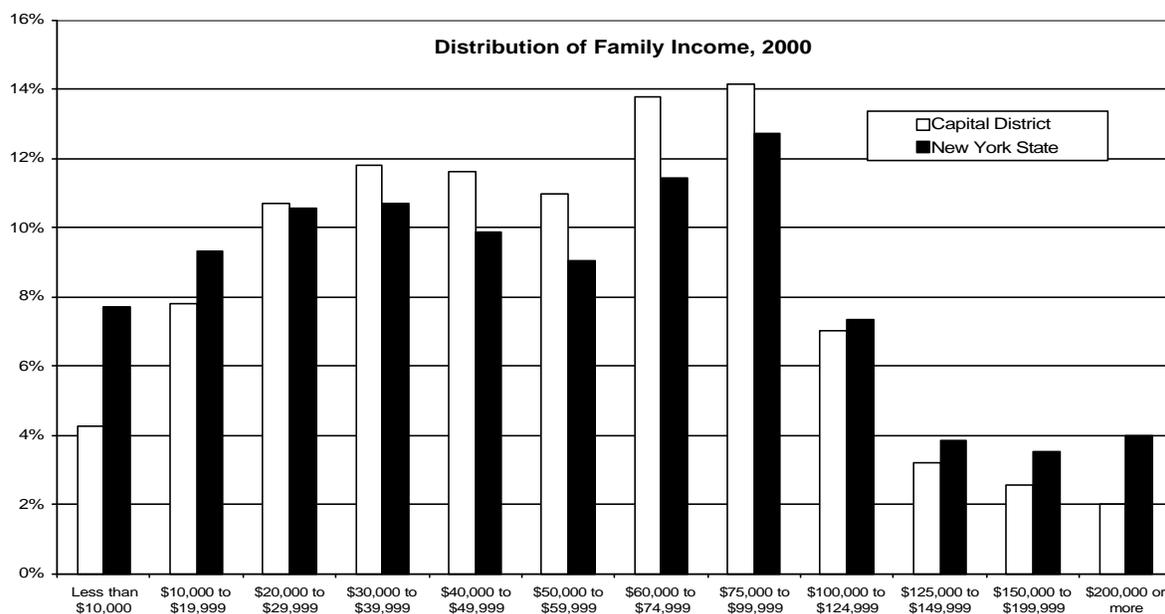
**Income and Poverty**

	Personal Income	Wages & Salaries	Proprietors Income	Dividends, Interest, Rent	Transfer Payments	Residency Adjustment
1980	19.2	11.3	1.1	3.2	2.9	-0.4
1990	26.7	15.7	1.5	5.4	3.5	-0.2
2000	32.1	18.3	2.1	6.3	4.8	-0.2
2001	32.5	18.6	2.1	6.3	5.0	-0.3
<b>1980-1990</b>						
Change	7.5	4.4	0.4	2.2	0.6	0.1
Ann Avg % Change	3.3%	3.3%	2.9%	5.4%	2.0%	-5.0%
<b>1990-2000</b>						
Change	5.4	2.6	0.6	1.0	1.3	0.0
Ann Avg % Change	1.9%	1.6%	3.5%	1.7%	3.3%	0.3%
<b>2000-2001</b>						
Change	0.4	0.3	-0.1	0.0	0.2	0.0
Ann Avg % Change	1.4%	1.8%	-3.2%	-0.5%	4.5%	14.9%

Source: BEA. Deflator applied by Fiscal Policy Institute.

• Four out of eight counties in the Capital District have median family incomes below the median family income for the state. Saratoga County experienced the largest dollar increase in real median family income (\$4,103) while neighboring Warren County experienced the lowest (\$802).

- Per capita income in the Capital District rose 17.2% to \$28,988 in the period between 1990 and 2001. The increase was slightly below the New York State average increase in per capita income of 17.3%.
- In the last decade, the poverty rate in the Capital District rose 0.7 percentage points to 9.4% in 2000, remaining below the state's 14.6% poverty rate. During the same period the share of the population earning less than 200% of the poverty level grew 1.2 percentage points to 24.4% of individuals. The region ranks 8<sup>th</sup> (out of 10) in both its percent of people living below the poverty level and its share living below 200% of poverty.
- Family income in the Capital District is more evenly distributed than is generally true in New York State, since more families fall into middle income brackets (\$30,000 to \$75,000) and fewer into the highest and lowest income brackets.
- From 1990 to 2000, real total personal income increased \$5.4 billion. Between 1990 and 2000, the proprietors income component of personal income grew an average of 3.5% annually from \$1.5 billion to \$2.1 billion. During the 1994-2000 expansion period the region witnessed a 6.2% annual increase in proprietors income.



**Prospects**

The Capital District is home to the state government and a number leading universities. Industry clusters in the region include: business services, financial services, tourism, distribution, and communications and media services.

The presence of universities in the Capital District enables the region to attract firms that cluster to take advantage of the positive externalities from academic research and the high concentration of skilled workers. According to the Capital District Regional Planning Commission, the Capital District is home to 14 colleges and universities with a total enrollment of over 65,000 students.

The largest private university in the region, Rensselaer Polytechnic Institute, is a major economic engine for the area—directly in terms of employment and purchasing, and indirectly via its efforts and ability to foster innovative technologies for existing and nascent high-tech firms. Between 2003 and 2006 the university plans on spending an average of over \$65 million a year on construction alone.

According to NYSDOL labor market analysts for the Capital Region, the Capital District is experiencing promising growth in the professional, scientific, and technical services sector. One of the most notable developments revolves around the decision by SEMATECH (a consortium of 12 international semiconductor companies) to locate a research and development facility in Albany County, bringing 250 scientists and technicians to the region.

This is a significant development for a region that has been dependent on government employment. A similar effort in Austin, Texas, was commercially successful. However, it remains to be seen whether or not the R&D activities from the SEMATECH initiative spill over into significant commercial operations.

In a related development, high-tech manufacturer Tokyo Electron Ltd. (TEL) is opening a research and development center in conjunction with SEMATECH at the State University of New York at Albany's Center of Excellence in Nanoelectronics, adding an additional 300 workers to the region. In addition to these, new investments are being made in biotechnology and medical sciences including: a biotechnology center at RPI, a cancer research center at SUNY Albany, a R&D medical facility at Albany Medical Center, and a neuroscience center

at General Electric. However General Electric continues to downsize in the region.

According to an analysis of the economic impact of the Hudson River cleanup by Klios, Inc., \$88.5 million dollars of the \$460 million remediation project will be spent on payroll in Washington and Saratoga counties, creating over 3,500 jobs during the life of the project (5 years plus planning and monitoring). The cleanup of the nation's largest Superfund site will also enhance the region's prospects for tourism and fishing/boating once the river is restored to its full capacity.

The major threat to the employment base is the poor condition of the state budget which may lead to layoffs in the region.

**Top Employers in the Capital District, 2002**

- Albany Medical Center Hospital
- Albany Medical College
- Capital Area Community Health Plan
- City of Albany
- City School District of Albany
- County of Albany
- County of Rensselaer
- County of Schenectady
- Ellis Hospital
- Empire Blue Cross & Blue Shield
- Fleet National Bank (FNB)
- General Electric Co
- Glens Falls Hospital Inc
- Keybank National Association
- Knowles Atomic Power Laboratory
- NYS Legislative Branch
- Price Chopper Operating Co Inc
- Rensselaer Polytechnic Institute
- Schenectady City
- Shenendehowa Central School
- St Peters Hospital
- State Of New York - State Agencies
- State University of NY at Albany
- Stewarts Ice Cream Co Inc
- Super Shop N Save
- Verizon Communications
- Wal-Mart Associates Inc

*Source: NYS DOL ES-202 data, compiled by the New York State Data Center. Unranked.*