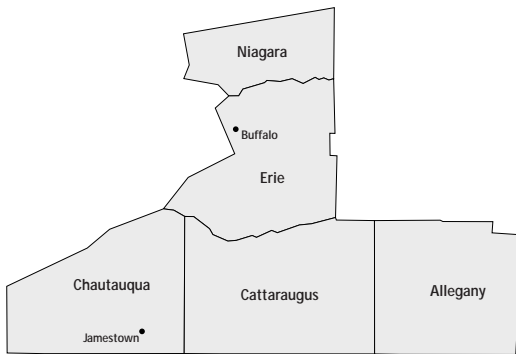


WESTERN NEW YORK



WESTERN NEW YORK encompasses the Buffalo-Niagara Falls and the Jamestown metropolitan areas near the Canadian border, as well as Allegany County and Cattaraugus County.

Incomes and Wages

- The average nonagricultural wage of \$28,800 was slightly lower in 1998 than the upstate average of \$29,000. Per capita personal income of \$23,000 was three-fourths the value of the state per capita income level in 1997.
- Real total personal income grew by 3.6 percent in the region, greater than the upstate average. This growth was largely due to slow but steady growth in wages and salaries, and the 30 percent growth in transfer payments that offset declines in proprietors' income and dividends, interest and rent.

Western New York Data Bank

| | |
|---------------------------------------|-----------|
| Share of State Population, 1998 | 7.8% |
| Wage and Salary Job Growth, 1989 - 98 | 0.4% |
| Unemployment Rate, 1998 | 5.5% |
| Population, 1998 | 1,426,727 |
| Insured Employment, 1998 | 628,840 |
| Per Capita Income, 1997 | \$22,995 |

Employment Change, 1992-98

- In Western New York, the single largest growth industry over the 1992-98 period was personnel supply services, which increased by about 5,000 new jobs. In total, business services, health and social services contributed to most of the region's employment growth. However, industrial machinery also added 1,000 jobs to the region.
- The largest declining industry in the region between 1992-1998 was hospitals, which lost almost 3,000 jobs. Other industries in decline include grocery and apparel stores, research and testing services, and several manufacturing industries. Eating and drinking places also lost employment, a phenomenon largely attributable to the decline in value of the Canadian dollar and the fall-off in Canadian visitors.
- Western New York lost the least in wages and employment in manufacturing as a share of total wages and employment compared to all but one other region. The region's economy has one of the highest levels of dependence on manufacturing wages and employment among the state's regions in percentage terms.
- Employment continued to grow slowly in Western New York between the first half of 1998 and 1999 at rates significantly lower than the upstate average.

Job Mix, 1998

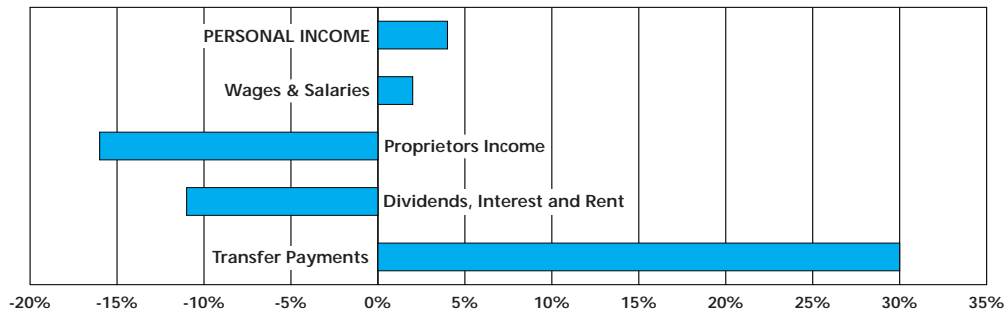
| | Western NY |
|-----------------|------------|
| Construction | 3% |
| Manufacturing | 18% |
| Transportation | 5% |
| Wholesale Trade | 5% |
| Retail Trade | 19% |
| FIRE | 5% |
| Services | 28% |
| Government | 16% |
| Other | 1% |
| TOTAL | 100% |

Western New York's Ten Private Industries with Largest Growth, 1992-98

| SIC | SECTOR | EMPLOYMENT 1998 | EMPLOYMENT CHANGE 1992-98 | RATE OF EMPLOYMENT CHANGE | AVERAGE WAGE 1998 |
|-----|---|--------------------|---------------------------------|---------------------------------|----------------------|
| | TOTAL PRIVATE | 525,308 | 17,080 | 3.4% | \$27,703 |
| 736 | Personnel supply services | 11,379 | 5,047 | 79.7% | \$20,317 |
| 738 | Miscellaneous business services | 8,327 | 3,452 | 70.8% | \$18,298 |
| 801 | Offices and clinics of medical doctors | 10,314 | 1,909 | 22.7% | \$43,986 |
| 832 | Individual and family services | 6,823 | 1,546 | 29.3% | \$16,457 |
| 732 | Credit reporting and collection | 2,570 | 1,480 | 135.8% | \$26,008 |
| 836 | Residential care | 6,076 | 1,347 | 28.5% | \$17,607 |
| 805 | Nursing and personal care facilities | 11,860 | 1,183 | 11.1% | \$17,628 |
| 860 | Membership organizations | 9,243 | 1,176 | 14.6% | \$13,009 |
| 359 | Industrial machinery, n.e.c. | 2,975 | 1,121 | 60.5% | \$33,385 |
| 737 | Computer and data processing services | 4,383 | 1,064 | 32.1% | \$41,724 |
| | TOTAL, these ten private growing industries | 73,950 | 19,325 | 35.4% | \$23,560 |

NEW YORK'S REGIONS IN THE 1990s

Western New York – Change in Personal Income and Components, 1989-97



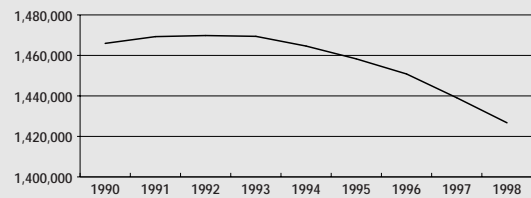
Job Change Impact on Wages

- While the top ten growing industries had a significantly lower average wage than the region's average private wage in 1998, declining industries also had somewhat lower wages.
- Average wages in Western New York increased between 1989 and 1998 at a rate of 5.7 percent, second highest only to New York City.

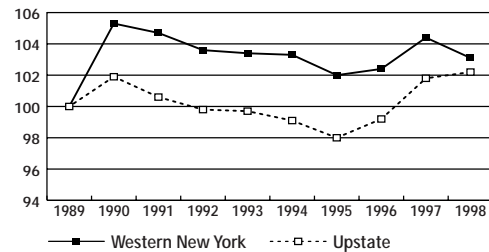
Population, Labor Force, and Unemployment Change

- Population declined by 42,700 individuals, or 2.9 percent, between 1993 and 1998. Domestic outmigration of 63,000 individuals below 65 years of age was largely responsible for this decline.
- Unemployment in Western New York was 5.9 percent during the first half of 1999, second in upstate only to the North Country.

Western New York Population, 1990-98



Labor Force Changes Relative to 1989 Levels



Western New York's Ten Private Industries with Greatest Decline, 1992-98

| SIC | SECTOR | EMPLOYMENT 1998 | EMPLOYMENT CHANGE 1992-98 | RATE OF EMPLOYMENT CHANGE | AVERAGE WAGE 1998 |
|-----|---|-----------------|---------------------------|---------------------------|-------------------|
| | TOTAL PRIVATE | 525,308 | 17,080 | 3.4% | \$27,703 |
| 806 | Hospitals | 23,656 | -2,955 | -11.1% | \$26,988 |
| 541 | Grocery stores | 19,739 | -2,616 | -11.7% | \$15,729 |
| 873 | Research and testing services | 4,345 | -1,448 | -25.0% | \$28,852 |
| 200 | Food and kindred products | 10,459 | -1,298 | -11.0% | \$34,883 |
| 275 | Printing | 4,171 | -1,132 | -21.3% | \$35,363 |
| 581 | Eating and drinking places | 41,113 | -953 | -2.3% | \$9,417 |
| 808 | Home health care services | 5,248 | -951 | -15.3% | \$14,462 |
| 286 | Industrial organic chemicals | 1,563 | -862 | -35.5% | \$59,865 |
| 560 | Apparel and accessory stores | 5,322 | -821 | -13.4% | \$11,708 |
| 150 | Construction trades | 3,871 | -799 | -17.11% | \$29,465 |
| | TOTAL, these ten private declining industries | 119,487 | -13,835 | -10.4% | \$25,694 |