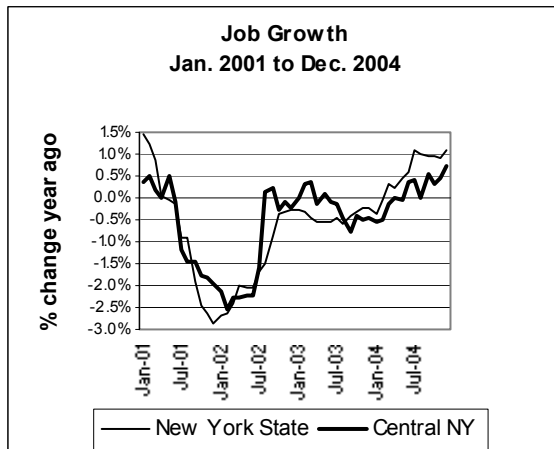


# Central New York

The Central New York Region is composed of four counties, two of which (Oswego, Onondaga) are included in the Syracuse MSA. The fourth county in the region, Cortland, is not included in the Syracuse MSA. Madison County, the third county in the Syracuse MSA, is included in the Mohawk Valley Region



Central New York Data Bank			
	CEN	NYS	US
<b>Population</b>	784,910	---	---
2004 Estimate			
%Change 2000-2004	0.54%	1.32%	4.35%
<b>Employment</b>			
1st Half 2005-2004 (%Chg)			
Syracuse	1.05%	0.95%	1.70%
<b>Unemployment</b>			
2005 1st Half(#)	18,317	472,583	---
2005 1st Half(rate)	5.1%	5.1%	5.3%
<b># of Private business('03)</b>	<b>CEN</b>	<b>NYS</b>	
Establishments	16,764	530,527	
Total Payroll (Bil\$)	\$9.0	\$326.0	
<b>Per Capita Income('03)</b>	<b>2003</b>	<b>93-'03 %Chg</b>	
USA	\$31,472	47.4%	
New York State	\$36,112	43.6%	
Syracuse	\$28,429	39.9%	

## Demography

During the 2000 to 2004 period, Central New York’s population increased by about one half percent, or by over 4,000 residents. Syracuse, the region’s only MSA, grew at about the same rate. During this period, the population increased in every county except Cayuga. Within this trend, there were substantial population gains due to natural increase and immigration, while there were significant but smaller offsetting losses due to net internal migration.

## Manufacturing job losses dominate Central New York’s job change

Health care and services, and retail and manufacturing, each make up between 11% and 12% of the region’s economic base. Between 2000 and 2004, total non-agricultural employment in the region declined by 2% or

6,600 jobs. This was about the same rate as it was for the state. During the 2000 to 2004 period, manufacturing lost 11,600 jobs, or a 24% drop. Retail trade experienced a net decline of over 900 jobs during the period. The broadest job gain among broad economic sectors was in health care and social assistance employment, which grew by 9.7% or 3,500 jobs. Arts, entertainment and recreation grew by almost 19% (+700), while administrative support gained 10% (+1,300) and professional, scientific and technical services increased jobs at 9.1% (+1,200). Food and drinking places added 1,100 jobs during the period. During the period the Central New York employment performance (-2.0%) was not as weak as the Mohawk region (-2.3%), but still significantly worse than the Capital District (+1.6%).

### *Sector by sector job gains and losses*

Between 2003 and 2004, the region gained 500 jobs, or less than a tenth of a percent of the employment base. The state rate of growth during the period was +0.6%. During this period, the public sector lost 500 or -0.8%; in contrast, the private sector grew by 900 jobs, or + 0.4%. Manufacturing losses have continued; an additional 2,000 jobs were lost between 2003 and 2004. The sectors that gained in the 2000 to 2004 period were the same sectors making gains in the recent period, including: healthcare and social assistance (+1400); professional, scientific and technical services (+700); administrative and support services (+400); food service and drinking places (+300); and arts and recreation (+200). Retail (+300), transportation and warehousing (+200), and accommodation (+200) were other gainers. The construction (-300) and utilities (-300) sectors were job losers.

SUPERSECTOR	2004	% 2004 Total	Change	% Change
			2003-2004	2003-2004
Total	324,117	100.0%	453	0.1%
Private	265,730	82.0%	936	0.4%
Public	58,387	18.0%	-483	-0.8%
Natural Resources & Mining	227	0.1%	43	23.5%
Utilities	4,232	1.3%	-338	-7.4%
Construction	12,495	3.9%	-274	-2.1%
Manufacturing	36,297	11.2%	-2,009	-5.2%
Wholesale Trade	14,798	4.6%	2	0.0%
Retail Trade	39,001	12.0%	264	0.7%
Transportation & Warehousing	12,278	3.8%	230	1.9%
Information	7,005	2.2%	104	1.5%
Finance & Insurance	13,172	4.1%	-65	-0.5%
Real Estate and Rental and Leasing	4,194	1.3%	176	4.4%
Professional, Scientific, and Technical Services	14,081	4.3%	673	5.0%
Management of Companies and Enterprises	3,800	1.2%	-123	-3.1%
Administrative and Support Services	14,754	4.6%	447	3.1%
Waste Management and Remediation Services	907	0.3%	-291	-24.3%
Educational Services	8,734	2.7%	33	0.4%
Health Care and Social Assistance	39,164	12.1%	1,446	3.8%
Arts, Entertainment, and Recreation	4,367	1.3%	223	5.4%
Accommodation	2,974	0.9%	166	5.9%
Food Services and Drinking Places	20,954	6.5%	349	1.7%
Other Services	11,778	3.6%	-353	-2.9%
Not Elsewhere Classified	680	0.2%	136	25.1%

Source: New York State Department of Labor's ES-202 data.

### *Manufacturing job losses cause job quality decline*

As in other areas of the state, the net change in jobs has resulted in reduced overall annual pay levels. With the exception of jobs in professional, scientific and technical services, new jobs did not pay well. While professional, scientific and technical jobs pay an average wage of \$47,000, the overall average wage for gaining sectors was \$30,400. The manufacturing sector (average wage \$52,400) was a major job loser. The sectors that gained jobs included healthcare and social assistance, government, administrative and support services, and food services and drinking places, which traditionally have paid lower wages than other sectors, were the job-gaining industries. The job loss ratio, which measures the quality of jobs gained and jobs lost, was -0.62, the worst in the state with the exception of New York City.

<b>Central District Job Quality 2000-2004</b>								
(employment in thousands)								
<b>SUPERSECTOR*</b>	<b>Employment</b>		<b>2004 Average Annual Wage</b>	<b>Change</b>	<b>Job Change</b>		<b>Share Change</b>	
	<b>2000</b>	<b>2004</b>			<b>Gain/Loss</b>	<b>Change (pps.**)</b>	<b>Gain/Loss</b>	
Health Care and Social Assistance	35.7	39.2	\$33,908	3.5	gained jobs	1.33	gained shared	
Government	57.6	58.4	\$37,493	0.8	gained jobs	0.66	gained shared	
Administrative and Support Services	13.4	14.8	\$22,989	1.3	gained jobs	0.51	gained shared	
Food Services and Drinking Places	19.8	21.0	\$11,437	1.1	gained jobs	0.49	gained shared	
Professional, Scientific, and Technical Services	12.9	14.1	\$47,192	1.2	gained jobs	0.45	gained shared	
Arts, Entertainment, and Recreation	3.7	4.4	\$13,301	0.7	gained jobs	0.24	gained shared	
Real Estate and Rental and Leasing	3.8	4.2	\$27,668	0.4	gained jobs	0.15	gained shared	
Transportation and Warehousing	12.3	12.3	\$35,740	0.0	lost jobs	0.08	gained shared	
Educational Services	8.7	8.7	\$35,223	0.0	gained jobs	0.06	gained shared	
Accommodation	2.9	3.0	\$18,071	0.1	gained jobs	0.04	gained shared	
Waste Management and Remediation Services	0.8	0.9	\$40,206	0.1	gained jobs	0.04	gained shared	
Retail Trade	39.9	39.0	\$20,939	-0.9	lost jobs	0.00	gained shared	
<b>Subtotal, industries gaining job share</b>	<b>211.5</b>	<b>219.8</b>	<b>\$30,399</b>	<b>8.2</b>		<b>4.1</b>		
Manufacturing	47.9	36.3	\$52,441	-11.6	lost jobs	-3.25	lost share	
Wholesale Trade	15.8	14.8	\$46,381	-1.0	lost jobs	-0.18	lost share	
Information	7.8	7.0	\$43,884	-0.8	lost jobs	-0.18	lost share	
Finance and Insurance	14.0	13.2	\$50,858	-0.8	lost jobs	-0.15	lost share	
Utilities	4.8	4.2	\$88,049	-0.6	lost jobs	-0.14	lost share	
Other Services	12.3	11.8	\$21,691	-0.6	lost jobs	-0.09	lost share	
Construction	12.9	12.5	\$40,497	-0.4	lost jobs	-0.04	lost share	
Management of Companies and Enterprises	4.0	3.8	\$67,290	-0.2	lost jobs	-0.02	lost share	
<b>Subtotal, industries losing job share</b>	<b>119.4</b>	<b>103.6</b>	<b>\$52,292</b>	<b>-15.9</b>		<b>-4.1</b>		
<b>Total</b>	<b>330.8</b>	<b>324.1</b>	<b>\$35,535</b>	<b>-6.7</b>				
						<b>Job Quality Ratio</b>	<b>-0.62</b>	
*Analysis excludes natural resources and mining and not elsewhere classified.								
** Percentage point change.								
Note: The average wage for the two groups is computed by weighting the industry average wage by each industry's share of the change in the job share for its group.								
Source: New York State Department of Labor Insured Employment series, analyzed by Fiscal Policy Institute.								

### Personal income falls

Between 2000 and 2003, the annual average real total personal income fell by -0.2%. This is in contrast to the 1980s and 1990s when total annual personal income growth averaged 2.8% and 1.0% respectively. The wage and salary component of personal income—which grew by 2.6% in the 1980s and a marginal 0.4% in the 1990s—grew by 0.2% between 2000 and 2003. On the other hand, transfer payments grew at an annual rate of 4.1% between 2000 and 2003, compared to 2.8% in the 1980s and 3.0% in the 1990s.

Central New York Change in Personal Income and Components, Selected Years (in billions of 2003 dollars)								
Year	Personal Income	Earnings by place of work			Contributions for gov't soc. ins.**	Dividends, Interest, Rent	Transfer Payments	Residency Adjustment
		Wages & Salaries	Supplements to Wages & Salaries*	Proprietors Income				
1980	13.8	8.8	1.9	0.8	-1.2	1.8	1.9	-0.3
1990	18.2	11.4	2.3	1.2	-1.8	3.0	2.5	-0.5
2000	20.0	11.8	2.4	1.4	-1.8	3.3	3.4	-0.4
2001	19.7	11.8	2.5	1.1	-1.8	3.1	3.5	-0.4
2002	19.7	11.9	2.7	1.0	-1.9	2.8	3.7	-0.5
2003	19.9	11.9	2.9	1.0	-1.9	2.6	3.8	-0.5
<b>1980-1990 Change</b>	4.3	2.6	0.4	0.4	-0.6	1.2	0.6	-0.1
Ann Avg % Change	2.8%	2.6%	1.8%	3.7%	4.3%	5.1%	2.8%	3.5%
<b>1990-2000 Change</b>	1.9	0.4	0.1	0.2	0.0	0.2	0.9	0.0
Ann Avg % Change	1.0%	0.4%	0.5%	1.6%	0.2%	0.7%	3.0%	-0.7%
<b>2000-2001 Change</b>	-0.3	-0.1	0.0	-0.3	0.0	-0.1	0.2	0.0
% Change	-1.7%	-0.5%	1.9%	-23.9%	0.0%	-4.6%	4.8%	-0.5%
<b>2001-2002 Change</b>	0.1	0.1	0.2	-0.1	-0.1	-0.3	0.2	0.0
% Change	0.3%	1.2%	9.8%	-11.7%	3.4%	-10.6%	5.7%	3.8%
<b>2002-2003 Change</b>	0.2	0.0	0.2	0.0	0.0	-0.1	0.1	0.0
% Change	0.8%	-0.3%	7.8%	5.2%	0.8%	-4.7%	2.0%	-1.0%
<b>2000-2003 Change</b>	-0.1	0.1	0.5	-0.4	-0.1	-0.6	0.4	0.0
Ann Avg % Change	-0.2%	0.2%	6.5%	-10.9%	1.4%	-6.7%	4.1%	0.7%

\* Includes employer contributions to pensions and social security. Supplements are added to earnings by place of work.  
 \*\* Includes employer and employee contributions to social security. These contributions are subtracted from personal income.  
 Source: BEA. Deflator applied by Fiscal Policy Institute.

### Prospects

Syracuse is at the crossroads of the East-West and the North-South interstate transportation network. As a result, distribution is a major industry cluster in the region. Other clusters in the region include: biomedical, distribution, electronics manufacturing, industrial machinery, and materials processing.

Central New York lost nearly 12,000 manufacturing jobs between 2000 and 2004. The health care and social assistance industry has now become, after retail, the largest sector in the economy. Although recent growth has been broadly based, an aging population has increased the demand for health care and social assistance workers, as in many areas of the state. Between 2003 and 2004, the health care and social assistance industry added 1,500 workers.

According to the NYS Department of Labor, recent positive developments include the purchase of New Venture Gear by Magna International Inc. (a Canadian auto parts supplier), and a new investment by Magna (\$75 million) over the next several years. The previous owner, DaimlerChrysler, has committed to buying \$250 million worth of products from the facility. Lockheed Martin is also expanding its facility in Onondaga County in response to the increase in defense and homeland security spending. As a result of two new U.S. contracts, Lockheed Martin is planning to hire 500 workers in electrical, mechanical, and software engineering. However, some of these workers will be hired to fill vacancies created through normal attrition. The plant has received \$413 million to build a new generation for the Navy, and another \$625 million for building a radar for the Medium Extended Air Defense System. These jobs pay well and will average between \$60,000 and \$100,000 per year.

In the medical manufacturing sector, Welch Allyn has been hiring workers for its operations. About 200 jobs have been created so far and the firm plans to hire more workers in the future.

Syracuse University, a key economic driver in the region, has been designated a Center of Excellence for Environmental Systems Engineering. In addition, the University will partner with the private sector to form the Central New York Biotechnology Research Center. The center will focus on attracting high technology companies and related manufacturing to the region.

The Metropolitan Development Association, the main economic development planning organization in the region, is implementing a plan that targets middle-market companies, provides incentives to retain younger workers, includes educational institution in the development process, encourages entrepreneurship, and develops a broader regional consensus for economic development.

<b>Major Employers in Central New York, 2004</b>	
Baldwinsville Central School District	North Syracuse Central School District
Carrier Air Conditioning Corp	Nys Office Of Mental Retardation
Chestnut Hill School District	P & C Foods
City of Syracuse	Price Chopper Supermarkets
Colgate University	St Josephs Hospital
Community-General Hospital	Staff Leasing Co Inc
County of Onondaga	SUNY At Oswego
County of Oswego	SUNY Research Foundation
Crouse Health Hospital Inc	SUNY Upstate Medical Center
Eckerd Drugs	Syracuse University
Lockheed Martin Corporation	Syracuse Va Medical Center
Loretto Rest Nursing Home	Turning Stone Casino
New Venture Gear Co Inc	United Parcel Service Inc
Niagara Mohawk Power Corp	Wal-Mart Associates Inc
Nine Mile Point Power Plant	Wegmans Food Markets Inc
Source: Empire State Development	
Note: Employers are not ranked by size.	