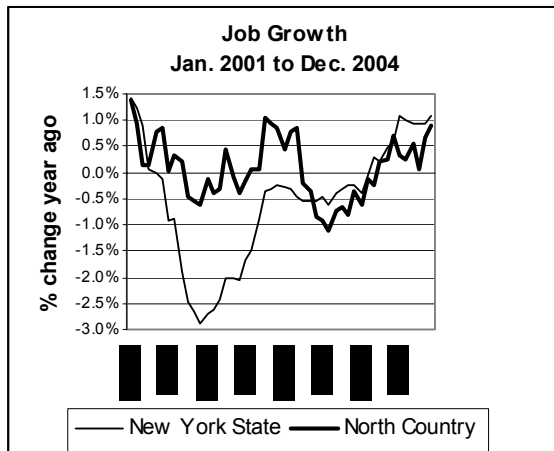
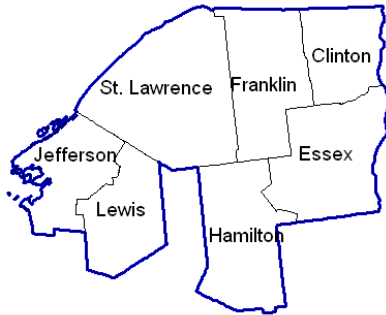


North Country

The North Country comprises seven counties in the northern portion of the state. The Adirondack Park has a distinct impact on the development of all counties in the region. None of the North Country counties belong to a Metropolitan Statistical Area.



North Country Data Bank			
	NOR	NYS	US
Population	350,118	---	---
2004 Estimate			
%Change 2000-2004	0.10%	1.32%	4.35%
Employment			
1st Half 2005-2004 (%Chg)		0.95%	1.70%
Unemployment			
2005 1st Half(#)	11,900	472,583	---
2005 1st Half(rate)	6.2%	5.1%	5.3%
# of Private business('03)	NOR	NYS	
Establishments	9,416	530,527	
Total Payroll (Bil\$)	\$2.9	\$326.0	
Per Capita Income('03)	2003	93-'03 %Chg	
USA	\$31,472	47.4%	
New York State	\$36,112	43.6%	

Demography

In 2004, the North Country region had a population of about 350,000, which was an increase of 490 since the 2000 census. Net domestic out-migration totaled 9,000. Except for Clinton County, every county in the region lost population. Net international migration and natural increases tempered population loss in the region.

Manufacturing and tourism job losses

In 2004, nearly 30% of the North Country employment in the region was located in the public sector. Health care and social services (14.1%), retail (13.8%), and manufacturing (9.8%) were the main economic sectors in the region. Between 2000 and 2004, employment in the North Country grew by about three tenths of 1%. During this period manufacturing (-3,000), management of companies (-500), arts, entertainment and recreation (-500), and accommodation (-200) were sectors that lost jobs. Job gainers included health care and related services (+3,000), education services (+600), transportation and warehousing (+500), retail trade (+400), and administrative services (+400).

Job gains in health care and social services and retail

Between 2003 and 2004, employment gains were made in health care and social services (+1,000), retail trade (+900), transportation and warehousing (+300), and administrative services (+200). Reflecting similar developments in some other regions of the state, losses occurred in manufacturing (-1,000), information (-100), professional, scientific, technical services (-200), and arts, entertainment and recreation (-300).

Job Change in the North Country, 2003-2004.				
SUPERSECTOR	% 2004		Change	% Change
	2004	Total 2003-2004		
Total	151,604	100.0%	387	0.3%
Public	44,496	29.4%	-10	0.0%
Utilities	806	0.5%	5	0.6%
Construction	5,693	3.8%	174	3.2%
Manufacturing	14,817	9.8%	-1,029	-6.5%
Wholesale Trade	2,867	1.9%	71	2.6%
Retail Trade	20,900	13.8%	850	4.2%
Transportation & Warehousing	4,699	3.1%	251	5.7%
Information	2,025	1.3%	-101	-4.8%
Finance & Insurance	2,736	1.8%	25	0.9%
Real Estate and Rental and Leasing	1,351	0.9%	2	0.1%
Professional, Scientific, and Technical Services	2,653	1.7%	-171	-6.1%
Management of Companies and Enterprises	728	0.5%	-525	-41.9%
Administrative and Support Services	2,750	1.8%	220	8.7%
Waste Management and Remediation Services	371	0.2%	161	76.3%
Educational Services	2,827	1.9%	109	4.0%
Health Care and Social Assistance	21,358	14.1%	1,013	5.0%
Arts, Entertainment, and Recreation	1,517	1.0%	-336	-18.1%
Accommodation	2,745	1.8%	-55	-2.0%
Food Services and Drinking Places	10,013	6.6%	-276	-2.7%
Other Services	4,940	3.3%	-102	-2.0%

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

The job quality has deteriorated less than most regions of the state

Although the job quality did decline in the region, it did not change dramatically between 2000 and 2004. Manufacturing job losses account for the decline in job quality between 2000 and 2004. The average wage for industries losing employment share was \$35,600, compared to the average wage of \$30,300 for industries gaining employment share. Gaining sectors such as health care and social services, government, educational services, and transportation and warehousing paid wages that ranged from \$30,000 to \$37,000. The North Country ranked 2nd on the job quality ratio, largely because of the dominance of the public sector in the region, which pays relatively more than the private sector. The job quality ratio for the region was -0.18, compared to the state average of -0.53. Only Mohawk had a better job quality ratio (0.15).

North Country Job Quality 2000-2004							
(employment in thousands)							
SUPERSECTOR*	Employment		2004 Average Annual Wage	Change	Job Change	Share Change	
	2000	2004			Gain/Loss	Change (pps.**)	Gain/Loss
Health Care and Social Assistance	18.4	21.4	\$29,995	3.0	gained jobs	1.93	gained share
Government	43.5	44.5	\$36,745	0.9	gained jobs	0.45	gained share
Educational Services	2.3	2.8	\$31,902	0.6	gained jobs	0.36	gained share
Transportation and Warehousing	4.2	4.7	\$32,496	0.5	gained jobs	0.29	gained share
Administrative and Support Services	2.4	2.7	\$18,854	0.4	gained jobs	0.24	gained share
Retail Trade	20.5	20.9	\$19,854	0.4	gained jobs	0.16	gained share
Food Services and Drinking Places	9.8	10.0	\$10,603	0.2	gained jobs	0.07	gained share
Waste Management and Remediation Services	0.3	0.4	\$31,999	0.1	gained jobs	0.07	gained share
Professional, Scientific, and Technical Services	2.5	2.7	\$30,810	0.1	gained jobs	0.07	gained share
Utilities	0.7	0.8	\$70,832	0.1	gained jobs	0.05	gained share
Construction	5.6	5.7	\$34,006	0.1	gained jobs	0.04	gained share
Subtotal, industries gaining job share	110.3	116.6	\$30,285	6.3		3.7	
Manufacturing	17.8	14.8	\$43,508	-3.0	lost jobs	-2.06	lost share
Other Services	5.6	4.9	\$17,910	-0.6	lost jobs	-0.45	lost share
Management of Companies and Enterprises	1.2	0.7	\$40,376	-0.5	lost jobs	-0.33	lost share
Arts, Entertainment, and Recreation	2.0	1.5	\$17,271	-0.5	lost jobs	-0.32	lost share
Accommodation	3.0	2.7	\$16,724	-0.2	lost jobs	-0.17	lost share
Wholesale Trade	3.1	2.9	\$34,970	-0.2	lost jobs	-0.15	lost share
Information	2.2	2.0	\$36,149	-0.2	lost jobs	-0.13	lost share
Finance and Insurance	2.8	2.7	\$33,190	-0.1	lost jobs	-0.08	lost share
Real Estate and Rental and Leasing	1.4	1.4	\$20,244	-0.1	lost jobs	-0.04	lost share
Subtotal, industries losing job share	39.1	33.7	\$35,601	-5.4		-3.7	
Total Nonfarm	151.1	151.6	\$30,240	0.5			
						Job Quality Ratio	-0.18
*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.							

Small growth in personal income

Between 2000 and 2003, real total personal income grew by an average annual rate 0.3%, compared to 3.5% in the 1980s and 1.3% in the 1990s. Wages and salaries, a component of personal income, rose by an average annual rate of 1.0% compared to 3.6% in the 1980s and 0.8% in 1990s. In the 2000s, transfer payments rose 4.7%, which was significantly higher than the 1980s and 1990s when they rose by 2.4% and 3.3 % respectively.

North Country Change in Personal Income and Components, Selected Years (in billions of 2003 dollars)								
Year	Earnings by place of work				Contributions for gov't soc. ins.**	Dividends, Interest, Rent	Transfer Payments	Residency Adjustment
	Personal Income	Wages & Salaries	Supplements to Wages & Salaries*	Proprietors Income				
1980	6.0	3.2	0.8	0.4	-0.4	0.8	1.1	0.0
1990	8.5	4.6	1.1	0.6	-0.7	1.4	1.4	0.0
2000	9.7	5.0	1.2	0.7	-0.8	1.6	1.9	0.1
2001	9.6	5.1	1.2	0.5	-0.8	1.5	2.0	0.1
2002	9.6	5.1	1.3	0.4	-0.8	1.4	2.2	0.1
2003	9.8	5.1	1.4	0.4	-0.8	1.3	2.2	0.1
1980-1990 Change	2.5	1.4	0.3	0.2	-0.3	0.6	0.3	0.0
Ann Avg % Change	3.5%	3.6%	3.6%	4.2%	5.4%	5.4%	2.4%	-24.7%
1990-2000 Change	1.2	0.4	0.1	0.1	-0.1	0.1	0.5	0.1
Ann Avg % Change	1.3%	0.8%	0.5%	0.9%	0.8%	0.8%	3.3%	72.8%
2000-2001 Change	0.0	0.0	0.0	-0.2	0.0	0.0	0.1	0.0
% Change	-0.4%	1.0%	1.7%	-31.6%	0.1%	-0.6%	5.1%	25.3%
2001-2002 Change	0.0	0.1	0.1	-0.1	0.0	-0.2	0.1	0.0
% Change	-0.1%	1.1%	8.1%	-14.8%	3.1%	-12.2%	5.9%	-2.3%
2002-2003 Change	0.1	0.0	0.1	0.0	0.0	-0.1	0.1	0.0
% Change	1.4%	0.9%	6.1%	5.1%	1.3%	-5.1%	3.1%	-1.3%
2000-2003 Change	0.1	0.1	0.2	-0.3	0.0	-0.3	0.3	0.0
Ann Avg % Change	0.3%	1.0%	5.3%	-15.0%	1.5%	-6.1%	4.7%	6.5%

* 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

The North Country economy is very dependent on the health care and social assistance services, education services, and retail sectors. These are the industries that have gained jobs in the economy. Manufacturing, a smaller sector, lost nearly 3,000 jobs between 2000 and 2004. Tourism (leisure and hospitality) is potentially a sector that can be developed. The region contains the largest publicly protected area in the contiguous 48 states (the Adirondack Park), half of which is public "forever wild" forest preserve and the other half privately owned. The public sector which employs nearly 30% of the workers is the "job engine" in the region.

According to the Department of Labor, several positive developments may enhance job creation prospects in the region. The expansion of the Fort Drum military base should enhance employment prospects. Several thousand troops will be stationed at the base and the annual economic impact is projected ultimately to be about \$160 million.

Retail employment is being boosted by investment by "big box" stores. Two sporting goods companies, Gander Mountain and Dick's Sporting Goods Store, have opened in Watertown and Plattsburgh. Home Depot and a local retail outfit called WiseBuys have opened stores in Watertown, Tupper Lake, Gouverneur and Canton. Wal-Mart is planning on opening stores in Malone, Potsdam, Lowville and LeRay. Although most of the jobs in these stores pay low wages, construction activity will boost income in the region. Construction jobs also will be created by a housing initiative, the Fort Drum Residential Communities Initiative. The project envisions the building of 700 homes at a cost of \$249 million.

In healthcare, the expansion of Champlain Valley Physicians Hospitals to include open-heart surgery and in-patient care will expand employment opportunities. Other expansion includes the Alice Hyde Medical Center (Malone) and the North County Children’s Clinic in Watertown. Emergency health care services were started by Mountain Medical Services at Saranac and Lake Placid. Two new call centers, one in Watertown and another in Brasher, also will add some employment in the region.

While demand for health care services is increasing due to an aging population, North Country health care employers have noted difficulty in attracting employees due to low entry-level wages.

Major Employers in the North Country, 2004	
Aluminum Co Of America	Jefferson Rehab Center Inc
Bombardier Mass Transit Mfg Corp	Kinney Drugs Inc
Bur Immigration & Customs Enfrcemnt	NYS Clinton Correctional Facility
Canton Workshop	NYS Department of Transportation
Carthage Central High School	NYS Office of Mental Retardation
Champlain Valley Physicians Center	P & C Foods
OCity School Dist of Watertown	Price Chopper Supermarkets
Clarkson University	Samaritan Medical Center
County of Clinton	St Lawrence University
County of Jefferson	St Lawrence-Lewis Co BOCES
County of Lewis	State University of NY/Plattsburgh
County of St Lawrence	State University of NY/Potsdam
Hepburn Medical Center	U.S. Department of Defense At Watertown
Indian River Central School	Wal-Mart Inc
International Paper Co	Wyeth-Ayerst Pharmaceuticals
Source: Empire State Development	
Note: Employers are not ranked by size.	