

Employment

IN NEW YORK STATE



Andrew M. Cuomo, Governor
Colleen C. Gardner, Commissioner

At a Glance

In December 2010, New York's seasonally adjusted unemployment rate was 8.2%, down from November's 8.3% rate. (The nation's unemployment rate was 9.4% in December.) In December 2010, the state had 8,497,900 non-farm jobs, including 7,031,200 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state decreased by 0.3% from November, while the U.S. private sector job count increased by 0.1%. From December 2009 to December 2010, the number of private sector jobs increased by 1.0% in the state and by 1.2% in the U.S. (not seasonally adjusted). In addition, New York's Index of Coincident Economic Indicators decreased at an annual rate of 2.2% in December 2010.

Change in Nonfarm Jobs

December 2009 - December 2010

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	36.1	0.4
Private Sector	70.8	1.0
Goods-producing	-4.5	-0.6
Nat. res. & mining	0.3	5.9
Construction	-4.0	-1.3
Manufacturing	-0.8	-0.2
Durable gds.	0.1	0.0
Nondurable gds.	-0.9	-0.5
Service-providing	40.6	0.5
Trade, trans. & util.	-1.1	-0.1
Wholesale trade	-0.9	-0.3
Retail trade	2.4	0.3
Trans., wrhs. & util.	-2.6	-1.0
Information	-3.8	-1.5
Financial activities	1.8	0.3
Prof. & bus. svcs.	23.1	2.1
Educ. & health svcs.	30.8	1.8
Leisure & hospitality	9.7	1.4
Other services	14.8	4.1
Government	-34.7	-2.3

One in Four NYS Workers is in a Union...

State of the Unions

"Labor unions...have raised wages, shortened hours and provided supplemental benefits. Through collective bargaining and grievance procedures, they have brought justice and democracy to the shop floor."

John F. Kennedy, August 30, 1960

"Union Membership in U.S. Fell to a 70-Year Low Last Year"

New York Times, January 21, 2011

The two quotes underscore an apparent disconnect in the American labor movement. Over time, unions have played a key role in improving conditions for U.S. workers – everything from the 40-hour work week to stricter safety and health regulations. Yet, union membership in the U.S. has dropped in recent decades. Some oft-cited reasons for this decline include:

- Job losses in industries with many union workers, such as manufacturing
- Federal and state regulation of many union issues (e.g., workplace safety, family medical leave)
- U.S. jobs moving offshore

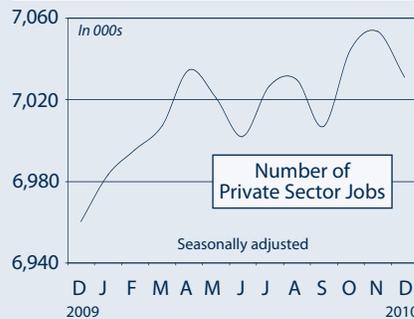
The U.S. Bureau of Labor Statistics (BLS) reported in January 2011 that the number of American workers in unions fell by 612,000, or 4.2%, to 14.7 million in 2010. The decline in union workers hit both the private (-339,000) and public (-273,000) sectors last year.

The BLS report also said the share of wage and salary workers in unions fell from 12.3% in 2009 to 11.9% in 2010. This was a steep decline from the 28.9% level in 1965. (See figure

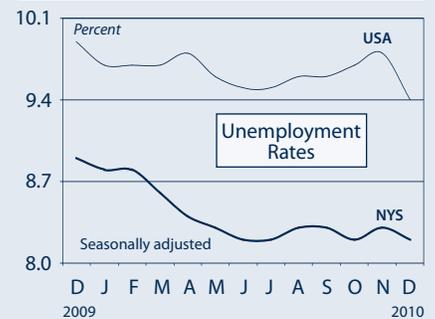
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IN DECEMBER...

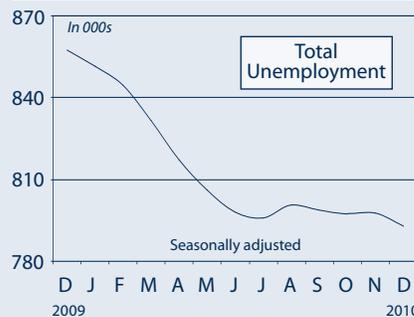
...NYS private sector jobs decreased



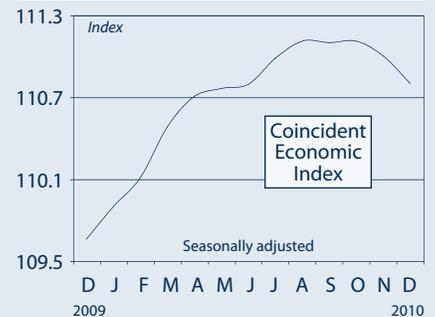
...NYS unemployment rate decreased



...NYS unemployment decreased



...NYS economic index decreased



Focus on the Hudson Valley

Region in Early Stages of Recovery

by John Nelson, Labor Market Analyst, Hudson Valley

The Hudson Valley's labor market is beginning to show signs of life, as it rebounds from the worst national economic downturn since the 1930s. For example, the region's private sector job count rose by 2,700, or 0.4%, in December 2010 -- its first over-the-year increase since mid-2008. While this is welcome news for local job seekers, the region's rate of job growth lags the state (+1.0%) and nation (+1.2%).

During the second half of 2010, the region's average unemployment rate (7.2%) ran just below year-ago levels (7.4%). While this small decrease is a positive sign, the jobless rate remains well above where it stood during the second half of 2007 (4.0%) -- before the national recession hit New York State.

Recession in Review

From the start of the U.S. recession in December 2007 through December 2009, the region lost 51,300 private sector jobs (-6.6%). Over the same period, the state lost 4.6% of its private sector employment. Construction lost the most jobs (-15,000) in the region during this time. Several large projects in the region are on hold:

- The \$3 billion Yonkers Waterfront redevelopment
- A new \$400 million resort next to Belleayre Mountain Ski Center

One of the sector's few bright spots is the \$600 million Ridge Hill office, retail and residential development in Yonkers. This mixed-use project is on schedule for completion this spring.

Manufacturing also lost a large number of jobs (-8,500) during the downturn. Many of the lost jobs were in pharmaceuticals. Drug maker Pfizer has cut costs sharply. As a result, the company

laid off hundreds of employees at its site in Pearl River (Rockland County).

On the bright side, local officials are promoting the region as "NY BioHud Valley" -- the East Coast Silicon Valley for biotech companies. Over the past year, some biotech companies have moved into the area. Regeneron Pharmaceuticals in Westchester County increased its payroll by 500 employees in 2010. In addition, biotech company ContraFect relocated to Yonkers from Manhattan. This move will create 40 full-time jobs at first, and about 200 jobs (average salary -- \$90,000) within two years.

The local solar energy industry has not lived up to its promise. Many expected it to create thousands of jobs. Instead, two local solar companies have announced layoffs or

plans to close. SpectraWatt will shed 117 jobs, and close its facility in Dutchess County. This move comes less than eight months after it opened. Precision Flow in Kingston (Ulster County) laid off about 40 workers, roughly 11% of its workforce.

Leading the Recovery

Over the past year, leisure and hospitality (+1,700) added the most jobs. Growth was centered in the Putnam-Rockland-Westchester (+1,500) area. The local tourism sector recently received a setback. The U.S. Department of the Interior rejected a plan by the Wisconsin-based Stockbridge Munsee Band of Mohicans to build a casino and resort in Sullivan County. The proposed project was worth an estimated \$560 million.

Educational and health care services -- the area's largest private sector -- gained 1,500 jobs over the past year. Health care is the strongest market. Demand for health care services remains high

"The Hudson Valley's labor market is beginning to show signs of life."



"Economic conditions continue to improve in the Hudson Valley. In December 2010, the region experienced its first year-over-year increase in private sector jobs since mid-2008."

Colleen C. Gardner,
Commissioner

as the population ages. To help meet this rising demand, New York City-based Memorial Sloan-Kettering plans to open a second outpatient cancer center in Westchester County. If approved by the State Health Department, construction on the \$112 million facility will begin in the spring of 2012, with opening planned for early 2015. The center is expected to employ 140 when open.

Professional and business services (+1,400) also has added jobs since December 2009. Two trends contribute to sector job growth. First, large companies are moving into the region. PepsiCo, for example, plans to expand the workforce at its headquarters in Purchase (Westchester County) by 800 over the next 10 years. And yogurt company Dannon (the U.S. unit of French food giant Danone S.A.) will relocate its R&D staff to White Plains. Second, temporary help agencies are hiring. This usually happens before companies start to add permanent workers.

Summing Up

The outlook for the Hudson Valley's economy is closely linked to what occurs at the state and national levels. As those economies continue to add jobs, the overall picture for the region's labor market should continue to improve. ■

State of the Unions... from page 1

on page 3.) Between 2009 and 2010, the share of private sector workers in unions declined from 7.2% to 6.9%.

The share of unionized public sector employees in the U.S. dropped from 37.4% in 2009 to 36.2% in 2010. Local government -- which includes widely organized occupations such as firefighters, police officers and schoolteachers -- had the highest share of union workers (42.3%) of any private or public sector industry. Although government employs about 1 in 6 American workers, it accounts for more than half (51.8%) of the nation's union members.

Certain occupations are more likely to have workers in a union. Education, training and library occupations were the most unionized job types in 2010 at 37.1%. Protective service occupations are a close second at 34.1%. Sales and related occupations (3.2%) and farming, fishing and forestry (3.4%) had the lowest percent of union members.

There was one piece of good news for unions in the BLS report. Median weekly earnings for union members were \$917. This was 28% higher than the \$717 median wage level for non-union workers.

Union Members as a Share of Employment, 2010

Most Unionized States		Least Unionized States	
1. New York	24.2%	50. North Carolina	3.2%
2. Alaska	22.9%	49. Arkansas	4.0%
3. Hawaii	21.8%	48. Georgia	4.0%
4. Washington	19.4%	47. Louisiana	4.3%
5. California	17.5%	46. Mississippi	4.5%

Source: U.S. Bureau of Labor Statistics

Continued on page 3

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	DEC '09	DEC '10		DEC '09	DEC '10		DEC '09	DEC '10
New York State	8.8	8.0	Hudson Valley	7.3	7.3	Finger Lakes	8.0	7.8
Capital District	7.2	7.2	Dutchess	7.7	7.4	Genesee	8.1	7.8
Albany	6.6	6.7	Orange	7.8	7.8	Livingston	8.9	8.6
Columbia	7.4	7.3	Putnam	6.8	6.4	Monroe	7.7	7.5
Greene	8.6	8.5	Rockland	6.8	6.9	Ontario	8.0	7.7
Rensselaer	7.3	7.3	Sullivan	9.4	9.6	Orleans	9.4	10.1
Saratoga	6.6	6.6	Ulster	7.8	8.0	Seneca	7.7	7.9
Schenectady	7.4	7.3	Westchester	7.0	6.9	Wayne	8.5	8.6
Warren	9.2	9.4	Mohawk Valley	8.3	8.6	Wyoming	10.0	9.6
Washington	7.7	7.6	Fulton	10.4	10.3	Yates	7.0	6.9
Central New York	8.3	8.3	Herkimer	8.8	8.7	Western New York	8.4	8.3
Cayuga	8.4	8.2	Montgomery	9.6	9.5	Allegany	8.7	9.3
Cortland	9.3	9.0	Oneida	7.4	8.0	Cattaraugus	8.9	8.9
Madison	8.4	8.7	Otsego	7.6	7.9	Chautauqua	8.7	8.3
Onondaga	7.6	7.5	Schoharie	9.0	9.5	Erie	8.2	8.0
Oswego	10.4	11.1	North Country	9.5	10.1	Niagara	9.1	9.0
Southern Tier	8.3	8.1	Clinton	9.3	9.9	Long Island	7.0	7.0
Broome	8.5	8.7	Essex	9.9	9.7	Nassau	6.7	6.7
Chemung	8.7	8.0	Franklin	8.8	9.1	Suffolk	7.3	7.3
Chenango	9.2	8.8	Hamilton	10.2	10.0	New York City	10.4	8.6
Delaware	8.4	8.3	Jefferson	9.4	10.4	Bronx	13.9	12.0
Schuyler	9.4	8.7	Lewis	9.6	10.0	Kings	11.2	9.3
Steuben	10.0	9.7	St. Lawrence	9.9	10.5	New York	9.0	7.0
Tioga	8.8	8.0				Queens	9.4	7.7
Tompkins	5.5	5.5				Richmond	9.2	7.9

State of the Unions... from page 2

Here in New York

In 2010, New York was the most highly organized state in the nation with 24.2% of its workers in unions. It has held this position for 19 of the last 25 years (the other 6 years the Empire State was #2, with Hawaii holding the #1 spot). The table on page 2 lists the most- and least-unionized states in 2010.

The number of union members depends on both the union membership rate and the number of jobs in each state. California had the most union members in 2010, with 2.4 million. New York was

second with just under 2.0 million. Union members tend to be concentrated. Half of the 14.7 million union members in the U.S. live in just six states: California, New York, Illinois, Pennsylvania, Ohio and New Jersey; although these states accounted for only one-third of all jobs.

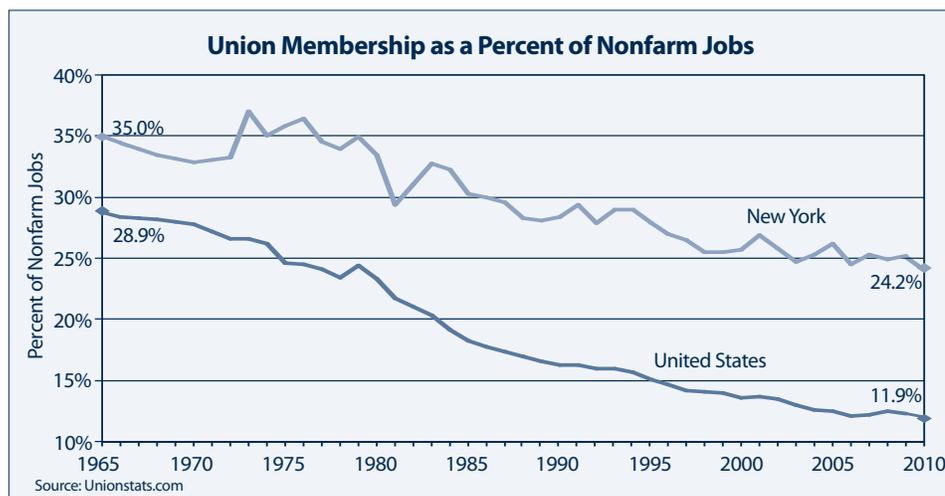
What accounts for New York's high union rate? From 1985-2010, private sector union rates in the state dropped from 21.3% to 13.7%. This is in line with the overall drop in the U.S. But, New York's public sector shows a different trend. The union rate for government workers in the state

actually *increased* from 66.7% to 70.5% over this timeframe. Their number rose from 907,000 to 1.06 million. Not only does New York have the highest public union rate of any state, it is almost double the nation's rate (36.2%). New York's public sector employees fill 19% of jobs in the state, but make up 54% of union members.

For More Information

The [unionstats.com](http://www.unionstats.com) web site maintained by Barry Hirsch of Georgia State University and David Macpherson of Trinity University has a wealth of union statistics. In addition, the union membership report released by the BLS in January 2011 is online at www.bls.gov.

by Angela VanDerwerken



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REGIONAL ANALYSTS' CORNER

CAPITAL DISTRICT

James Ross — 518-462-7600

From December 2009 to December 2010, the number of private sector jobs in the Albany-Schenectady-Troy area rose 300, or 0.1 percent, to 334,700. Job gains were concentrated in professional and business services (+2,100), educational and health services (+1,000), and other services (+500). Job losses were centered in trade, transportation and utilities (-2,900) and natural resources, mining and construction (-500).

CENTRAL NY

Roger Evans — 315-479-3388

For the 12-month period ending December 2010, the private sector job count in the Syracuse metro area rose 3,300, or 1.3 percent, to 262,700. Job growth was concentrated in educational and health services (+2,700), professional and business services (+800), and other services (+300).

FINGER LAKES

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area rose over the year by 3,200, or 0.8 percent, to 426,300 in December 2010. Job gains were largest in educational and health services (+1,900), leisure and hospitality (+1,300), professional and business services (+1,200), other services (+700), and trade, transportation and utilities (+700). Losses were greatest in manufacturing (-1,500) and construction (-600).

HUDSON VALLEY

John Nelson — 914-997-8798

The private sector job count in the Hudson Valley increased 2,700, or 0.4 percent, to 723,000 for the 12 months ending December 2010. Job gains were largest in leisure and hospitality (+1,700), educational and health services (+1,500), and professional and business services (+1,400). Losses were centered in trade, transportation and utilities (-1,200), manufacturing (-600), and natural resources, mining and construction (-500).

LONG ISLAND

Michael Crowell — 516-934-8537

The private sector job count on Long Island rose over the year by 8,800, or 0.9 percent, to 1,036,700 in December 2010. Growth was largest in educational and health services (+6,500), other services (+3,000), trade, transportation and utilities (+1,600), and leisure and hospitality (+1,000). Job losses were greatest in natural resources, mining and construction (-1,000), financial activities (-800), and manufacturing (-600).

MOHAWK VALLEY

Mark Barbano — 315-793-2282

For the 12-month period ending December 2010, the private sector job count in the Utica-Rome metro area decreased by 600, or 0.6 percent, to 97,300. Job gains were centered in educational and health services (+500). Losses were greatest in trade, transportation and utilities (-400) and natural resources, mining, and construction (-300).

NEW YORK CITY

James Brown — 212-775-3330

Private sector employment in New York City rose by 50,800, or 1.6 percent, to 3,184,600 for the 12-month period ending December 2010. Job growth occurred in professional and business services (+17,200), educational and health services (+16,200), leisure and hospitality (+9,500), financial activities (+6,500), other services (+1,900), and trade, transportation and utilities (+1,700). Job losses were largest in information (-2,200).

SOUTHERN TIER

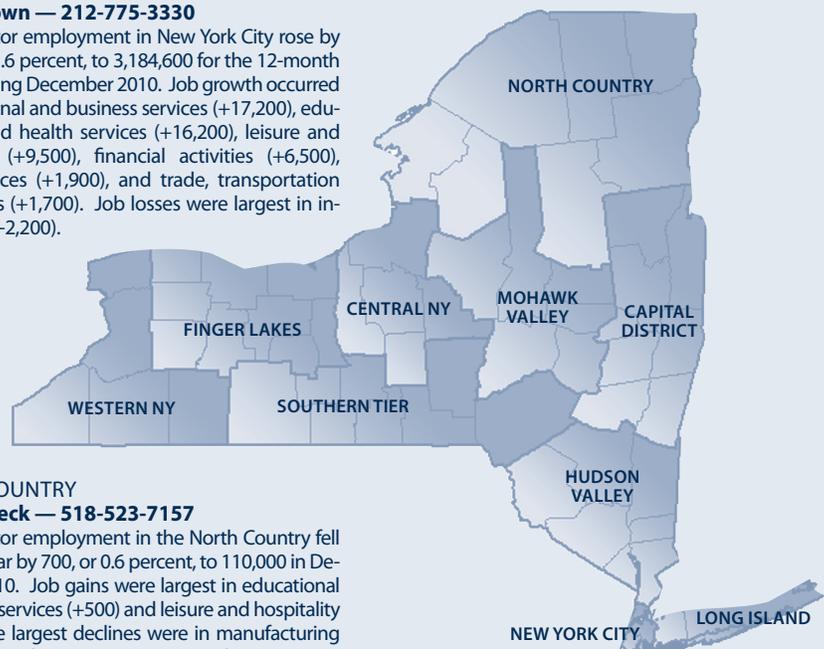
Christian Harris — 607-741-4485

Private sector employment in the Southern Tier increased over the year by 2,400, or 1.0 percent, to 231,800 in December 2010. Job gains were largest in educational and health services (+800), professional and business services (+800), trade, transportation and utilities (+500), and leisure and hospitality (+400).

WESTERN NY

John Slenker — 716-851-2742

Private sector employment in the Buffalo-Niagara Falls metro area increased by 2,000, or 0.5 percent, to 446,200 over the 12 months ending December 2010. Job gains were centered in leisure and hospitality (+2,400), professional and business services (+2,300), and other services (+400). Losses were largest in educational and health services (-1,000), manufacturing (-900), and trade, transportation and utilities (-500).



NORTH COUNTRY

Alan Beideck — 518-523-7157

Private sector employment in the North Country fell over the year by 700, or 0.6 percent, to 110,000 in December 2010. Job gains were largest in educational and health services (+500) and leisure and hospitality (+500). The largest declines were in manufacturing (-1,000), natural resources, mining and construction (-400), and trade, transportation and utilities (-200).