

# Employment in New York State



Research and  
Statistics

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## At a Glance

In February 2015, New York's seasonally adjusted unemployment rate was 5.8%, unchanged from January 2015. The nation's unemployment rate was 5.5% in February 2015. New York State had 9,188,400 nonfarm jobs in February 2015, including 7,751,400 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by 0.2% in January-February 2015, while those in the nation also increased by 0.2%. From February 2014 to February 2015, the number of private sector jobs increased by 2.0% in the state and 2.8% in the nation (not seasonally adjusted). New York's Index of Coincident Economic Indicators increased at an annual rate of 3.0% in February 2015.

## Change in Nonfarm Jobs

February 2014 - February 2015

(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	151.8	1.7
Private Sector	148.4	2.0
Goods-producing	2.2	0.3
Nat. res. & mining	-0.2	-4.4
Construction	6.5	2.2
Manufacturing	-4.1	-0.9
Durable gds.	-1.3	-0.5
Nondurable gds.	-2.8	-1.5
Service-providing	149.6	1.8
Trade, trans. & util.	24.3	1.6
Wholesale trade	5.2	1.6
Retail trade	13.0	1.4
Trans., wrhs. & util.	6.1	2.3
Information	1.5	0.6
Financial activities	8.9	1.3
Prof. & bus. svcs.	34.9	2.9
Educ. & health svcs.	49.8	2.7
Leisure & hospitality	17.8	2.2
Other services	9.0	2.3
Government	3.4	0.2

## Firms Use Advanced Computing Techniques to ID 'Flight Risks'...

## Better Labor Market Spurs More Workers to Quit Their Jobs

Policymakers closely watch many different indicators to gauge the health of the nation's labor market. The best known and most widely discussed include the unemployment rate and growth in the number of payroll jobs. Less prominent, but still closely followed, are the labor force participation rate, overall wage growth and the underemployment rate.

### More Workers Quit Their Jobs

One labor market indicator that likely should have a wider following is the number of voluntary quits. This statistic is reported by the U.S. Bureau of Labor Statistics' (BLS) Job Openings and Labor Turnover (JOLTS) program. JOLTS also measures monthly job openings, hires, total separations, layoffs and discharges by

industry and region. It collects data from about 16,000 businesses and government agencies in the U.S.

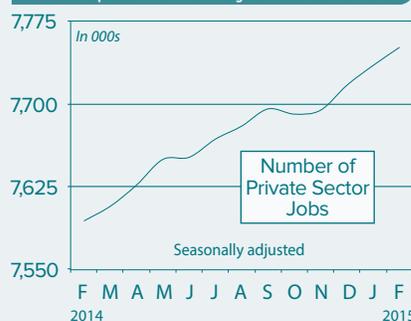
In 2014, more than 30.5 million American workers quit a job – the most since 2007. This was up 10.4% over the number of quits in 2013 and more than 45% above 2009 levels. The growing number of quits is a direct result of the nation's improving labor market, which added more than 2.63 million private sector jobs in 2014. This was the most since 1999, at the height of the dot-com boom.

Currently, JOLTS does not produce state-level estimates, but the BLS recently proposed expanding the program to do so. If the number of New Yorkers

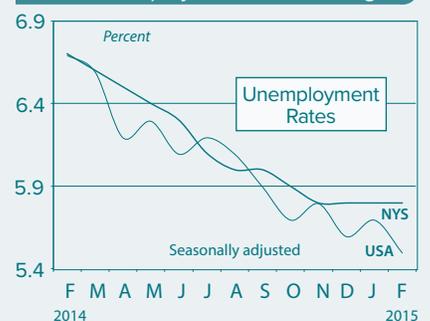
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## In February...

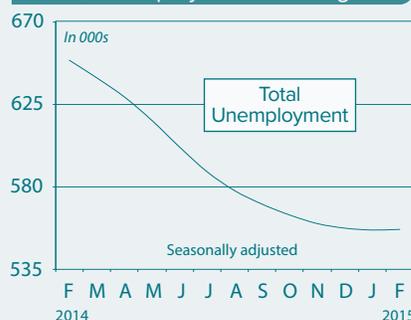
### ...NYS private sector jobs increased



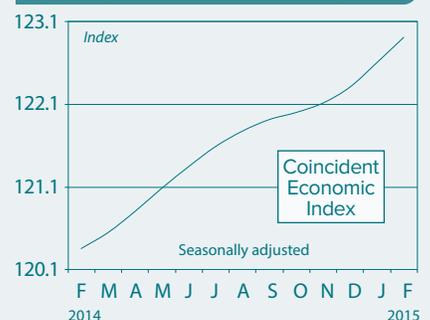
### ...NYS unemployment rate unchanged



### ...NYS unemployment unchanged



### ...NYS economic index increased



## Focus on the Hudson Valley

Hudson Valley Enjoys Broad-Based Job Growth

by John Nelson, Labor Market Analyst Hudson Valley

Newly-revised employment data show that the Hudson Valley's economy performed better in 2014 than previously estimated. Between 2013 and 2014, the region's private sector job count grew by 10,100, or 1.3%, to 758,600, an all-time annual high. This was up from preliminary job growth estimates, which were 6,500, or 0.9%.

### Job Generators in 2014

Employment in the region's trade, transportation and utilities sector grew by 3,200, or 1.8%, to 183,400 from 2013 to 2014. Retail trade accounted for most of the growth. Contributing to retail job growth were expansions at local area malls, including the Ridge Hill complex in Yonkers and The Shops at Nanuet. This sector will further benefit from the proposed \$100 million Loop Hudson Valley mega retail complex in the Town of Newburgh (Orange County). Early estimates expect the new mall will create about 1,000 temporary construction jobs and 1,000 permanent retail jobs.

The region's transportation and warehousing industry has also been growing, as several national big-box retailers have distribution centers in the region, especially in Orange County. FedEx plans to open two distribution centers in Westchester County as online retail sales continue to grow.

The region's natural resources, mining and construction sector continued to grow, adding 2,800 jobs in 2014. With overall

construction costs pegged at \$3.9 billion, the new Tappan Zee Bridge continues to dominate the list of local construction projects. Tappan Zee Constructors, the builder/designer of the new bridge, has more than doubled its workforce since the start of the project in 2013. The project has increased openings for highly-skilled workers in the construction trades, such as crane operators, concrete workers, triaxle truck drivers and structural iron workers, especially welders.

Another major regional undertaking is the \$1.1 billion Adelaar destination resort planned for the site of the old Concord resort in Kiamesha Lake (Sullivan County). This project, which includes the Montreign Casino, an indoor water park and a golf course, is expected to create about 3,000 temporary construction jobs and more than 2,100 permanent jobs.

In 2014, the job count in the educational and health services sector climbed by 2,300, or 1.2%, to 191,300, an all-time high. Moreover, this sector remains the region's largest employer, accounting for one in four private sector jobs. Several local health care facilities in the region have recently opened or announced expansion plans. For example, Memorial Sloan Kettering opened an outpatient cancer treatment center in West Harrison (Westchester County) in early 2014. Similarly, Crystal Run Healthcare, a multi-specialty medical group, will open its newest medical office and urgent care facility



in Orange County later this year. Crystal Run expects to create more than 200 local jobs. Long-term projections show employment in the region's health care sector is expected to grow by more than 20% over the decade. This is due in large part to the region's aging baby boomer population, which now stands at more than 600,000.

Professional and business services added 1,600 jobs in 2014. Most gains were in administrative and support services. As corporate profits rise, companies are adding administrative and support staff. The region is also home to several Fortune 1000 companies, including Regeneron Pharmaceuticals. The pharmaceutical giant has almost doubled its workforce since 2010. Its corporate headquarters and an R&D facility are in Westchester County.

### Summary

In 2014, for the fourth year straight, the Hudson Valley experienced private sector job growth of least 1.0%. A broad-based set of industries contributed to this growth. Moreover, the revised jobs data show that the region's private sector job count reached a new all-time high in 2014.

### More Workers Quit... from page 1

who quit their jobs is proportional to their share of total nonfarm jobs in the nine-state Northeast region, then there were about 1.47 million voluntary quits in the state in 2014.

### More Quits Means Shorter Time on the Job

The three industries in the U.S. with the most voluntary quits in 2014 include:

- Accommodation and food services (5.86 million)
- Professional and business services (5.61 million)
- Retail trade (5.15 million)

Together, these three industries accounted for more than half (54%) of all voluntary quits in 2014.

Not surprisingly, these industries also recorded the shortest worker tenure (median length of time in a specific job) in 2014. Workers in accommodation and food services had the shortest average time on the job at 2.1 years. Retail trade had the next shortest tenure, where workers averaged 3.3 years on the job. Tied for third place are professional and business services and agricultural industries at 3.6 years. At the opposite end of the tenure spectrum are workers in the utilities industry (9.2 years). The figure on page 3 has more detailed information.

### Turnover is Expensive

While more voluntary quits signal a stronger labor market, higher worker turnover imposes greater costs on a company. *Inc.* magazine

lists the following categories of 'invisible' costs due to employee turnover:

- Lowered productivity while a position is vacant
- Overworked remaining staff
- Lost knowledge
- Training costs
- Interviewing and recruiting costs

The JOLTS program does not collect data on the cost of employee turnover. However, the Center for American Progress estimates the average cost to replace an employee earning less than \$50,000 is 20% of their yearly salary. The Society for Human Resource Management reports it can cost a company

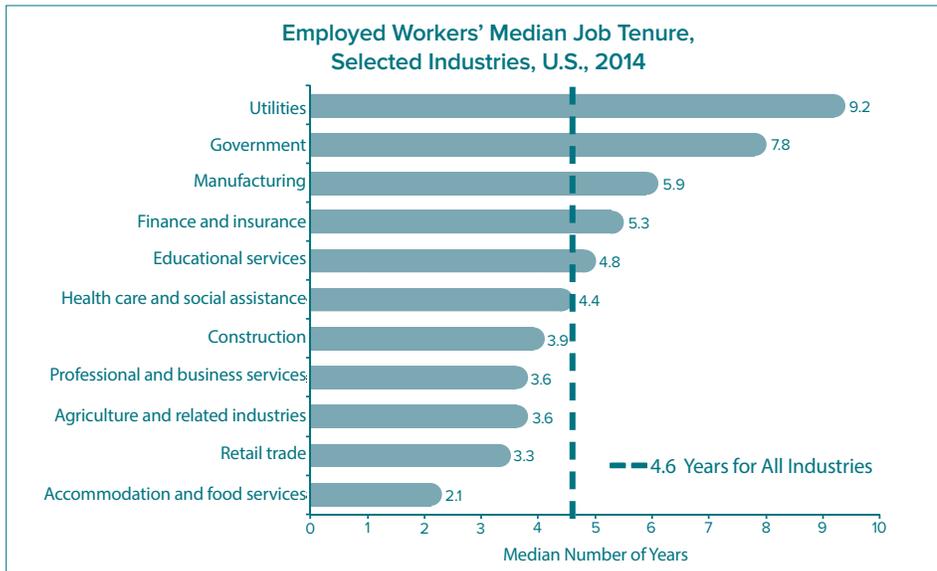
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## Unemployment Rates in New York State

Data Not Seasonally Adjusted

	FEB '14	FEB '15		FEB '14	FEB '15		FEB '14	FEB '15
<b>New York State</b>	<b>7.5</b>	<b>6.4</b>	<b>Hudson Valley</b>	<b>6.3</b>	<b>5.3</b>	<b>Finger Lakes</b>	<b>7.0</b>	<b>6.1</b>
<b>Capital</b>	<b>6.3</b>	<b>5.3</b>	Dutchess	6.4	5.3	Genesee	7.3	6.6
Albany	5.7	4.8	Orange	6.5	5.4	Livingston	7.3	6.5
Columbia	6.1	5.1	Putnam	5.8	4.9	Monroe	6.6	5.8
Greene	8.3	6.8	Rockland	6.0	5.1	Ontario	6.7	6.0
Rensselaer	6.5	5.5	Sullivan	8.6	7.0	Orleans	9.6	7.8
Saratoga	5.8	4.9	Ulster	7.0	5.8	Seneca	7.3	6.7
Schenectady	6.3	5.3	Westchester	6.0	5.2	Wayne	7.8	6.8
Warren	8.7	7.3	<b>Mohawk Valley</b>	<b>8.1</b>	<b>7.1</b>	Wyoming	9.1	8.0
Washington	8.0	6.7	Fulton	9.5	7.9	Yates	7.4	6.5
<b>Central New York</b>	<b>7.4</b>	<b>6.4</b>	Herkimer	8.7	8.3	<b>Western New York</b>	<b>7.6</b>	<b>6.5</b>
Cayuga	7.7	6.6	Montgomery	9.4	8.3	Allegany	7.7	6.7
Cortland	8.2	7.2	Oneida	7.4	6.3	Cattaraugus	8.5	7.2
Madison	8.0	7.2	Otsego	7.4	6.8	Chautauqua	8.3	7.2
Onondaga	6.5	5.6	Schoharie	8.8	7.4	Erie	7.2	6.1
Oswego	9.9	8.7	<b>North Country</b>	<b>9.2</b>	<b>8.1</b>	Niagara	8.6	7.5
<b>Southern Tier</b>	<b>7.4</b>	<b>6.5</b>	Clinton	8.1	6.8	<b>Long Island</b>	<b>6.1</b>	<b>5.2</b>
Broome	8.0	6.9	Essex	9.0	7.7	Nassau	5.6	4.8
Chemung	7.7	6.5	Franklin	9.0	7.9	Suffolk	6.5	5.6
Chenango	7.7	6.9	Hamilton	10.9	9.2	<b>New York City</b>	<b>8.5</b>	<b>7.2</b>
Delaware	8.1	7.3	Jefferson	9.9	8.7	Bronx	11.4	9.8
Schuyler	9.1	8.4	Lewis	10.3	9.6	Kings	9.0	7.4
Steuben	8.5	7.5	St. Lawrence	9.3	8.4	New York	7.0	6.0
Tioga	7.7	6.6				Queens	7.5	6.4
Tompkins	4.9	4.3				Richmond	8.4	7.2

**More Workers Quit...** from page 2



more than \$3,000 just to hire one worker, with larger organizations experiencing greater per-worker hiring costs.

**Firms Use Tech to Predict Worker Quits**

Given the high cost of employee turnover, it is no surprise that personnel departments at some companies now use software that warns managers when an employee might be ready to leave. This warning lets managers step in before the employee quits.

Some factors that computer algorithms review to find 'flight risks' include:

- Employee tenure with the company
- Promotions
- Regional cost of living
- Workforce demand for certain skills
- Performance reviews
- Employee satisfaction surveys

The computer recognizes patterns, so the

accuracy of the software's recommendations improves over time due to 'machine learning.' Firms give the computer past worker-retention predictions, which helps the software package to further 'learn' and improve its accuracy.

**Summary**

As the U.S. economy continues to improve and the labor market tightens, the number of voluntary employee quits grows. However, higher employee turnover imposes greater costs on the affected companies. In response, many firms now use sophisticated software to help them predict which employees might leave the company.

*by Kevin Jack*

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## REGIONAL ANALYSTS' CORNER

### CAPITAL

**James Ross — 518-462-7600**

The Capital Region's private sector job count grew by 6,900, or 1.7 percent, to 417,900 for the year ending February 2015. The largest gains were in educational and health services (+2,500), trade, transportation and utilities (+2,000), natural resources, mining and construction (+1,000), manufacturing (+900) and financial activities (+600). Losses were centered in information (-600).

### CENTRAL NY

**Karen Knapik-Scalzo — 315-479-3391**

For the 12-month period ending February 2015, the private sector job count in the Syracuse metro area rose by 1,200, or 0.5 percent, to 258,400. Growth was concentrated in trade, transportation and utilities (+1,600), leisure and hospitality (+800), professional and business services (+400) and manufacturing (+300). Losses were centered in educational and health services (-1,400).

### FINGER LAKES

**Tammy Marino — 585-258-8870**

Private sector jobs in the Rochester metro area increased over the year by 3,400, or 0.8 percent, to 441,000 in February 2015. Gains were concentrated in educational and health services (+2,300), professional and business services (+900), construction (+600) and financial activities (+500). Job losses were greatest in leisure and hospitality (-1,100).

### HUDSON VALLEY

**John Nelson — 914-997-8798**

For the 12-month period ending February 2015, private sector jobs in the Hudson Valley increased by 9,000, or 1.2 percent, to 742,500. Growth was strongest in educational and health services (+6,400), professional and business services (+2,000), natural resources, mining and construction (+1,700) and other services (+1,600). Losses were greatest in manufacturing (-900) and information (-700).

### LONG ISLAND

**Shital Patel — 516-934-8533**

Private sector employment rose 14,500, or 1.4 percent, to 1,068,200 over the 12 months ending in February 2015. Job gains were concentrated in educational and health services (+6,100), professional and business services (+3,900), trade, transportation and utilities (+3,900) and leisure and hospitality (+2,100). Losses were largest in information (-1,100) and manufacturing (-1,100).

### MOHAWK VALLEY

**Mark Barbano — 315-793-2282**

For the 12-month period ending February 2015, private sector jobs in the Mohawk Valley increased by 1,300, or 0.9 percent, to 144,200. Gains were greatest in educational and health services (+600), natural resources, mining and construction (+400), financial activities (+200) and information (+200). Losses were centered in professional and business services (-300).

### NEW YORK CITY

**James Brown — 212-775-3330**

Private sector employment in New York City rose by 102,500, or 2.9 percent, to 3,584,400 for the 12-month period ending February 2015. Growth was strongest in educational and health services (+31,500), professional and business services (+26,100), leisure and hospitality (+14,800), trade, transportation and utilities (+13,600) and financial activities (+9,300). Losses were focused in manufacturing (-1,700).

### NORTH COUNTRY

**Alan Beideck — 518-523-7157**

For the 12-month period ending February 2015, private sector employment in the North Country rose by 600, or 0.6 percent, to 109,600. Employment gains were centered in educational and health services (+500).

### SOUTHERN TIER

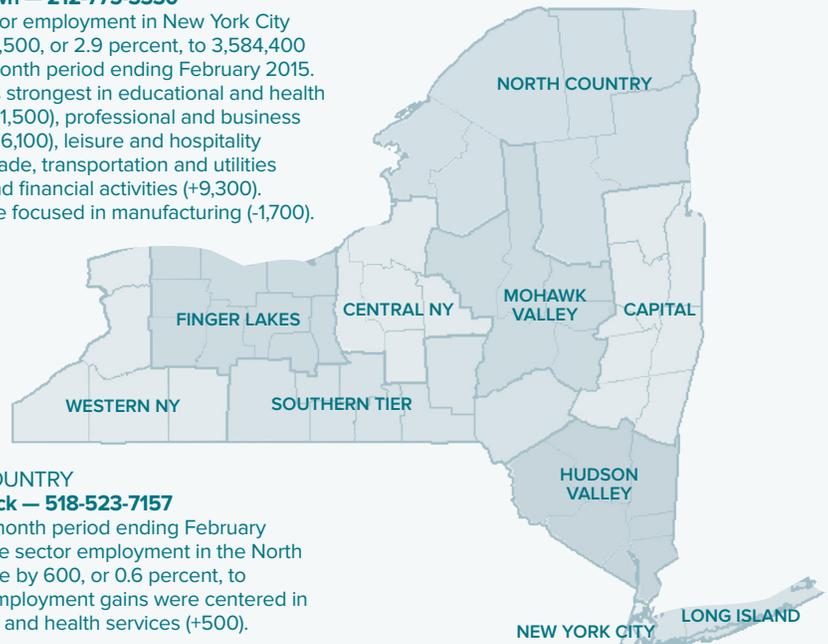
**Christian Harris — 607-741-4485**

Over the past year, private sector jobs in the Southern Tier rose by 700, or 0.3 percent, to 231,800 in February 2015. Job gains were largest in professional and business services (+500), leisure and hospitality (+400), other services (+400) and trade, transportation and utilities (+400). Job losses were centered in educational and health services (-700).

### WESTERN NY

**John Slenker — 716-851-2742**

The private sector job count in the Buffalo-Niagara Falls metro area increased by 9,100, or 2.0 percent, to 460,400 over the 12 months ending February 2015. Job gains were centered in leisure and hospitality (+3,100), professional and business services (+2,200), trade, transportation and utilities (+1,900) and natural resources, mining and construction (+1,500). Losses were greatest in manufacturing (-1,100).



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