

EMPLOYMENT in New York State

George E. Pataki, Governor

April 2004

Linda Angello, Commissioner

More than 218,000 Degrees Conferred in 2001-02...

College and University Degrees Conferred in NYS

New York State has one of the most highly educated workforces in the country. Among residents 25 years and older, 11.8 percent of New Yorkers held an advanced degree (higher than bachelor's) in 2000, ranking New York fourth among all states, according to the U.S. Census Bureau. Similarly, 27.4 percent of New York residents 25 and up had a bachelor's degree or higher in 2000, ranking the state tenth in the nation.

One of the state's most valuable competitive assets, its highly-skilled, highly educated workforce is, in large part, reflective of New York's vast network of

public and private colleges and universities. With fields of study ranging from Accounting to Zoology, New York's post-secondary institutions conferred more than 218,000 degrees during the 2001-02 academic year (latest available data), ranking it second only to California in total number of degrees awarded.

In terms of level of degrees conferred by New York educational institutions, bachelor's degrees accounted for 47%, associate 24%, master's 23%, first-professional (e.g., M.D., J.D.) 4%, and doctoral 2%. A majority (54%) of degrees conferred (across all degree levels) in New

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At a Glance

In February 2004, New York's seasonally adjusted unemployment rate was 6.3 percent, down from 6.6 percent in January. (The nation's unemployment rate was 5.6 percent in February.) In February 2004, the state had 8,418,900 nonfarm jobs, including 6,934,100 private sector jobs, after seasonal adjustment. The number of private sector jobs in the state increased by less than 0.1 percent from January. (The nation's private sector job count was unchanged over the month.) From February 2003 to February 2004, the number of private sector jobs increased by 0.2 percent in the state and increased by 0.2 percent in the nation (not seasonally adjusted). In addition, New York's employment-population ratio, a measure of labor force participation, decreased slightly in February.

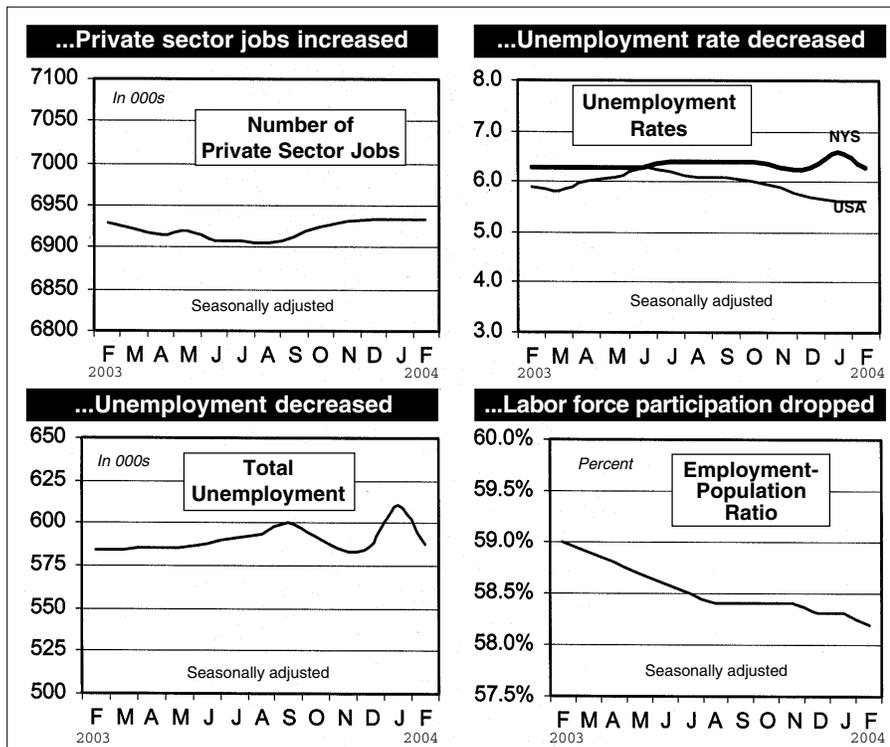
Change in Nonfarm Jobs

Feb. 2003 - Feb. 2004

(Data not seasonally adjusted, numbers in thousands)

	Net	%
Total Nonfarm Jobs	9.6	0.1%
Private Sector	16.3	0.2%
Goods-producing	-27.4	-3.0%
Nat. res. & mining	0.1	2.3%
Construction	-0.8	-0.3%
Manufacturing	-26.7	-4.3%
Durable gds.	-12.4	-3.5%
Nondurable gds.	-14.3	-5.4%
Service-providing	37.0	0.5%
Trade, trans., & util.	3.2	0.2%
Wholesale trade	-2.4	-0.7%
Retail trade	9.8	1.2%
Trans., whrs., & util.	-4.2	-1.6%
Information	-7.4	-2.6%
Financial activities	5.5	0.8%
Prof. & bus. svcs.	6.3	0.6%
Educ. & health svcs.	28.4	1.9%
Leisure & hospitality	8.8	1.5%
Other services	-1.1	-0.3%
Government	-6.7	-0.4%

IN FEBRUARY...



Focus on Western New York

Region Poised for Rebound

by John Slenker, Labor Market Analyst - Western New York

Educational and health services, financial activities, and Seneca Indian Nation businesses led a broad array of job-gaining industry sectors in the Western New York region over the February 2003-February 2004 period. The region can point to several positive developments in the past year. To begin, job gains brightened prospects in a variety of industries. The region's total nonfarm job count only dipped 1,300, or 0.2 percent, to 644,700 from February 2003 to February 2004. Furthermore, employment losses were largely confined to the manufacturing sector.

Industry Analysis

Although government had (+1500) the largest recorded growth for the year, the increase stemmed from an industry reclassification rather than actual job growth. Recent changes to the federal industrial classification system changed the category of certain Indian Nation business establishments, including the Seneca Nation's casino in Niagara Falls, from the private sector to the local government sector. Given the casino's expansion this year (published reports put current employment at 2,000-2,500), this shift boosted the area's government employment figures. With plans underway for two more Seneca casinos in Erie and Cattaraugus counties, government employment should continue to climb.

The educational and health services (+1300) supersector enjoyed strong and



"The Western New York economy continues to grow in various sectors. A leading example of that is GEICO, which has energized this community."

*Samuel J. Drago,
Regional Administrator
Western Region*

genuine over-the-year growth in Western New York. Among the more notable developments was the opening of the Center for Excellence in Bioinformatics in Buffalo. The Center is a collaboration among the University at Buffalo, Roswell Park Cancer Institute, and firms from all over the world, including India-based information technology giant Tata Consultancy Services. The Center will develop products from laboratory research based on the human genome project. With construction already underway on a \$110 million Life Science Complex at the facility, the ultimate impact of this project could be enormous.

In the region's financial sector (+1200), the property/casualty insurer GEICO —

the fifth largest private-passenger auto insurance company in the U.S. — provided the biggest news by selecting Amherst (Erie County) for one of its five U.S. service centers. When this center is fully operational, it will employ over 2,500 workers. Moreover, GEICO is not the only firm in this sector with encouraging reports: Bank of America added 350 workers; M&T Bank added 275; property/casualty insurance company OneBeacon added 130; and Lockport-based bank-holding company First Niagara has moved rapidly into new markets. It has 68 branches in a network that spans from Buffalo to Albany. Lastly, health plan provider Definity Health Corp. recently acquired North American Health Plans, which has a claims processing/customer service center in Buffalo with 240 employees. Definity is currently weighing whether to set up a customer service center in the region that would employ 600 workers.

Although Western New York has suffered a drop in manufacturing jobs (-4500) during the recent national economic slowdown, its losses have been in line with those endured by the country as a whole. In previous recessions, the region's manufacturing declines were far steeper than the national average. Moreover, the closings and layoffs have been somewhat offset by considerable and prominent

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Nanotech Magazine Gives NY Highest Rating Ever

The March/April issue of *Small Times* magazine—a leading business publication for small high-tech companies—reports that New York State has moved up to fourth in the nation in the development of nanotechnology; its strongest rating ever in the magazine's third annual survey. According to the magazine, New York gained three steps to jump to fourth place. With support from the State and corporations like IBM, New York is poised to be an industry leader due to its industry-academia partnerships, access to venture capital, highly educated workforce and policies/programs that nurture industry leaders.

The magazine noted that Governor Pataki kicked off 2004 by announcing the

creation of a college at the University of Albany to train nanotech specialists. The college will sit in the university's Center of Excellence in Nanoelectronics.

According to the magazine, New York appears to be reaping rewards from State investments. With all the activity in New York, the magazine said it was no surprise that the State jumped from seventh place in the ranking to fourth. In the magazine's survey, New York leapfrogged over its competition in four categories: research (second place); innovation (fifth place); workforce (sixth place); and industry (ninth place).

The magazine's editors cited New York's rich mix of companies focusing on nanotechnology. It also cited State-supported

research centers as key to the development of nanotechnology.

Nanotechnology involves the creation and use of objects by manipulating atoms and molecules. Currently used for materials and coatings for metals, fibers, and cosmetics, nanotechnology may have extensive uses in drug delivery, computing, communications, and national defense.

New York has initiatives to expand high technology and biotechnology business and job-creation opportunities. Since 1995, the State has fostered the growth of New York's high-tech and biotech industries by supporting the investment of more than \$1 billion in the technology business sector and world-class research laboratories and academic centers.

Unemployment Rates in New York State

Data Not Seasonally Adjusted

	FEB '03	FEB '04		FEB '03	FEB '04		FEB '03	FEB '04
New York State	6.9	6.9	Hudson Valley	4.2	4.8	Southern Tier	6.6	6.8
Capital District	4.5	4.9	Dutchess	4.3	4.7	Broome	6.5	6.5
Albany	3.7	4.1	Orange	4.6	5.4	Chemung	7.1	7.5
Columbia	4.1	4.6	Putnam	3.5	3.7	Chenango	7.5	8.4
Greene	5.3	6.2	Rockland	3.8	4.2	Delaware	6.4	6.3
Rensselaer	5.0	5.6	Sullivan	6.2	7.1	Otsego	5.8	6.7
Saratoga	4.3	4.7	Ulster	4.4	5.6	Schuyler	9.3	10.0
Schenectady	4.2	4.7	Westchester	4.2	4.6	Steuben	9.3	9.2
Warren	7.4	7.6	Mohawk Valley	6.4	7.4	Tioga	7.2	6.7
Washington	5.4	6.2	Fulton	6.5	7.3	Tompkins	3.4	3.9
Central New York	6.2	6.9	Herkimer	7.2	8.2	Western New York	6.7	7.6
Cayuga	7.2	7.8	Madison	6.7	8.1	Allegany	8.2	9.6
Cortland	8.5	9.7	Montgomery	8.4	9.3	Cattaraugus	7.4	8.9
Onondaga	5.2	5.6	Oneida	5.7	6.4	Chautauqua	6.5	7.5
Oswego	9.1	10.8	Schoharie	6.5	8.0	Erie	6.2	7.0
Finger Lakes	6.4	6.7	North Country	8.5	9.9	Niagara	8.2	9.1
Genesee	8.6	9.3	Clinton	6.6	8.0	Long Island	4.5	4.8
Livingston	7.7	8.3	Essex	7.1	7.9	Nassau	4.0	4.2
Monroe	5.5	5.8	Franklin	8.3	9.1	Suffolk	4.8	5.3
Ontario	6.9	7.2	Hamilton	9.2	10.1	New York City	9.0	8.5
Orleans	9.4	8.9	Jefferson	9.8	11.4	Bronx	11.1	11.1
Seneca	7.3	7.5	Lewis	10.4	13.4	Kings	9.9	9.2
Wayne	8.1	8.1	St. Lawrence	8.9	10.4	New York	8.9	7.8
Wyoming	8.1	10.0				Queens	7.6	7.2
Yates	5.9	5.6				Richmond	7.7	7.4

Western New York...

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investments in the region, including the Cummins engine plant in Jamestown and the General Motors Powertrain Engine Plant in Tonawanda. This last development yielded contracts with Johnson Matthey Testing and Speed Transportation to test and transport the engines, which will create 135 jobs. Sponge manufacturer O-Cel-O, a division of 3M, is investing \$28 million to upgrade its plant in Tonawanda. In Niagara County, Ascension Industries and National Vacuum Corp. made major investments and expanded their workforces. The investments made by these companies mark a tremendous turnaround in business confidence in Western New York.

Summary

Despite reports of manufacturing layoffs and closings, the Western New York region remains a large, vibrant economy, with more than 1.4 million residents, annual average employment of 654,000, and total wages approaching \$20 billion. The region also has a highly educated population, positioning it to seize opportunities now that conditions are improving. In 2001-02, the region's colleges and universities conferred 18,600 degrees, of which more than 75% were at the bachelor's level or higher. Lastly, the investments exemplified by the companies listed above, and in projects such as the Bioinformatics Center, have planted the seeds from which a recovery will grow.

Degrees Conferred...

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York State are clustered in just five broad academic fields: business management and administrative services (36,500); education (26,500); liberal arts and sciences (21,500); health professions/related sciences (19,700); and social sciences/history (14,200).

New York State also confers its share of degrees in technical fields, including computer and information sciences (11,100), engineering and related technologies (9,500), biological and life sciences (4,600), physical sciences (2,000) and mathematics (1,500). Collectively, these technical fields account for 13% of all degrees conferred in New York.

Looking at degrees data by specialization rather than broad academic field

provides greater insight. The table presents the five most popular specializations at the associate, bachelor's and master's degree levels.

The number of degrees conferred in New York climbed by 18% between 1989-90 and 2001-02, as a large portion of Generation Y (those born from 1977 to 1994) reached college age and many older adults sought to continue their education. Looking ahead, college enrollments in New York are projected to rise until 2012, according to the latest data from the State Education Department. Over the 2003-2013 period, total enrollment in degree-credit programs at colleges and universities in the state is expected to increase by 5.6%.

by Kevin Jack

Specializations with Most Degrees Conferred, New York State, 2001-02

Level/Specialization	Number
Associate Degrees	
Liberal Arts and Science/Lib. Studies	9,200
Business Admin. & Mgmt., General	5,600
Humanities/Humanistic Studies	4,700
Nursing (R.N. Training)	4,100
Admin. Assistant/Secretarial Science	1,500
Bachelor's Degrees	
Psychology, General	6,600
Business Admin. & Mgmt., General	6,200
Liberal Arts and Science/Lib. Studies	4,900
Computer and Info. Science, General	3,500
Accounting	3,300
Master's Degrees	
Business Admin. & Mgmt., General	5,300
Elementary Teacher Education	3,800
Social Work	2,600
Reading Teacher Education	2,100
Special Education, General	2,100

Source: IPEDS database, National Center for Education Statistics

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REGIONAL ANALYSTS' CORNER

FINGER LAKES WILLIAM RAMAGE 585-258-8870

Private sector employment in the Finger Lakes region declined 600, or 0.1 percent, over the year to 457,000. Employment gains in educational and health services (+1,800), financial activities (+1,100), and leisure and hospitality (+1,000) were overshadowed by losses in manufacturing (-5,300).

CENTRAL NY ROGER EVANS 315-479-3388

The Syracuse area's private sector job count rose by 2,100, or 0.8 percent, to 277,300 over the 12 months ending in February 2004. Job gains were centered in professional and business services, leisure and hospitality, and educational and health services, while manufacturing employment fell 1,400 over the year.

MOHAWK VALLEY MARK BARBANO 315-793-2282

The total nonfarm job count in the Utica area rose over the year by 100, or 0.1 percent, to 129,300 in February 2004. Sectors adding jobs included government (+500), which grew due to expansion at the Oneida Indian Nation's enterprises, and educational and health services (+400). On the negative side, manufacturing dipped 700.

NORTH COUNTRY ALAN BEIDECK 518-891-6680

The North Country private sector job count rose over the year by 1,400, or 1.3 percent, to 109,500 in February 2004. Despite some recent cuts in manufacturing, the private sector job count is expected to remain at near-record levels due to continuing growth in retail trade and educational and health services.

CAPITAL DISTRICT JAMES ROSS 518-462-7600

Private sector employment in the Albany area increased over the year by 4,100 or 1.2 percent, to 342,300 in February 2004. Gains were greatest in professional and business services (+900), financial activities (+800), leisure and hospitality (+800), and natural resources, mining and construction (+800).

HUDSON VALLEY SEAN MacDONALD 914-997-8798

Private sector employment increased 11,200, or 1.6 percent, over the year to 722,100 in February 2004. Job gains were greatest in trade, transportation and utilities (+3,400), educational and health services (+2,900), and professional and business services (+2,500). Information (-1,500) and manufacturing (-800) declined over the year.

WESTERN NY JOHN SLENKER 716-851-2742

The Buffalo-Niagara Falls area's private sector job count declined over the year by 3,800, or 0.9 percent, to 438,100 in February 2004. Gains in financial activities (+1,000) and educational and health services (+500) were overshadowed by cuts in manufacturing (-3,300) and natural resources, mining and construction (-1,100).

SOUTHERN TIER JOSEPH KOZLOWSKI 607-741-4485

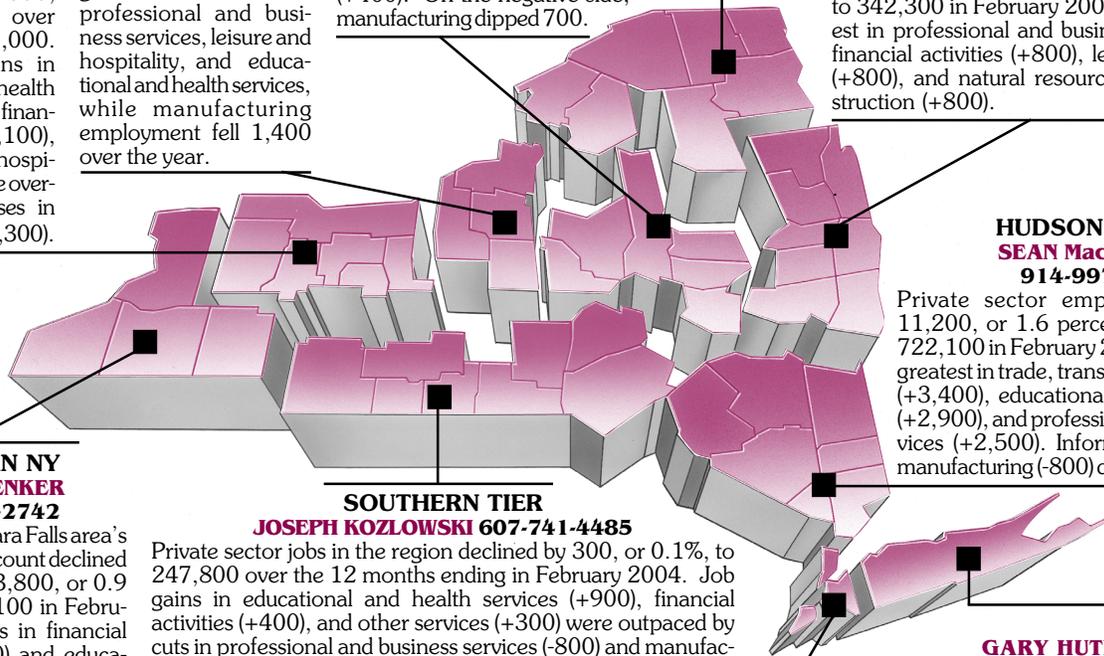
Private sector jobs in the region declined by 300, or 0.1%, to 247,800 over the 12 months ending in February 2004. Job gains in educational and health services (+900), financial activities (+400), and other services (+300) were outpaced by cuts in professional and business services (-800) and manufacturing (-700).

NEW YORK CITY JAMES BROWN 212-352-6698

Private sector employment in New York City was essentially flat, climbing just 400 for the 12-month period ending in February 2004. However, a look at the individual sectors finds five growing sectors that added 23,300 jobs, while four sectors lost 22,900 jobs. More importantly, the number of sectors adding jobs has been climbing in recent months, suggesting that jobseekers should see a more positive job market in 2004.

LONG ISLAND GARY HUTH 516-934-8533

Private sector employment increased over the year by 8,700, or 0.9 percent, to 997,800 in February 2004. Educational and health services (+3,600), trade, transportation and utilities (+3,100), and leisure and hospitality (+2,400) added the most jobs. Manufacturing (-2,900) and information (-2,000) had over the year job losses.



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