

Employment

IN NEW YORK STATE

Andrew M. Cuomo, Governor
Peter M. Rivera, Commissioner

At a Glance

In September 2013, New York's seasonally adjusted unemployment rate remained unchanged at 7.6%. The nation's unemployment rate was 7.2% in September 2013. New York State had 8,924,600 nonfarm jobs in September 2013, including 7,481,100 private sector jobs, after seasonal adjustment. The number of seasonally adjusted private sector jobs in the state increased by 0.3% in August-September 2013, while those in the nation increased by 0.1%. From September 2012 to September 2013, the number of private sector jobs increased by 1.4% in the state and 2.0% in the nation (not seasonally adjusted). New York's Index of Coincident Economic Indicators increased at an annual rate of 0.8% in September 2013.

Change in Nonfarm Jobs

September 2012 - September 2013
(Data not seasonally adjusted, net change in thousands)

	Net	%
Total Nonfarm Jobs	93.7	1.1
Private Sector	106.9	1.4
Goods-producing	-1.3	-0.2
Nat. res. & mining	-0.3	-5.3
Construction	11.7	3.6
Manufacturing	-12.7	-2.8
Durable gds.	-7.8	-2.9
Nondurable gds.	-4.9	-2.5
Service-providing	95.0	1.2
Trade, trans. & util.	22.3	1.5
Wholesale trade	-0.5	-0.1
Retail trade	18.3	2.0
Trans., wrhs. & util.	4.5	1.7
Information	-2.6	-1.0
Financial activities	-2.0	-0.3
Prof. & bus. svcs.	22.4	1.9
Educ. & health svcs.	43.3	2.5
Leisure & hospitality	22.5	2.7
Other services	2.3	0.6
Government	-13.2	-0.9

Local Craft Brewers Tap into Growing Demand...

Booming Craft Beer Industry Boosts the NYS Economy

"The stage is set for tremendous growth not only for craft breweries in NYS, but all that goes into craft beer production. We anticipate growth in many sectors of the industry including hops farming and processing, barley farming and malting, agritourism, packaging, shipping and distribution, to name a few. This growth will lead to the creation of new jobs in NYS."

David Katleski, President
New York State Brewers Association

Today, craft beer is big business in New York State and around the country. There are now more than 2,500 breweries operating in the U.S. -- the most since the 1870s -- with another 1,500 in the planning stage. Most of these beer makers are "craft brewers." This means

they are independent (ownership by a non-craft brewer must be less than 25%), small (produce less than 6 million barrels/year) and traditional (brew mostly with barley malts, not corn or rice). Note: A barrel is 31 gallons.

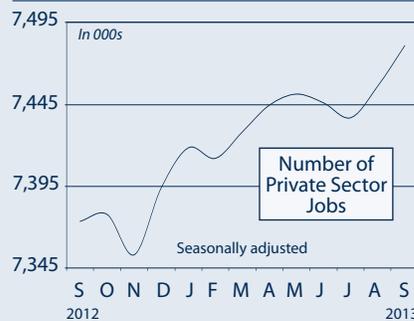
In recent years, craft brewers have become the driving force in the U.S. brewing industry. From 2007 to 2012, craft beer production in the U.S. grew by 10.7% per year. In contrast, total beer production in the U.S. fell slightly during that time. Sales of craft beer made up 10.2% of the \$99 billion U.S. beer market in 2012, according to the Brewers Association, a Colorado-based trade group.

New York State has long been a leader in the

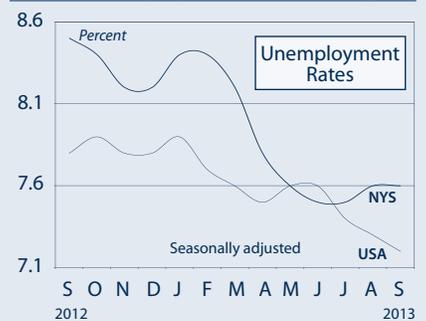
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IN SEPTEMBER...

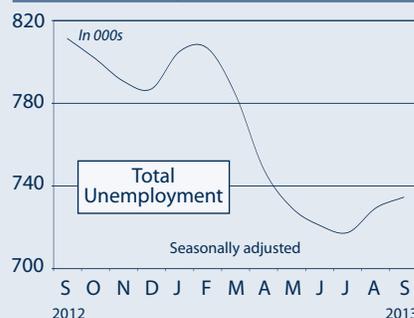
...NYS private sector jobs increased



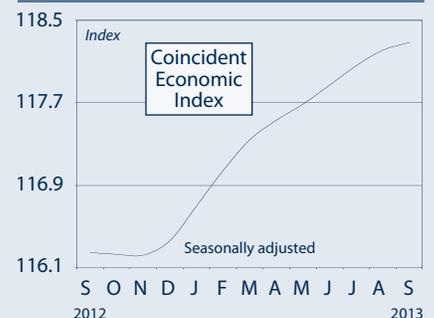
...NYS unemployment rate unchanged



...NYS unemployment increased



...NYS economic index increased



Focus on New York City

NYC's Labor Market Enjoys Broad-based Job Growth
by Elena Volovelsky, Labor Market Analyst, New York City

New York City's labor market continued to strengthen in 2012, with its private sector job count growing by 84,600, or 2.6%, to 3,332,000, a record high. Job growth was broad-based, with most sectors in the city adding jobs between 2011 and 2012.

The professional and business services sector, which includes 620,000 people working in everything from accounting offices to building security firms, showed robust job gains of 21,700 in 2012. Since the start of the city's recovery from the recession, this sector has emerged as an engine of growth, adding jobs at a healthy clip in each of the past three years. It has continued to grow rapidly in 2013. Of special note within this sector are the computer systems design and advertising industries, which set all-time employment highs last year and are on track to repeat this in 2013.

Strength in tourism and continued growth in business travel helped the city's leisure and hospitality sector boost its job count by 20,900, or 6.1%, to 363,100, an all-time high. Several positive developments contributed to industry expansion, including a number of new hotel openings, especially in Brooklyn and the Long Island City portion of Queens, and a surge in restaurant and bar openings. The city's vibrant food services and drinking places industry contributed more than 14,000 jobs to overall sector growth.

The educational and health services sector is the city's largest private employer, accounting for

about one in four private sector jobs. Employment in this sector, which increased by 15,900 in 2012, tends to grow at a moderate but steady pace. It is largely driven by long-term demographic trends, such as an aging population. Several smaller New York City hospitals experienced serious financial difficulties and came to the brink of closure in 2012. This development plus the impact of Hurricane Sandy caused the hospital job count to flatten out last year. However, hiring at hospitals has picked up at a brisk pace in 2013.

The trade, transportation and utilities sector registered a jobs increase of 13,000. Gains were centered in retail trade (+11,900), which benefited from the continued influx of national retailers and the greater number of tourists visiting the city. In 2012, retailers employed more than 325,000 and represented almost 10% of the city's private sector workforce.

Buoyed by rising advertising expenditures and continued expansion in motion picture and sound recording, employment in the information sector rose by 5,700 in 2012. Home to most major television networks, a number of cable TV services, large magazine publishers and some fledgling social media firms, the city's economy benefits when businesses increase their advertising budgets. Among advertising-dependent industries, radio and television broadcasting exhibited rapid growth, rising by 4.9%, while jobs in motion picture and sound recording climbed by 2.3% in 2012.



"New York City's labor market continued to strengthen, with most sectors in the city adding jobs between 2011 and 2012."

Natural resources, mining and construction has been slower to recover than most other sectors in the city. After suffering three consecutive annual employment decreases in 2009-2011, the sector's job count bounced back in 2012. As the city's residential building activity picked up in 2012, construction employment also increased, growing by 2,700. During the first eight months of 2013, construction activity is running 2,900 jobs above the same period last year.

Employment growth in financial activities was lackluster in 2012. The city's pivotal securities and commodity contracts industry, which has an average annual salary of \$360,700, saw its employment count decline by 1.5% to 166,800 in 2012.

Summary

Over the last three years, New York City's labor market has staged an impressive recovery from the last recession. Now in the fourth year of expansion, the city's private sector job count is at an all-time high and is poised for above-average job gains, with robust job creation across a broad spectrum of industry sectors. ■

Booming Craft Beer... from page 1

craft brewing movement. Utica-based F.X. Matt Brewing Co., makers of the premium Saranac line of craft beers, recently celebrated its 125th anniversary. Further, David Katleski, President of the New York State Brewers Association, received the national Brewers Association's top honor this year for his role in the growth of the state's craft beer industry over the past decade.

What's Brewing in NYS?

Brewing is important to the New York State economy. It is part of the broader wine, beer and spirits sector, which has an annual total economic impact of over \$22 billion in New York State. The National Beer Wholesalers Association reports that the state's brewers directly employ more than 2,200 New Yorkers -- many of them in the craft industry -- and pay over \$181 million in wages.

In 2012, the Empire State ranked 6th in the U.S. in craft beer production and 7th in the number of craft breweries. Four New York beer makers ranked among the nation's 50 largest craft brewers in 2012:

- F.X. Matt Brewing Co. (#8)
- Brooklyn Brewery (#11)
- Blue Point Brewing Co. (#36)
- Southern Tier Brewing Co. (#37)

The chart on page 3 lists the nine biggest craft brewers in New York based on 2012 production levels. Despite a great diversity in the number of craft brewers in New York, production is rather concentrated. The two largest beer makers together account for more than 50% of the craft beer market in New York, while the nine largest brewers produce more than 80% of craft output.

New York State craft brewers are increasingly recognized for the high quality of their beer. The 32nd annual Great American Beer Festival held recently in Denver, Colorado attracted more than 600 U.S. brewers. Of the 21 New York breweries that took part, seven won gold, silver and bronze medals.

Brewing Landscape Evolves

Recent law changes should help grow and expand the craft beer industry in New York State. For example, the new "Farm Brewery" license allows craft brewers that use a minimum percentage of New York-grown ingredients (now set at 20%) to expand their operations. They can open restaurants or sell their products at events such as farmers markets. The license also exempts breweries that produce small batches of beer

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Unemployment Rates in New York State

Data Not Seasonally Adjusted

	SEP '12	SEP '13		SEP '12	SEP '13		SEP '12	SEP '13
New York State	8.1	7.4	Hudson Valley	7.5	6.5	Finger Lakes	7.7	6.8
Capital	7.3	6.3	Dutchess	7.8	6.6	Genesee	7.2	6.0
Albany	7.3	6.2	Orange	8.1	7.2	Livingston	7.0	6.3
Columbia	7.1	6.1	Putnam	6.6	5.7	Monroe	8.0	7.2
Greene	8.8	7.5	Rockland	6.7	5.9	Ontario	6.5	5.8
Rensselaer	7.3	6.5	Sullivan	9.1	8.2	Orleans	9.7	7.7
Saratoga	6.7	5.6	Ulster	8.5	7.4	Seneca	7.3	6.0
Schenectady	7.8	6.9	Westchester	7.2	6.2	Wayne	7.7	6.4
Warren	7.4	6.4	Mohawk Valley	8.4	7.4	Wyoming	7.5	6.6
Washington	7.4	6.3	Fulton	10.4	8.6	Yates	6.4	5.3
Central New York	8.1	7.2	Herkimer	7.9	7.0	Western New York	8.1	7.2
Cayuga	7.3	6.5	Montgomery	9.7	8.5	Allegany	7.5	7.0
Cortland	7.7	7.1	Oneida	8.2	7.5	Cattaraugus	8.2	7.6
Madison	7.6	6.9	Otsego	6.9	6.1	Chautauqua	8.0	7.5
Onondaga	8.0	6.9	Schoharie	7.7	6.8	Erie	8.1	7.2
Oswego	9.3	8.7	North Country	8.9	8.2	Niagara	8.2	7.1
Southern Tier	7.9	7.0	Clinton	9.0	7.8	Long Island	7.1	6.0
Broome	8.4	7.6	Essex	8.8	7.4	Nassau	6.9	5.9
Chemung	8.6	7.8	Franklin	8.8	8.2	Suffolk	7.3	6.2
Chenango	7.6	6.3	Hamilton	6.3	5.0	New York City	8.8	8.5
Delaware	7.9	7.4	Jefferson	8.9	8.7	Bronx	12.0	11.6
Schuyler	7.6	6.5	Lewis	8.5	8.4	Kings	9.4	9.2
Steuben	9.4	8.2	St. Lawrence	9.3	8.5	New York	7.5	7.1
Tioga	8.2	7.1				Queens	7.7	7.5
Tompkins	5.6	4.9				Richmond	7.9	7.3

Booming Craft Beer... from page 2

from paying a small annual labeling fee. As of mid-November 2013, there were 19 newly-licensed farm breweries in New York State.

An expanding craft industry is also good news for New York's agricultural sector, as brewers

continue to buy more crops from farmers. For example, hops acreage in the state has doubled in the past year, according to Cornell Cooperative Extension. It is estimated that New York State growers have invested more than \$2 million in hops production over the last two years.

Brewers are also an emerging segment of the state's tourism industry (New York's 5th largest source of jobs). Attractions such as Cooperstown's "beverage trail" aid this growth. Founded in 2004, the trail had more than 20,000 visitors last year. It includes three breweries, two wineries and a cider mill.

What's Driving Growth?

Industry analysts cite a number of factors for craft beer's rapid growth in recent years. Changing consumer preferences, especially rising demand for the full-flavored beers made by craft brewers, play a role. Craft brewers also have developed creative tie-ins with popular culture to boost sales. For example, Brewery Ommegang in Cooperstown and cable television network HBO collaborated to release two *Game of Thrones*-themed beers during that popular show's first three seasons. The rise of the Millennial generation (people born between the early 1980s and the early 2000s) is another factor. The Center for Culinary Development in San Francisco describes Millennials as "often wary of anything that carries the whiff of mass produc-

tion." A final factor boosting the appeal of craft beer is a growing desire to consume more local products and to support small and independent local businesses.

Summary

Craft brewing has experienced phenomenal growth in recent years, and New York State is a major player nationally in this growing industry. Innovative policies such as New York's new "Farm Brewery" license will boost the important synergies that exist between the state's brewing, agricultural and tourism industries. To plan your next outing to a craft brewery in New York State, visit www.thinknydrinkny.com. ■

by Kevin Jack

Brewery/Location	% Share of Craft Beer Production
F.X. Matt Brewing Co. (Utica, Oneida Co.)	29%
Brooklyn Brewery (Brooklyn, Kings Co.)	24%
Blue Point Brewing Co. (Patchogue, Suffolk Co.)	9%
Southern Tier Brewing Co. (Lakewood, Chautauqua Co.)	8%
Brewery Ommegang (Cooperstown, Otsego Co.)	4%
Sixpoint Brewery (Brooklyn, Kings Co.)	4%
Greenpoint Beer Works Inc. (Brooklyn, Kings Co.)	2%
Ithaca Beer Co. (Ithaca, Tompkins Co.)	2%
Captain Lawrence Brewing Co. (Elmsford, Westchester Co.)	2%

Source: Brewers Association

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Capital

James Ross — 518-462-7600

Over the past year, private sector jobs in the Capital Region grew by 4,100, or 1.0 percent, to 422,800 in September 2013. Employment gains were largest in educational and health services (+3,100), leisure and hospitality (+1,400) and natural resources, mining and construction (+1,300). Losses were centered in financial activities (-400), information (-400), professional and business services (-400) and trade, transportation and utilities (-400).

CENTRAL NY

Karen Knapik-Scalzo — 315-479-3391

For the 12-month period ending September 2013, the private sector job count in the Syracuse metro area rose 2,700, or 1.0 percent, to 263,400. Job growth was concentrated in educational and health services (+2,000), trade, transportation and utilities (+1,200), natural resources, mining and construction (+500) and professional and business services (+500). The largest employment losses were in leisure and hospitality (-800) and manufacturing (-600).

Finger Lakes

Tammy Marino — 585-258-8870

Private sector jobs in the Rochester metro area grew over the year by 800, or 0.2 percent, to 437,200 in September 2013. Job gains were concentrated in construction (+2,100), financial activities (+700), educational and health services (+400) and other services (+400). Employment losses were centered in manufacturing (-3,400).

HUDSON VALLEY

John Nelson — 914-997-8798

For the 12-month period ending September 2013, private sector jobs in the Hudson Valley increased by 4,800, or 0.6 percent, to 750,600. Gains were strongest in natural resources, mining and construction (+2,200), trade, transportation and utilities (+1,900), educational and health services (+1,700) and professional and business services (+1,000). Job losses were centered in manufacturing (-1,700) and information (-700).

LONG ISLAND

Shital Patel — 516-934-8533

Private sector jobs on Long Island climbed over the year by 28,100, or 2.6 percent, to 1,100,500 in September 2013. Growth was centered in natural resources, mining and construction (+7,000), educational and health services (+6,500), professional and business services (+6,400) and leisure and hospitality (+5,500). The largest decline was in manufacturing (-2,700).

MOHAWK VALLEY

Mark Barbano — 315-793-2282

For the 12-month period ending September 2013, the private sector job count in the Mohawk Valley increased by 1,600, or 1.1 percent, to 150,200. Sectors with employment growth included trade, transportation and utilities (+1,300), leisure and hospitality (+1,000) and educational and health services (+200). Losses were greatest in manufacturing (-400) and professional and business services (-200).

NEW YORK CITY

James Brown — 212-775-3330

Private sector jobs in New York City rose by 70,600, or 2.1 percent, to 3,423,800 for the 12-month period ending September 2013. Employment growth was greatest in educational and health services (+34,500), leisure and hospitality (+11,200), trade, transportation and utilities (+10,200), professional and business services (+8,400) and other services (+5,400). Losses were centered in information (-2,200) and manufacturing (-900).

SOUTHERN TIER

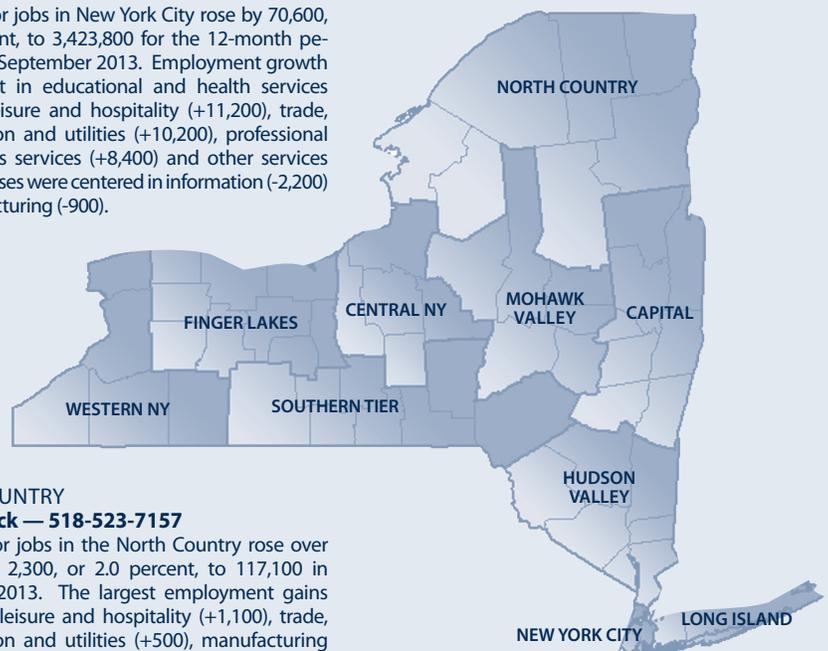
Christian Harris — 607-741-4485

Private sector jobs in the Southern Tier rose over the past year by 1,000, or 0.4 percent, to 236,600 in September 2013. Job gains were largest in leisure and hospitality (+600), natural resources, mining and construction (+500), trade, transportation and utilities (+300) and professional and business services (+200). Losses were centered in manufacturing (-400) and financial activities (-200).

WESTERN NY

John Slenker — 716-851-2742

The private sector job count in the Buffalo-Niagara Falls metro area increased by 6,300, or 1.4 percent, to 467,700 over the 12 months ending September 2013. Job gains were centered in educational and health services (+3,900), professional and business services (+2,400), financial activities (+700) and leisure and hospitality (+400). Employment losses were greatest in manufacturing (-500) and natural resources, mining and construction (-300).



NORTH COUNTRY

Alan Beideck — 518-523-7157

Private sector jobs in the North Country rose over the year by 2,300, or 2.0 percent, to 117,100 in September 2013. The largest employment gains occurred in leisure and hospitality (+1,100), trade, transportation and utilities (+500), manufacturing (+400) and other services (+300). Losses were centered in educational and health services (-200).