



FEDERAL RESERVE BANK *of* NEW YORK

# Labor Market Trends in the Region

Jaison R. Abel, Research Officer

Investing in America's Workforce: Perspectives from Western New York  
Buffalo, NY; March 27, 2017

The views expressed here are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.

# Overview

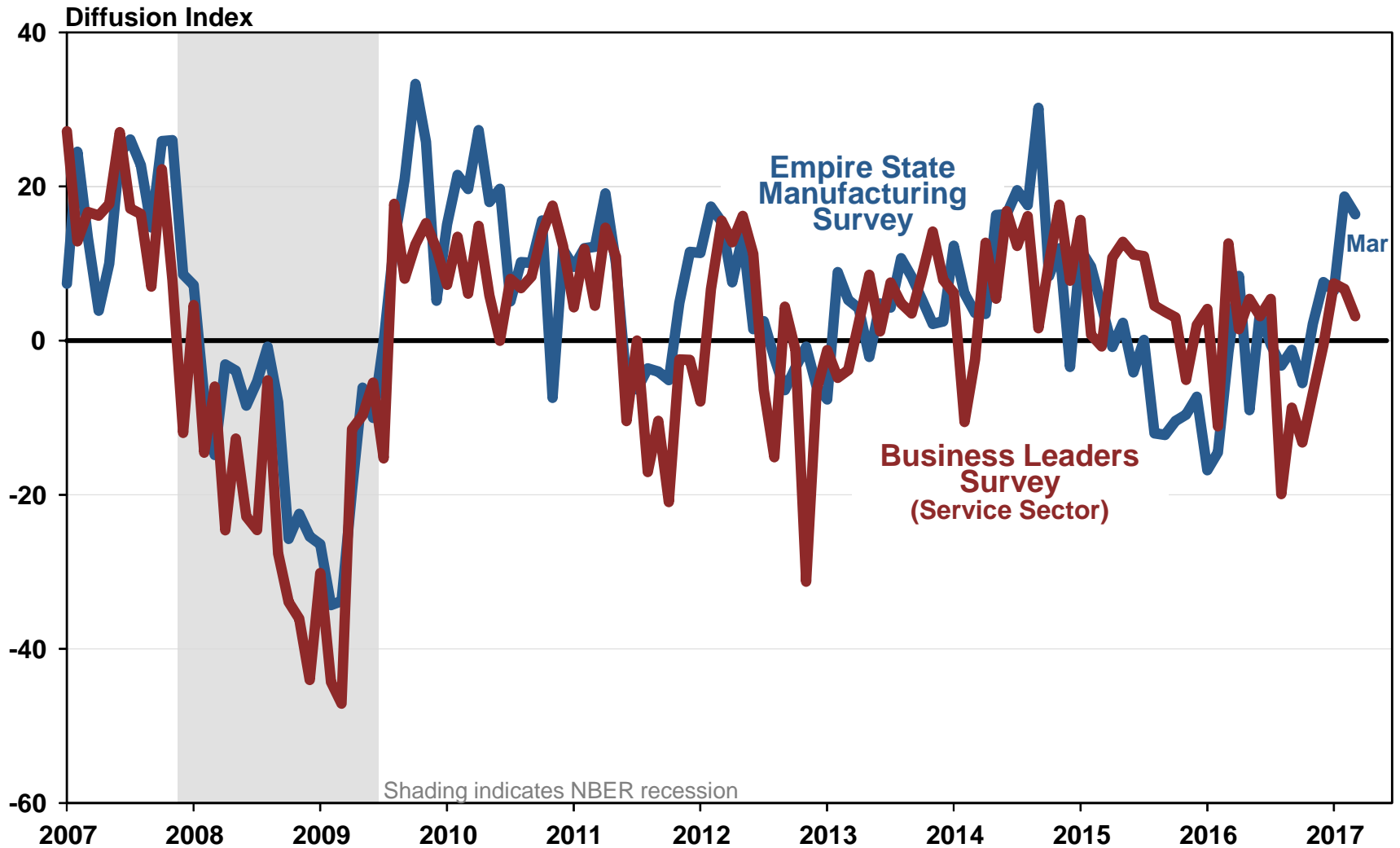
- Regional economic conditions have improved noticeably in recent months, particularly in the manufacturing sector.
- Job growth in upstate NY has been slow and steady through the expansion, with Buffalo faring better than many of its upstate peers.
- As job growth has picked up, especially in the middle of the wage distribution, businesses in the region report widespread difficulty finding workers with all types of skills.



# **Recent Economic Performance**

# Current Economic Conditions

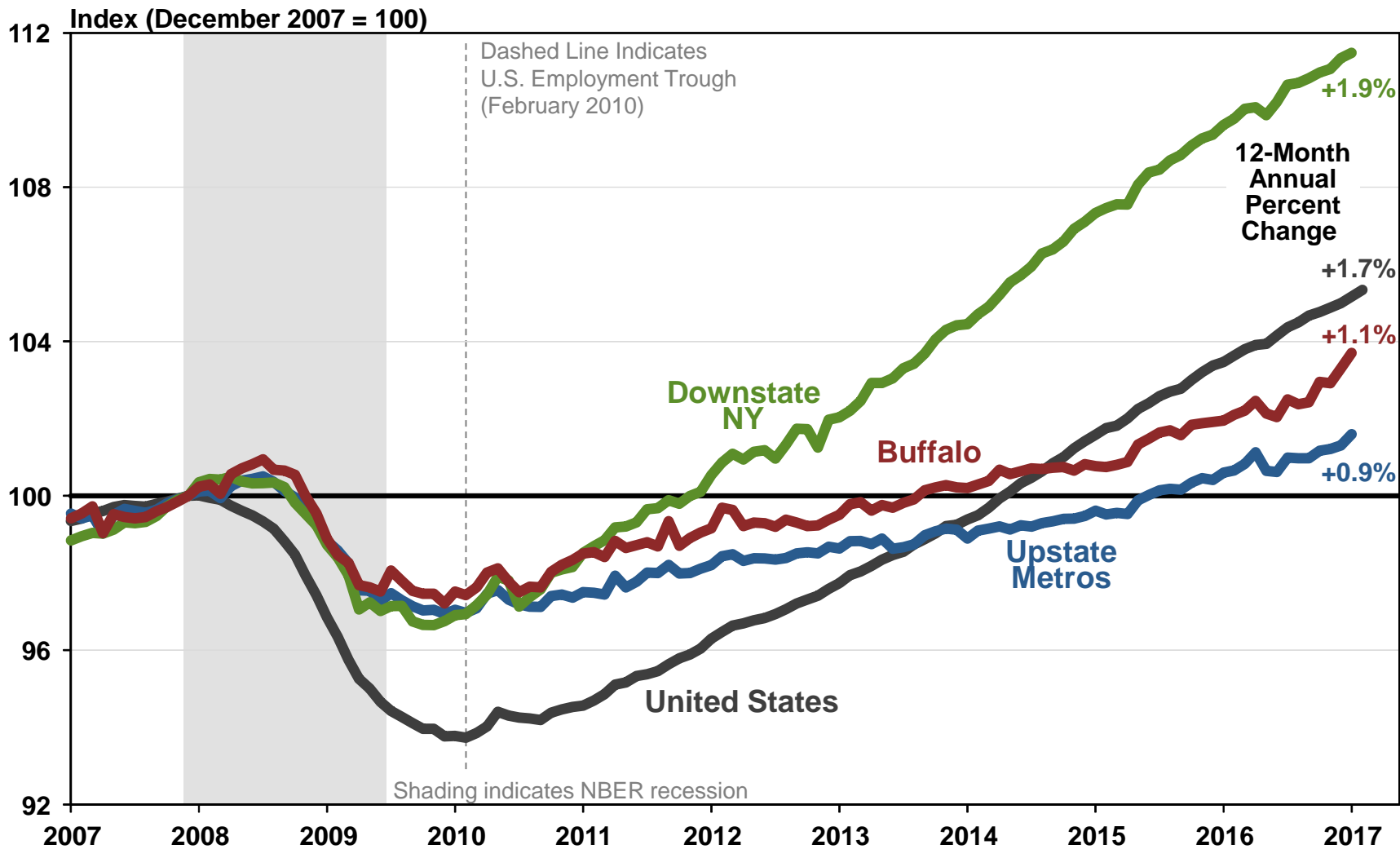
## FRBNY Regional Business Surveys



Shading indicates NBER recession

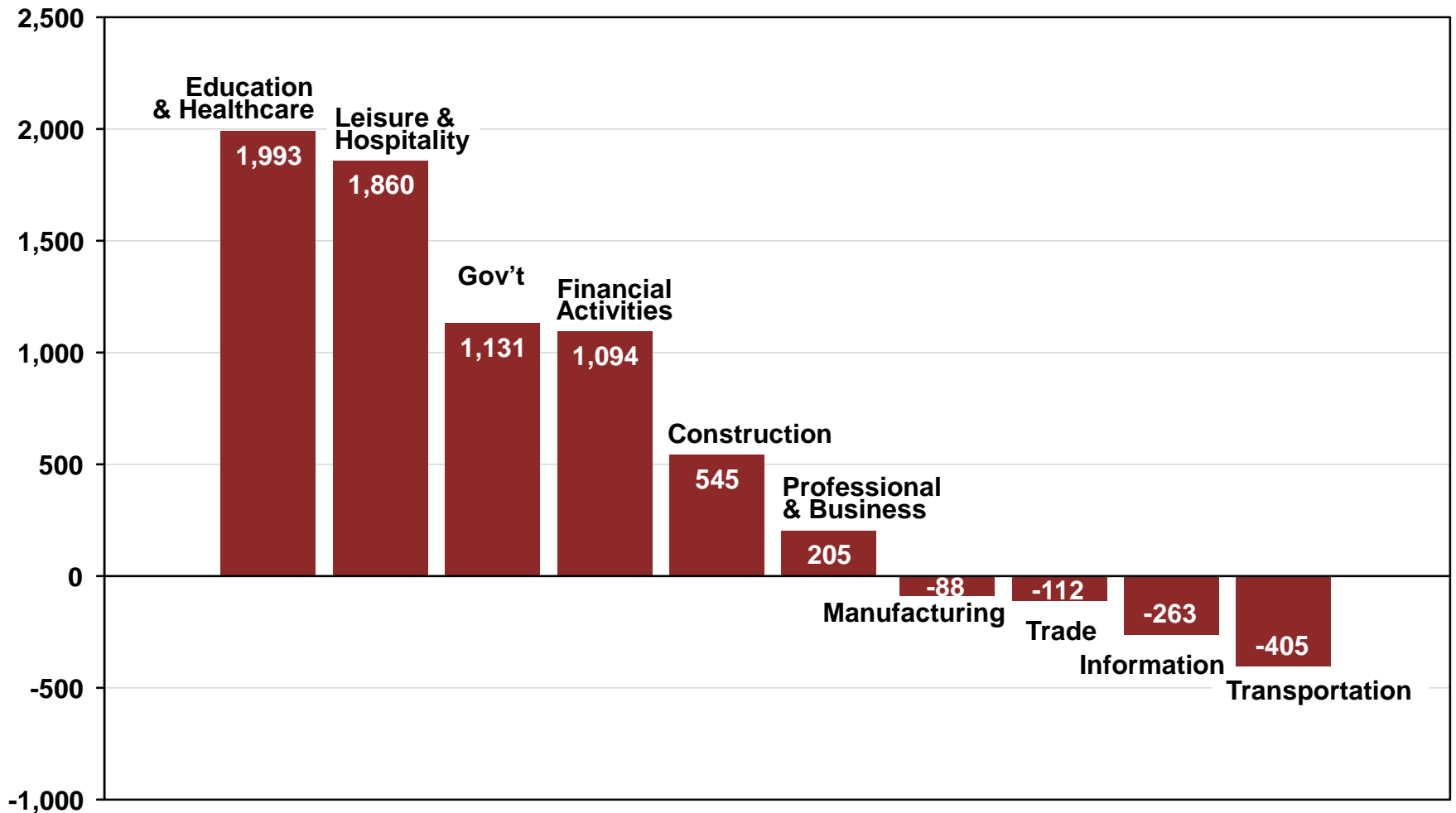
# Regional Employment Trends

## Total Employment Through Jan 2017, Seasonally Adjusted



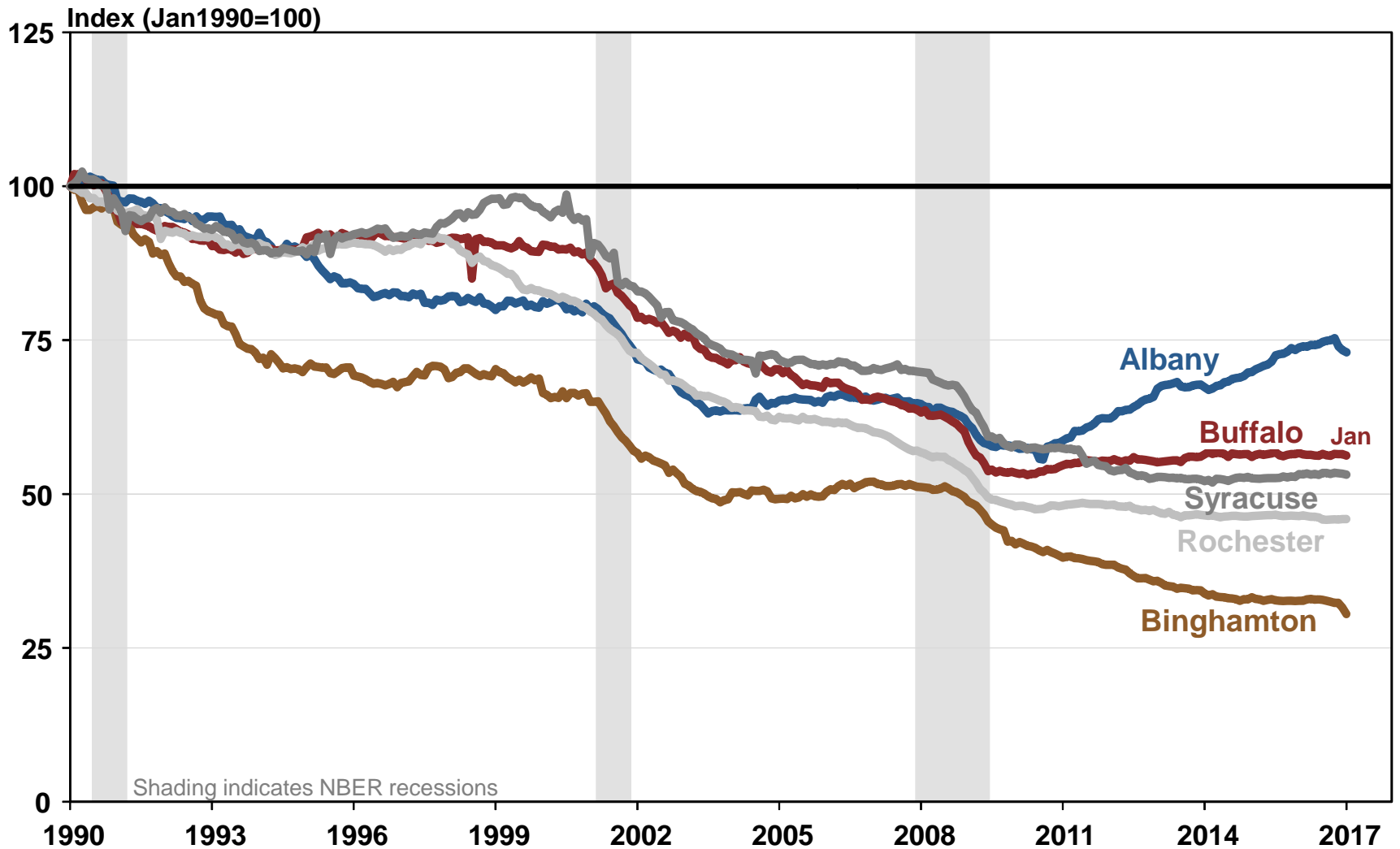
# Buffalo Job Growth by Sector

12-Month Change Through January 2017



# Upstate Manufacturing Trends

Indexes of Manufacturing Employment, Seasonally Adjusted

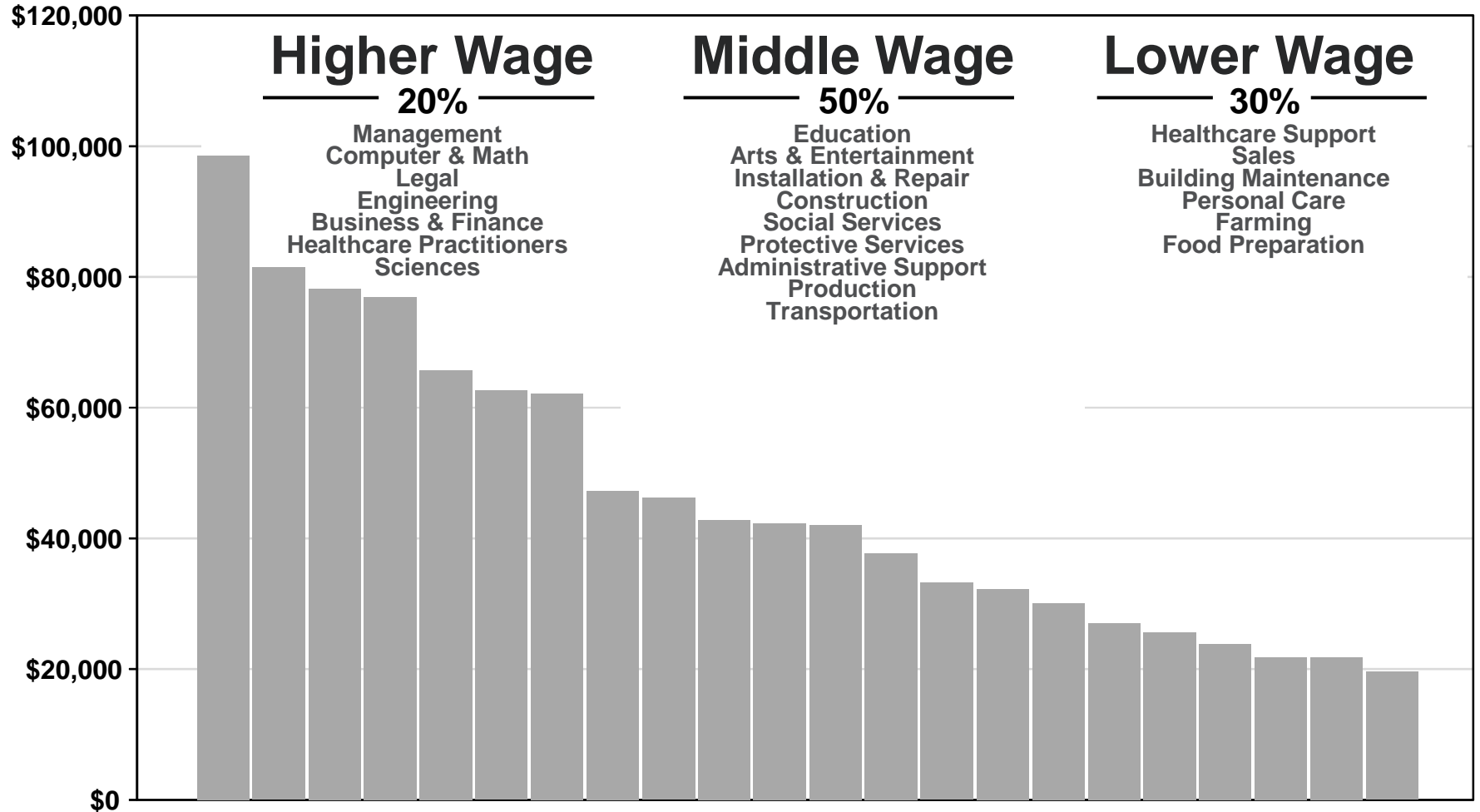


# **The Return of Middle-Wage Jobs**



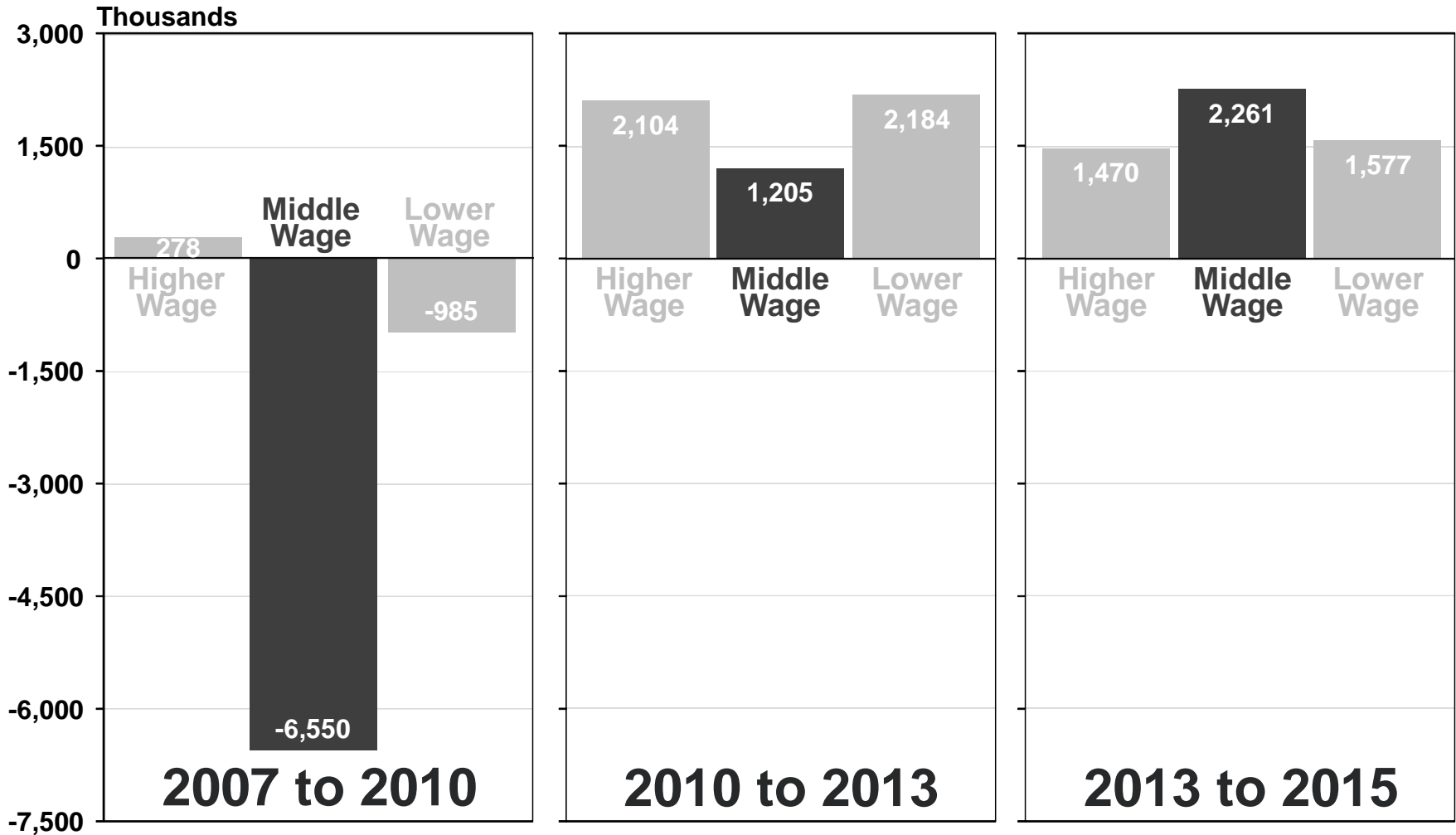
# Job Categories

Based on 2015 Median Wages, United States



# Job Gains and Losses in the United States

Net Change in Total Employment, Thousands



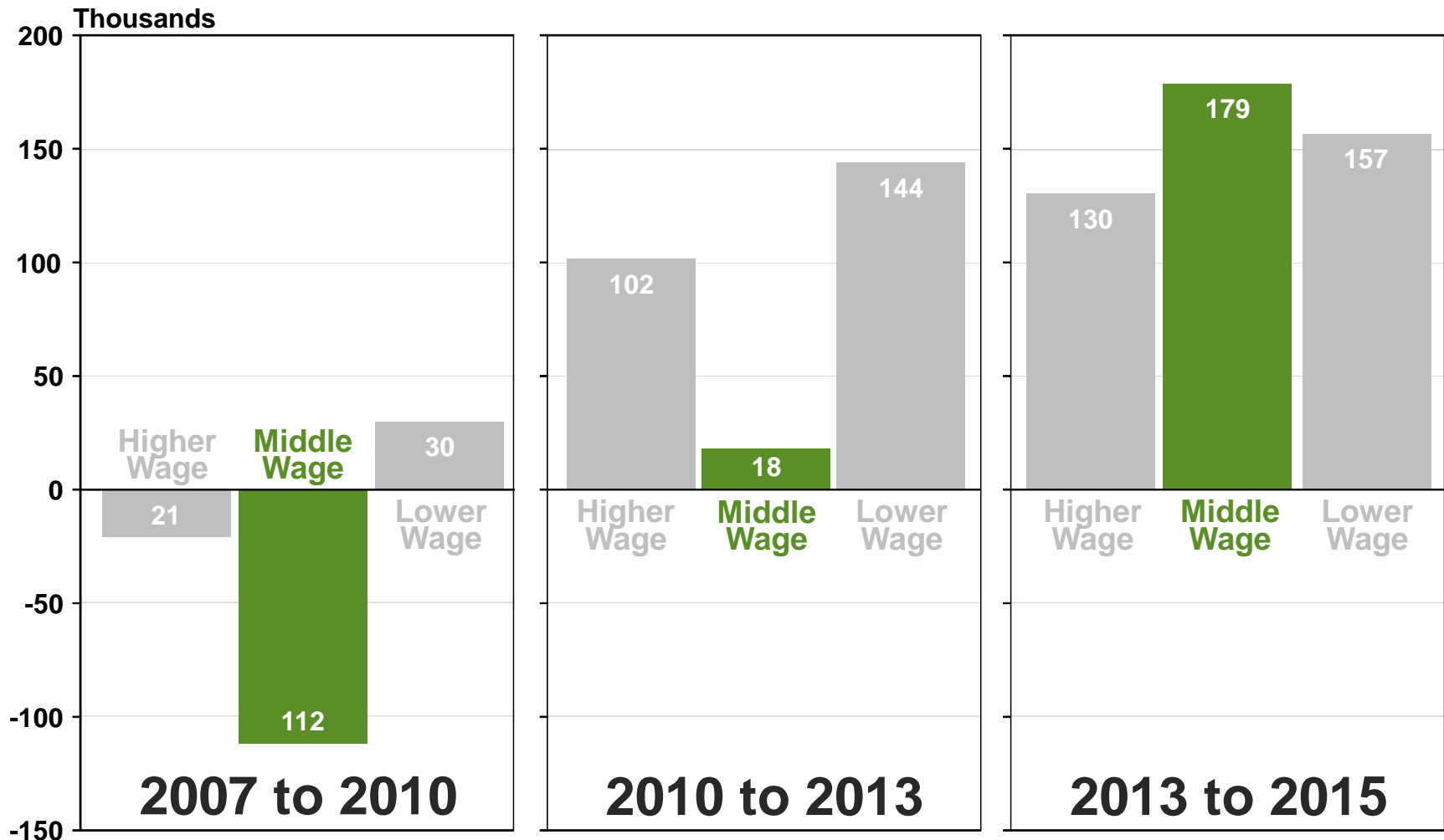
# Middle-Wage Jobs Returning

- Growth in traditional blue collar jobs:
  - **Construction**
  - **Production**
  - **Transportation**
  - **Installation & Repair**
- **Education** jobs growing again as local government fiscal pressures have subsided.
- Rebound in **Administrative Support** jobs.



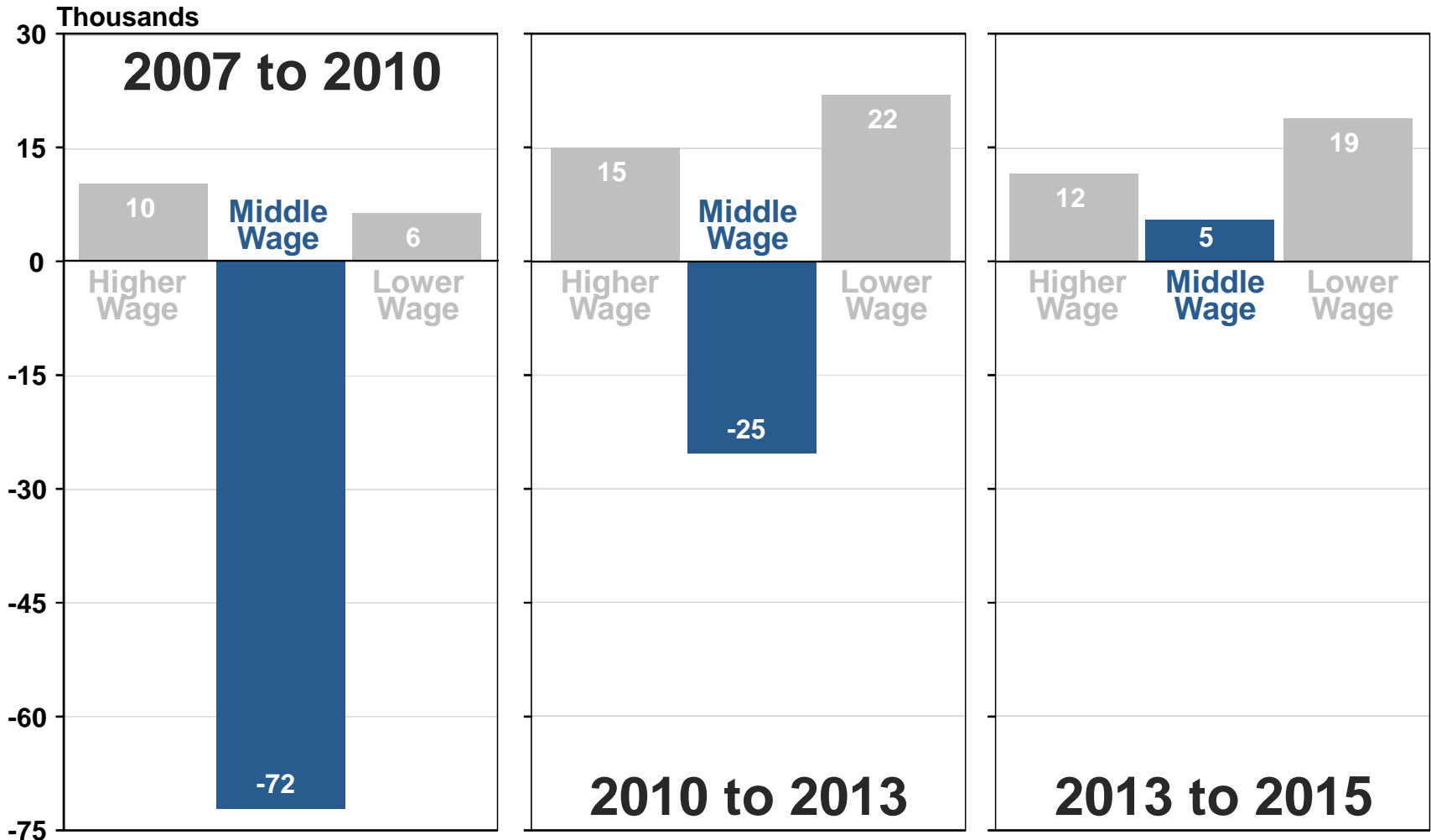
# Job Gains and Losses in Downstate NY

Net Change in Total Employment, Thousands



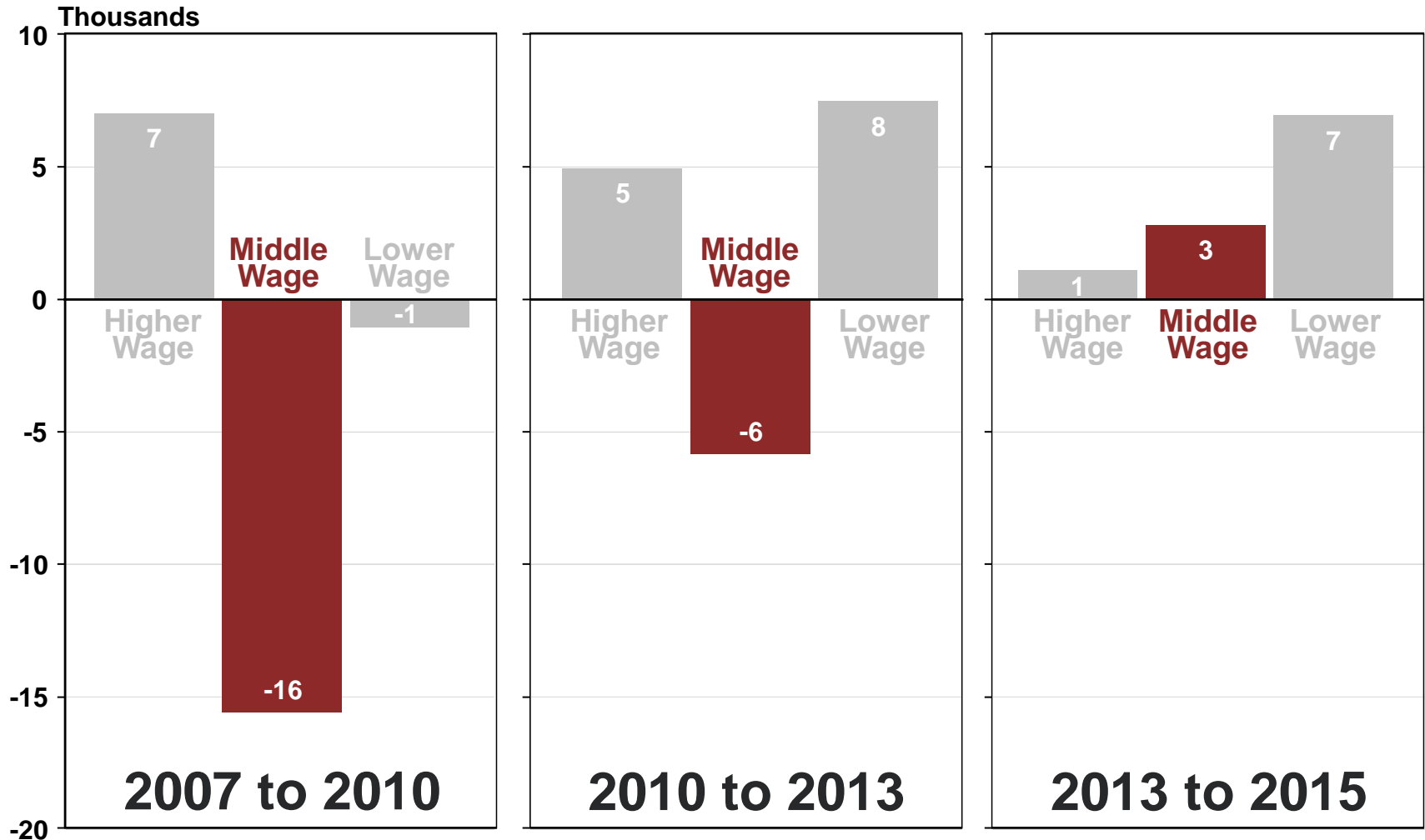
# Job Gains and Losses in Upstate NY

Net Change in Total Employment, Thousands



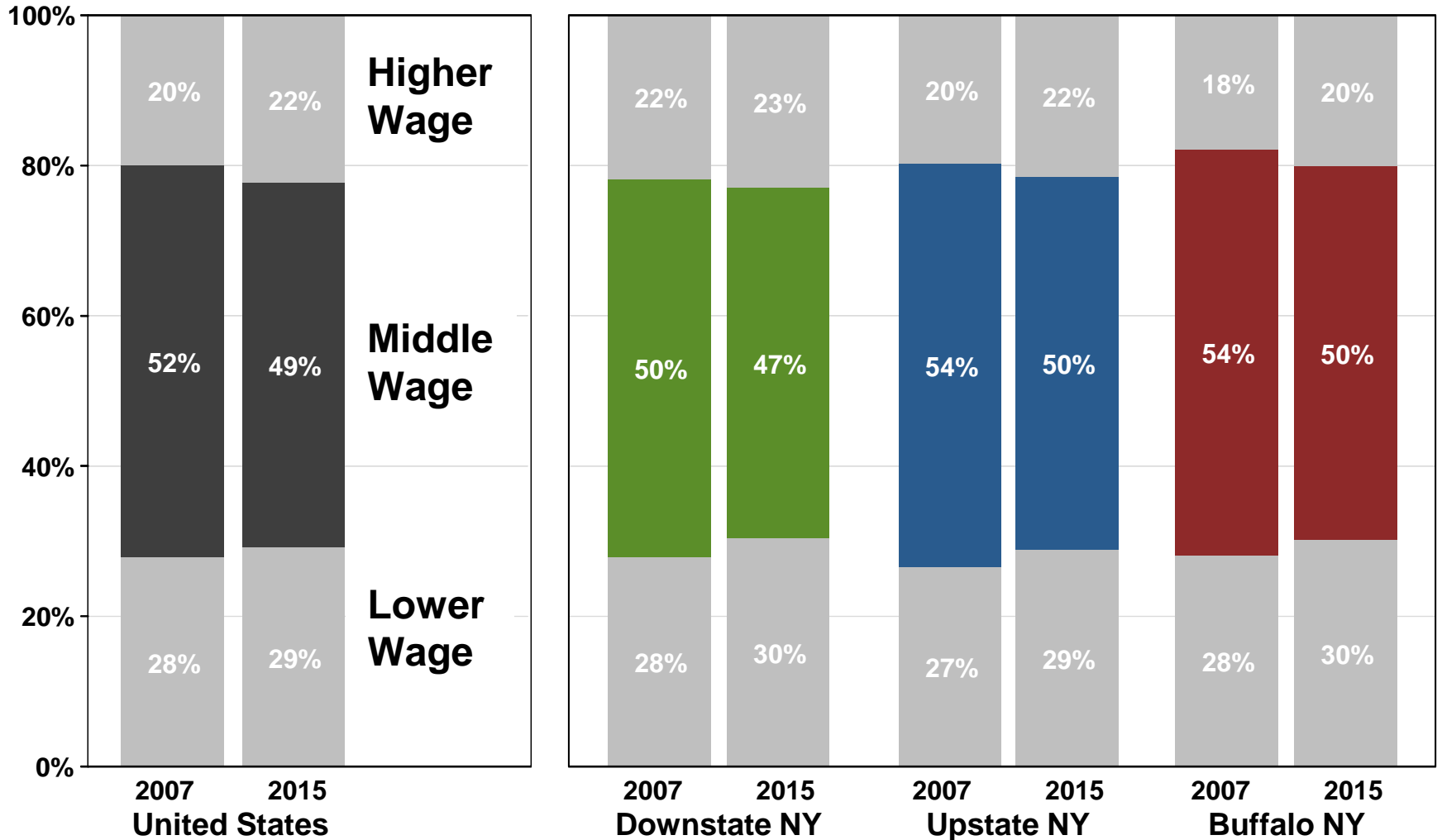
# Job Gains and Losses in Buffalo NY

Net Change in Total Employment, Thousands



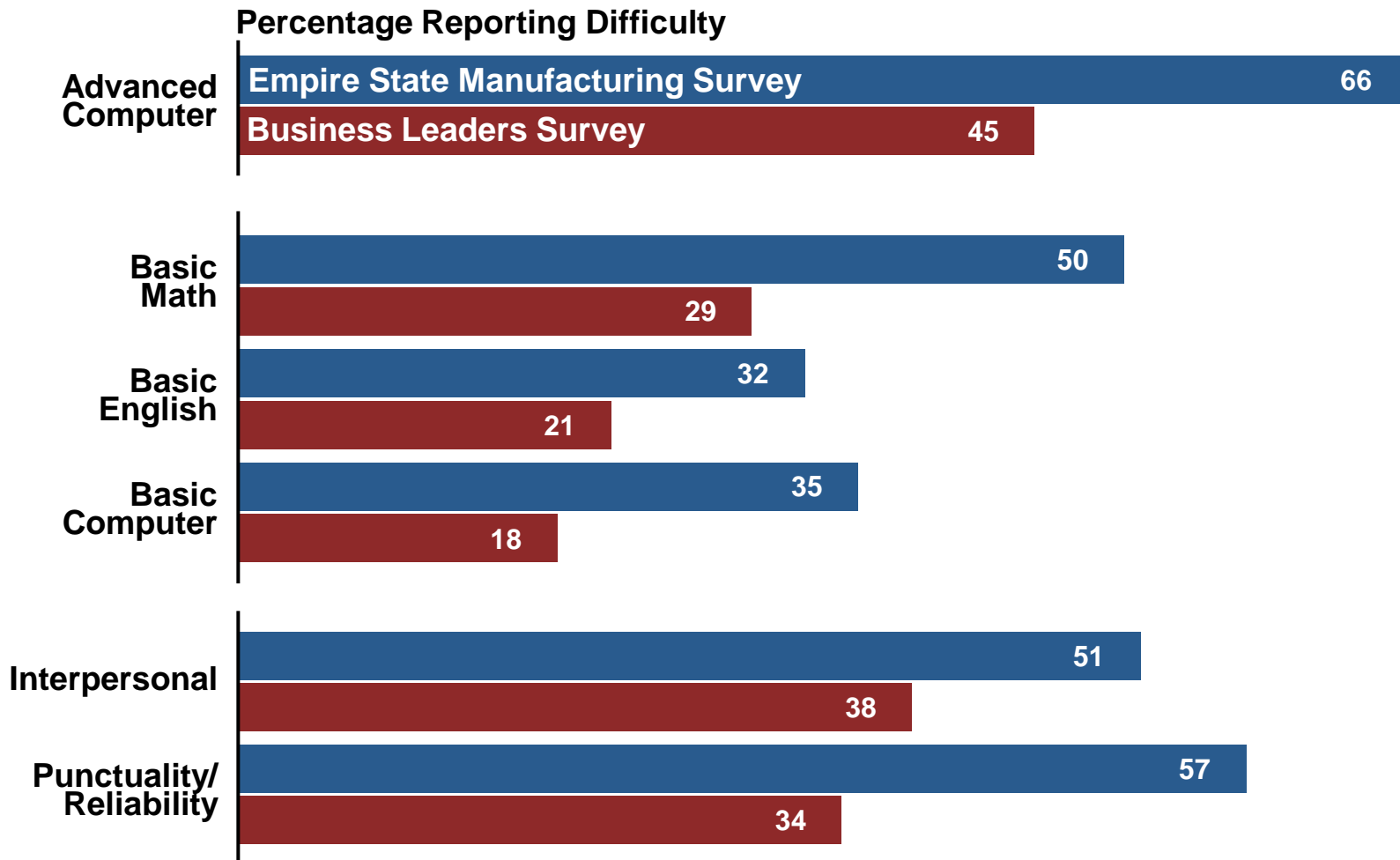
# A Shrinking Middle

Share of Jobs by Wage Group, 2007 and 2015



# Difficulty Finding Skilled Workers

FRBNY Supplemental Survey Report, April 2015







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