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2021 STATE OF THE WORKFORCE BRIEF HIGHLIGHTS ONGOING CHALLENGES IN NEW YORK'S ECONOMIC RECOVERY

The Labor Market is Recovering, but More New Yorkers Need Skills and Credentials to Benefit

ALBANY, NY (December 8, 2021) The fourth edition of the State of the Workforce was released this week by the New York Association of Training and Employment Professionals (NYATEP). The Brief finds that New York's economy is slowly recovering, and despite the open jobs the State is struggling to keep up with the demand for workers, and workers continue to struggle to access good paying jobs that meet their economic needs.

Developed with publicly available information, the Brief aims to provide a 'point in time' snapshot of New York's local and regional economy and the impacts on the workforce. "Our goal is to spur a statewide conversation about the need to invest in strategies that lead to the development of talent that is responsive to regional needs," said Melinda Mack, Executive Director of NYATEP. "You cannot solve these issues, if you are not clear about who is and isn't working in New York, the educational attainment and credentials being added into the labor supply each year, what sectors and occupations are growing and the costs impacting working New Yorkers."

Prior to the pandemic, the jobs being created largely did not afford New Yorkers with an adequate wage. In the 2019 State of the Workforce brief, NYATEP reported that 9 out of 10 of New York's fastest growing occupations paid less than \$32,000 per year and primarily were focused in sectors hard hit by the pandemic: Retail, Accommodations and Food Service and Healthcare. In 2021 of the ten largest occupations statewide by volume (accounting for 6.5M jobs), only one occupation requires a high school diploma/equivalency or less, and even at a median pay grade, only four occupations exceed New York's 2021-2022 Income Guideline poverty level of \$49,025.

In response to the data, Brian Williams, NYATEP Board Chair and Commissioner of the Rensselaer County Department of Employment & Training went on to say, "With the rising costs of childcare, transportation, housing, etc. New Yorkers are not making ends meet with the jobs being created. Additionally, high-wage jobs going unfilled across the State due to the lack of skilled workers, is a lose-lose for businesses and communities." He continued, "Every New Yorker in the State who wants to work and grow their career should be able to benefit from the State's economic growth. Workforce development is economic development, and data like this allows workforce organizations to better align training with demand."

Ms. Mack added, "When you look at the data and see that an astounding 38%, equating to over 5 million New Yorkers 25 years or older, have a high school diploma/ equivalency or less and 796K never even entered the 9th grade, we should all be concerned and work to resolve this."

Additional key findings included in the brief are:

COVID dramatically altered the labor market and New York City bore the brunt of the impact

- In just one week at the height of the pandemic, New York State experienced an unprecedented 16% unemployment rate, with some communities hitting above 20%, and nearly 400,000 New Yorkers applying for unemployment insurance.
- New York City lost 933,000 jobs in just two months, representing one in every five jobs. Recovery continues to be extremely sluggish as only 48% of lost jobs were regained by September 2021.
- Large sectors including Leisure and Hospitality, Accommodations and Food Services and Retail were hit hard and still slow to recover. Overall, there are 2.8 million less jobs in New York than pre-pandemic.
- In September 2021 there were 543,000 job openings in New York State, however New Yorkers are dropping out of the labor market. As of August 2021, it was 2.9% - a jump from 2.3% in 2019, the highest it has been since prior to 2002; as concerns remain about COVID; childcare and working conditions are at the forefront.
- Women, young adults and Black and Hispanics/Latinx workers continue to face higher unemployment rates than the overall State averages.

New Yorkers were buoyed by federal assistance and the Excluded Worker Fund

- Over 4.7M New Yorkers received State unemployment benefits totaling more than \$97B. Additionally, Federal funding provided a financial buffer for 1.2M New Yorkers through Pandemic Unemployment Insurance, 600K through Pandemic Unemployment Compensation and 537K through Pandemic Emergency Employment Compensation.
- The newly launched Excluded Worker Fund has provided compensation to thousands of workers who were left out of expanded benefits, with more than \$768M paid out in New York City alone.

Government investments have led to growth in new industries including clean energy and cannabis

- While New York saw a 9.6% decline in clean energy sector jobs during the pandemic, it was less than the nationwide loss of 14% and the industry has already rebounded with 5K jobs since August 2020.
- Recent legislation to legalize adult use cannabis is projected to generate upwards of \$1.3B and provide 40,000 jobs in cultivation, manufacturing, and retail/dispensaries.

To truly recover, more New Yorkers need skills in demand

- Of the ten largest occupations statewide, accounting for 6.5M jobs, only one occupation requires a high school diploma/equivalency or less, and even at a median pay grade, only four occupations exceed New York's 2021-2022 Income Guideline poverty level of \$49,025.
- Approximately 38.2% (5.22M) of New Yorkers 25 years or older have a high school diploma/equivalency or less and 796K never even entered the 9th grade.
- Of the 24% of New Yorkers who have some college or an Associate Degree, 2.1M New Yorkers, have some college credits but no degree.

The report was developed by NYATEP with data support from Monroe Community College. A full copy of the report can be viewed here: www.NYATEP.org/StateoftheWorkforce2021

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About New York Association of Training & Employment Professionals

The New York Association of Training & Employment Professionals (NYATEP) is a 501(c)(3) intermediary and membership organization serving the workforce development community throughout New York State. Our focus is ensuring that every New Yorker and employer in New York State has access to the skills they need to work in and support a robust statewide economy. www.nyatep.org or on Twitter @NYATEP