



FEDERAL RESERVE BANK *of* NEW YORK

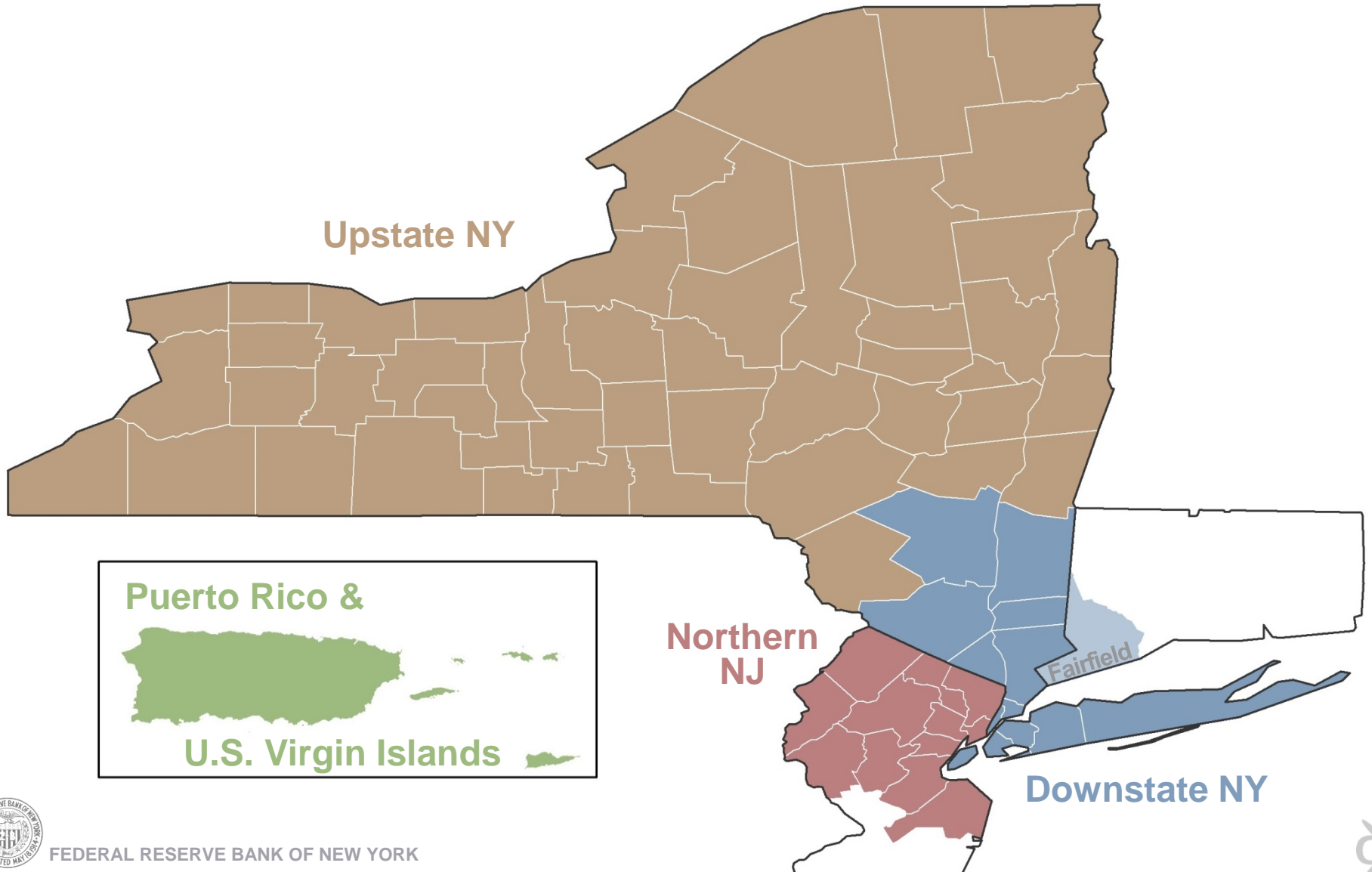
Labor Market Conditions in the Region

Economic Press Briefing: December 4, 2018

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.

The 2nd Federal Reserve District

Regions in the District



Overview

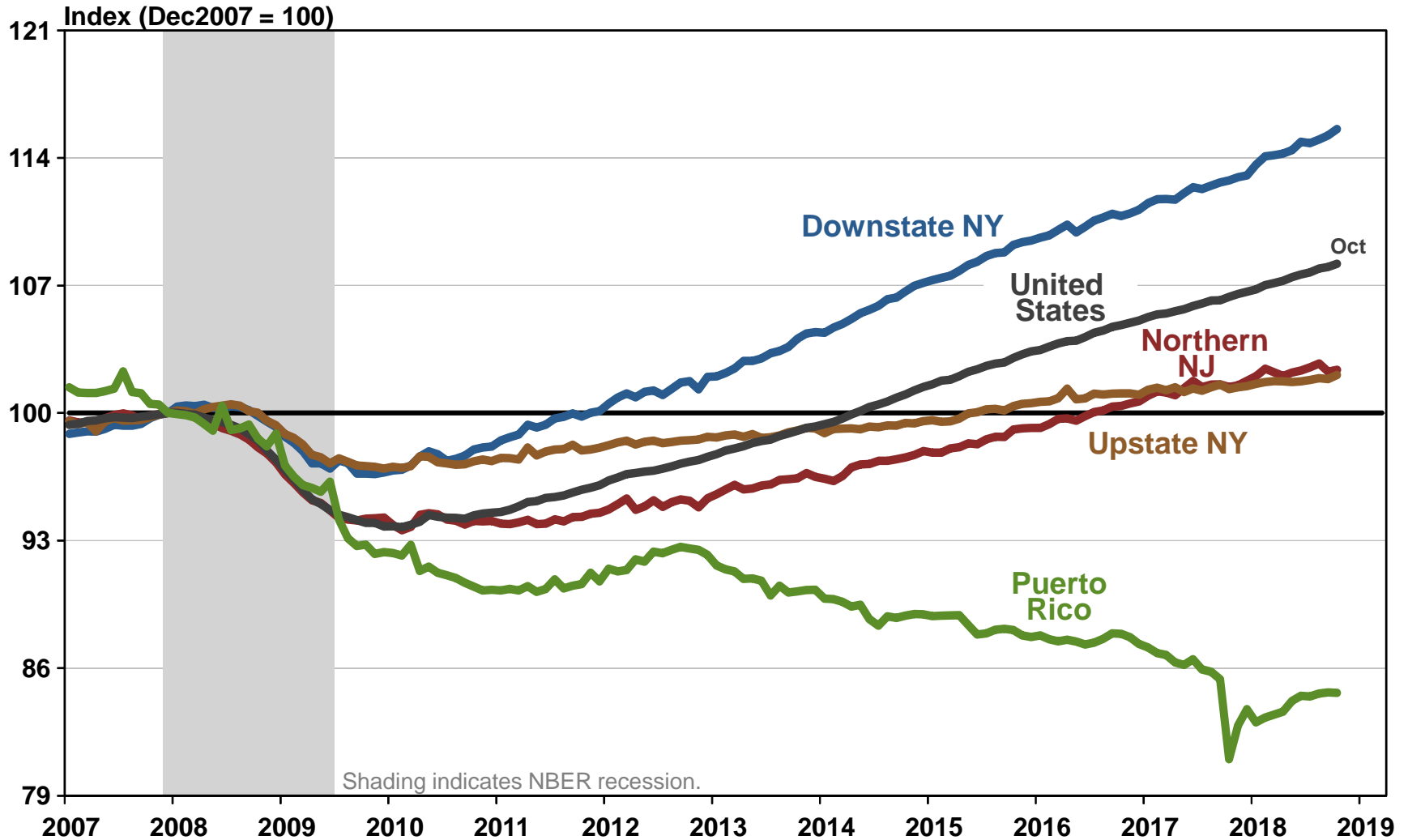
- Job growth has been strong in New York City, moderate nearby, and sluggish in upstate New York. Puerto Rico and the USVI are still recovering from the storms.
- Labor markets have tightened across the region, even in parts of upstate New York with little or no job growth during the expansion. As a result, wage growth has picked up throughout the region.
- The types of jobs gained differ within the region. Thus, even with tight labor markets, it may still be challenging for some workers without the skills desired in their local area to find a good job.



Job Growth in the Region

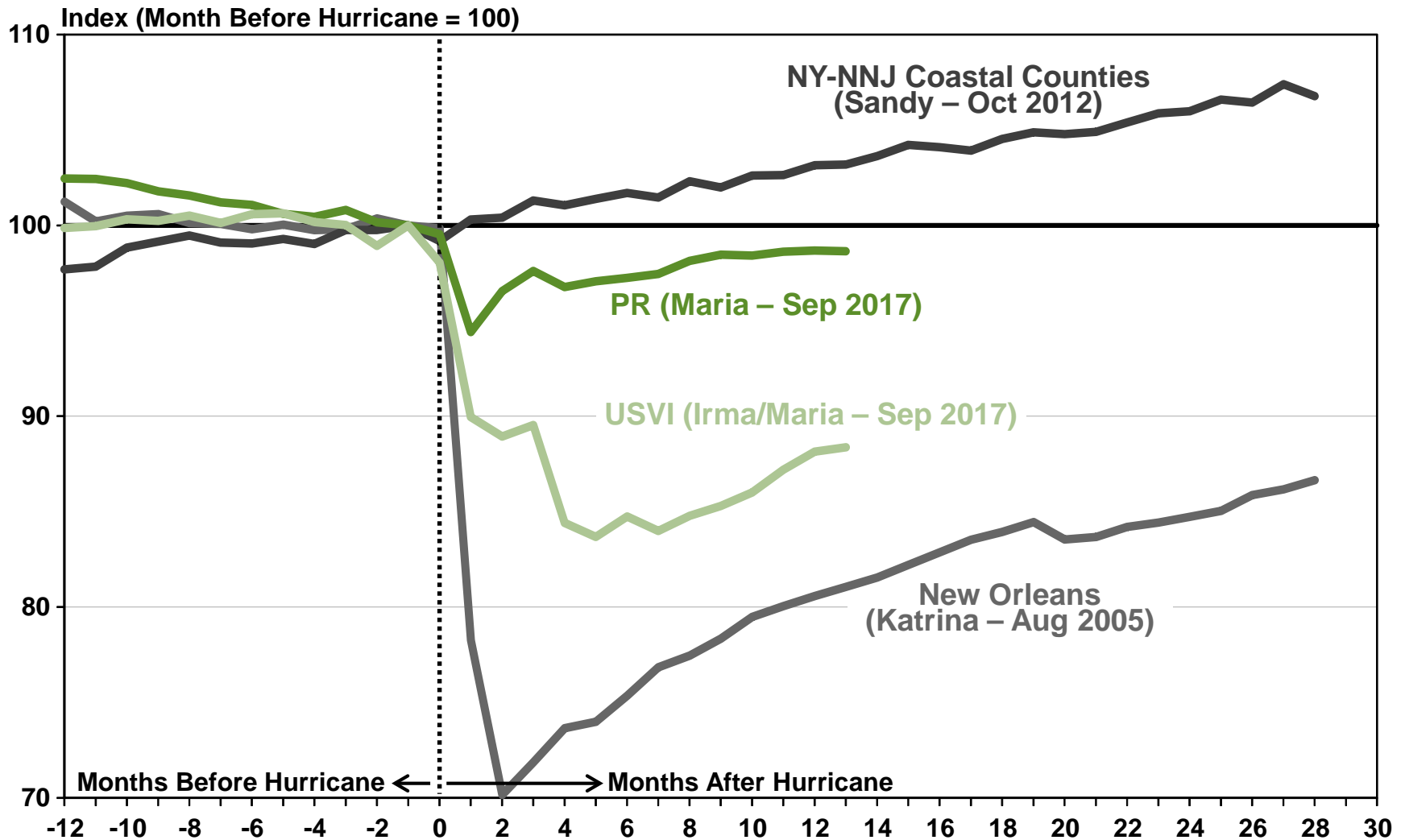
Job Growth in the Region

Indexes of Total Employment, Seasonally Adjusted



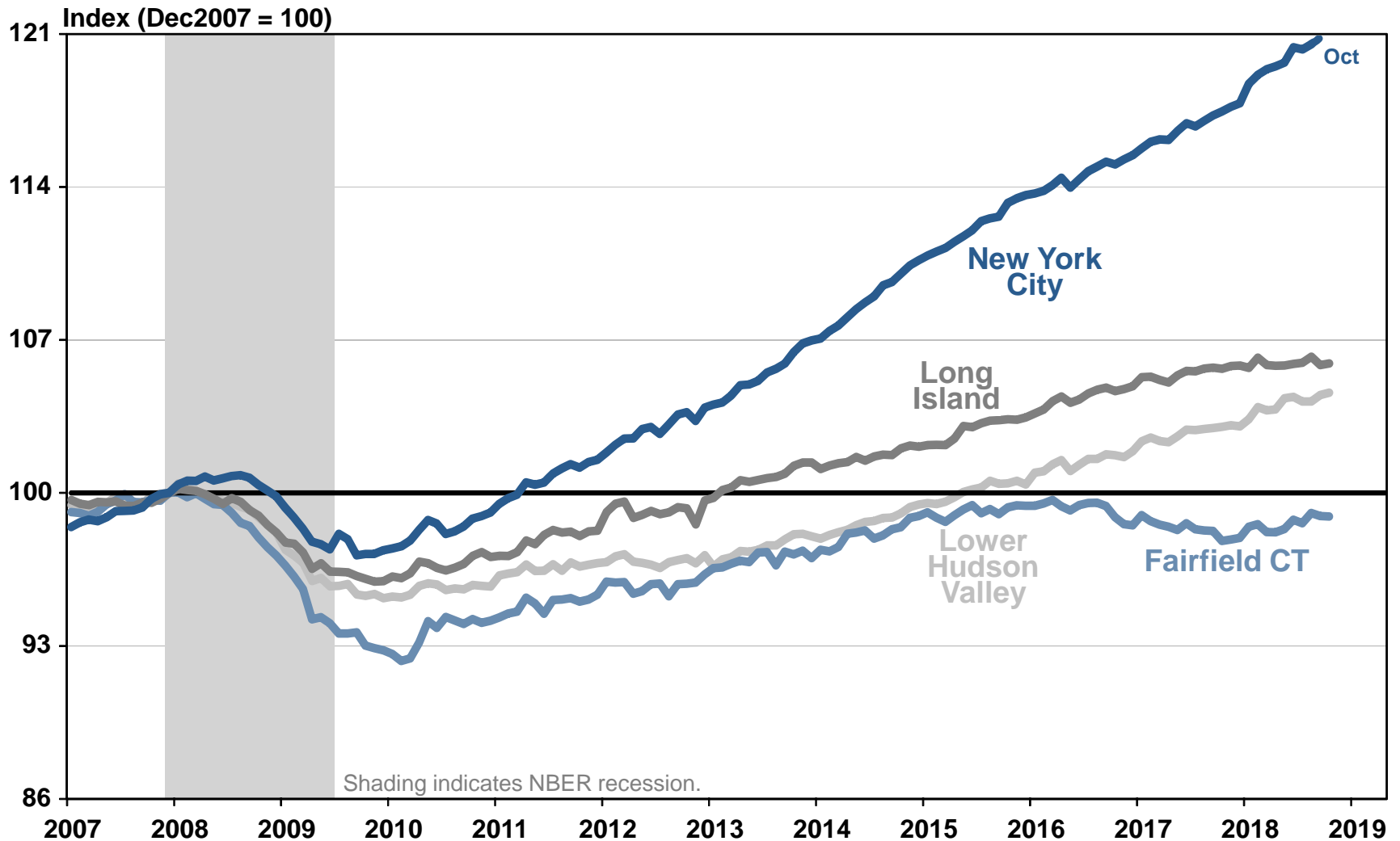
PR and the USVI Still Recovering

Indexes of Total Employment, Seasonally Adjusted



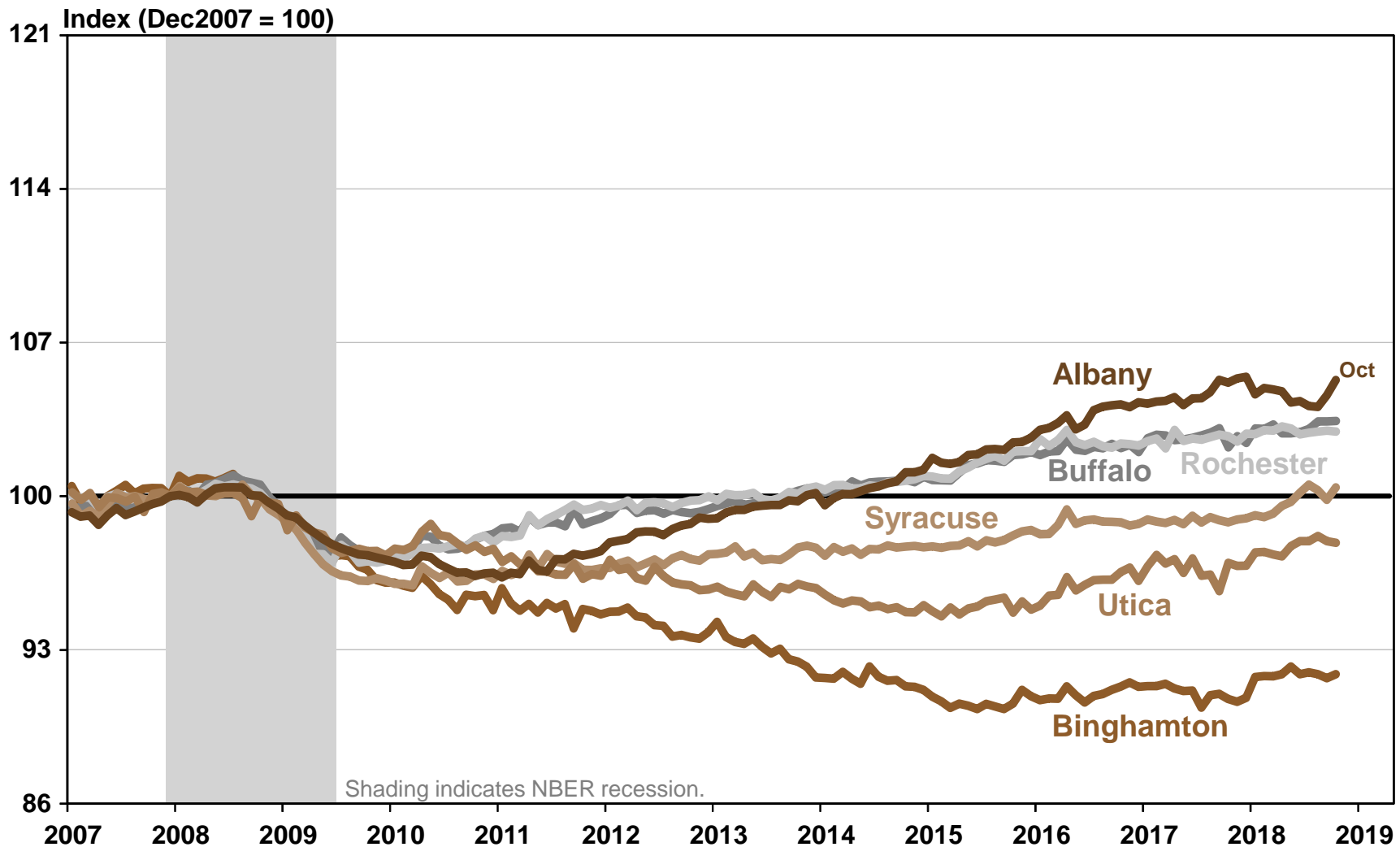
NYC Remains an Engine of Job Growth

Indexes of Total Employment, Seasonally Adjusted



Sluggish Job Growth in Upstate NY

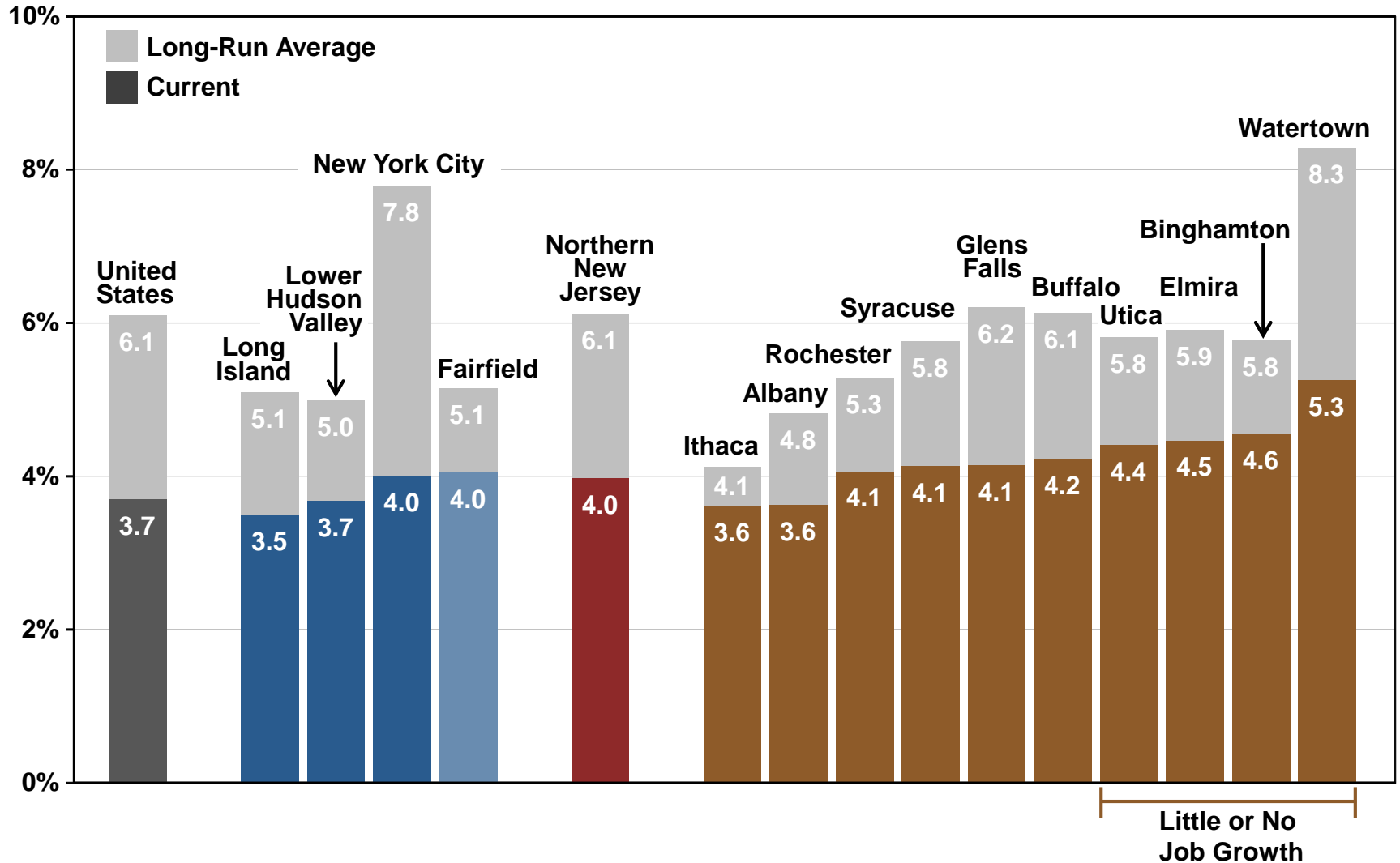
Indexes of Total Employment, Seasonally Adjusted



Tight Labor Markets in the Region

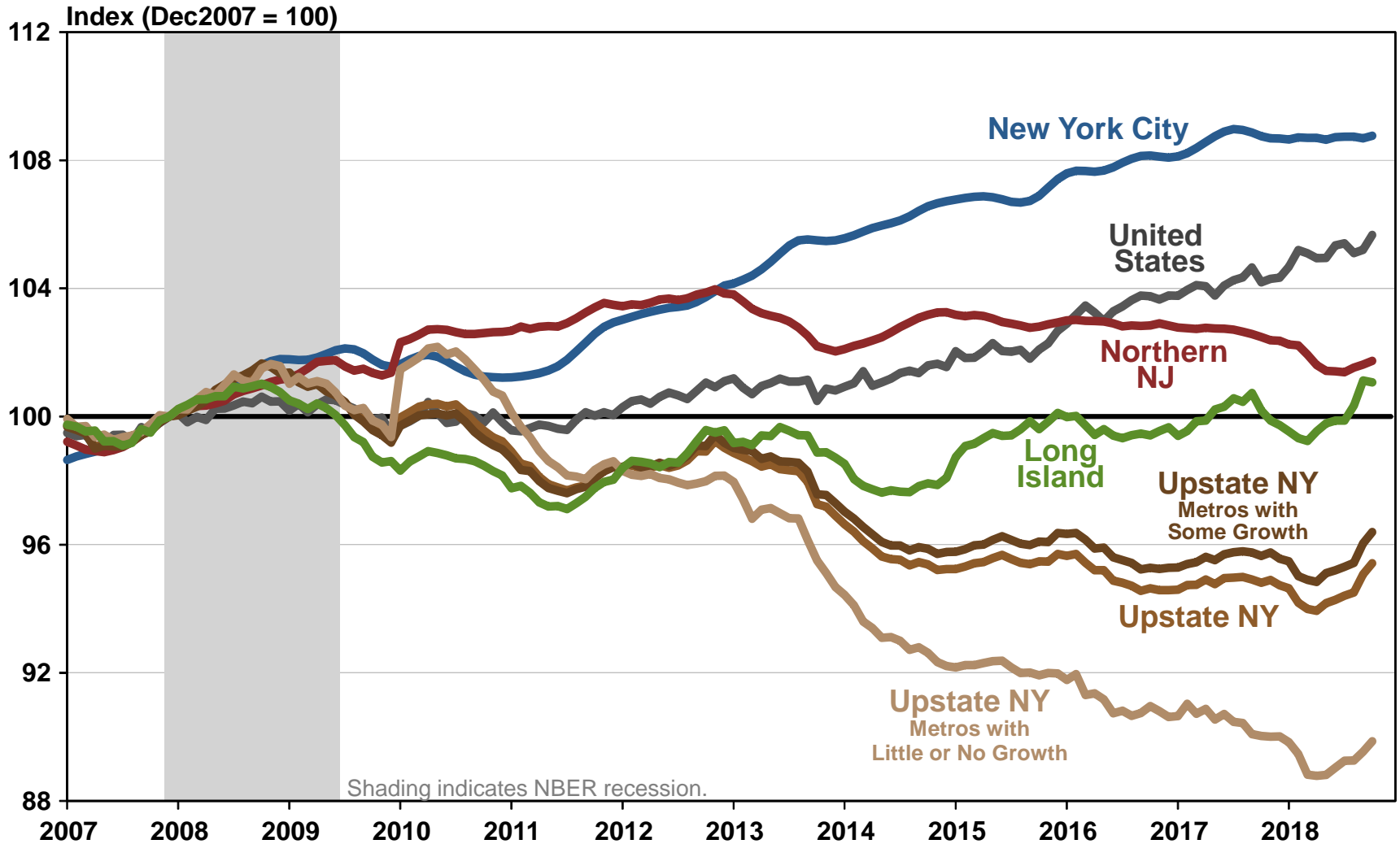
Exceptionally Low Unemployment

Long-Run and Current Rates, Seasonally Adjusted



Regional Labor Force Trends

Indexes of Total Labor Force, Seasonally Adjusted



More Firms Increasing Wages

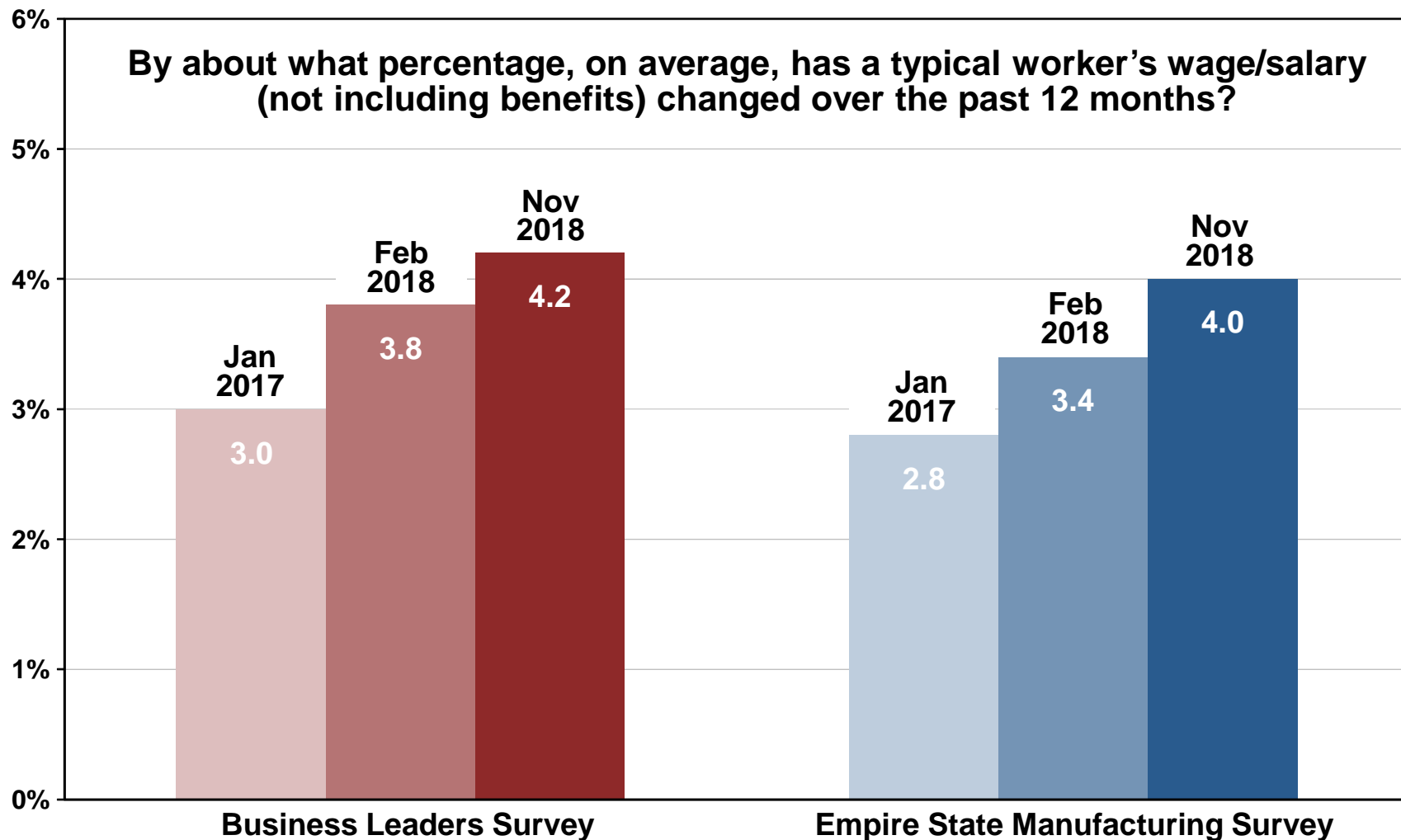
FRBNY Business Leaders Survey



Source: Federal Reserve Bank of New York; data expressed as a 12-month moving average.

Wage Growth Has Picked Up in the Region

FRBNY Supplemental Survey



Types of Jobs Gained in the Region

Job Categories

Median Annual Wages By Occupation, United States

Lower Wage

Below \$30,000

Healthcare Support
Sales
Building Maintenance
Personal Care
Food Preparation

30%

Middle Wage

\$30,000-\$60,000

Education
Arts & Entertainment
Construction
Installation & Repair
Social Services
Protective Services
Administrative Support
Production
Transportation

50%

Higher Wage

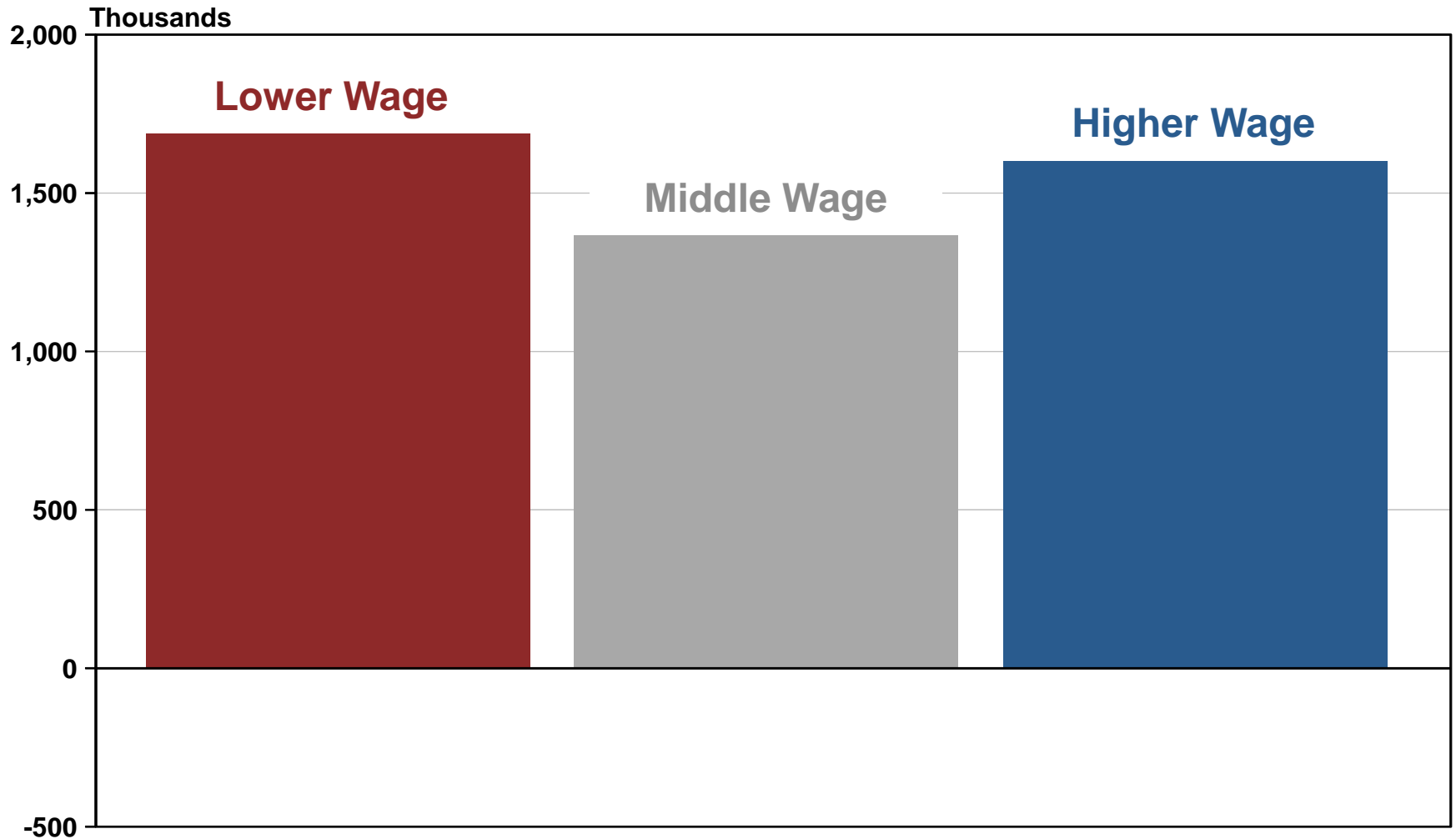
Above \$60,000

Management
Computer & Math
Legal
Engineering
Business & Finance
Healthcare Practitioners
Sciences

20%

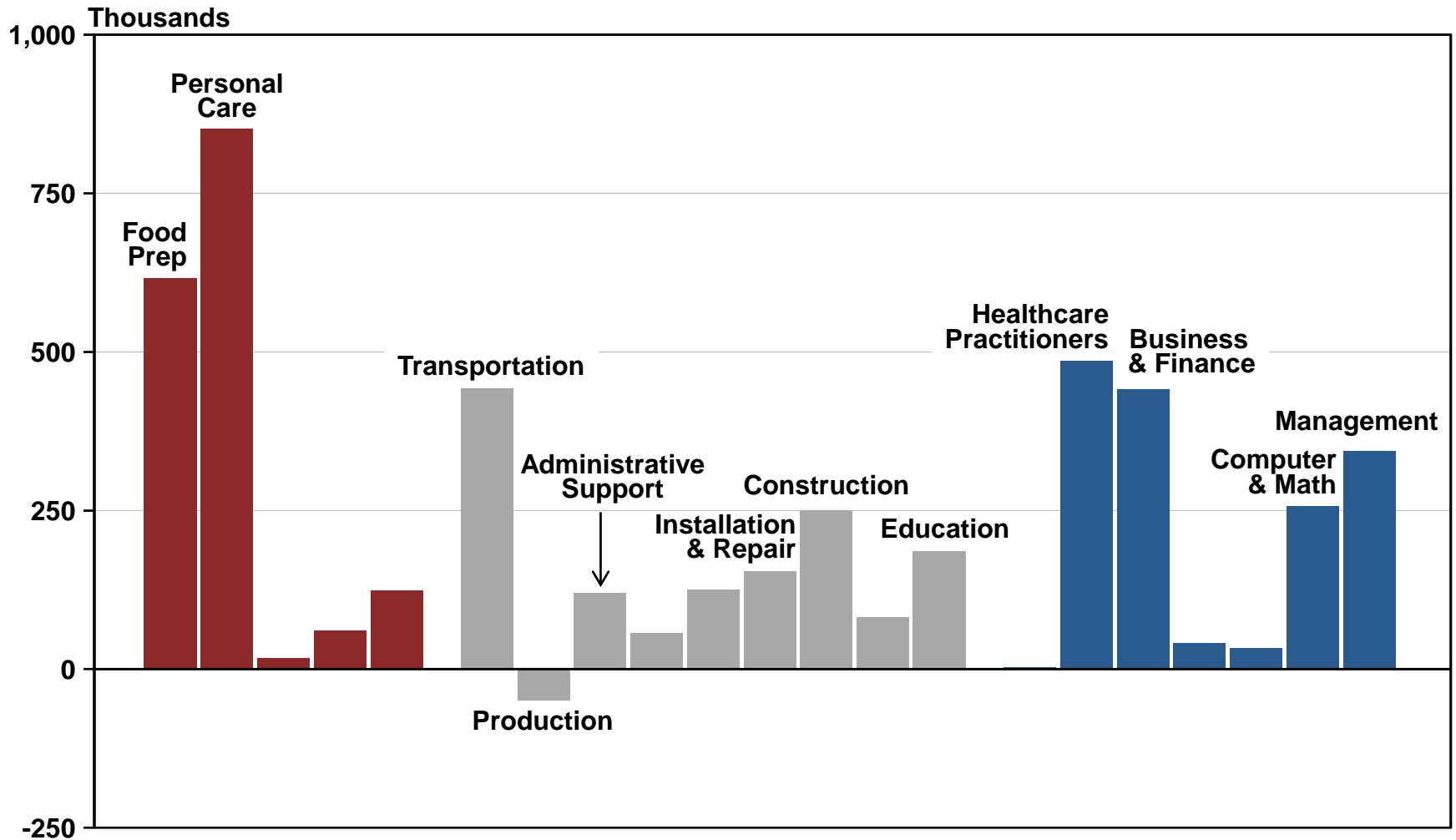
Recent Job Gains in the United States

Net Change in Employment, 2015 to 2017



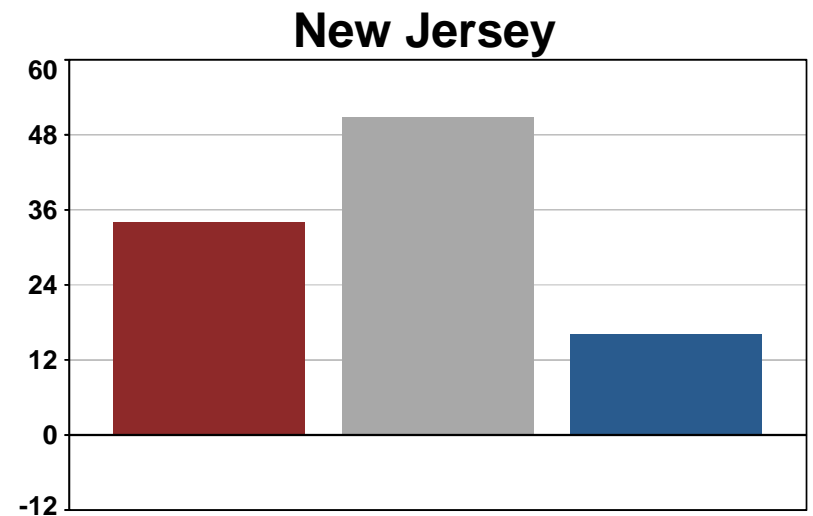
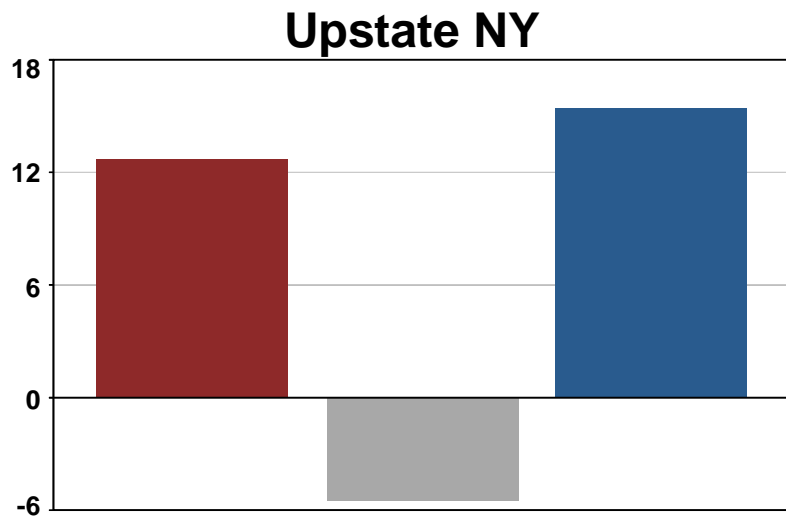
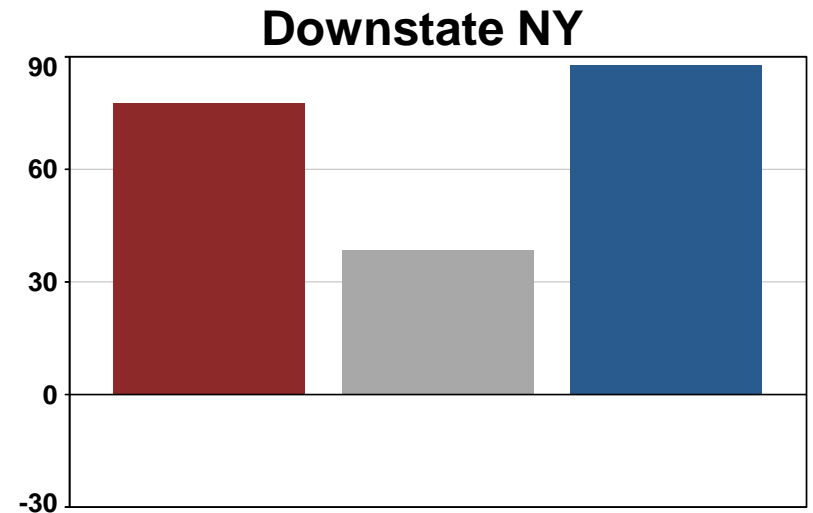
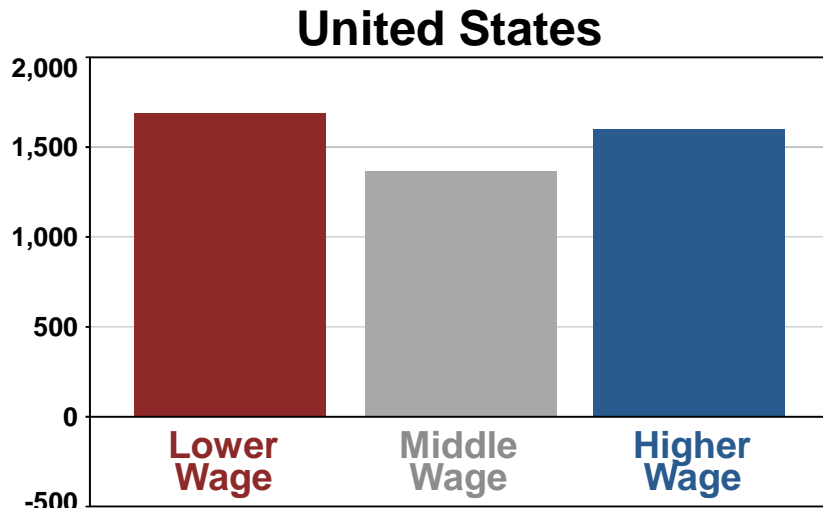
Recent Job Gains in the United States

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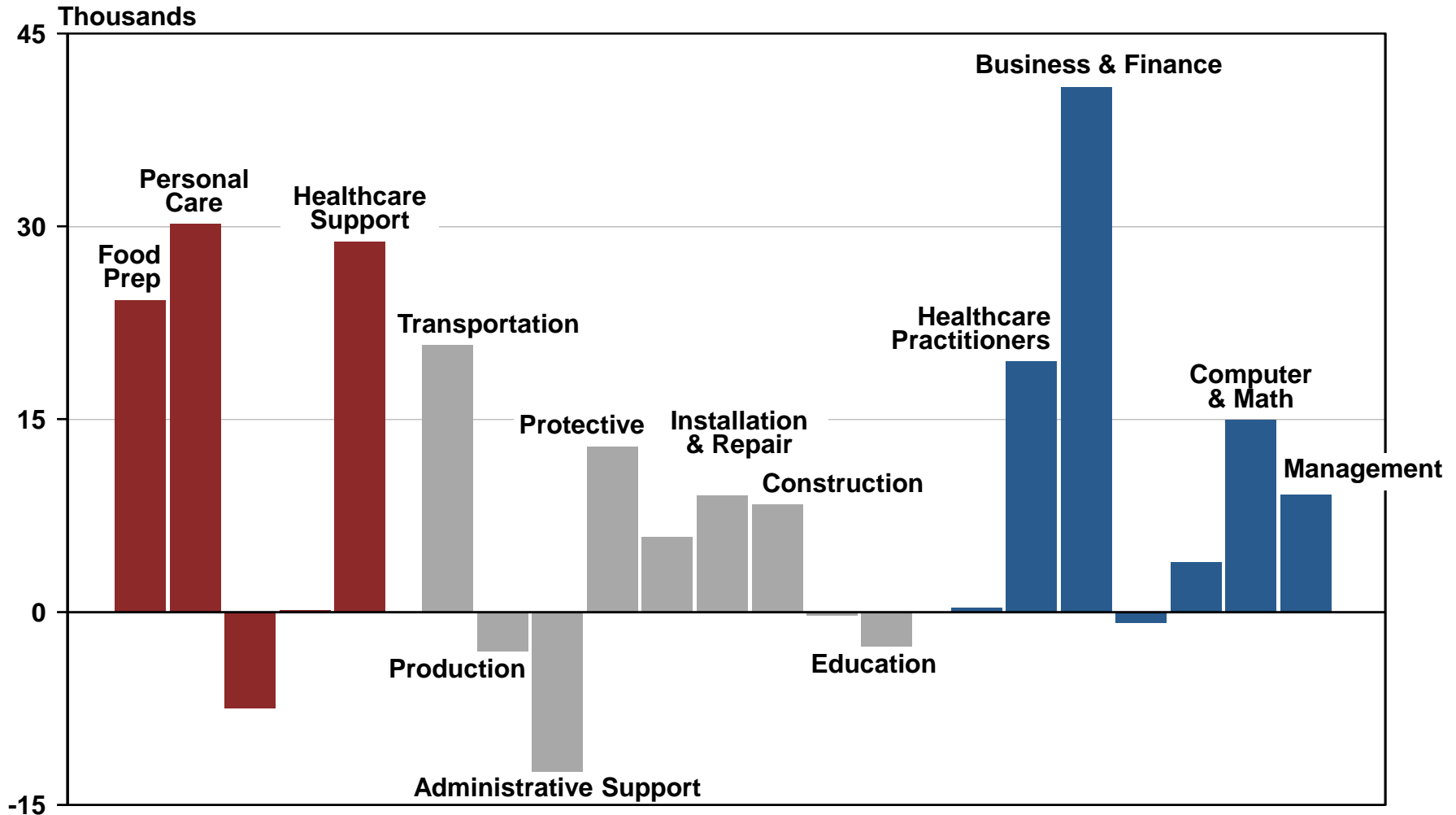
The Shape of Recent Job Gains

Net Change in Employment, Thousands, 2015 to 2017



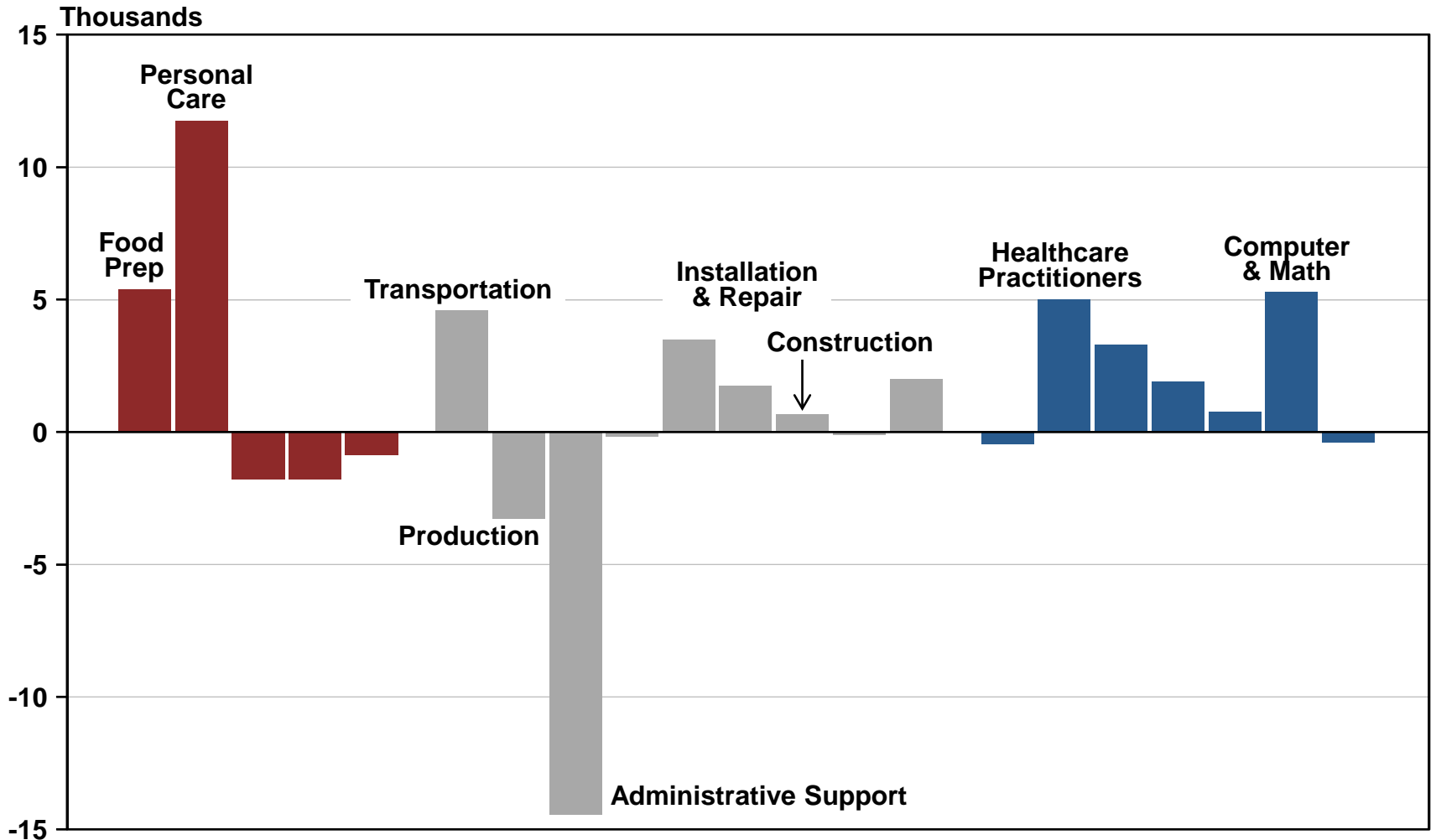
Recent Job Gains in Downstate NY

Net Change in Employment, 2015 to 2017



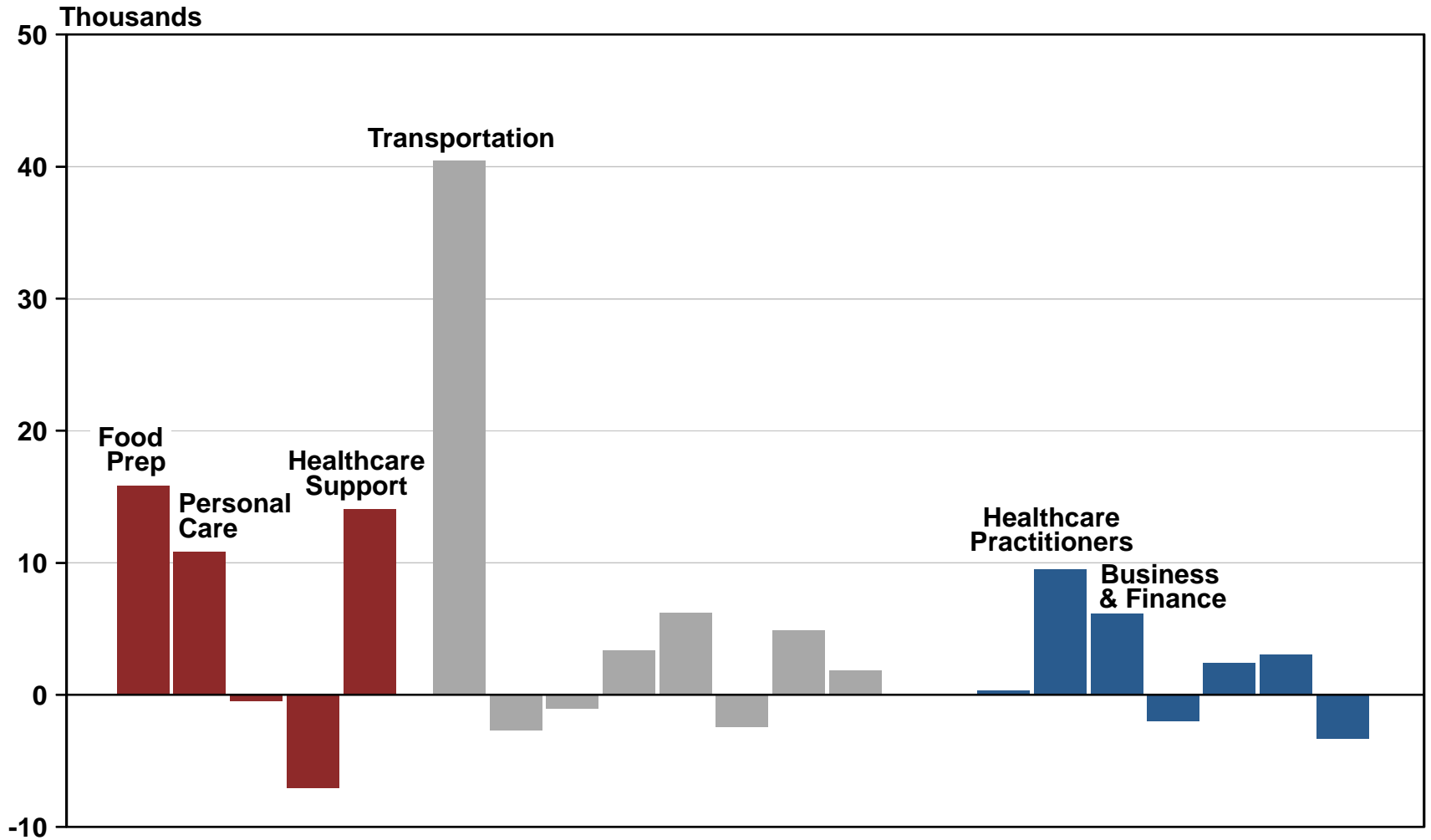
Recent Job Gains in Upstate NY

Net Change in Employment, 2015 to 2017



Recent Job Gains in New Jersey

Net Change in Employment, 2015 to 2017



Summary

- New York City remains an engine of growth in the region, while job growth has been slower in Northern New Jersey and upstate New York.
- Sustained job gains through the expansion coupled with a lack of growth in much of the region's labor force has resulted in tight labor markets throughout the region.
- With tight labor markets, unemployment is exceptionally low in many parts of the region and there are signs that wage growth has picked up.





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