

A woman with dark hair, wearing a white surgical mask and white gloves, is leaning forward and working with a piece of equipment. The background is a bright, out-of-focus indoor space with large windows. The entire image has a warm, orange-toned overlay.

NYC / EDC

January 2021

EMPLOYMENT ANALYSIS REPORT

The *Employment Analysis Report* provides a monthly update on the status of the New York City labor market through employment, unemployment, and wage statistics. It is drafted by the Economic Research & Policy Group at NYCEDC.

Report Summary

- This month's release of January employment data revealed that New York City gained 2,600 private sector jobs, following a decrease of 38,100 in December.
 - The sector that added the most jobs was Educational Services, which grew by 5,900 jobs.
 - The Transportation, Warehousing and Utilities sector experienced the largest decline, losing 3,900 jobs.
- The city's unemployment rate rose to 12.6 percent in January, while labor force participation held steady at 58.3 percent.
 - Employed residents fell by 25,000, while the number of unemployed residents rose by 24,100.
- Private sector payroll fell by 626,400 from January 2020 to January 2021, a decrease of 15.5 percent. Private sector jobs fell by 6.2 percent nationwide.

Private and Total Payroll Employment

(Numbers include all persons employed in the city, regardless of place of residence.)

Private sector payroll employment in New York City rose by 2,600 in January 2021 from a month earlier, according to employment data released by the New York State Department of Labor (NYSDOL), analyzed by New York City Economic Development Corporation's (NYCEDC) Economic Research and Policy group (data incorporate seasonal adjustments).¹ Government jobs in the city rose by 7,100, resulting in a net increase of 9,700 private and public sector payroll jobs.

Revised data for December 2020 indicate that private jobs fell by 38,100 and total jobs fell by 45,600 from the prior month. For the 12 months ending in January 2021, the city's private sector payroll jobs fell by 626,400, a decrease of 15.5 percent. Employment at the national level shrunk 6.2 percent during the period.

Table 1 summarizes city, state, and federal payroll employment data. (Numbers include all persons employed in the city/state, regardless of place of residence.)

Table 1. Employment Overview

	NYC		NYS		U.S.	
Total Nonfarm Jobs	4,002,300		8,766,000		142,669,000	
Total Private Sector Jobs	3,415,700		7,323,500		121,137,000	
Private Sector Changes						
Change from December 2020 (SA)	2,600	0.1%	29,400	0.4%	90,000	0.1%
Change from January 2020 (NSA)	(626,400)	-15.5%	(1,005,200)	-12.3%	(7,873,000)	-6.2%
Change from December 2013 (SA)	(95,700)	-2.7%	(241,900)	-3.2%	5,584,000	4.8%

Source: NYSDOL and Bureau of Labor Statistics (BLS)

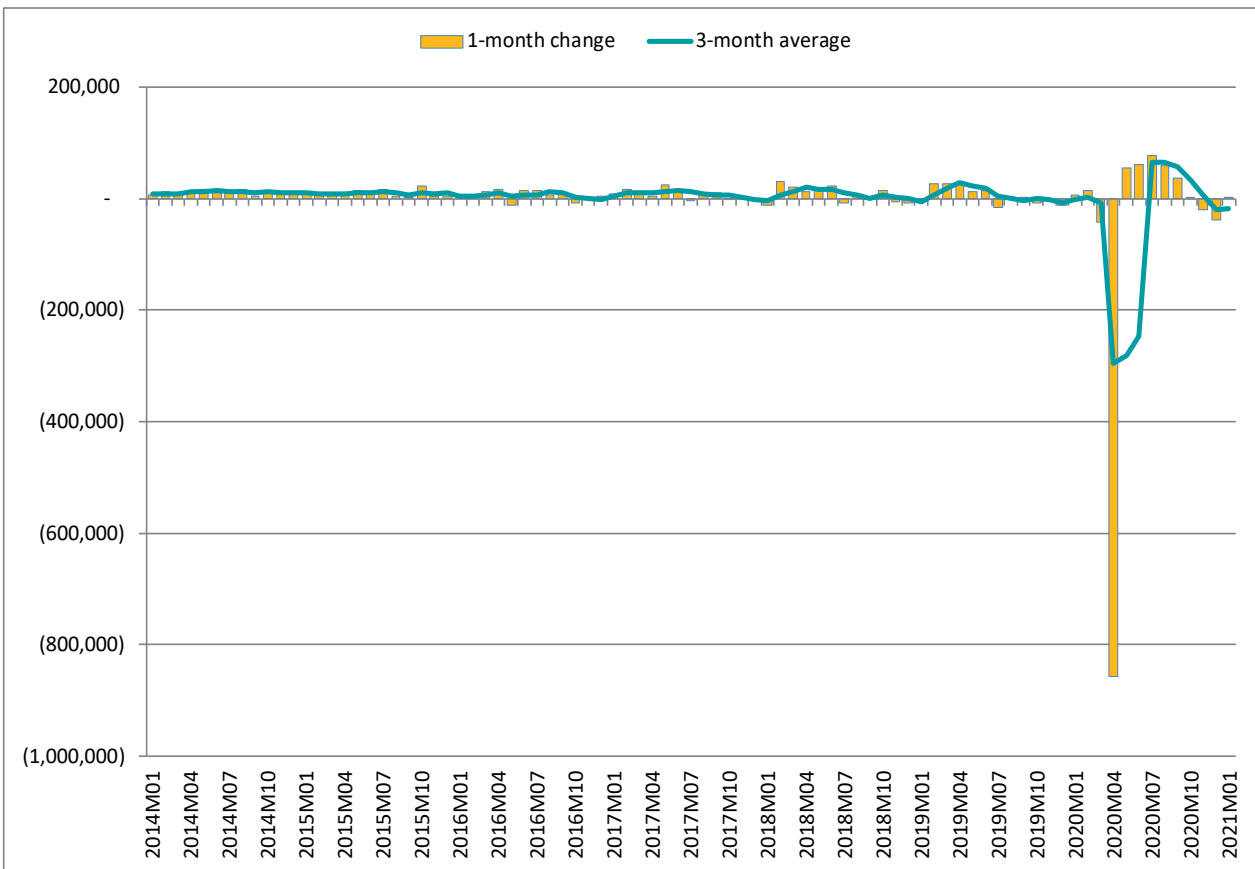
Data are preliminary and subject to change.

Note: SA = seasonally adjusted; NSA = non-seasonally adjusted

¹ Every year, January employment data is released the second Thursday of March. This delay is the result of re-benchmarking, a process that revises data to reflect the more accurate estimates produced by a different data source.

Chart 1 shows monthly private employment change and 3-month rolling average since January 2014.

Chart 1. Monthly Private Employment Change and 3-month Average, January 2014 to January 2021



Source: NYSDOL and BLS. Data are seasonally adjusted.

Unemployment and Labor Force

(Numbers include all city residents, regardless of place of employment.)

New York City's unemployment rate rose from 12.0 percent to 12.6 percent from December 2020 to January 2021. The number of employed city residents fell by 25,000 from December to January, while the number of unemployed residents rose by 24,100 over the same period. The labor force participation rate held steady at 58.3 percent between December and January. Table 2 summarizes city, state, and federal unemployment data.

Table 2. Unemployment Rate

	NYC	NYS	U.S.
January 2021	12.6%	8.8%	6.3%
December 2020	12.0%	8.7%	6.7%
January 2020	3.6%	3.8%	3.5%
Change since December 2013*	4.3%	1.7%	-0.4%

Source: NYSDOL and BLS. Data are preliminary and subject to change.

*Percentage point change in unemployment rate since December 2013

Sectoral Payroll Employment

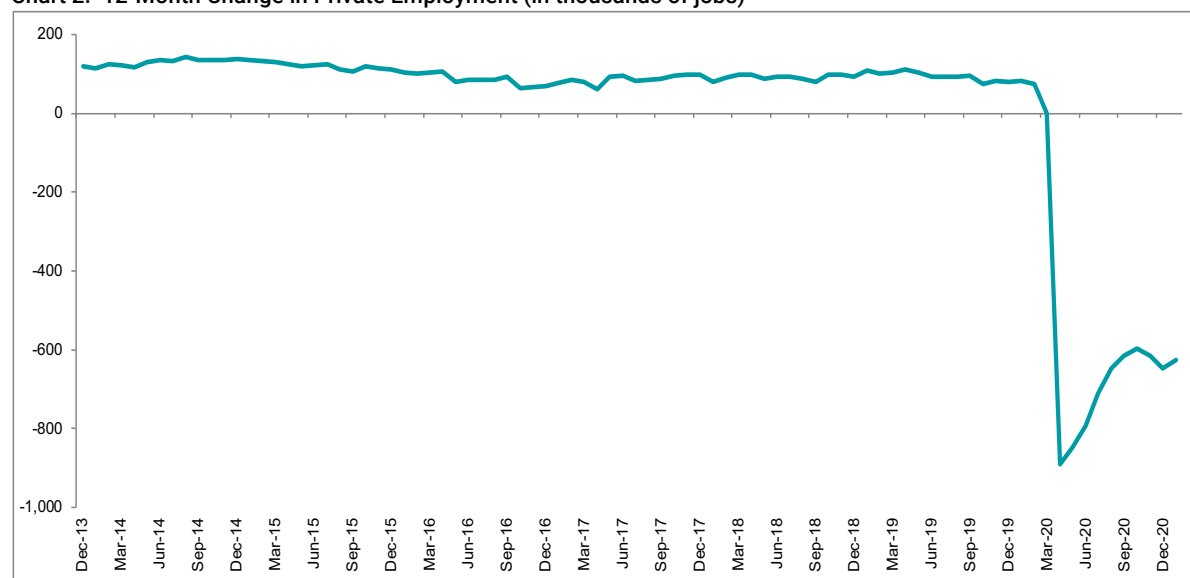
(Numbers include all persons employed in the city, regardless of place of residence.)

12 Months Ending January 2021

In the 12 months ending January 2021, the city's private sector payroll jobs fell by 626,400, a decrease of 15.5 percent, a larger decline than the national rate (-6.2 percent) during the period.

Chart 2 reports the 12-month change in New York City private employment from December 2013 to / January 2021.

Chart 2. 12-Month Change in Private Employment (in thousands of jobs)

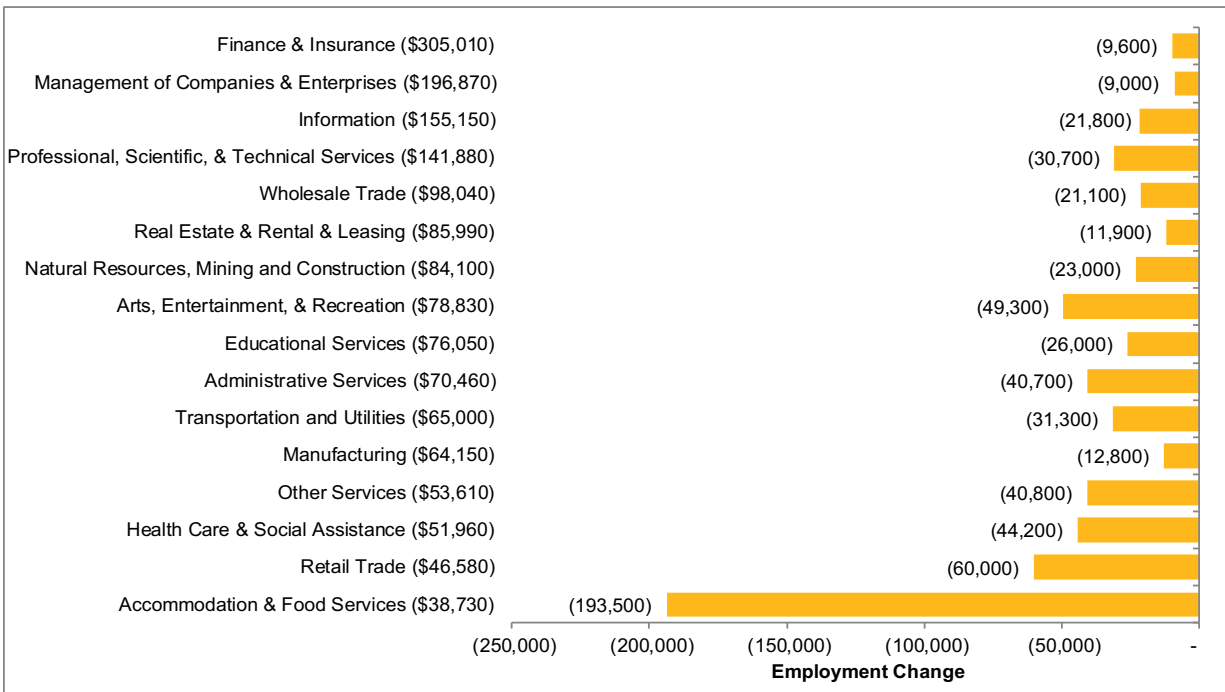


Source: NYSDOL, non-seasonally adjusted data

Employment in the Accommodation and Food Services sector declined by 193,500 jobs in the 12 months ending in January 2021. Retail Trade jobs fell by 60,000, and Arts, Entertainment and Recreation lost 49,300. This is not an exhaustive list of sectors that have lost jobs. There were no sectors that added jobs over the past year.

Chart 3 reports the sectors that contributed to employment gains in the year ending January 2021.

Chart 3. Change in New York City Private Employment by Industry, 12 Months Ending January 2021, by 2019 Average Wages

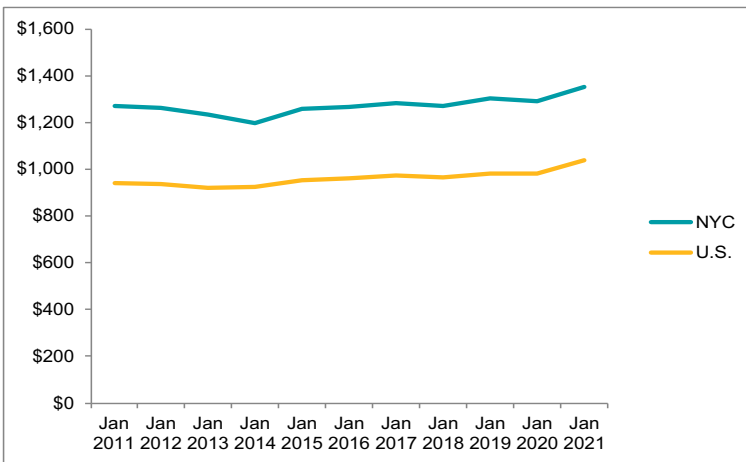


Source: NYSDOL; "Other Services" includes Repair and Maintenance, Personal and Laundry, Religious, Grantmaking, Civic and Professional Organizations.

Private sector employees in New York City earned \$40.30 per hour and worked 33.6 hours per week, on average, in January 2021. The resultant average weekly earnings figure of \$1,354 is up 4.9 percent from the inflation-adjusted average from one year prior.

Chart 4 shows the average weekly earnings of private sector employees in New York City.

Chart 4. New York City Average Weekly Earnings, Private Sector



Source: NYSDOL, BLS; Weekly earnings were inflated to current dollars using the U.S. Bureau of Labor Statistics' non-seasonally adjusted Consumer Price Index (CPI) for All Urban Consumers in the New York-Northern New Jersey-Long Island, NY-NJ-CT-PA metropolitan area, and U.S. city average.

Month-to-Month

Educational Services had the strongest growth between December 2020 and January 2021, adding 5,900 jobs. Information Services added 2,900 jobs, and Professional, Scientific, and Technical Services added 2,200. This is not an exhaustive list of sectors experiencing gains month-to-month.

The Transportation, Warehousing and Utilities sector experienced a decline of 3,900 jobs month-to-month. Health Care and Social Assistance jobs fell by 3,100, and jobs in Accommodation and Food Services fell by 2,300. This is not an exhaustive list of sectors experiencing declines month-to-month.

Table 4 summarizes New York City private payroll employment data by industry.

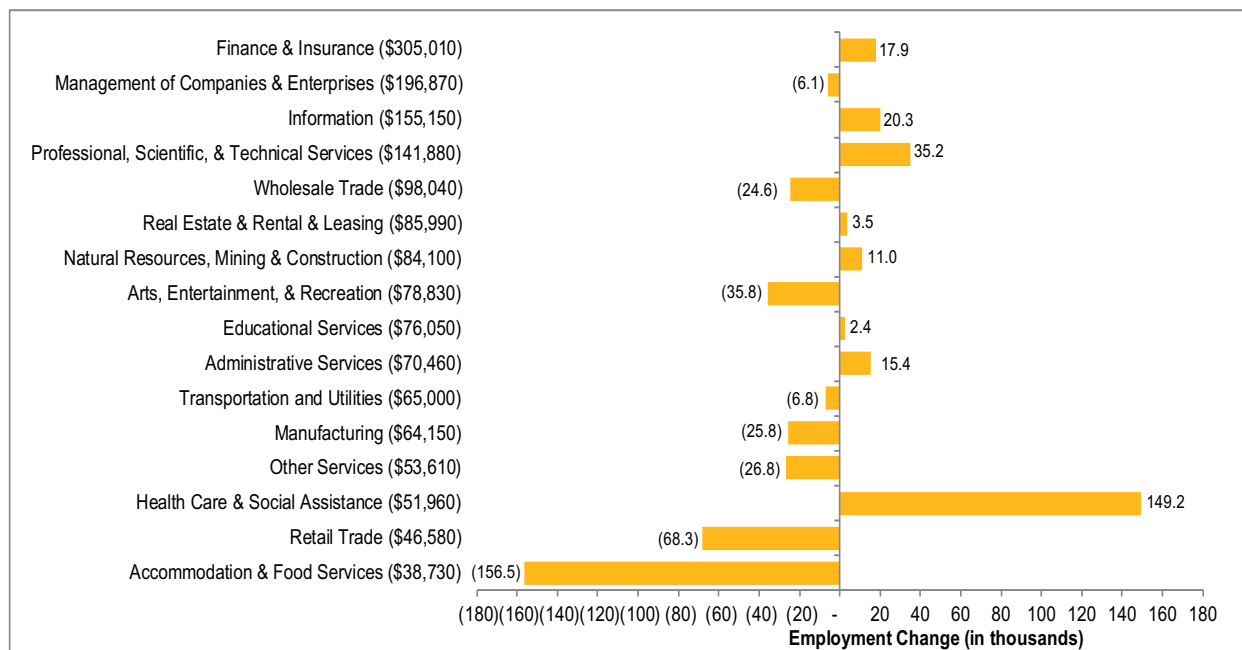
Table 4. New York City Employment by Industry

Industry	Employment					
	Jan-21	Change from Previous Month		Change Year-Over-Year		2019 Average Wage
		Actual	Percent	Actual	Percent	
FIRE	463,500	800	0.2%	(21,500)	-4.5%	\$242,780
Finance and Insurance	338,800	700	0.2%	(9,600)	-2.8%	\$305,010
Securities	177,300	400	0.2%	(5,400)	-3.0%	\$398,660
Banking	103,400	0	0.0%	(1,700)	-1.6%	\$202,240
Other	58,100	300	0.5%	(2,500)	-4.2%	\$163,600
Real Estate	124,700	0	0.0%	(11,900)	-8.7%	\$85,990
SERVICES	2,252,800	7,700	0.3%	(456,000)	-16.8%	\$81,480
Information	206,700	2,900	1.4%	(21,800)	-9.7%	\$155,150
Professional and Business	691,100	3,000	0.4%	(80,400)	-10.5%	\$121,470
Professional, Scientific & Technical	409,600	2,200	0.5%	(30,700)	-7.0%	\$141,880
Management of Companies & Enterprises	63,100	(600)	-1.0%	(9,000)	-12.5%	\$196,870
Administrative and Support	218,500	1,500	0.7%	(40,700)	-15.9%	\$70,460
Educational	226,300	5,900	2.7%	(26,000)	-10.4%	\$76,050
Health Care & Social Assistance	771,800	(3,100)	-0.4%	(44,200)	-5.4%	\$51,960
Arts & Entertainment	45,200	1,800	4.3%	(49,300)	-53.6%	\$78,830
Accommodation & Food	161,600	(2,300)	-1.4%	(193,500)	-53.7%	\$38,730
Other	150,100	(500)	-0.4%	(40,800)	-21.0%	\$53,610
TRADE	395,600	600	0.1%	(81,100)	-16.7%	\$60,800
Retail	278,300	(300)	-0.1%	(60,000)	-17.3%	\$46,580
Wholesale	117,300	900	0.8%	(21,100)	-15.2%	\$98,040
MANUFACTURING	51,600	(400)	-0.8%	(12,800)	-19.7%	\$64,150
TRANSPORTATION AND UTILITIES	117,500	(3,900)	-3.2%	(32,000)	-20.9%	\$65,000
NATURAL RESOURCES, MINING AND CONSTRUCTION	134,700	(2,100)	-1.5%	(23,000)	-14.7%	\$84,100
TOTAL PRIVATE	3,415,700	2,600	0.1%	(626,400)	-15.5%	\$97,680
GOVERNMENT	586,600	7,100	1.2%	(9,700)	-1.7%	\$81,540
TOTAL (Private + Government) NYC	4,002,300	9,700	0.2%	(636,100)	-13.7%	\$95,610

Source: NYSDOL, seasonal adjustments for monthly data by New York City Office of Management and Budget (OMB); wage data from NYSDOL, Quarterly Census of Employment and Wages. Wages by sector, except Government, represent private sector wages only
 Numbers may not add to totals due to rounding
 Data are preliminary and subject to change

Chart 5 reports changes in private employment since December 2013 by industry, ranked by 2019 average wages.

Chart 5. Change in NYC Private Employment by Industry (in thousands of jobs), December 2013 to January 2021, Ranked by 2019 Average Wages



Source: New York State Department of Labor (Current Employment Statistics and QCEW)

*Wages in parentheses represent the 2019 average wages for that sector. Sectors are sorted from highest to lowest.

About NYCEDC

NYCEDC is a mission-driven, nonprofit organization that creates shared prosperity across New York City. Our projects and initiatives are about serving New Yorkers. We are working with and for communities through every step of the economic development process—bringing emerging industries to the five boroughs; creating the spaces and facilities they need to thrive and create jobs; giving New Yorkers the tools and training to succeed in those jobs; and investing in the public infrastructure and neighborhood development projects that make this city a great place to live, work, and do business. Ultimately, we strive to create a sustainable and resilient future, with shared prosperity and opportunity for all New Yorkers.

Find us on Facebook, follow us on Twitter, or visit edc.nyc to learn more about our projects and initiatives.

The Economic Research & Policy Group at NYCEDC

The Economic Research & Policy (ERP) group performs industry and economic research to provide insights into key policy issues, conducts economic analysis of New York City projects, and tracks economic trends for policymakers and the public as a whole. ERP also supports NYCEDC in the evaluation of projects by setting up tools to assess, measure, and report on ideation and results. The team advances high-impact thought leadership on inclusive and innovation-driven economic development.

For more information, visit edc.nyc/insights
Contact us at NYCeconomics@edc.nyc