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**SMALL GAIN IN JOBS, UNEMPLOYMENT RATE CLIMBS IN AUGUST
Largest Monthly Increase in State's Unemployment Rate in More Than 17 Years**

New York State's private sector employment increased over the month by 3,000, or less than 0.1 percent, to 7,261,200 (seasonally adjusted) in August 2008, the State Labor Department reported today. In addition, New York State's unemployment rate, after seasonal adjustment, increased from 5.2 percent in July 2008 to 5.8 percent in August 2008 -- its highest level since June 2004. New York City's seasonally adjusted unemployment rate was 5.8 percent in August 2008, up from 5.0 percent in July 2008. The rate in the balance of the state outside of New York City also rose over this span, from 5.3 percent in July to 5.7 percent in August 2008.

"New York State's labor market indicators reported mixed signals in August. Although the state did add 3,000 private sector jobs, the unemployment rate increased from 5.2 percent in July to 5.8 percent in August. This 0.6 percentage point jump represented the largest monthly increase in the state's rate since January 1991," said Peter A. Neenan, director of the Division of Research and Statistics.

Note: When comparing different months, seasonally adjusted data provide the most valid comparison, for example, July 2008 versus August 2008. Non-seasonally adjusted data are valuable in year-to-year comparisons of the same month, for example, August 2007 versus August 2008.

1.) Unemployment rates (seasonally adjusted):

The state's unemployment rate, after seasonal adjustment, increased from 5.2 percent in July to 5.8 percent in August 2008. This was the steepest over-the-month rise in the state's rate since January 1991. Much of this gain was due to a large jump in New York City's rate, which climbed from 5.0 percent in July to 5.8 percent in August 2008. This was the largest monthly increase in the city's rate on record (current data extend back to 1976). The rate for the balance of the state outside of New York City was 5.7 percent in August 2008, up from 5.3 percent in July. The sharp jumps in the city and state rates in August 2008 departed significantly from recent monthly trends. Since these model estimates are based, in part, on sample-based surveys conducted by the federal government, there is a risk of sampling error, which suggests that at least a portion of the change may be a statistical anomaly.

Unemployment Rates (seasonally adjusted)

	<u>August 2008</u>	<u>July 2008</u>	<u>August 2007</u>
New York State	5.8	5.2	4.6
United States	6.1	5.7	4.7
New York City	5.8	5.0	5.3
NYS, excluding NYC	5.7	5.3	4.2

2.) Job data (seasonally adjusted):

New York State and the nation, July 2008 - August 2008:

The number of private sector jobs in New York State increased by 3,000, or less than 0.1 percent, to 7,261,200 in August 2008, on a seasonally adjusted basis. Nationally, the number of private sector jobs decreased by 0.1 percent over the same period. After seasonal adjustment, the number of nonfarm jobs in the state increased over the month by 3,200, or less than 0.1 percent, to 8,781,300 in August 2008. Nationally, the number of seasonally adjusted nonfarm jobs decreased by 0.1 percent.

3.) Nonfarm jobs since August 2007 (not seasonally adjusted):

Total nonfarm jobs	+39,700
Private sector jobs	+32,500

Since August 2007, the number of nonfarm jobs (private plus public) in New York State increased by 39,700, or 0.5 percent, and the number of private sector jobs increased by 32,500, or 0.4 percent. Nationally, the number of nonfarm jobs decreased by 0.3 percent and the number of private sector jobs decreased by 0.6 percent between August 2007 and August 2008.

Educational and health services added the largest number of private sector jobs (+37,400) over the August 2007-August 2008 period, with most of the increase in health care and social assistance (+27,800). The job count also increased over the year in the following sectors: leisure and hospitality; government; other services; information; professional and business services; trade, transportation and utilities; and natural resources and mining.

Looking over the year, manufacturing (-17,900) registered the largest drop among declining industries. Manufacturing job losses were centered in non-durable goods (-9,700) with the largest non-durable declines in apparel manufacturing (-3,200) and chemical manufacturing (-2,400). Employment losses in durable goods (-8,200) were focused in transportation equipment manufacturing (-1,800). Employment also decreased over the year in financial activities and construction.

Industries With Job Gains:

Educational & Health Services	+37,400
Leisure & Hospitality	+11,500
Government	+7,200
Other Services	+4,800
Information	+2,900
Professional & Business Services	+2,800
Trade, Transportation & Utilities	+2,400
Natural Resources & Mining	+200

Industries With Job Losses:

Manufacturing	-17,900
Financial Activities	-9,400
Construction	-2,200

4.) Nonfarm jobs since July 2008 (not seasonally adjusted):

Total nonfarm jobs	-29,400
Private sector jobs	-7,700

In August 2008, New York State had 8,755,900 total nonfarm jobs, including 7,291,100 private sector jobs. From July 2008 to August 2008, the number of nonfarm jobs decreased by 29,400 and the number of private sector jobs decreased by 7,700. On average, in the previous ten years, the number of nonfarm jobs in New York decreased by 22,400 from July to August, and the number of private sector jobs increased by 1,100.

The not seasonally adjusted job count increased over the month in construction (+4,000), professional and business services (+2,600), manufacturing (+900) and information (+200). The job count decreased over the month in government (-21,700), educational and health services (-8,000), financial activities (-3,000), other services (-2,600), trade, transportation and utilities (-1,100), and leisure and hospitality (-700). Natural resources and mining employment was unchanged over the month.

5.) New York State nonfarm job highlights since July 2008 (not seasonally adjusted):**Construction**

Construction sector employment increased, with gains centered in specialty trade contractors.

Professional and business services

Over-the-month hiring was concentrated in administrative and support services, especially employment services.

Manufacturing

The sector's over-the-month employment gain was focused in non-durable goods, especially printing and related support activities.

Information

Sector employment gains were centered in motion picture and sound recording.

Leisure and hospitality

Employment decreased in August with losses centered in arts, entertainment and recreation.

Trade, transportation and utilities

Employment losses, which were centered in transportation and warehousing, overshadowed job gains in retail trade, particularly in clothing and clothing accessories stores.

Other services

Over-the-month employment decreases in this sector were centered in religious, grantmaking, civic, professional and similar organizations.

Financial activities

Sector employment decreased over the month, with job losses in both finance and insurance and in real estate and rental and leasing.

Educational and health services

Sector employment decreased in both educational services and health care and social assistance.

Government

Government employment declined in August due to seasonal staff reductions by local public elementary and secondary schools.

6.) Metropolitan Areas:

Job Growth and Unemployment Rates (not seasonally adjusted):

Albany-Schenectady-Troy: Since August 2007, the number of nonfarm jobs has increased by 1,400, or 0.3 percent, and the number of private sector jobs has increased by 700, or 0.2 percent. The area's unemployment rate was 5.0 percent in August 2008, unchanged from July and 3.7 in August 2007.

Binghamton: Since August 2007, the number of nonfarm jobs has decreased by 200 or 0.2 percent, and the number of private sector jobs has decreased by 400, or 0.4 percent. The area's unemployment rate was 5.6 percent in August 2008, compared with 5.5 in July and 4.0 in August 2007.

Buffalo-Niagara Falls: Since August 2007, the number of nonfarm jobs has increased by 2,000, or 0.4 percent, and the number of private sector jobs has increased by 100 or less than 0.1 percent. The area's unemployment rate was 6.0 percent in August 2008, unchanged from July and 4.5 in August 2007.

Glens Falls: Since August 2007, the number of nonfarm jobs has decreased by 900, or 1.5 percent, and the number of private sector jobs has decreased by 1,200, or 2.5 percent. The area's unemployment rate was 4.9 percent in August 2008, compared with 4.8 in July and 3.5 in August 2007.

Ithaca: Since August 2007, the number of nonfarm jobs has increased by 100, or 0.2 percent, and the number of private sector jobs was unchanged. The area's unemployment rate was 4.7 percent in August 2008, compared with 4.5 in July and 3.4 in August 2007.

Kingston: Since August 2007, the number of nonfarm jobs has increased by 100, or 0.2 percent, and the number of private sector jobs has decreased by 200, or 0.4 percent. The area's unemployment rate was 5.7 percent in August 2008, compared with 5.5 in July and 4.3 in August 2007.

Nassau-Suffolk: Since August 2007, the number of nonfarm jobs has increased by 7,900, or 0.6 percent, and the number of private sector jobs has increased by 4,100, or 0.4 percent. The area's unemployment rate was 5.2 percent in August 2008, compared with 5.0 in July and 3.8 in August 2007.

New York City (five boroughs): Since August 2007, the number of nonfarm jobs has increased by 30,700, or 0.8 percent, and the number of private sector jobs has increased by 31,000, or 1.0 percent. The area's unemployment rate was 5.9 percent in August 2008, compared with 5.4 in July and 5.3 in August 2007.

Poughkeepsie-Newburgh-Middletown: Since August 2007, the number of nonfarm jobs has increased by 700, or 0.3 percent, and the number of private sector jobs has increased by 200, or 0.1 percent. The area's unemployment rate was 5.5 percent in August 2008, compared with 5.4 in July and 3.9 in August 2007.

Putnam-Rockland-Westchester: Since August 2007, the number of nonfarm jobs has increased by 4,100, or 0.7 percent, and the number of private sector jobs has increased by 3,200, or 0.7 percent. The area's unemployment rate was 5.1 percent in August 2008, compared with 4.9 in July and 3.6 in August 2007.

Rochester: Since August 2007, the number of nonfarm jobs has decreased by 7,100, or 1.4 percent, and the number of private sector jobs has decreased by 4,700, or 1.1 percent. The area's unemployment rate was 5.7 percent in August 2008, compared with 5.6 in July and 4.1 in August 2007.

Syracuse: Since August 2007, the number of nonfarm jobs has decreased by 700, or 0.2 percent, and the number of private sector jobs has decreased by 400, or 0.1 percent. The area's unemployment rate was 5.7 percent in August 2008, compared with 5.5 in July and 3.9 in August 2007.

Utica-Rome: Since August 2007, the number of nonfarm jobs has decreased by 1,000, or 0.7 percent, and the number of private sector jobs has decreased by 1,200, or 1.2 percent. The area's unemployment rate was 5.3 percent in August 2008, compared with 5.2 in July and 3.7 in August 2007.

Note: Labor force statistics, including the unemployment rate, for New York and every other state are based on statistical regression models specified by the U. S. Bureau of Labor Statistics. Jobs data for New York are obtained from a survey of 18,000 business establishments. Jobs data exclude agricultural workers, the self-employed, unpaid family workers and domestic workers in private households.

See State and Area Jobs Data

See State and Area Unemployment Rates

Jobs and Unemployment Fact Sheet

Labor Market Overview