

Economic Overview And Outlook: New York

JOBS

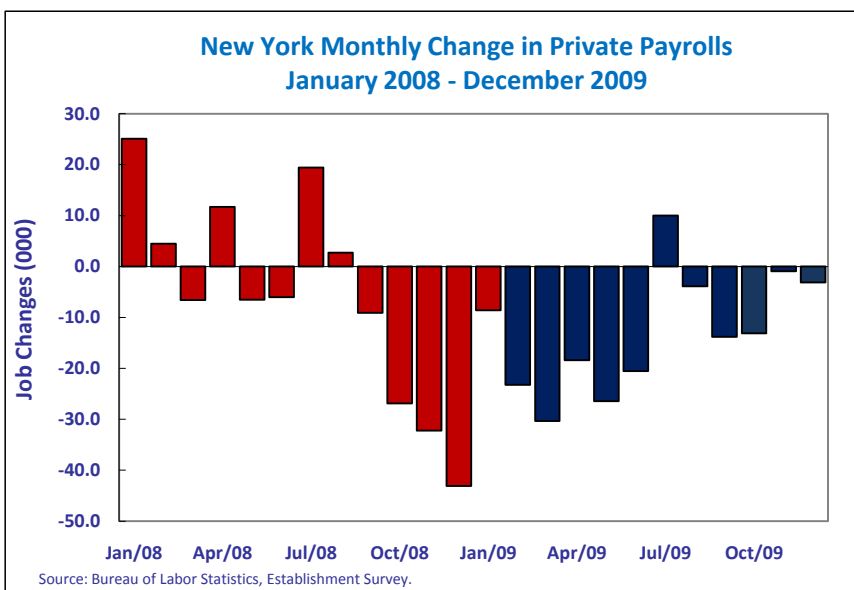
- Across the country, job losses have slowed dramatically since President Obama took office, nearly coming to a halt. Congress and the Administration worked swiftly to pass the American Recovery and Reinvestment Act, which has boosted employment by an estimated 2 million jobs since it was enacted.
- The President's Council of Economic Advisers estimates that investments made through the Recovery Act have boosted employment in New York by 141,000 jobs through the 4th quarter of 2009.
- In New York, employees in construction, financial services, and information services faced the largest job losses (as a percent of employment within an industry) over the recession.
- While job losses nationwide have dissipated, the weakness in the labor market has been compounded by lackluster job creation in the private sector during the previous administration's eight-year tenure.
- As the economy recovers from the Great Recession, service-providing industries are projected to add the most jobs between 2008 and 2018, with the largest gains in professional and business services, education, health care and social assistance, and State and local government. Within the goods-producing sector of the economy, only the construction industry is projected to add jobs above its 2008 level.

EMPLOYMENT

- The unemployment rate in New York was 9.0 percent in December 2009, up 4.4 percentage points from December 2007, matching its most recent peak reached in October 2009.
- 869,000 New York residents were counted among the unemployed in New York during December 2009.

EARNINGS

- Between the start of the recession in the 4th quarter of 2007 and the 1st quarter of 2009, inflation-adjusted total personal income in the United States declined 2.5 percent, before leveling off. Most recently, in the 3rd quarter of 2009, total personal income remained 2.4 percent below the 4th quarter 2007 peak.
- Real per capita personal income (in 2005 \$) in New York was \$43,733.40 in the 3rd quarter of 2009, down from \$45,332.70 in the 3rd quarter of 2007.



HOUSING

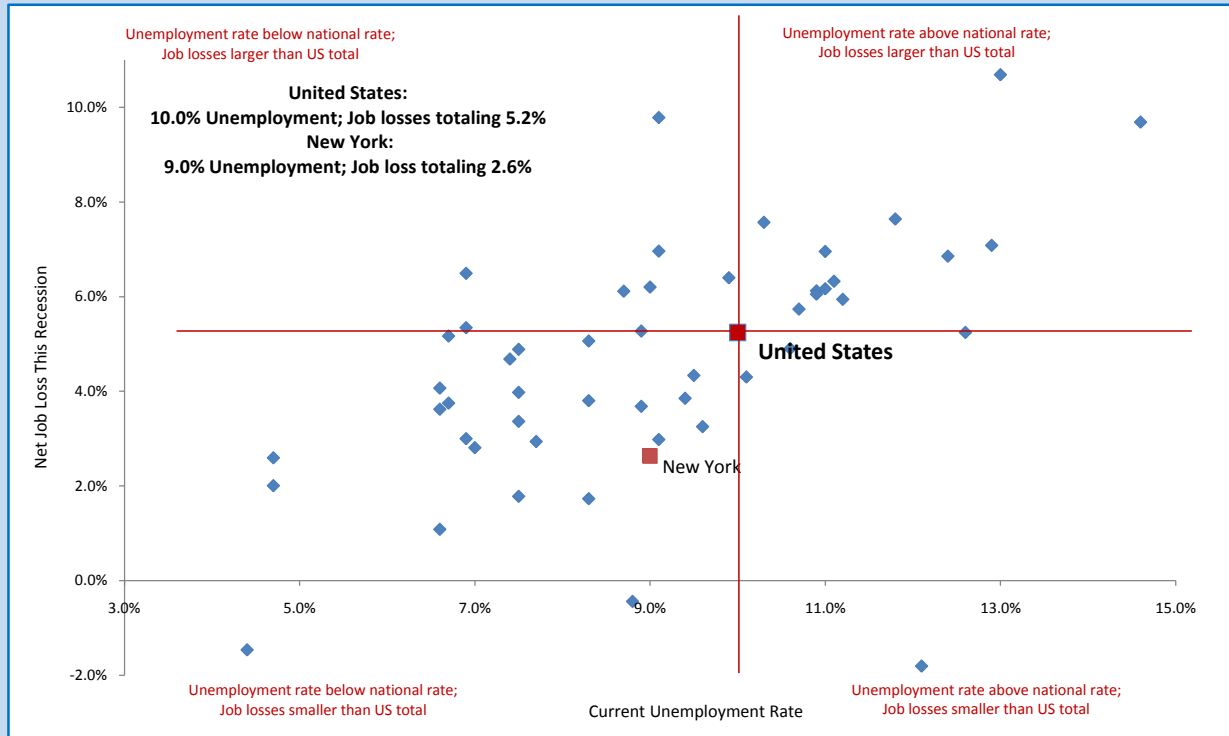
- Actions taken by Congress and the Administration have stabilized plummeting home prices, which fell nearly 11 percent across the country between March 2007 and December 2008. In the Middle Atlantic census division, which includes New York, home prices decreased 0.1 percent between October and November 2009.
- The median price of single-family homes in New York was \$290,000 in 2008, compared to \$250,000 nationwide.
- As of the 3rd quarter of 2009, 4.0 percent of all mortgages, including 16.5 percent of subprime mortgages, were in foreclosure in New York.
- Housing starts in New York totaled 18,660 units (seasonally adjusted annual rate) in November 2009, an increase of 52.2 percent from October.
- Within the Northeast census region, which includes New York, sales of new single-family homes totaled 40,000 units in December 2009, an increase of 42.9 percent from November. Sales of existing single-family homes decreased 19.5 percent to 660,000 units (at seasonally adjusted annual rates) from November to December 2009.

How Does New York Compare To Other States?

Workers across the country have been hard hit by the Great Recession. This chart allows you to compare New York to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within New York over the course of the recession (shown along the vertical axis) measures the toll the recession has taken on the job supply in New York.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant have unemployment rates lower than the national average and smaller job losses over the recession.



STATE QUICK FACTS

		New York	United States
Unemployment Rates	December 2007	4.6%	5.0%
	December 2008	6.6%	7.4%
	December 2009	9.0%	10.0%
Percent of Population Who Are Veterans	2008	6.9%	9.8%
Veterans' Unemployment Rate	December 2009		8.2%
Median Household Income	2000	\$ 51,296	\$ 52,532
	2008	\$ 50,643	\$ 51,233
Poverty Rate	2000	14.0%	11.6%
	2008	14.3%	12.9%
No Health Insurance	2000	15.6%	13.9%
	2008	13.6%	15.3%

Prepared by the Majority Staff of the Joint Economic Committee