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Area's jobless rate falls to 7.7 percent

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The Rochester region is continuing its long climb out of the deep unemployment hole left by the recession, but it hasn't reached the surface yet.

The area's jobless rate fell to 7.7 percent in March, the state Labor Department reported Tuesday. That's a significant improvement over the 8.7 percent rate a year earlier and 8.3 percent in February.

But to give an idea of how far the region remains from economic health, the jobless rate in March 2007 — nine months before the recession officially began — was 4.5 percent. That's a difference between 24,000 unemployed people in 2007 and 40,000 last month.

Still, state officials said job trends unquestionably are improving. A Labor Department survey of payrolls in March showed a net increase of 4,400 jobs in the five-county area in the past 12 months. The private sector added 4,800 jobs, while government agencies cut 400.

With the growth in jobs and the drop in the unemployment rate, "All the numbers are moving in the right direction," said

Tammy Marino, regional labor market analyst.

Health care and education, the twin bulwarks of the regional economy in recent years, added 3,200 jobs in the past 12 months. The category of professional and business services also was strong, gaining 2,800 jobs.

Employment in retail was essentially flat, as was the financial sector.

But two sectors that had been struggling — manufacturing and construction — showed improvement. The year-over-year decline in manufacturing employment was 1,600, smaller than it had been. And construction, which had slowed to a crawl during the 2007-2009 recession, added 400 jobs.

The region's 7.7 percent unemployment rate remains well below the statewide average of 8 percent and the nation's 9.2 percent. It also is lower than the rates in Buffalo, 8.1 percent in March, and Syracuse, 8.3 percent.

In a statement, Monroe County Executive Maggie Brooks said she was encouraged by the local statistics. "We are making great strides in reducing the unemployment rate and putting local residents back to work," she said.

According to Labor Department numbers, 481,500 Rochester-area residents were employed in March, up slightly from a year earlier. It marked the seventh straight month that the ranks of people with jobs were larger than they had been a year earlier.

But another factor that helped bring the unemployment rate down wasn't as encouraging. The overall size of the labor force — which includes people with jobs and those actively looking for work —

shrank by more than 4,000 between March 2010 and last month. The decline suggests that while some people found jobs, others simply stopped looking.

One reason for the increase in so-called "discouraged workers:" Jobs just aren't plentiful enough.

At the nonprofit agency RochesterWorks Inc., the supply of jobs has picked up only slightly from past years, said Executive Director Peter C. Pecor. Meanwhile, demand for work remains strong but employers are being highly selective, he said.

Roughly 35,000 job seekers came through RochesterWorks' doors in 2010, and based on current volumes the 2011 number might be around 32,000.

"There's been some improvement, (but) I don't think the improvement has been dramatic," Pecor said. "There's still an awful lot to be done. We need to see real job growth and real job creation."

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