

Fairport-East Rochester Post

New York economic recovery slow, but “headed in right direction”

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Rochester, N.Y. — The economic recovery in New York has been slow and uneven across the state, according to a recent report, but local experts say it is moving in the right direction.

“The recession didn’t hit New York as hard as other states,” said state Comptroller Thomas DiNapoli. “But there’s still a lot of pain.”

His report shows New York’s gross state product grew at an annual rate of 2.2 percent during 2010, after two consecutive years of decline. The Rochester region went up 2.4.

Median home prices in Rochester also went up 5.2 percent between fourth quarter of 2009 and 2010.

While public sector employment in New York declined by 28,200 jobs between December 2009 and March 2011, private sector employment grew by 95,100 jobs during 2010 and by another 27,600 jobs in the first quarter of 2011.

“I think we’re going to see continued improvement,” said Barbara Cutrona, vice president of operations at the Rochester Business Alliance. “It will be slight improvement, but I think the trend is upward. Rochester has always been a survivor city. It’s always gotten through challenging times.”

A recent survey by the RBA of over 200 member companies showed that the average hourly wage for local manufacturing jobs is \$15.17 per hour, down from \$15.29 a year ago, while the average paid locally for unskilled hourly jobs was \$9.89, up from \$9.71 in 2010.

Although the survey showed only a “slight variation” from the year before, Cutrona said there are positive signs in the Rochester area that the economy is improving. Companies are hiring again, and while a year ago, a lot of companies had instituted pay freezes, “that has just completely gone away,” said Cutrona.

She said Rochester has a lot of skilled workers, and employers need to focus on getting them into the right jobs and retaining them.

But there are still areas of concern, including energy prices and the education system, said Mark Zupan, dean and professor of economics and public policy at the University of Rochester’s Simon Graduate School of Business. Schools need to focus more on the issues of low graduation rates and what students go on to do after they graduate.

The cost of doing business in New York, compared to other states, is a problem, he added.

“I think it’s much more challenging,” he said, **citing the decision by billionaire philanthropist B. Tom Golisano in 2009 to move to Florida.** “It’s just emblematic of us losing too many entrepreneurs.”