

# Jobless rate in region falls to 7.5 percent

Jim Stinson • Staff writer • September 17, 2010

The Rochester-area economy might be considered one of the 20 strongest in the nation, but that doesn't mean the effects of the recession have vanished.

Jobs remain scarce, though not as scarce as last year. And the [unemployment rate](#) remains high by historical standards, though not as high as last year.

"The rate of job loss has slowed significantly," Tammy Marino, a Rochester-based analyst for the state Labor Department, said on Thursday.

The [unemployment](#) rate in the five-county Rochester metropolitan statistical area improved to 7.5 percent in August, down from 7.8 percent both the month before and a year before.

Area payrolls dropped by a total of 4,400 jobs in the past 12 months, but most of the cuts were by financially stressed government agencies. More and more companies are beginning to hire.

"We continue to move in a positive direction" in the private sector, Marino said.

The region's workers got some more good news Thursday when the Rochester [Business Alliance](#) said the percentage of area employers planning to give pay raises in 2011 soared from 2010's level. The survey of RBA members found 86 percent saying they will hand out raises next year, up from 62 percent who said last fall that they planned raises in 2010.

Only 11 percent of respondents are planning wage freezes or cuts next year, compared with 38 percent who planned to do so in 2010.

On average, employers are projecting raises of 3.2 percent in 2011, the same amount as this year.

"As the recovery continues, businesses are shifting focus toward retaining employees and attracting new talent," said Sandy Parker, CEO of the alliance.

The sectors of the economy that are adding jobs include health and education, professional and [business services](#), and leisure and hospitality.

Manufacturers are still cutting, but not as severely as they did during the worst of the recession. The region lost 7,800 [manufacturing jobs](#) from August 2008 to August 2009, while in the past 12 months the decline shrank to 2,100 jobs, Marino said.

"The numbers are still down, but they are markedly improved," she said.

At the state level, the unemployment rate edged up to 8.3 percent in August from 8.2 percent in July, still well below the U.S. rate of 9.6 percent.

"I think the state economy is struggling," said Daniel Tessonni, accounting professor at Rochester Institute of Technology. "The ability to [fund](#) the state government's needs ... is very challenging."

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## Other metros

Rochester was recognized again this week by the Brookings Institution as one of the 20 healthiest metro economies in the U.S., as were Buffalo and Albany.

Of the three, Albany had the lowest unemployment

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