

# New York State Department of Labor



Formal Budget Hearing Testimony  
10/17/13

# State of the Economy

- The New York State economy has added more than **346,000 new private sector jobs** under Governor Cuomo
- New York State's private sector job count is **7.5 million**



# About The Agency

- Headquarters in Albany
- 96 New York State Career Centers

## Department of Labor Budget

SFY Appropriations	Total	UI Benefits	Other Programs
2014-2015 Requested	\$4.57 Billion	\$3.74 Billion	\$0.83 Billion
2013-2014 Actual	\$6.36 Billion	\$5.53 Billion	\$0.83 Billion
2012-2013 Actual	\$7.48 Billion	\$6.68 Billion	\$0.80 Billion
2009-2010 Actual	\$11.2 Billion	\$10 Billion	\$1.2 Billion

# What The Department of Labor Does

- Partners with businesses
- Enforces state labor laws
- Assists the unemployed
- Protects the safety and health of workers and the public



# Jobs Jobs Jobs

- Connect job seekers and employers
- Strong workforce is vital to New York's success
- Jobs created through Career Centers:  
Nationwide: 1,000,000  
**New York State: 250,000**

# Jobs Express

- **No-cost service for job seekers and businesses**
- **More businesses = more job opportunities for New Yorkers**
- **51,000 new jobs added each month**



# Long-Term Unemployed

- Helping individuals out of work 26 weeks or longer connect to available jobs in their region.
- On-the-Job Training:
  - **\$8.2 million**
  - **600 businesses**
  - **1,200 individuals**
- **\$1.2 million still available**

# Long-Term Unemployed

**“As a small business owner you're afraid to hire someone because it takes so long to train them in the position it is just easier to do it yourself. With this program it makes it much easier for a small business to take a shot and hire someone and teach them in a new trade or position. I would encourage any small business to take advantage of this program.”**

**-Steve Pesta**

**Awards by Walsh's & Creative Marketing Inc.  
Cohoes, NY**



# Long-Term Unemployed

**“Having been employed for the past 40 years I was not expecting my position to be eliminated suddenly from my previous employer. When I registered with Working Solutions, in Herkimer, NY, they gave me the resources to find a new job, by attending workshops and personal assistance. The most unpleasant situation of having your position eliminated, has turned into a once in a lifetime experience by locating and securing a new position, only achievable with the help and training provided through the OJT program.”**

**-Lance Bennett  
Human Technologies Corporation  
Utica, NY**

# Veterans

- “You served your country well, now let us serve you”
- Veterans' specialists on site and priority of service
- *Experience Counts* program helps veterans transfer military service into civilian jobs
- New York Employment Services System streamlines services for veterans



# Educating The Workforce of Tomorrow

- Workforce skills to match available jobs
- Meetings with college leaders
- Start-Up NY
- Apprenticeship programs

# New York Youth Works

- New York Youth Works returning in 2014
- In 2012:
  - 1,270 businesses
  - 12,866 at-risk youth
- Wage subsidy up to \$4,000 in the form of a tax credit



# Shared Work

- Goal: Prevent layoffs
- An alternative during temporary declines in business
- In 2013:
  - 600 Shared Work plans
  - 9,300 workers
  - 2,400 jobs saved

# Business Services

**No-cost services available to all businesses:**

Workforce needs analysis

Write job postings

Develop customized recruitment plans

Address training gaps

One-on-one help

Selecting job candidates

Creating and reviewing handbooks

Reviewing employee turnover

Alternatives to downsizing



# Unemployment Insurance

- For workers who lose their job through no fault of their own
- In 2012:
  - **1.13 million people**
  - **\$7.1 billion**
- Funded by employer contributions and the federal government

# Unemployment Insurance Reform

- New York's broken system has not had enough funds to pay all the claims filed by unemployed workers
- Reform made system self-correcting and sustainable
- Increase in weekly maximum and minimum benefit rates
- Claimant Advocate Office
- Shared Work expansion



# Unemployment Insurance Fraud

- New York State is a national leader in preventing, detecting and recovering improper Unemployment Insurance benefit payments.
- Fraud is bad for business
- 2013 to date:
  - **\$54 million identified (21% increase)**
  - **514 cases referred**
- *Unemployment Insurance National Integrity Center of Excellence*

# Minimum Wage

- Increase from \$7.25 to \$8.00 on December 31, 2013
- Improve the standard of living for workers
- Incentivize fair business practices
- Ensure all members of the workforce can contribute to the economy



# Labor Law Enforcement

- Laws help ensure safe working conditions and proper wages
- Enforcement Efforts 2013 to date:
  - **\$19 million to workers (17% increase)**
  - **5,200 new cases opened**
  - **4,900 cases closed (31% increase)**
- Q3 2013:
  - **7,600 misclassified workers identified**
  - **\$104 million in unreported wages**
- Prevailing Wage 2013 to date:
  - **3,500 workers**
  - **\$11 million**

# Division of Immigrant Policies and Affairs

- Educating immigrant workers and their employers
- Anti-human trafficking efforts
- Agriculture Labor Program:
  - 350 field visits, 300 agricultural businesses
  - 140 businesses came into compliance
  - 370 apparent violations



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