





**Table 2: Brooklyn Employment by Sector**

<b>Sector</b>	<b>Employment 2003</b>	<b>Employment 2002</b>	<b>% Change</b>
Total Private Sector Health Care & Social	404,488	405,868	-0.3%

- Finance & Insurance: Banking and Securities outpaced both the City and the nation in employment growth. Employment in Business Services was up strongly in Brooklyn at a rate greater than the city, but less than the nation. This can be attributed in part to the shift of back office work to Brooklyn.
- Insurance: Insurance Carriers, including the administrative offices of major companies, declined in Brooklyn, but at a rate less than the City, whereas the U.S. showed an increase in this industry. For the Offices of Agents and Brokers, growth in Brooklyn exceeded the City and the nation.
- Wholesale Trade: The growth of both Durable and Non-Durable Goods outpaced the City as a whole, but grew at about the same rate as the nation.
- Construction: Building Construction grew at about the same rate as in the City and the U.S. Special Trade Contractors increased more than in the City but less than the nation.
- Hotels: This industry outpaced the City and the nation in terms of job growth.



about the 2004 economy (56%), whereas large-sized businesses are less optimistic, with 41 percent predicting that the economy will be better than last year.

- Qualitative research indicates that Brooklyn employers universally remarked on the tough times the Borough and the nation have experienced recently. The majority of businesses interviewed have experienced economic difficulty over the past two years. Overall, the majority of businesses (68%) report that their 2003 revenue was less than or the same as 2002. The survey reveals that small-sized employers had the most difficult time in 2003, with 49 percent of them reporting that revenue generated in 2003 was less than in 2002. Large-sized businesses weathered the storm better, with 40 percent of them reporting that revenue was stable during 2003.

*“There’s no doubt about it. 2003 was my worst year ever.” Small-Sized Business, Office Supplies Manufacturing*

Given the 2001-02 recession, worsened by 9/11, it is important to note that, overall, respondents perceived their business to be more sluggish in 2003 compared to 2002. However, certain industries were “recession-proof” during this economic



Zoning tensions, especially residential versus commercial, in many of the historically manufacturing neighborhoods in Brooklyn.

Rising insurance costs, especially health and liability.

*“My insurance premiums have doubled over the past two years!”*

*- Small-Sized Business, Furniture Manufacturing*

Lack of affordable housing, which is not a typical business concern, arose in focus group discussions in relationship to concerns about the loss of a strong local workforce. This m



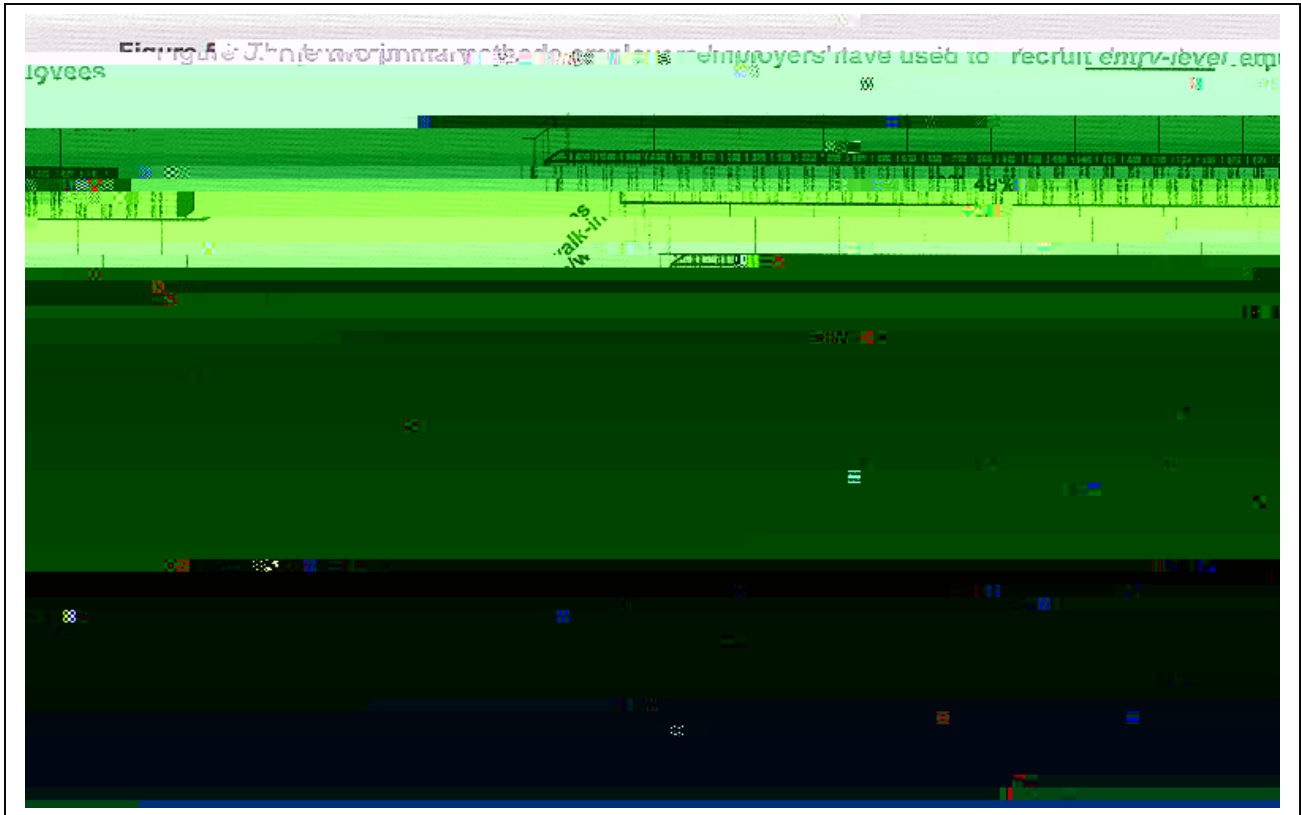
*-Small-Sized Business, Legal Services*

Large-sized businesses do not report this to be a problem.

However, employers perceive Brooklyn's entry-level workers to be less well educated than ever before. They remark that the work ethic, especially among younger employees, has diminished.

*"We hired a new secretary recently and she can't even take a proper message!"*

*- Small-Sized Business, Office Supplies Manufacturing*



- Brooklyn businesses are evenly split over the importance of a college degree to jobs in their company. Large businesses value the degree the most (67%) while small and medium businesses value it the least (38% and 42% respectively).

- Not surprisingly, businesses indicate that there is an abundance of qualified employees available at this time, particularly unskilled/entry-level jobseekers.

*"They're practically lining up outside my door."*

*- Medium-Sized Business, Cement & Concrete Manufacturing*

- In fact, employers report that the number of resumes is overwhelming, and includes many who are overqualified.

*"We now receive a hundred resumes per job. That's a huge increase."*

*- Large-Sized Business, Arts, Entertainment & Recreation*

- Even so, there are significant differences in experiences recruiting according to the level of job available. Employers report that entry-level/unskilled openings are the easiest to fill in this economy. The survey indicates that businesses consider recruiting entry-level employees to be easy and straightforward (85%). In contrast, employers are experiencing slight difficulties hiring in medium- to high-skilled areas. Businesses expect future hiring gaps in some degree-related jobs.

*“We’ve had to start offering signing bonuses to engineers.”*

*- Large-Sized Business, Utility*

The survey indicates that recruiting managerial or supervisory employees is trouble-free for businesses, with only 15 percent reporting that it is a significant problem. Of those organizations planning to hire, small businesses struggle the most with recruiting higher-end employees such as professional and managerial/supervisory employees (39% and 20% respectively).

- Businesses also report that they utilize different sources to recruit employees depending upon the type of job.  
Entry-level employees: Businesses are most likely to rely on referrals from current employees and walk-ins (49%) while newspaper want-ads are the second most likely contender (44%). The majority of employers report that although they may advertise for this type of job, they typically fill the position through walk-ins or referrals.

