New York - New Jersey Job Recovery Expected to Continue in 1998

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Note To Editors


The primary authors--James Orr, senior economist in the bank's research area, and Rae D. Rosen, senior economist in the public information area--recap the 1997 employment performance of the New York-New Jersey region and present their forecast for 1998 job growth in New York State, New York City, and New Jersey. They also consider the potential impact on regional job growth of the recent turmoil in the Asian markets and of a World Trade Organization agreement that would liberalize trade in financial services.

The forecast projects that:

- the pattern of employment recovery in the New York-New Jersey region will remain unbroken in 1998, although an anticipated slowing of growth in the U.S. economy will put a modest brake on the region's job growth;

- overall employment in the region will rise by 1.3 percent, or roughly 149,000 new jobs; New York State, New York City, and New Jersey will each record employment gains, though the gains will be smaller than they were in 1997; and

- any direct negative impact on New York and New Jersey's exported goods from recent developments in Asian markets should be fairly minor, while the financial services agreement will likely improve the prospects for employment in the region.