



**CENTERSTATE
CORPORATION FOR
ECONOMIC OPPORTUNITY**



Economic Forecast | 2021

for Central New York

CenterState CEO is pleased to present its 2021 Economic Forecast Report for Central New York. The Economic Forecast Report is a source of strategic insight on regional, state and national economic trends. This report is developed annually with the input and expertise collected from a CenterState CEO survey and in-depth interviews with members through support from Research & Marketing Strategies, Inc. (RMS), a third-party market research firm. Collectively this information provides a unique tool that can be used throughout the year as a source of strategic information across industries.



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"THERE IS GOING TO BE A 'COME-BACK' TO LOCAL ECONOMIC GROWTH ACROSS MANY INDUSTRIES."

"CNY HAS A REPUTATION FOR BEING VERY TECHNOLOGY FOCUSED HAVING STRONG POST-SECONDARY EDUCATIONAL INSTITUTIONS AND EXCEPTIONAL MEDICAL CARE."

"CENTRAL NEW YORK BUSINESSES ARE CHALLENGED WITH GOVERNMENT REGULATIONS, TAXES, THE COST OF EMPLOYEE BENEFITS AND OPERATING COSTS."

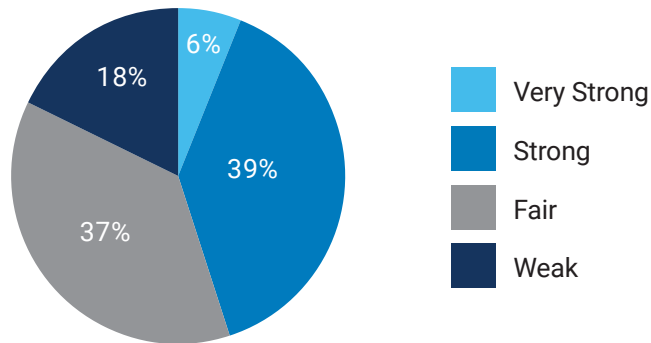
"THE REGION HAS MANY POSITIVES TO OFFER WHICH SHOULD BE PROMOTED."

"THE HIRING CHALLENGE IS TWO-FOLD — KEEP YOUNG TALENT IN THE AREA AND ATTRACT TALENT TO MOVE TO THE AREA."

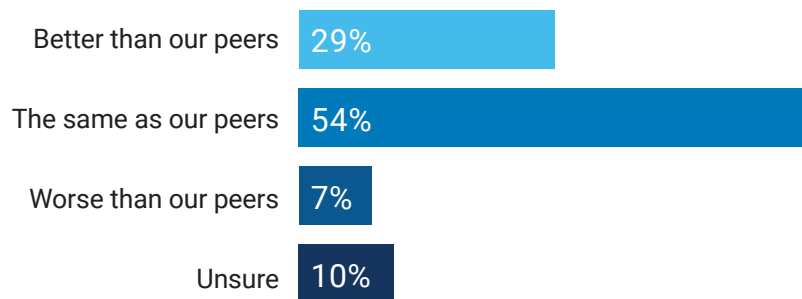
"THE REGION'S BUSINESSES WILL BE CHALLENGED BY THE LACK OF REVENUE DUE TO CAPACITY LIMITATIONS; A DECREASE IN ACCESS TO CAPITAL AND FUNDING; AND NECESSARY BUDGET CUTS DUE TO THE COVID-19 PANDEMIC."

2020 Perspective

How would you assess the strength of your business in 2020?

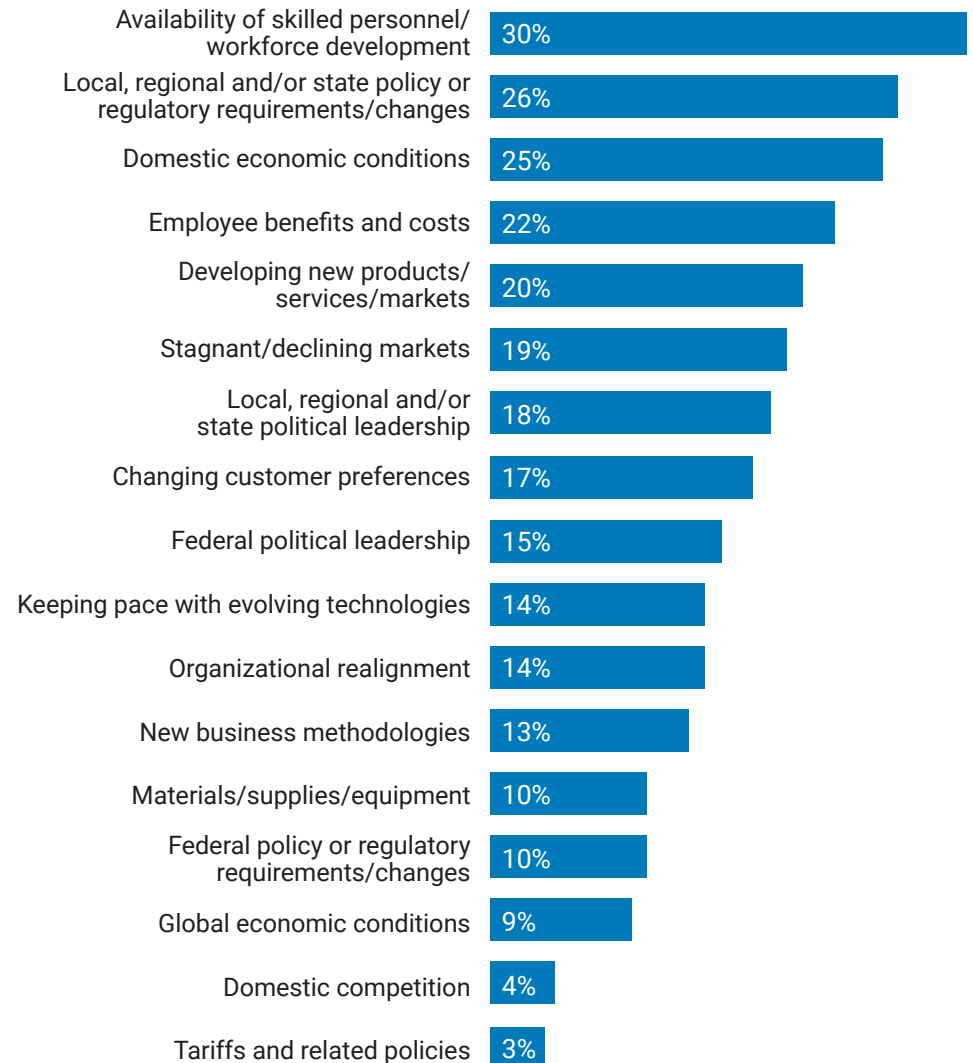


Compared to your industry sector peers in 2020, how is your business performing?



2020 Trends and/or Pressures*

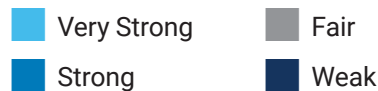
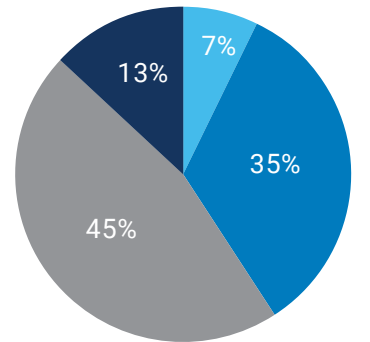
Outside of disruptions caused by COVID-19 in 2020, what were the major trends and/or pressures that dominated your industry this year?



*Respondents selected up to three trends/pressures.

2021 Outlook

What are your expectations for the strength of your business in 2021?



What are your projections for 2021?

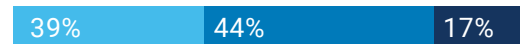
Overall Sales or Revenue



Products/Services



Jobs or Hirings



Capital Investments



Geographic Markets



What products or services are expected to emerge in 2021 for your business?

- New delivery systems for programs
- New program development
- Cross-branding packaging of goods/services
- Advancements in marketing messaging and delivery
- Physical products
- Online products
- Digital interfaces
- New audio platforms
- Indoor environmental quality products
- Virtual performances
- Packaging options
- Grab-and-go (food industry)
- Drones as first responder
- Unmanned systems technology
- Automation
- Meal/baking kits for use at home

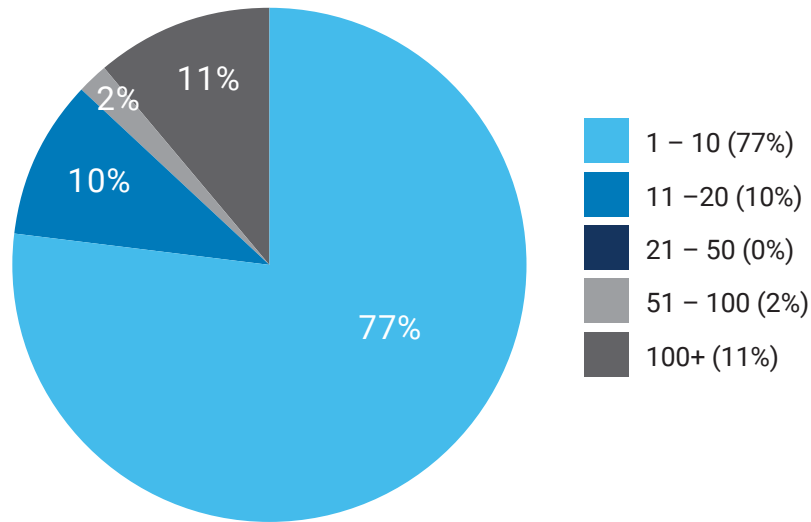
2021 Environmental Factors

To what extent do you expect the following environmental factors will impact your business in 2021?

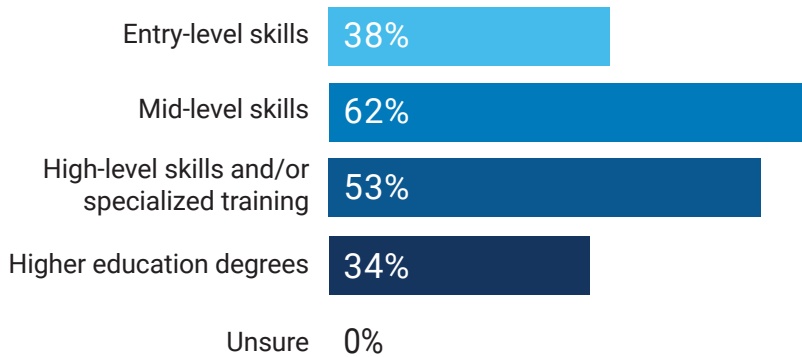
	Positive Impact	No Impact	Negative Impact
Government Policy and Regulatory Issues – existing laws, policies, government procedures or the current political environment.	12%	21%	67%
Social Forces – the impact of poverty and economic disparity on the region.	7%	44%	49%
Workforce & Talent – the ability to attract and retain the right people for existing and new positions, and/or the ability to invest in and develop the skills of the existing workforce.	20%	41%	39%
Leaner Operations due to COVID-19 – a reduction in workforce, reduced office expenses, less travel etc.	26%	37%	37%
Cultural Forces - the structure and dynamics of behaviors, beliefs, lifestyles, etc.	25%	40%	35%
Competition – the number of similar competitive product/service brands available.	12%	58%	30%
Transportation and Logistics – the ability to move people and goods effectively and efficiently to local, domestic and global markets.	10%	60%	30%
Remote Workforce & Operations – the impact on the company's overall productivity from a switch to remote operations.	32%	40%	28%
Tariffs – fees placed in the import of foreign goods into the country or on the export of U.S. goods by other countries.	6%	67%	27%
New Markets, Products or Customers due to COVID-19 – the ability to capture new business opportunities because of the pandemic.	36%	44%	20%
Equity & Inclusion – issues of racial inequity, inclusion and economic and social justice.	21%	62%	17%
Demographic Factors – the characteristics of the regional community: age, gender, racial and ethnic diversity, marital status, family size, etc.	17%	67%	16%
Innovation & Technology – innovations within an industry and the advancement of technology as it applies to business operations.	60%	33%	7%

2021 Hiring Outlook

If hiring in 2021, how many employees do you intend to add?

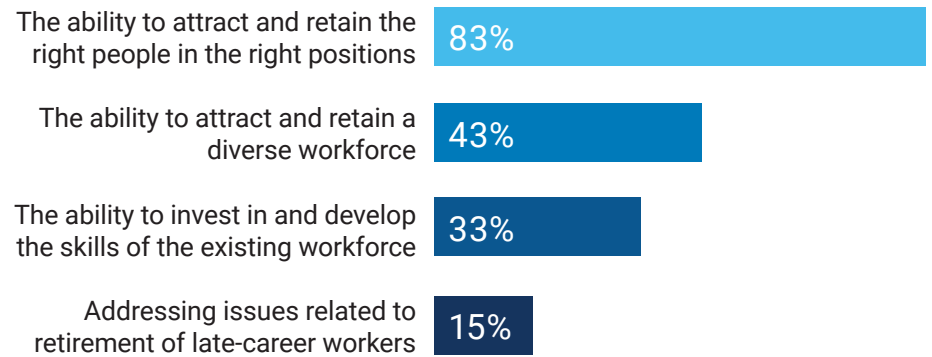


What skill level are you seeking for additional employees?



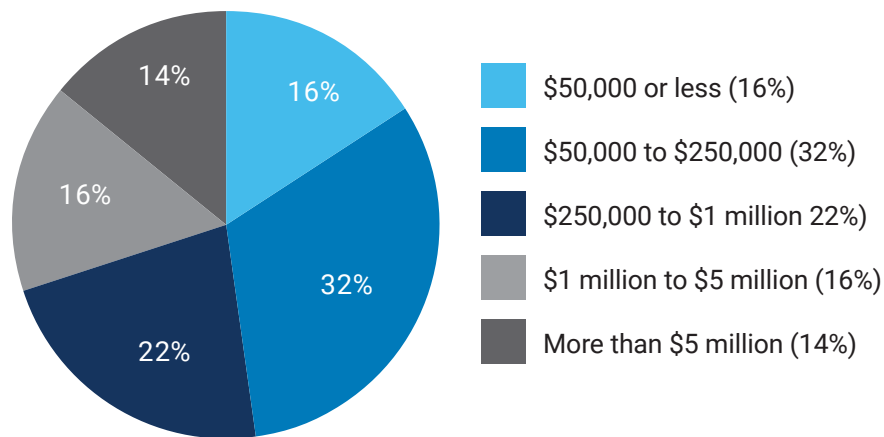
Credit: TCGplayer

What hiring challenges do you expect in 2021?

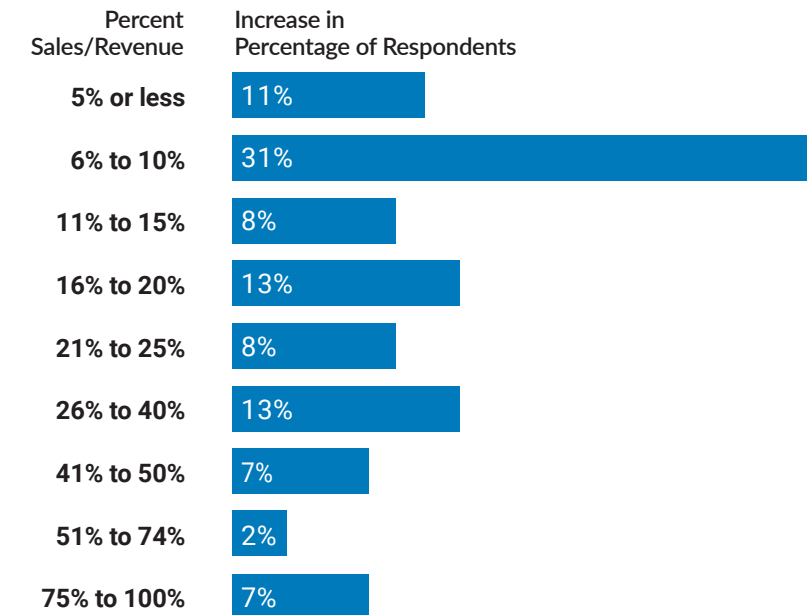


2021 Investment & Sales Outlook












By how much do you expect to increase capital investments in 2021?



By how much do you expect to increase overall sales or revenue in 2021?



Respondents expect to expand into the following new domestic and global markets in 2021:

-  Central New York - NYS
-  Southern Tier - NYS
-  Western New York - NYS
-  New York State
-  Northeast - U.S.
-  Midwest - U.S.
-  DC Metro Region - U.S.
-  Domestic (unspecified)
-  Canada
-  Europe (unspecified)
-  International (unspecified)



2020 Impact

To what extent did the following factors impact your business in 2020 as a result of COVID-19?



	Positive Impact	No Impact	Negative Impact
Business Development - travel, meetings, conferences	3%	10%	87%
Customer Demand & Revenue	15%	14%	71%
Ability to Maintain Workers & Productivity	10%	37%	53%
Supply Chain - inventory, raw materials	0%	49%	51%
Availability of Workers	7%	48%	45%
Regulatory Requirements (state, local, federal lockdowns, bans, mask use, etc.)	5%	31%	64%
Utilization of Work from Home Technology	44%	39%	17%

2021 Outlook

To what extent do you expect the following factors will impact your business in 2021 as a result of COVID-19?



	Positive Impact	No Impact	Negative Impact
Business Development - travel, meetings, conferences	7%	15%	78%
Regulatory Requirements (state, local, federal lockdowns, bans, mask use, etc.)	7%	25%	68%
Customer Demand & Revenue	16%	25%	59%
Ability to Maintain Workers & Productivity	10%	39%	51%
Supply Chain - inventory, raw materials	1%	53%	46%
Availability of Workers	12%	50%	38%
Utilization of Work from Home Technology	36%	50%	14%

COVID-19 Impact Across Industries

Forecasters were asked to describe COVID-19-related opportunities and challenges expected in 2021. Over half of participants shared the impact on their business due to the pandemic has been both positive and negative, while slightly less than half feel the impact has been only negative.



Credit: Downtown Committee of Syracuse

“CONTINUING TO
SELL PERSONAL
PROTECTIVE
EQUIPMENT WILL BE
POSITIVE FOR THE
BUSINESS IN 2021.”

Opportunities Related to COVID-19

- Utilizing work from home technologies had a positive impact on business operations.
- The pandemic led to the creation of new products or services, learning new technology and discovering new ways to deliver products or services, connect with customers and clients.
- Being deemed essential was critical to businesses success and survival.
- There was an increase in the talent pool for some industries due to furloughs and layoffs elsewhere.
- Some companies saw an increase in product sales, including hand sanitizer, air purification systems, technology and unmanned systems.
- The local residential real estate market has exploded during the pandemic.
- The financial industry gained clients looking to access Paycheck Protection Program (PPP) loans.
- Access to PPP funds or grants helped with expenses when sales and revenues were down.

Pressures/Trends Related to COVID-19

- No/decreased revenue; increased regulations; budget deficits; and decreased funding all created pressures in 2020, while uncertainty makes planning for 2021 challenging.
- Many feel COVID-19 restrictions need to be fully lifted to regain economic momentum. Any further shutdowns will impact recovery from previous closures.
- Organizations had to completely restructure how they provide goods/ services, often with less resources and capacity, or had to completely shut down all operations.
- Layoffs, furloughs, unemployment claims have been challenging. Some employees did not want to come to work due to fear and/or making more money being home and collecting unemployment.
- The shift to a work from home office dynamic, an inability to connect in-person with employees, customers, and potential customers has had an overall negative impact.
- The safety and well-being of employees and customers is a constant concern.
- Required PPE supplies and regulations and accommodating work from home mandates increased costs.
- Employees face challenges with children at home from school closures and from an increase in stress and anxiety.



Credit: Food Bank of Central New York

“CONNECTIONS TO IT
PROFESSIONALS ARE NEEDED
TO ENSURE EMPLOYEES
WORKING FROM HOME ARE
ABLE TO CONNECT REMOTELY.”

Forecasters were asked to outline opportunities and challenges unique to their industry or cluster in 2021.

Arts, Entertainment & Recreation



Credit: Downtown Committee of Syracuse

Leading Opportunities

Opportunities exist to transition movie theaters to art movie houses to premiere independent or art films. Museums and theaters hold potential to develop programs to support child care and education. Growing demand for venues and livestreaming of sports and virtual events. Pandemic has created pent up demand; audiences will be excited to partake in activities.

Top Pressures/Trends

Theater closures impacts the theaters, actors and off-screen personnel; many have changed careers after months of furloughs and layoffs. Virtual events are expensive to host. Limited in-person sporting events have left stadiums empty. The in-ability to hold large gatherings and a lack of confidence attending events has driven down attendance and decimated revenues. Travel restrictions limits tourism and flow of outside dollars to a community.

Construction, Real Estate; Rental & Leasing

Leading Opportunities

Office design moving away from open or shared spaces creates opportunities for interior design and development. More warehousing, lab space, medical technologies spaces will be needed in-state to ramp up testing and vaccines to meet demand. Low interest rates coupled with people spending more time at home and desiring larger home spaces has supported construction and real estate markets. Large projects like I-81 development will create exceptional demand.

Top Pressures/Trends

Shift in business culture from office spaces to work from home; the public's lack of comfortability occupying retail, commercial and hospitality spaces; travel restrictions; retail and restaurant closures; material supply chain; material costs; increased cost to comply with COVID-19 mandates/requirements; lack of skilled labor continue to hurt the sector.



Credit: JMA Wireless

Educational Services



Leading Opportunities

The shift to virtual webinar/video conference enables educational institutions to reach broader populations and expand services and trainings. Design of training and support that improves teacher and administrator satisfaction, supports retention and improves job satisfaction and job effectiveness is moving forward. New regional opportunities are driving the need for more workforce training or retraining, especially in cell tower technology, construction/repair, drone technology and industrial electrical technologies.

Top Pressures/Trends

Colleges shifting online means fewer students on-campus. Limited internet access or access to technology for some faculty, staff and students makes online work difficult. There is a shortage of teachers and administration given the high turnover and an aging workforce.

Finance, Insurance & Information

Leading Opportunities

Expansion opportunities exist as larger banks consolidate and close branch locations. Smaller banks are connecting to new industries and can step in to provide loans. The mortgage market is exceptional as people relocate and or buy larger homes. Companies are looking for ways to invest in new technology in this remote work environment. Low interest rates mean more people are borrowing for home improvements.

Top Pressures/Trends

It is challenging to find qualified individuals to meet customer demands while working remotely. COVID-19 has caused closures and a decline in economic activity. Foreseen increases in taxes and added regulations will slow economic growth.



Health Care & Social Assistance

Leading Opportunities

Opportunities exist as the industry shifts toward a more hybrid delivery of services (in-person and virtual/telehealth).



Credit: Oswego Health

There is a growing demand for behavioral/mental health care and clinics. There is a new need to drive community-based care and focus on the impact of racial equity and racism residents' health. The need for nurses is high. Businesses must partner with health care funders around social determinants of health factors to reduce health care costs.

Top Pressures/Trends

State and federal budget deficits will have a significant impact on funding for health and human service agencies impacting vulnerable populations and eventually the workforce and businesses. The region competes with outside skilled nursing facilities, which impacts workforce and drives wage increases. COVID-19 cost has driven up costs with employee testing, personal protective equipment, COVID-19 pay while reducing funding. Child care programs are underutilized and struggling to remain open. There is staff burnout across the board.

Manufacturing & Utilities



Credit: HealthWay Family of Brands

Leading Opportunities

New business opportunities are being driven by the need for swift vaccine distribution; a focus on renewable energy; food safety; lowering carbon footprint; original equipment manufacturer defense market; planned investments; and product expansions. The shift away from products made in China and an increase in local supply chain development supports local manufacturing. The expansion of 5G and wireless coverage supports businesses all over.

Top Pressures/Trends

Labor and equipment costs are high; new regulations expected from the incoming federal administration will further drive-up costs. A lack of expedient vaccine distribution impacts operations. Deploying and integrating new technologies and repurposing existing infrastructure to meet new renewable energy goals takes time and investment. Utilities are limited in their inability to shut off services for nonpayment, which reduces cash on hand and can have negative impact on bond ratings.

Professional, Scientific & Technical Services

Leading Opportunities

Tax law changes and an increase in estate planning supports new opportunities for advising. A strong real estate market drove the need for legal services. A shift to digital interactions creates need for more electronic document sharing and storing. Remote workforce enables connections to freelance support and talent from all over the country. Home office growth and serving clients virtually creates opportunities to extend services to an expanded geography. The efforts to address climate change provide new technology development opportunities. The increase in unmanned systems development and technology will support growth. The expansion of regulations governing unmanned systems allows beyond visual line of sight operations and soon deliveries by drones.

Top Pressures/Trends

Younger staff is better equipped to work remotely but frequently needs more mentoring, which is best done in-person. Additional PPP funds are needed to cover continued losses. Digital marketing will become more expensive for small businesses. A more severe economic recession will stunt investments and growth. Significant government revenue shortfalls will drive down infrastructure spending. People's caution to spend given unknowns will exacerbate economic challenges. Finding and keeping quality workers is a challenge as is onboarding new staff and making them feel part of a team when working remotely. There is high concern about employee fatigue from isolation. The cost to continue to invest in technical improvement and equipment is high.



Credit: NUAIR

Retail, Accommodation & Food Services



Credit: Michael John Heagerty

Leading Opportunities

Take out, delivery and improving outdoor dining areas to make the season longer has enabled continued operations. Special events for shoppers and moving some retail online has supported sales. The lower cost of airport travel, marketing the region to travelers from New York City and Long Island; and recalibrating the supply with demand - leisure travel (lower rates, shorter stays) more than business travel (higher rates, longer stays) has enabled tourism industry to survive. Larger corporations moving to the area, such as Amazon, will have a positive impact.

Top Pressures/Trends

Many restaurants/bars will not survive restrictions even with grants and aid. Businesses and colleges operating remotely means fewer employees and students going out to eat and shop. The ease of conducting business online is a new threat to hotels that rely on business travelers. The continued closure of the Canadian border and lack of adequate funding to the Visit Syracuse organization will inhibit its ability to attract tourism. Small retailers will have to compete with Amazon for shoppers and soon with wages, benefits, and health insurance for employees.

Wholesale Trade, Transportation & Warehousing

Leading Opportunities

The increased demand for online retail business will increase the need for local distribution centers. The Smart Cities and Syracuse Surge initiatives will support growth in the area. The unmanned traffic management corridor offers an opportunity to attract warehousing and logistics development as companies look to the future of those industries and drone delivery services.

Top Pressures/Trends

Distribution centers need to be sure they have enough space to be competitive. The impact of the COVID-19 crisis to aviation will be felt for a while. There is also uncertainty related to industrial activity (space needed, space utilized). There are concerns about the loss of local authority and support when businesses are bought out by larger corporations. With Amazon coming to CNY, there is concern about the ability to find, train and retain employees for other industries.



Credit: Amazon

“OUR COMPANY BRINGS NEW TECHNOLOGY TO CLIENTS, SO WE HAVE TO KEEP UP WITH THE CHANGES.”

“VIRTUAL SERVICES ARE A NEW PARADIGM FOR US. WE CONTINUE TO LEARN AS WE GO AND ANTICIPATE CONTINUING TO DO SO IN THE COMING YEAR.”

“THE MARKET IS CHANGING DRAMATICALLY, AND WE AREN'T SURE HOW LONG IT WILL LAST.”

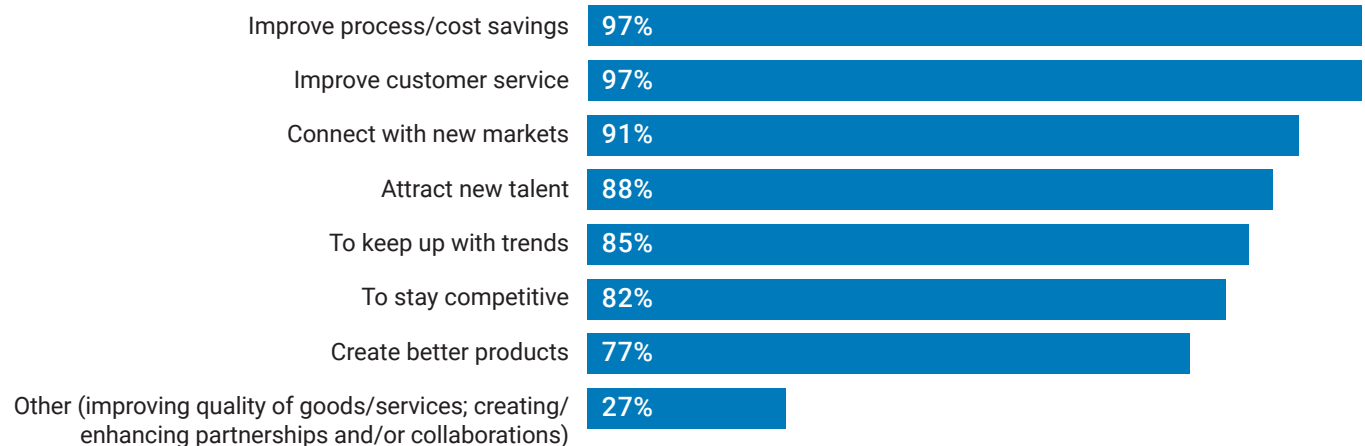
INNOVATION & TECHNOLOGY

- For many organizations adopting new technology is burdensome but required to stay relevant in the marketplace. While for others, the cost of keeping up with advances in technology is still too high and they feel it leaves them at a disadvantage.
- Customer and client demands/preferences continue to drive the adaptation of technology investments for many organizations.
- Organizations have realized the need to adapt to customer preferences that revolve around digital platforms.
- There is broad recognition that companies must be innovative in their industries and keep up with technological advancements to improve quality of goods/services and to develop new partnerships and/or collaborations.



Credit: Density

How is innovation important to your business?





WORKFORCE & TALENT

- Organizations continue to report difficulty finding key talent, and/or attracting highly skilled labor to the area; retention also remains an issue.
- Some indicated a reduction in the number of individuals in the workforce, regardless of the skill set needed. There are still not enough workers available across all levels.
- The lack of qualified candidates across skill levels and industries creates an inability to grow.
- An older generations retire there is a lack of a skilled workforce to fill those positions in certain industries.
- Some industries noted the increase in minimum wage decreased an opportunity to differentiate themselves from other entry-level positions to the workforce.
- Most participants anticipate hiring in 2021.
- Some participants stated that they started to focus their hiring efforts on finding talent that is trainable versus someone that is fully qualified.
- A lack of opportunities for a potential hire's spouse/partner may prevent them from accepting a job offer.
- There is opportunity to attract more of the young workforce to CNY.
- Some feel there is a challenge attracting diverse workforce due to a lack of activities available for all cultures.

“WE WILL HAVE TO SETTLE FOR LESS QUALIFIED OR SKILLED PROFESSIONALS WHICH IMPACTS PRODUCTIVITY AND QUALITY OF WORK.”

“IF THE DIFFICULTIES FOR RETAINING AND RECRUITING A SKILLED WORKFORCE CONTINUE, WE WILL NEED TO ASSESS OUR ABILITY TO PROVIDE CURRENT LEVEL OF SERVICES WITH POSSIBLE REDUCTIONS OF SERVICES TO PEOPLE IN NEED.”

“WE WILL HAVE MORE OPPORTUNITIES TO ATTRACT SKILLED WORKERS BY OFFERING A MORE FLEXIBLE WORK ENVIRONMENT.”

“ONGOING LOW INTEREST RATES AND PEOPLE SPENDING MORE TIME AT HOME, MEANS THE DEMAND FOR REMODELING AND NEW HOME CONSTRUCTION WILL PERSIST.”

“BUSINESSES/CLIENTS MAY BE HESITANT TO SPENDING MONEY ON MARKETING AND ADVERTISING SERVICES.”

“WE HAVE USED THIS TIME TO INNOVATE OUR SERVICES; WE WILL BE ABLE TO SEE POSITIVE IMPACT AND ADDRESS GAPS THAT OUR COMPETITORS ARE NOT FILLING.”

“WE WILL DEVELOP NEW REVENUE STREAMS TO REPLACE OR SUPPLEMENT LOST INCOME OPPORTUNITIES.”

MARKET CONDITIONS & BUSINESS CLIMATE

Domestic and Global Economic Conditions

- There is a mixed sense across industries about the strength of local and global economies. Many organizations are experiencing a negative impact due to the current economic conditions, while some are experiencing growth.
- Many organizations are concerned with the stagnant status of the CNY economy and how it will impact the business community in 2021.
- Travel restrictions and no face-to-face marketing limits sales and new customer growth.

New Products/Services/Business Methodologies, Materials/Supplies/Equipment

- Organizations are actively looking for ways to differentiate products and services to improve their competitive position in the market. New business methodologies are a critical component to an organization's success and ability to compete.
- Businesses see new product and service development primarily as an opportunity and a critical component to support business growth and expansion into new markets.
- Organizations continue to look to diversify their revenue streams with new products and services as a way of protecting their cash flow and minimizing their vulnerability to rapidly changing markets.
- Increased materials cost and supplier issues are causing a strain on local businesses.



Credit: SUNY Upstate

ORGANIZATIONAL OPERATIONS; COMPETITION

“THERE IS TIGHTER COMPETITION WHEN AVAILABLE WORK IS LESS.”

“FINANCIAL INSTITUTIONS WITH DEEPER POCKETS WILL HAVE THE ABILITY TO OUT-MARKET US.”



- Organizational realignment creates opportunity to streamline operational processes.
- Realigning the organization is needed to lower business model costs.
- Strategic realignment allows the strengths of leadership and employees to be leveraged.
- Most participants (65%) currently have a diversity, equity and inclusion plan in place; those that do not feel it is important to have one, and that more training and resources about this planning and process is needed.
- Overall, some industries recognize increased competition is making growth difficult with less available work to be shared.
- Businesses are impacted in a variety of ways, including challenges with hiring entry-level workers that struggle with child care and transportation, thus hindering their ability to successfully get to and maintain employment.

“SHIFTING TO A BROADER MORE DIVERSIFIED EARNED INCOME BASE REQUIRES REALLOCATION OF BUDGET AND MANPOWER.”

“WE BELIEVE OUR INTERNAL REALIGNMENT WILL ENABLE US TO STREAMLINE EXPENSES AND PASS COST SAVINGS ON TO OUR CLIENTS.”

“STREAMLINED REORGANIZATION WILL GIVE US A SOLID FOUNDATION FOR THE PROJECTED ECONOMY OF THE NEXT 3-5 YEARS.”

“NYS AND OTHER LOCAL GOVERNMENTS ARE LOOKING FOR DIVERSITY IN THE INDUSTRY, WHICH WE SUPPORT, BUT FORCING ‘GOALS’ WITH PENALTIES IS NOT THE SOLUTION.”

“NYS CONSTANT IMPLEMENTATION OF REGULATORY REQUIREMENTS IMPEDES BUSINESSES OPERATING IN A MORE COMPETITIVE ENVIRONMENT.”

“UNFUNDED MANDATES/ REGULATORY REQUIREMENTS OR REDUCTION IN FUNDING WILL PLACE A STRAIN ON ALREADY MAXED RESOURCES AND STAFFING.”

GOVERNMENT POLICY & REGULATORY ISSUE



Regulatory Requirements/Changes

- Local, regional and/or state policy and/or regulations was the second most reported trend/pressure for organizations in 2021.
- Daily business functions can be significantly impacted with pending or changing legislation relevant to their industry, creating uncertainty.
- There is a continuing concern that New York State regulatory requirements are more of a burden compared to other states. This makes it harder for those organizations to keep up with out-of-state competitors, and is a barrier to new organizations expanding within or coming to the state.

Impact of Tariffs

- The cost of materials and supplies across industries is rising, placing additional strain on already streamlined operational budgets, and creating a concern over reduced revenues.
- Tariffs are expected to result in increasing consumer prices across industries.

Political Landscape

- Organizations are concerned with political influence on budgets, particularly those that rely on federal and state funding to maintain operations.
- Business leaders continue to believe that cooperation among local and statewide political leadership will be integral to the growth of the local CNY economy.
- Some organizations feel optimistic about local and federal political leaders working together to create economic growth.



Credit: Office of the New York State Lt. Governor

EMPLOYEE BENEFITS



- The cost of employee benefits and wages was the third most reported trend/pressure for organizations in 2021. Concerns include the expense of employee benefits, particularly a decrease in coverage with an increase in cost.
- Some expect a negative impact on profits and the ability to hire personnel because of the increase in costs for employee benefits and wages.
- Some feel the increase in minimum wage, the addition of part-time employee sick leave, and unemployment insurance will have a negative impact on the ability for businesses to create profit.
- Employee wage expectations continue to rise as the workforce continues to experience a shortage in skilled workers. This continues to put a strain on businesses as they find they need to offer higher salary packages to compete in the marketplace for top talent.
- Some organizations expressed an inability to increase salaries to meet the increase in employee benefits costs.
- Many participants are concerned wages are not competitive compared to other areas, and high income and property taxes deter talent.

COMMUNITY PROSPERITY



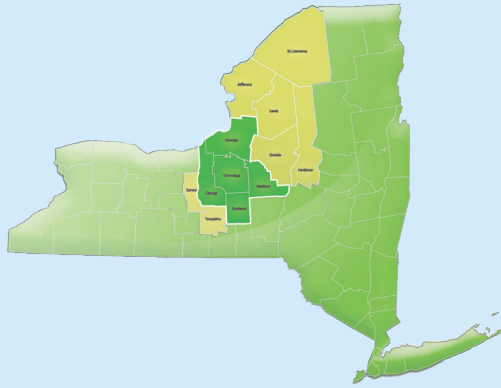
- The region's significant poverty issues create economic disparity that negatively impacts the local economic environment, as well as business. Participants also expressed a concern that this promotes a perception that the CNY community is unsafe.
- A widening wealth disparity was cited for having an impact on workforce resources and businesses that are considering relocating to the area.
- Hiring an entry-level workforce can be a challenge when potential workers struggle to successfully get and maintain employment due to issues including affordable housing and child care, access to transportation, food insecurity, housing insecurity and the cost of education.
- Some businesses feel their products or services are nonessential or more costly for lower income community members.
- A connection between poverty and access to capital investments for community improvements was also noted.
- Businesses are looking to be engaged and have "actionable items" that can help alleviate the poverty situation for individuals.

"THE IMPACT OF AN ADDITIONAL INCREASE IN MINIMUM WAGE, PART TIME EMPLOYEE SICK TIME, AND OUR UNEMPLOYMENT INSURANCE BILL HAS A TREMENDOUS NEGATIVE EFFECT ON OUR BOTTOM LINE."

"COSTS CONTINUE TO RISE DESPITE DECLINING INCOME. WE WILL NOT BE ABLE TO HIRE ADDITIONAL STAFF."

"HEALTH CARE HAS A REDUCTION IN AVAILABLE BENEFITS AND THOSE BENEFITS ARE MORE EXPENSIVE."

"SALARIES AND BENEFITS CONSUME AN EVER-INCREASING SHARE OF THE BUDGET."



The Region

The Central New York region includes: Cayuga, Cortland, Madison, Onondaga and Oswego counties. It is part of the larger 12-county CenterState New York region, which also includes Herkimer, Jefferson, Lewis, Oneida, Seneca, St. Lawrence and Tompkins counties.



Syracuse, NY MSA Employers Report Respectable Hiring Outlook for Q1 2021

Employers in the Syracuse MSA plan to hire at a hopeful pace in Q1 2021 with an Employment Outlook of 11%, according to the ManpowerGroup Employment Outlook Survey. Among employers surveyed, 18% plan to hire more employees from January through March. This number is offset by the 7% that plan to reduce payrolls, while 65% of employers expect to maintain current staff levels and 10% indicate they are not sure of their hiring plans. This yields a Net Employment Outlook of 11%. Research was conducted in October 2020 and the survey is the most comprehensive, forward-looking employment survey of its kind, used globally as a key economic indicator.

Compared to Q4 2020 when the Net Employment Outlook was 9%, Syracuse, NY MSA employers have reported a stronger hiring pace. When looking at year-over-year expectations, hiring intentions have picked up from when the Outlook was 5%.

	Increase Staff Levels	Decrease Staff Levels	Maintain Staff Levels	Don't Know	Net Employment Outlook
Q1 2021 (current)	18%	7%	65%	10%	11%
Q4 2020 (over previous quarter)	22%	13%	62%	3%	9%
Q1 2020 (year over year)	13%	8%	79%	0%	5%

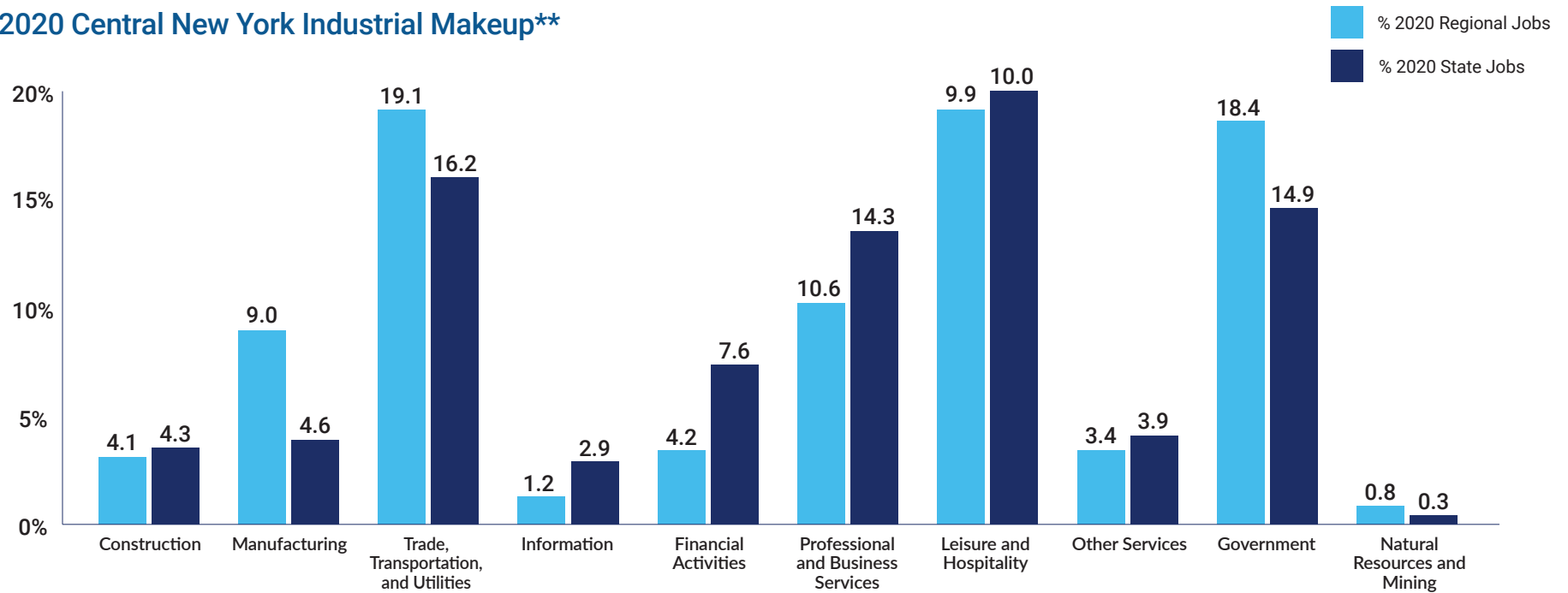
**The net Employment Outlook is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting a decrease in hiring activity.*

- For the coming months of January-March, employers are optimistic to hire in construction, durable goods manufacturing and other services.
- U.S. Net hiring outlook intentions continue to improve in Q1 with a Net Employment Outlook of +17%, up +3 percentage points from the previous quarter.
- 3% of employers now expect return to pre-pandemic hiring levels by April 2021, weakening from one-third of employers who expected a return of April 2021 in July.

Source: ManpowerGroup Employment Outlook Survey, Syracuse MSA 2021

**The Syracuse MSA includes Madison, Onondaga and Oswego counties.*

2020 Central New York Industrial Makeup**



	Regional Jobs	% Regional Jobs	State Jobs	State Jobs
Construction	14,261	4.1%	405,763	4.3%
Manufacturing	31,255	9.0%	437,138	4.6%
Trade, transportation and utilities	66,430	19.1%	1,544,166	16.2%
Information	4,461	1.3%	277,471	2.9%
Financial activities	14,674	4.2%	720,899	7.6%
Professional and business services	37,085	10.7%	1,368,994	14.3%
Leisure and hospitality	34,558	10.0%	958,057	10.0%
Other services	11,889	3.4%	371,236	3.9%
Government	64,175	18.5%	1,421,27	14.9%
Natural resources and mining	2,867	0.8%	31,792	0.3%

Source: NYSDOL QCEW, Central New York Region 2020

**Data represents five-county Central New York Regional Economic Development Council region: Cayuga, Cortland, Onondaga, Oswego and Madison counties.

2021 Thank You Forecasters*

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