

Broome  
County  
Plan for  
Sustainable  
Economic  
Development



ASSESSMENT ONE  
ECONOMIC AND DEMOGRAPHIC  
ASSESSMENT  
FEBRUARY 2002

theBCplan.com



# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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*February 2002*

AngelouEconomics (AE) is pleased to present the Steering Committee of the Broome County Plan for Sustainable Economic Development (the BC Plan) with this **Economic and Demographic Assessment**. This document is the first of several analytical documents that will drive the recommendations in marketing and implementation reports for Broome County. This report presents a broad overview of current conditions and represents the baseline from which you, the citizens of Broome County, will begin your work toward economic revitalization. Subsequent reports will explore in more depth each of the components that are key to a successful economic development plan.

These reports are intended to incorporate input from a broad cross-section of the community. With that in mind, county officials scheduled dozens of meetings for AngelouEconomics personnel on our visits to the city. We have been privileged to meet with well over 200 residents in focus groups and in one-on-one interviews. These contributors spoke both as concerned citizens and on behalf of businesses, faith-communities, neighborhoods, community associations, and charitable organizations. We thank them for their time, and invite further comments as we move forward.

All BC Plan reports, as well as much of the additional research underlying them, will be made available online at **[www.theBCplan.com](http://www.theBCplan.com)**. Thank you for your interest in the BC Plan.



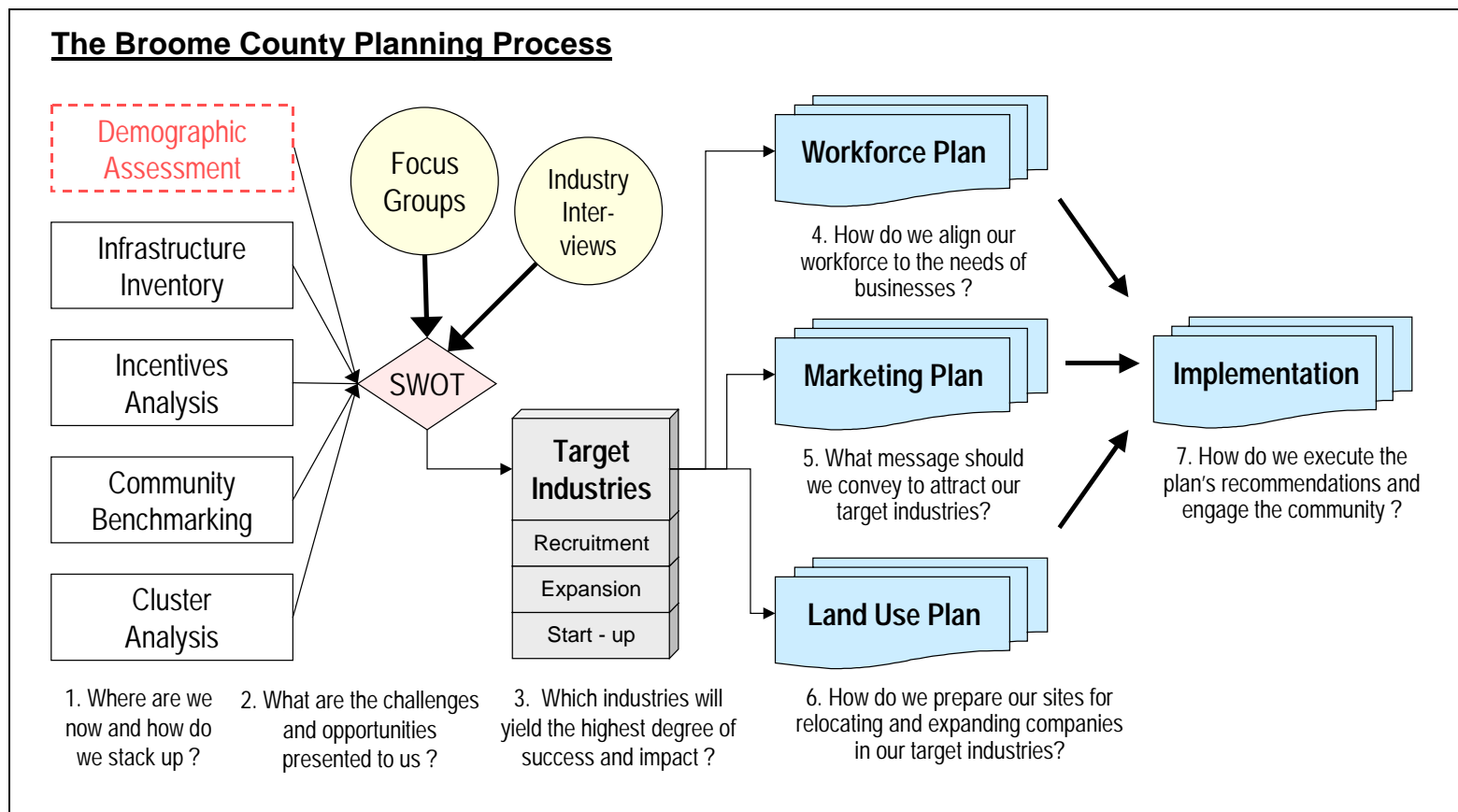
Angelos Angelou, Principal  
AngelouEconomics

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

### Overview

The purpose of the **Economic and Demographic Assessment** is to review the current economic and demographic condition of Broome County and the Binghamton Metropolitan Statistical Area (MSA). This report is the first of several that will analyze the unique conditions present in Broome County that will influence economic development efforts:



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Much of the analysis presented in the BC Plan will come from a site selection perspective: *Which economic areas and datasets will ultimately impact the location decisions of site selectors and business executives?* **As consultants to the planning process, AngelouEconomics will address each of these factors and recommend ways to best leverage the community's resources.**

Throughout this report, Broome County's demographic, economic, and social conditions have been compared to a number of peer communities. The selection of these communities was based both on input from the Steering Committee and on AngelouEconomics' research. All are in some way comparable to and/or competitive with Broome County and the Binghamton MSA.

### **Burlington, Vermont**

The Burlington MSA, with a population of just under 200,000, is located in northwestern Vermont and borders Canada. It is home to Vermont College and includes parts of Chittenden, Franklin, and Grand Isle counties.

### **Charlottesville, Virginia**

The Charlottesville MSA, with a population close to 160,000, includes three counties (Albemarle, Fluvanna, and Greene) as well as the city of Charlottesville. The University of Virginia and its 19,000 students are located in Charlottesville.

### **Dutchess County, New York**

The Dutchess MSA, with a population of more than 280,000, includes only Dutchess County and is the largest area including in this study. Dutchess County is the home of Vassar College located in Poughkeepsie, New York.

### **Lackawanna County, Pennsylvania**

Lackawanna County is part of the larger Scranton-Wilkes Barre-Hazleton MSA and has a population of 215,000. Scranton is the largest city in Lackawanna County and is located about 60 miles south of Binghamton.

### **Portland, Maine**

The Portland MSA and its population of 265,000 are located in Southeastern Maine. Portland is home to LL Bean, an outdoor apparel company and is made from parts of Cumberland and York counties.

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Comparison statistics were chosen based on economic criteria commonly examined by site selectors, including:

- **Population**
- **Education**
- **Income**
- **Age and poverty**
- **Employment**
- **Labor force and unemployment**
- **Wages**
- **Retail trade**
- **Real estate**
- **Employment by industry**

In each section, AngelouEconomics has included several graphics; additional charts, not selected for this publication, will be available online at [www.theBCplan.com](http://www.theBCplan.com). Each dataset includes a single page highlighting our observations on the data and their implications for the Plan.

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As with all endeavors related to the BC Plan, AE and the Steering Committee want your input. Should you feel these facts and conclusions are in error, please do not hesitate to contact AE through the project website. We look forward to adding your name to the growing list of contributors to this project.

## Summary of Strategic Findings

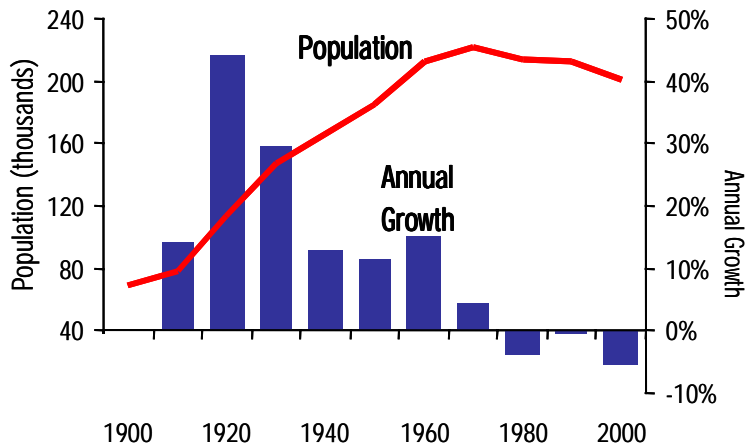
- Broome County has suffered a steady decline in population for decades, losing 10 percent of its population since its peak in 1970. A declining birth rate and a slow out-migration of workers have contributed to this trend.
- Broome County enjoyed rising per capita incomes in the 1990s, but growth has generally lagged U.S. income growth. Wage levels have lagged U.S. growth to an even greater extent. Much of these trends can be attributed to the steady loss of high wage jobs in the manufacturing sector. Although low cost labor may be attractive to some businesses, in the long run it will affect the community's ability to attract and retain skilled workers.
- The local education system is strong when compared to peers around the state. This provides a good foundation for building a highly educated workforce and is a selling point to relocating companies.
- Despite the presence a good university, the region has been unable to retain its young workforce due to a lack of job opportunities. As a result, Broome County's college education level is on par with the U.S. average but below those of its peer communities.
- Despite falling employment levels, Broome County's unemployment rate has remained low relative to the U.S. and its peers. This is further indication that workers choose to leave the region when job opportunities are not present.
- The community remains affordable, particularly in the housing sector. To retain a strong workforce, economic development efforts should improve the aspects of community life most attractive to working age men and women.
- Broome County still has a large percentage of its economy based in the manufacturing sector. This high concentration can be the basis for the region's evolution towards "new economy" industries. The attraction of high wage, high impact jobs to the community will be a key component to a renewed economic development strategy.
- Broome County has been home to tremendous entrepreneurial success in the past, and one objective of the BC Plan will be to provide a strategy for fostering additional entrepreneurial growth.

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

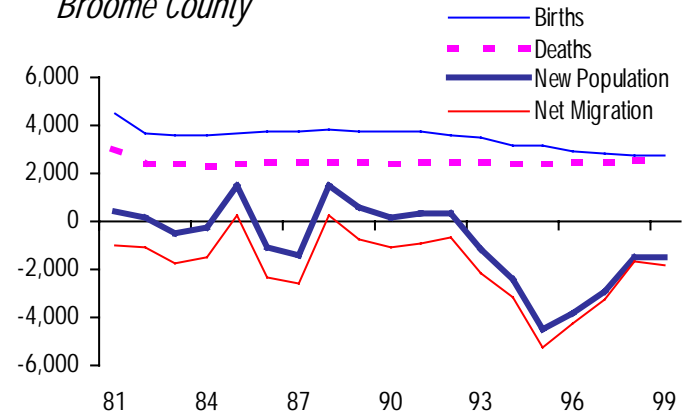
### Population

**Broome County Population, 1900 - 2000**



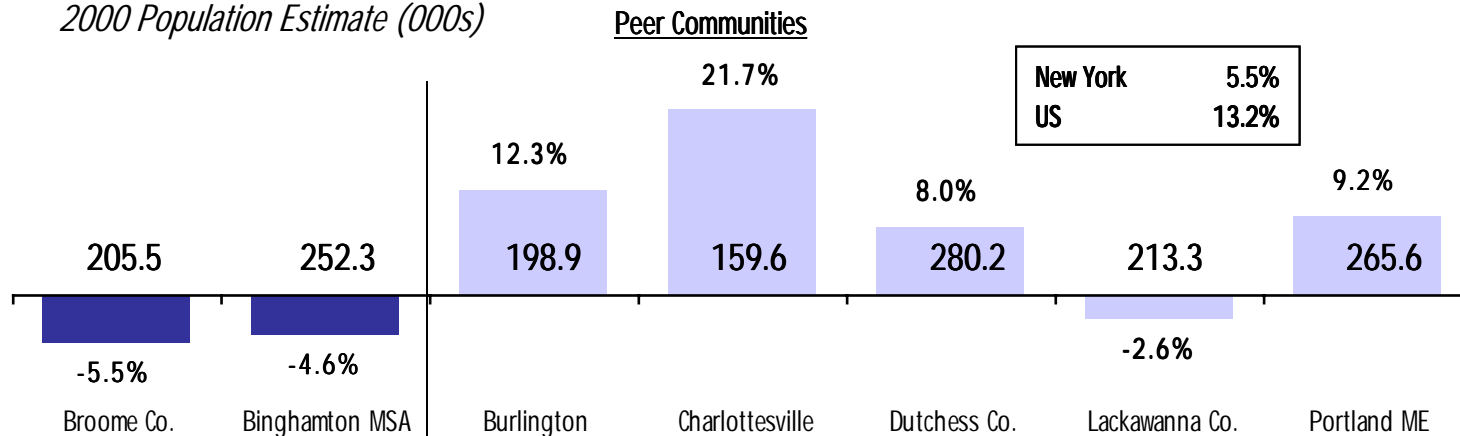
Source: U.S. Census Bureau; AngelouEconomics

**Components of Population Change, 1980 - 2000**  
*Broome County*



Source: U.S. Census Bureau; AngelouEconomics

**Population Growth Comparison, 1990 - 2000**  
*2000 Population Estimate (000s)*



Source: U.S. Census Bureau; AngelouEconomics

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

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**Broome County's population has been on the decline since the 1970s, falling by more than 20,000 residents since then, or almost 10 percent of its population.**

- Broome County experienced exceptional growth rates through the 1960s, peaking at 222,000 in 1970.
- Broome County declined nearly four percent in the 1970s, stabilized during the 1980s, and continued its decline in the 1990s, losing nearly six percent of its population, or over 11,500 people.
- Tioga County, the other half of the MSA has followed a similar pattern to Broome County although it has suffered less population loss recently.

**Broome County has suffered a decline in population experienced by few communities in the country.**

- For the period 1990 to 1999, Broome County ranked as the 13<sup>th</sup> slowest growing county in the U.S., both in terms of numeric change and percent change.
- All competitor cities except one in this study grew at positive rates in the 1990s. The exception is neighboring Lackawanna County, which declined by approximately 2.5 percent (5,700 residents).
- Charlottesville was the only area to grow faster than the national average of 13.2 percent. This is an indication of the overall migration of the U.S. population toward southern and western states.

**Much of the decline in population was due to the out migration of individuals from Broome County – approximately 35,000 since 1980.**

- Broome County's birth rates have fallen significantly in the past 10 years – from 14 births per 1,000 residents to 11 per 1,000. This may be another indication of an aging population and the outflow of the community's younger residents.

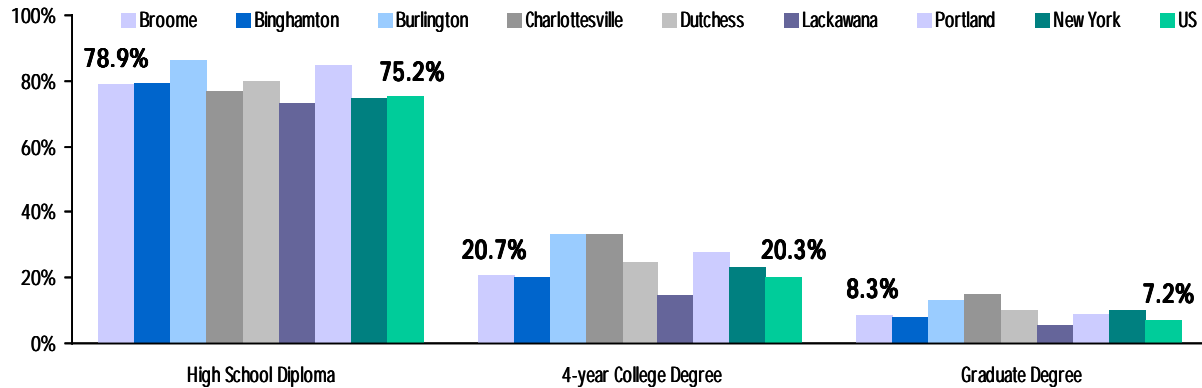
***Declining population severely challenges the ability of a community to maintain services, achieve a low tax burden, and attract new economic development. At the heart of The BC plan is the goal of reversing this trend.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

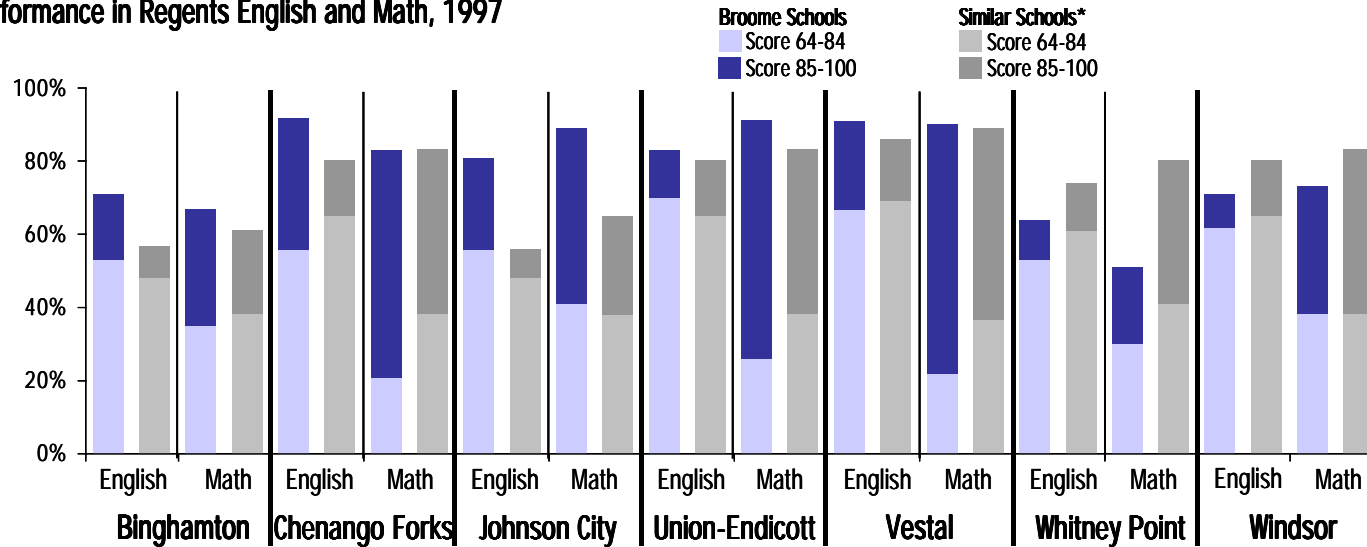
### Education

**Educational Attainment Comparison, 1990, Adults 25+**



Source: U.S. Census Bureau; AngelouEconomics

**Performance in Regents English and Math, 1997**



\*Similar Schools are schools grouped by district and student demographic characteristics.

Source: The State University of New York, The State Education Department

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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**In 1990 educational attainment, Broome County ranked behind national competitors that were also home to major universities. The county was on par with the national average.**

- Broome County ranked behind all competitors with the exception of Lackawanna County in percentage of college graduates.
- Broome County compares more favorably when comparing the percentage of high school graduates in the region. Charlottesville and Lackawanna County both have lower percentages of high school graduates than Broome County.
- Charlottesville and Burlington, with comparable university assets, hold a significant advantage over Broome County in the percentages of both college graduates and persons holding graduate degrees.

**School districts in Broome County compare favorably against their peer districts from New York State.**

- Two urban districts, Binghamton ISD and Johnson City ISD, outperform similar schools from the rest of New York State in both their math and English regents scores.
- Vestal, a suburban school district, while scoring the highest of all Broome County school districts, performed on par when compared to their similar schools.
- Rural school districts, such as Chenango Valley and Windsor, scored slightly lower than their similar schools.

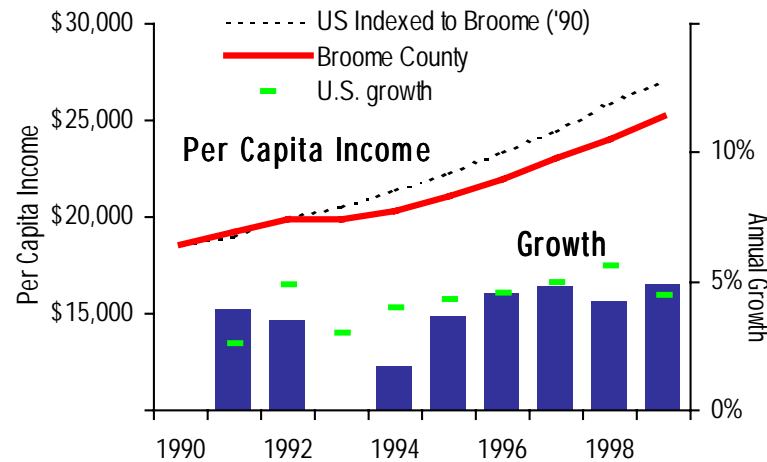
*Broome County should be proud of its public school districts, particularly those in the urban core. The county also performs adequately compared to its peers and national averages in producing high school graduates. However, Broome County lags behind other peer areas having a major university in community higher educational attainment. **While Broome County matches national averages in these categories, meeting the average reflects the outflow of university graduates to other communities.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

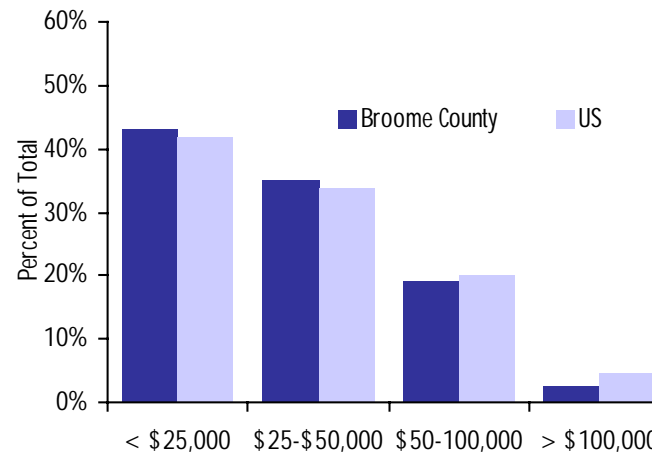
### Income

**Broome County Income Growth, 1990 – 1999**



Source: U.S. Census Bureau; AngelouEconomics

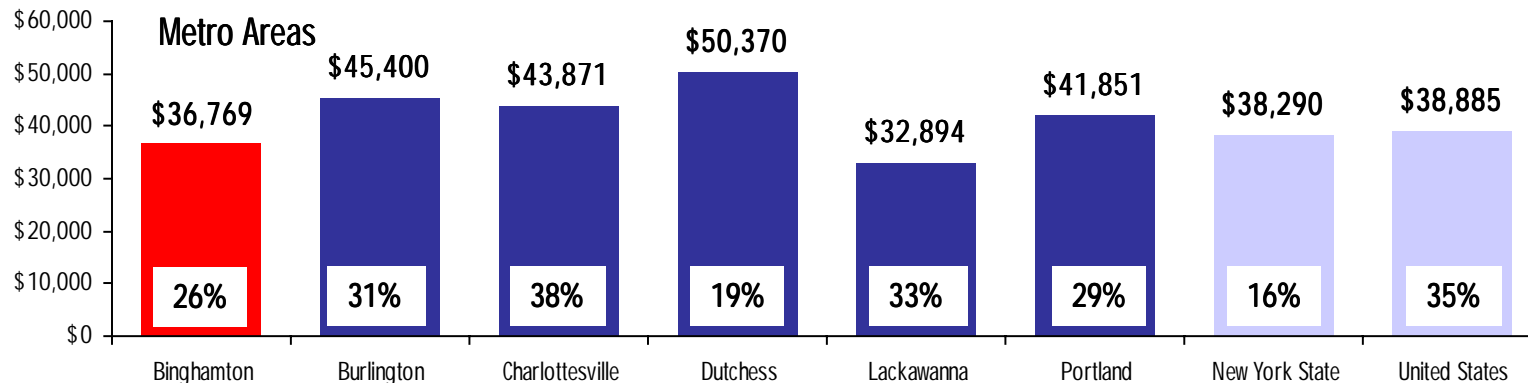
**Income Distribution, 1990**



Source: U.S. Census Bureau; AngelouEconomics

**Median Household Income, 1998**

*Growth 1990 - 1998*



Source: U.S. Census Bureau; AngelouEconomics

## THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

### ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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#### **Broome County has enjoyed rising per capita incomes in the 1990s, but growth has generally lagged U.S. growth.**

- Per capita income in Broome County grew 36 percent from 1990 to 1999, while the U.S. per capita income rose 46 percent.
- Recent income growth in Broome County (past five years) has generally maintained U.S. growth levels, after flat or slow growth from 1992 to 1994.
- Per capita income in Broome County represents 88 percent of the U.S. average.

#### **Median household income in the Binghamton metro compares favorably to levels among the peer communities and the U.S.**

- The Binghamton Metro Area saw its median household income grow at a faster rate than New York State for the period of 1990-1998 and now reflects 92 percent of the U.S. median income.
- Although Dutchess County has the highest median household income of all of Broome County's peer communities, it is growing at the slowest rate.
- Besides Lackawanna County, all of Broome County's peer communities had higher median household incomes.

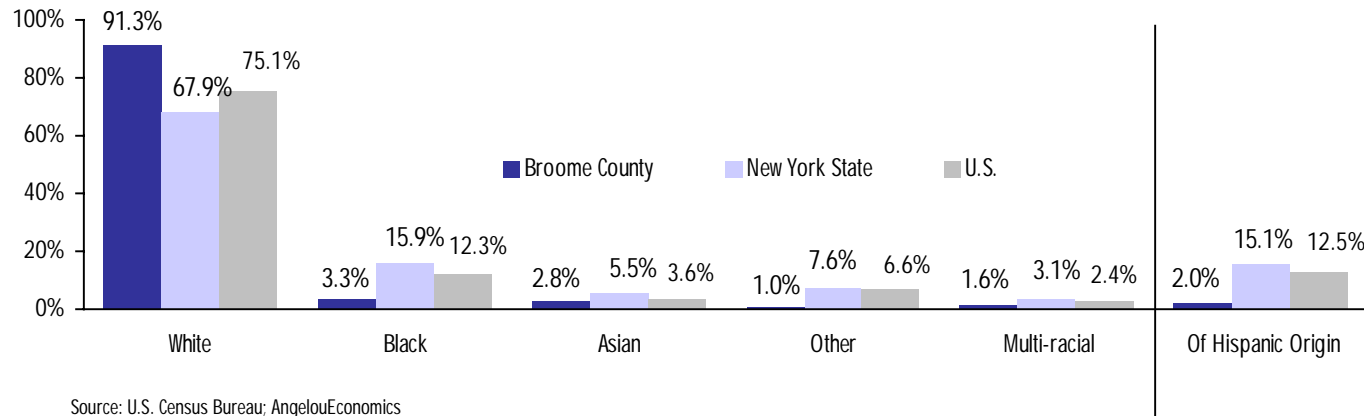
*Broome County lags behind its peers, the rest of the state, and the nation in both per capita income and median household income. Broome does approach the statewide average of median household income, which demonstrates Broome County has more evenly distributed income than the state as a whole due to a smaller base of high-income households.*

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

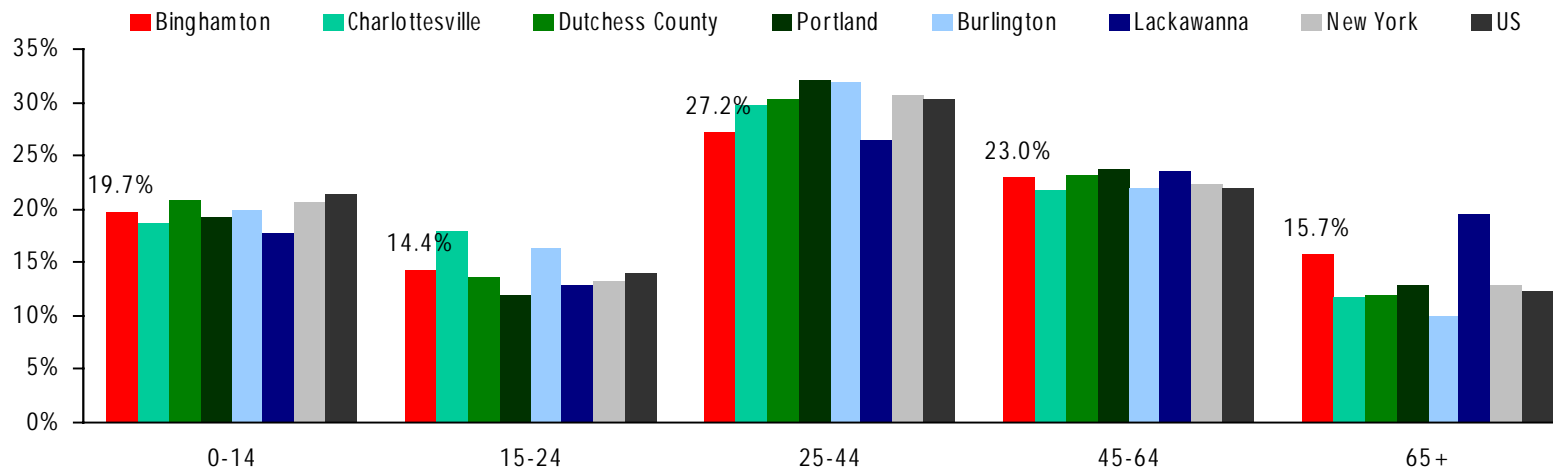
## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

### Age and Race

**Racial Distribution, 2000**



**Age Distribution, 2000**



# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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**Broome County's racial profile is primarily White, with very low percentages of Blacks and Hispanics.**

- At 91.3 percent White, Broome County ranks 121 out of 524 large U.S. counties (100,000+ persons) for percent white. Broome County ranks 6th out of 27 for the state of New York.
- Broome County enjoys a relatively high share of Asians, at 2.8 percent, just shy of the U.S. percentage – 3.6.

**The Binghamton Metro Area's age distribution skews toward the older end of the spectrum.**

- Approximately 27 percent of Binghamton MSA population falls into the 25-44 age group, lower than all but Lackawanna County among its peers and trailing state and national averages.
- Likewise, Binghamton has the second highest percentage of its population aged 45 and higher with only Lackawanna County holding a higher percentage.
- Buttressed by Binghamton University, Broome County has a comparable share of population in the 15-24 age group, registering a slightly higher percentage than the national and state averages.
- The Binghamton MSAs median age for 2000 was 38.1 second only to Lackawanna County's 40.3 and significantly older than peer communities with universities, Burlington (34.5) and Charlottesville (34.3).

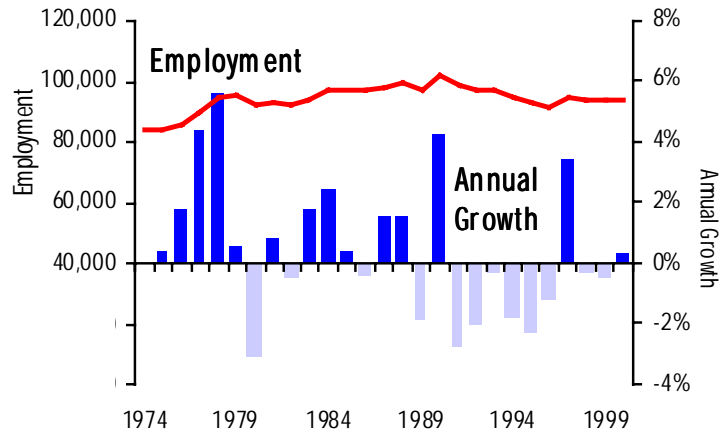
*Overall, Broome County has an older population than both its peers and the nation as a whole. This is unusual for a county the size of Broome with a university enrollment of over 12,000 students. **Retaining its university graduates and attracting more young workers continues to be a challenge for Broome County.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

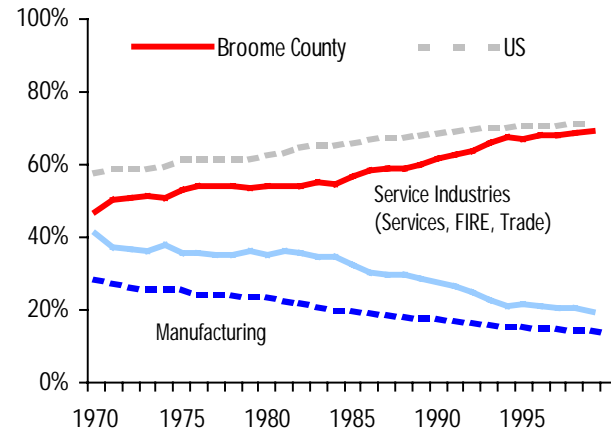
### Employment

**Broome County Employment, 1974 - 2000**



Source: New York State Dept. of Labor; AngelouEconomics

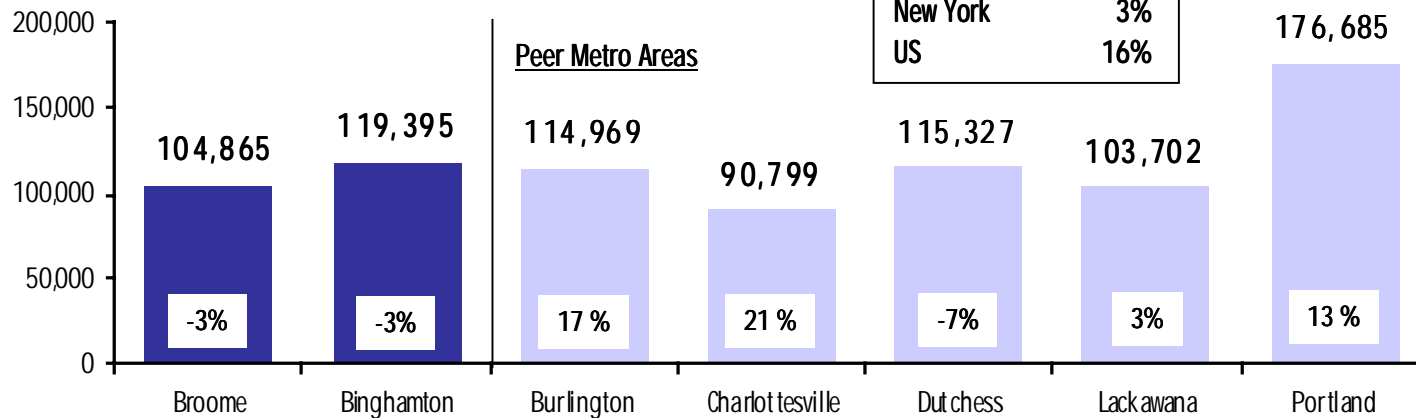
**Industry Shift, 1970 - 1999**



Source: U.S. Bureau of Economic Analysis; AngelouEconomics

**Employment Comparison, 1999**

*Growth 1990 - 1999*



Source: U.S. Bureau of Economic Analysis; AngelouEconomics

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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### **Broome County's employment levels have stagnated over the past twenty years.**

- During the mid 1970s, Broome County sustained growth of over 12,500 jobs. However, since 1978 Broome County has suffered a net loss of over 3,500 jobs.
- According to the New York State Dept. of Labor (NYSDL), a net decline of 8,700 jobs has occurred since 1990, when Broome County hit its 25-year employment peak.
- Broome County's economic structure is more closely aligned to that of the U.S. Manufacturing industries now account for 19 percent of total employment. At its peak in the 1950s, manufacturing accounted for more than 50 percent of county employment.

### **The Binghamton Metro Area lags behind its competitors in employment growth.**

- The Binghamton MSA ranks last among examined competitors when growth is indexed against either 1970 or 1980. Only Dutchess County lags behind the Binghamton Metro Area when indexed to 1990.
- The Binghamton MSA outperformed Lackawanna County for much of the past thirty years until 1993, when Lackawanna surpassed the Binghamton Metro Area in employment growth.
- Dutchess County and the Binghamton metro area were the only two communities to lose employment in the 1990s.
- Charlottesville, Burlington, and Portland significantly outperformed the other regions when indexing growth to 1970.

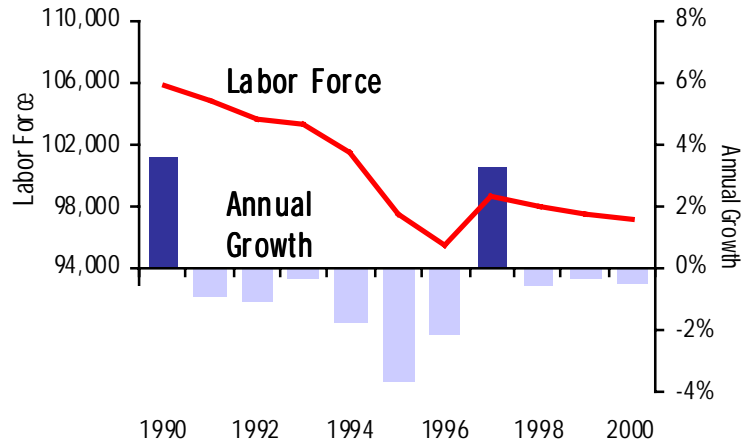
*Employment in Broome County declined throughout the 1990s and early 2000s. Broome has lagged behind its national competitors. **Historically, the region has been home to tremendous entrepreneurial successes, particularly in the manufacturing sector. One objective of the BC Plan is to provide a strategy for creating another period of business growth, generating new jobs and higher wages for the region.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

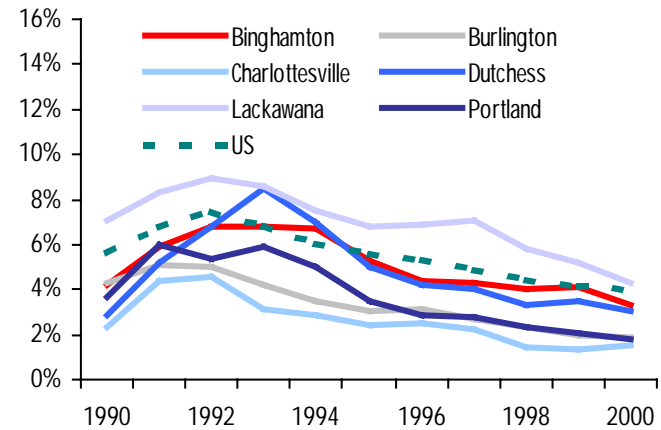
### Labor Force

**Broome County Civilian Labor Force, 1990 - 2000**



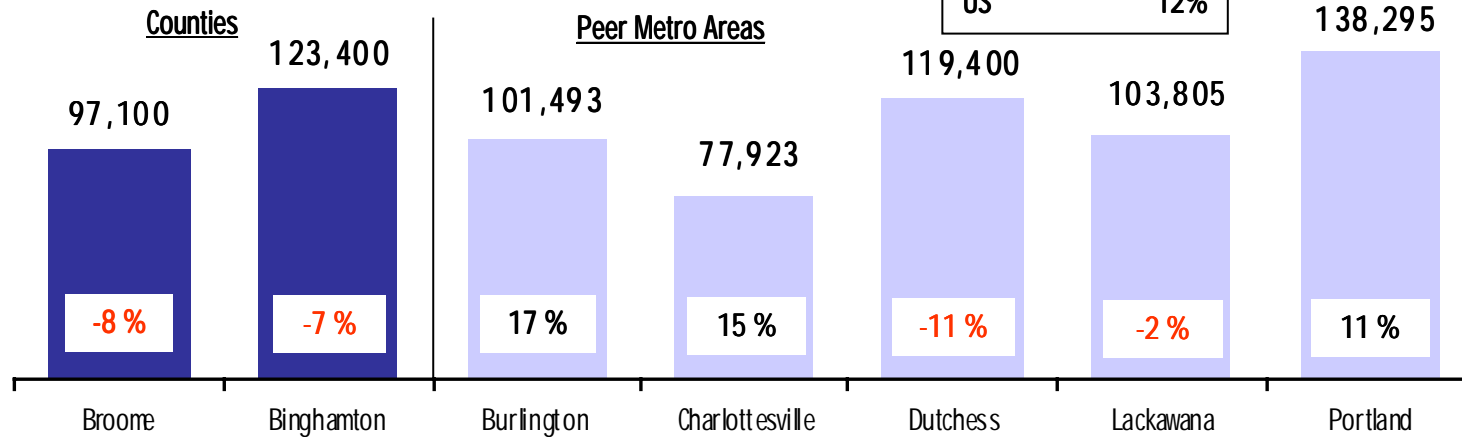
Source: New York State Dept. of Labor; AngelouEconomics

**Unemployment Rates, 1990 - 2000**



Source: U.S. Bureau of Labor Statistics

**Labor Force Comparison, 2000**  
*Growth 1990 - 2000*



Source: U.S. Bureau Labor Statistics; AngelouEconomics

## THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

### ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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#### **Broome County followed the national trend, seeing unemployment rates drop throughout the 1990s.**

- After its unemployment rate peaked at nearly 7 percent 1992 and 1993, Broome County's unemployment rate declined throughout the decade ending 2000 at 3.4 percent.
- Broome County unemployment rate remained at or lower than the U.S. rate in the 1990s, except in 1994.
- Despite a falling unemployment rate, Broome County finished the decade with the second highest rate among its peer communities, with only Lackawanna County holding a higher rate.

#### **Broome experienced a declining labor force in the 1990s.**

- Mirroring its decline in population throughout the last decade, Broome County suffered a decline in labor force, falling 8 percent or 8,700 potential employees.
- The Binghamton Metro Area joined Dutchess and Lackawanna counties as areas with net labor loss throughout the 1990s.
- Of the peer communities, only Burlington and Charlottesville exceeded the national average in adding to their labor force.
- Broome County falls in the middle among peer areas, with 50 percent of the population active in the labor force. Portland ranks the highest (53 percent) while Dutchess County ranks the lowest (45 percent).

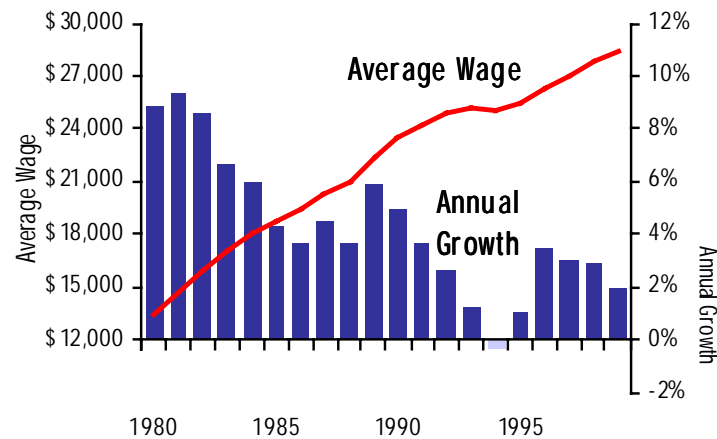
*The declining labor force in Broome County is not surprising given its declining population and employment levels during the 1990s. Despite these declines, the labor force remains at a healthy 50 percent of total population (e.g. the participation rate). **A below-average unemployment is further indication that workers choose to leave the region when job opportunities are not present.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

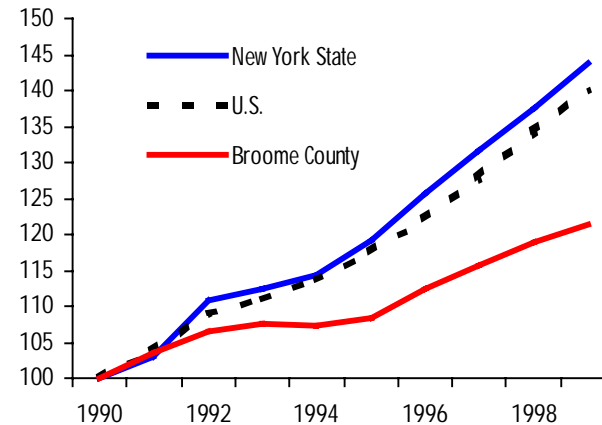
### Wages

**Broome County Wage per Job, 1980 - 1999**



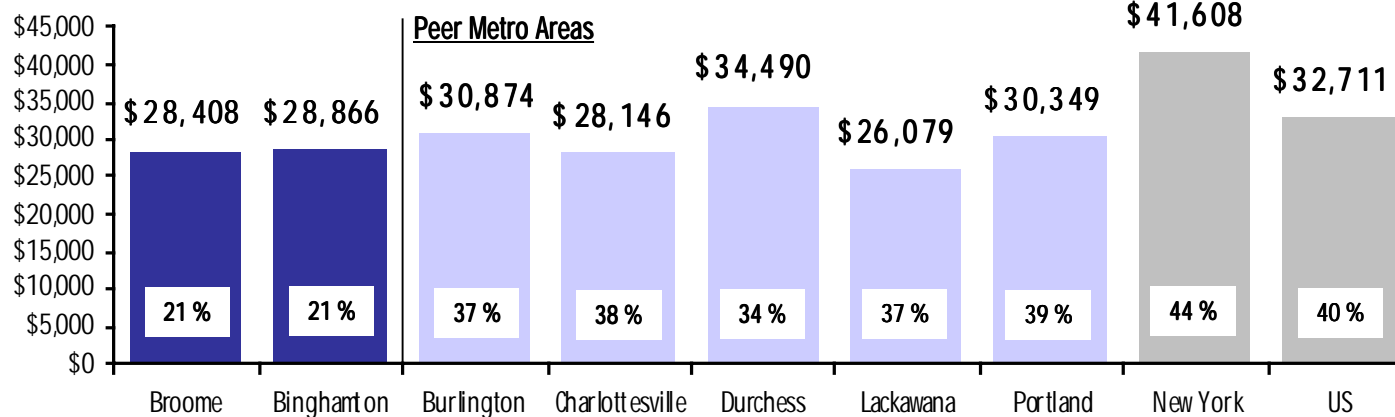
Source: U.S. Bureau of Economic Analysis; AngelouEconomics

**Wage Growth Indexed, 1990 - 1999**



Source: U.S. Bureau of Economic Analysis; AngelouEconomics

**Average Wage per Job Comparison, 1999**  
*Growth 1990 - 1999*



Source: U.S. Bureau of Economic Analysis; AngelouEconomics

## THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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### **Broome County saw its wage growth slow in the late 1980s and throughout the 1990s.**

- Broome County saw its wages grow 21 percent from 1990-1999. Wages decreased between 1993 and 1994.
- When adjusted for inflation, average wages in Broome County actually declined from 1970 to 1999.
- Broome County's average wage is now \$28, 400, about 87 percent of the national average wage.

### **Broome County enjoys wages comparable to those of its peer communities but lagged significantly in wage growth during the 1990s.**

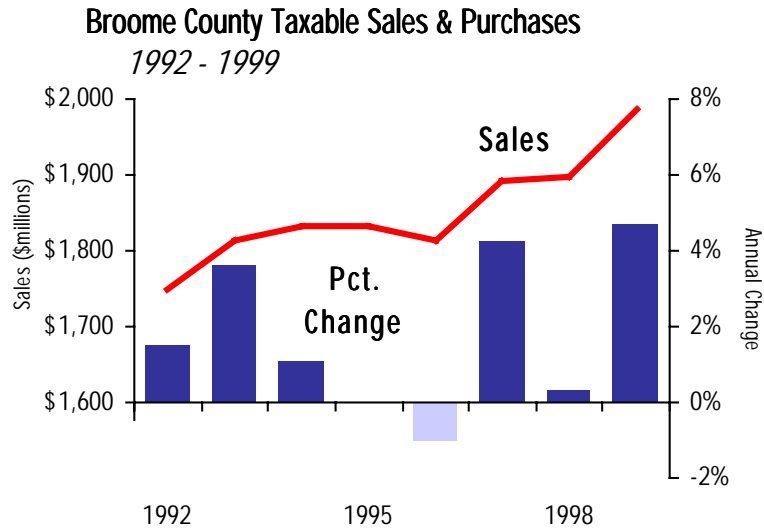
- When wages were indexed against 1970, the Binghamton Metro Area was in line with its competitors until the late 1980s, when wage growth slowed considerably.
- The Binghamton Metro Area actually ranked last of all metro areas in the United States in terms of wage growth in the expansion period from 1992 through 1999.
- Every one of Broome County's competitors trailed the national average for wage growth during the 1990s.

*These figures illustrate the impact of sizeable layoffs in high wage jobs experienced in the Broome County in the 1990s. Furthermore, small metropolitan areas across the U.S. have struggled too keep pace with the national economy. Only Dutchess County was able to see wage levels rise with the national level. However, the fact that Broome County's wage levels grew less than inflation demonstrates the degree to which Broome County's economy has suffered. **An economic development strategy targeted at high wage employers can help Broome County reestablish its economic competitiveness.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

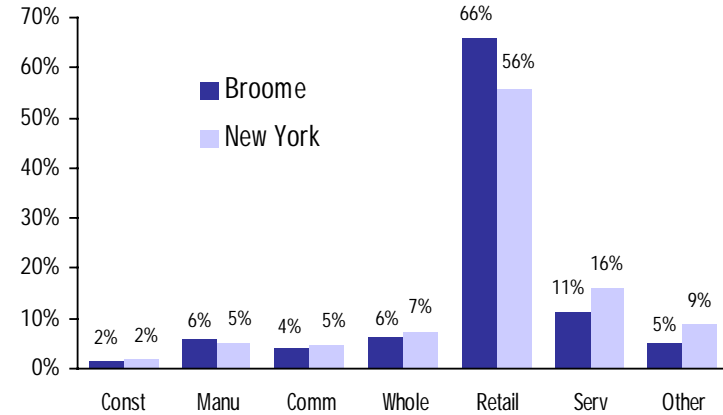
## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

### Retail Sales



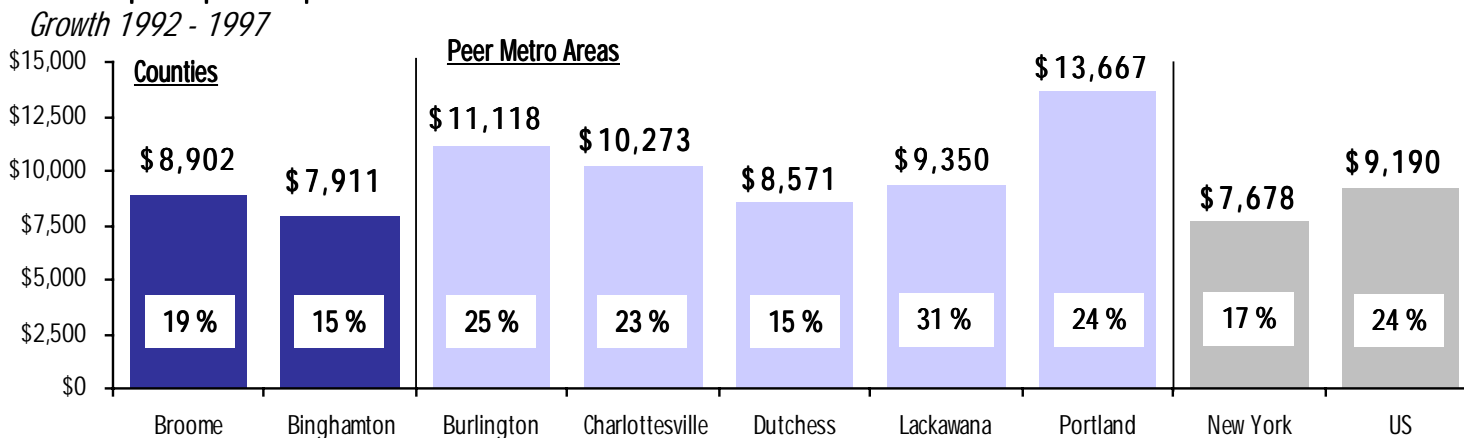
Source: New York State Department of Taxation and Finance

#### Taxable Sales By Industry Sept. 1998 through August 1999



Source: New York State Department of Taxation and Finance

#### Retail Sales per Capita Comparison, 1997



Source: U.S. Census Bureau; AngelouEconomics

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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### **Broome County has seen retail sales increase steadily throughout the 1990s.**

- Two of the past three years of available data have shown a marked improvement in taxable retail sales.
- For the latest year of available data, Broome County had a significantly higher percentage of taxable sales in the retail industry than in the service industry. This mirrors the area's employment composition as well.
- Broome County lost almost 500 retail establishments between 1992 and 1997. This pattern has repeated itself nationwide, with particular force in small market areas like Binghamton.

### **Broome County retail sales per capita experienced slower gains than the majority of its peers.**

- Per capita retail spending in Broome County is second lowest among the peer communities, outperforming only Dutchess County. Broome County also had higher per capita retail sales than New York State.
- Between 1992 and 1999, Broome County retail trade experienced stronger growth than Dutchess County and New York State.

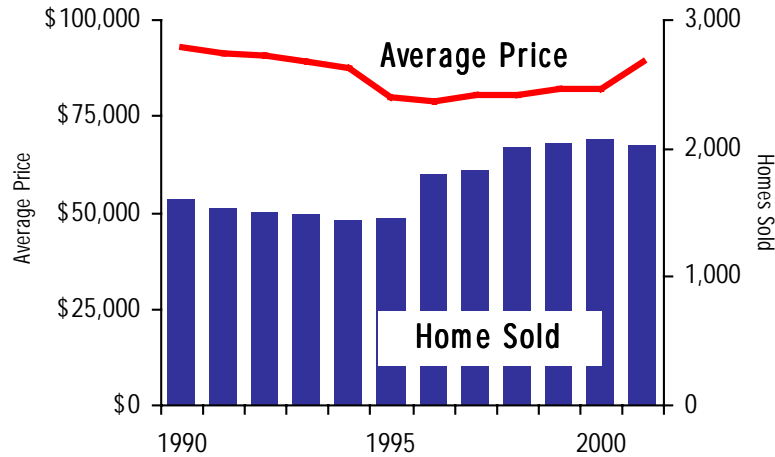
*Broome County's retail sales grew at faster rates than both Dutchess County and New York State but slower than its national peers. **Lower wages have affected local retail sales. With an economic development strategy focused on job creation, retail sales should start to increase.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

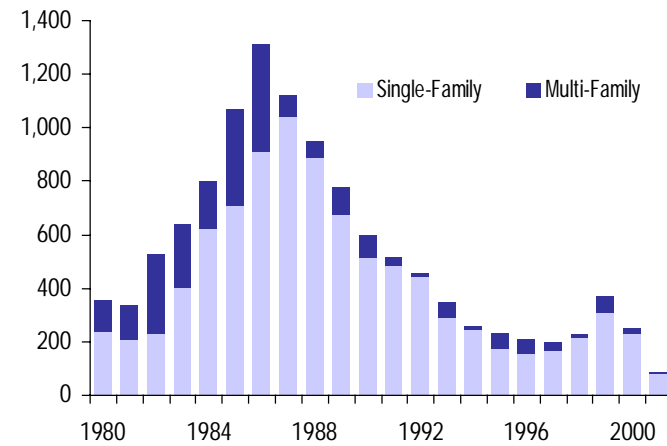
### Real Estate

**Binghamton MLS Area Home Sales & Prices**  
1990 - 2001



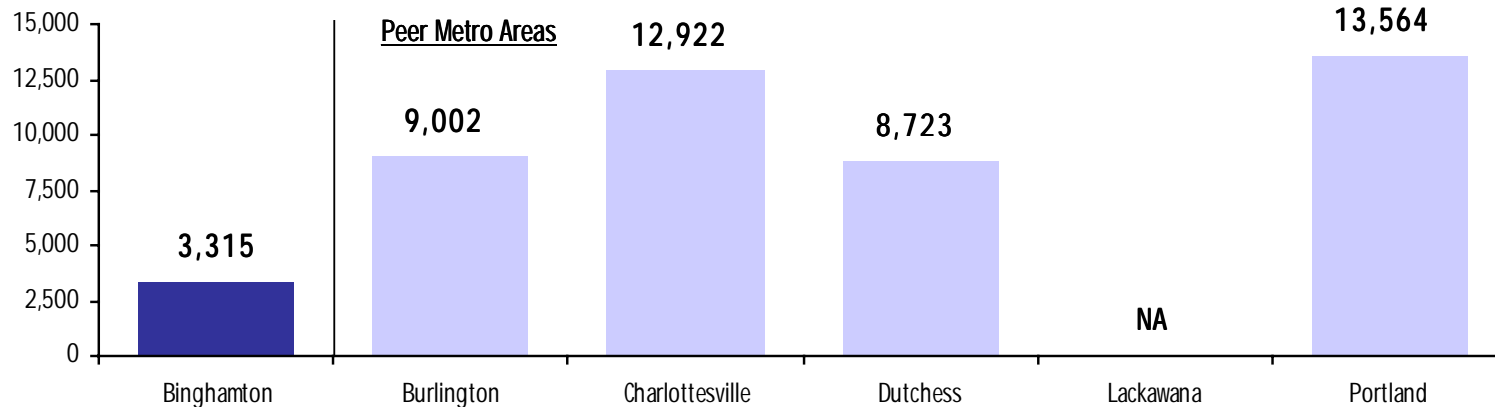
Note: Binghamton's MLS Area includes Broome, Tioga, and Chenango counties as well as a small area of Northern Pennsylvania.  
Source: Broome County Board of Realtors

**Binghamton MSA Residential Units Permitted**  
1980 - 2001



Source: US Census Bureau

**Total Residential Units Permitted**  
1990-2001



Source: US Census Bureau

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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### **The Binghamton Metro Area saw its housing activity slow significantly in 1990s.**

- Almost 8,000 housing units were permitted during the 1980s compared with 3,700 during the 1990s in the Binghamton Metro Area.
- Existing home sales grew in the second half of the 1990s while the average price for a single-family home declined.
- Multi-family housing saw a significant drop during the 1990s. Only 400 multi-family housing permits were granted during the 1990s compared with 2,000 during the 1980s.
- The average price of existing single-family homes rebounded considerably in 2001, attaining levels not seen since 1993.

### **The Binghamton Metro Area issued the fewest building permits of any of its peer communities that recorded activity in the 1990s.**

- Portland recorded the greatest activity of the peer communities, issuing permits to over 13,000 units in the 1990s compared to Binghamton's 3,700.
- Between 1990 and 2001, Binghamton's building permit activity was half that of the peer communities.

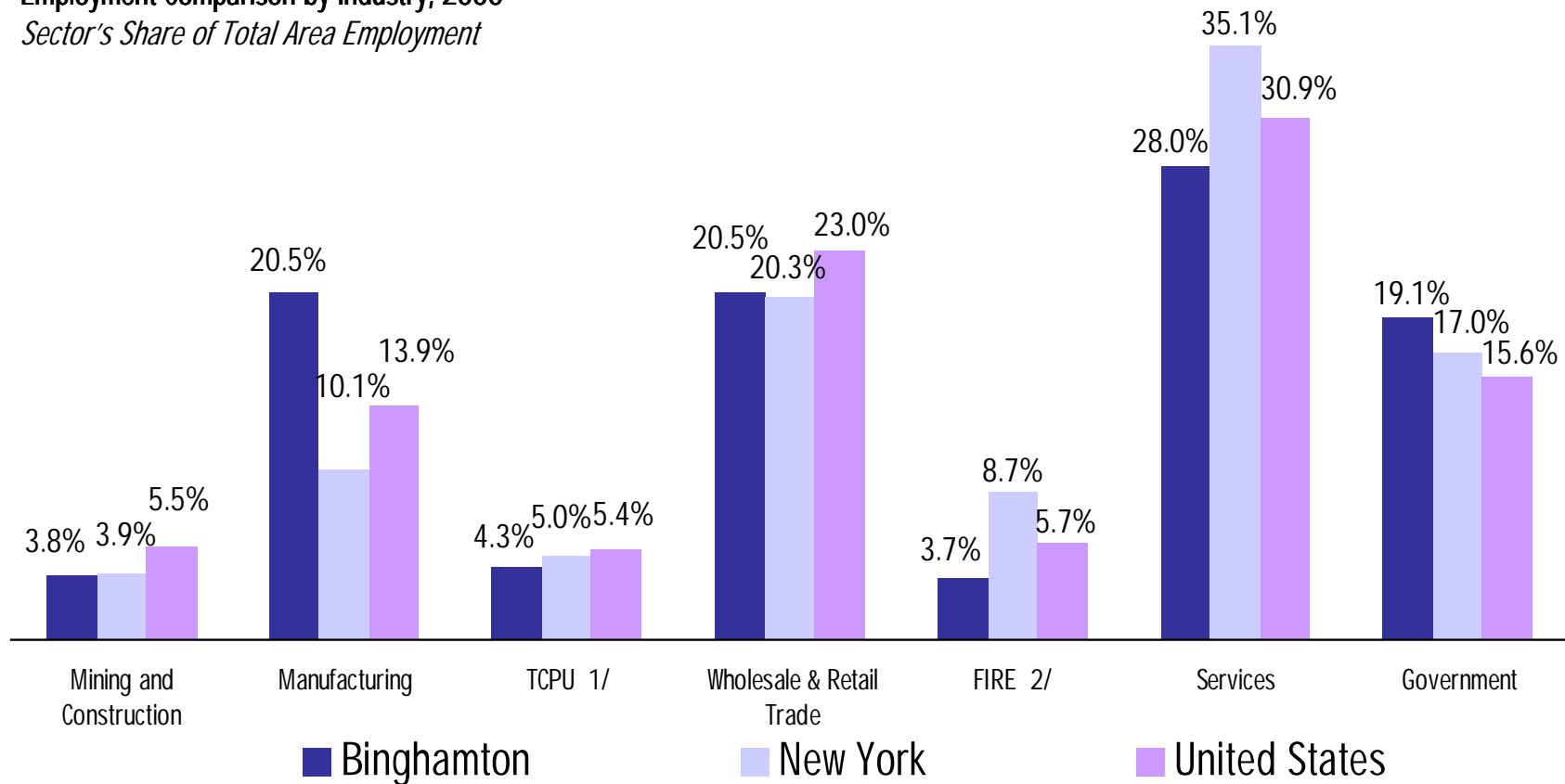
*The state of the housing market in the Binghamton Area presents pros and cons. Without increases in value, home ownership cannot drive wealth in the region. Moving to the area and purchasing a house can be a risky investment, especially considering past years when the average home sale price actually declined. **The positive effect of this real estate market is that homes are affordable for middle class families, which is not the case in many other regions.***

# THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT

## ECONOMIC AND DEMOGRAPHIC ASSESSMENT

### Employment by Industry

**Employment Comparison by Industry, 2000**  
*Sector's Share of Total Area Employment*



1/ Transportation, Communications and Public Utilities  
 2/ Finance, Insurance, and Real Estate

Source: U.S. Bureau of Labor Statistics

## THE BROOME COUNTY PLAN FOR SUSTAINABLE ECONOMIC DEVELOPMENT ECONOMIC AND DEMOGRAPHIC ASSESSMENT

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**Manufacturing:** The manufacturing sector still commands a high percentage of the metro’s employment. Historically, Binghamton enjoyed an ideal situation, as communities with high concentrations of manufacturing employment tended to be among the most prosperous as well. But during the 1990s a new trend began to emerge. Manufacturing is still at the core of many successful regions in the U.S., but has shifted its focus to “new” economy products and manufacturing processes. Global manufacturing trends point toward a continued outsourcing of complex manufacturing to developing countries, even in high tech products and components. **With few, large manufacturers, the manufacturing sector remaining in Binghamton remains at-risk. An economic development strategy for the region must leverage the existing manufacturing base toward the attraction of new manufacturing industries or value-added services supporting those operations.**

**Services:** Until recently, services have been thought of as low wage jobs in non-technology fields, but this has begun to change over the past ten years. Some of the highest wages and fastest growth has been in the service sector, which includes such jobs as software and Internet programmers and business and professional services, upon which many businesses depend for work they cannot perform in-house. The Binghamton MSA is low in comparison to both the state and nation in the percentage of service employment.

**Finance, Insurance, and Real Estate:** The FIRE sector is expectedly low in Binghamton due the presence of the large financial sector in New York City as well as the slumping real estate market during the 1990s.

**Government:** This sector is high mainly due to the location of Binghamton University and the concentration of public employees that it brings.