LET’S MAKE IT HERE

Keys to a Manufacturing Resurgence in New York

May 2011
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May 2011
Executive Summary

New York’s educated population, research-oriented universities and geographical assets should, theoretically, make our state an area that would attract investments and see a thriving manufacturing sector.

Unfortunately, New York has fallen behind other states in terms of our investment in new plants and equipment. On the global level, the manufacturing sector’s high multiplier effect and its considerable return on investment have made it an extremely competitive industry. For every dollar spent on manufacturing, according to the Bureau of Economic Analysis (BEA), another $1.41 is generated in other sectors of the economy. The corresponding “accelerator” for financial services, by contrast, is 64 cents.

Upstate New York experienced a decline in average manufacturing employment of 16.1 percent from 2005 to 2009, while employment loss in this sector for New York State totaled 18.1 percent. Total private sector employment in New York declined by only 0.5 percent during that same time period, while upstate declined by 2.8 percent, indicating the disproportionate loss to the manufacturing sector.

New York’s tremendous tax burden is the leading cause of our failure to attract and retain manufacturing firms. New York pays the highest fuel taxes, has the highest per capita individual income taxes and ranks at the top of the list in terms of real property taxes on businesses.

A survey of The Business Council of New York State’s manufacturing members indicates that over 30 percent of executives feel property taxes are the most significant hurdle in the industry, outranking income and franchise taxes, government regulations, energy costs and workers’ compensation.

To regain its stature as a manufacturing leader, New York must enact business-friendly policies at the state level that encourage growth. The Public Policy Institute’s (PPI) recommendations include, among others: implementing the Governor’s proposed 2 percent property tax cap and adopting real property tax administrative reforms that assure fair and reasonable assessments on industrial property; reducing state franchise and income taxes on manufacturers and high-technology companies; and utilizing our universities to encourage public-private partnerships.

The gap between New York’s manufacturing industry and that of other states and countries will continue to widen if nothing is done to change state laws. Our tremendous human capital and natural resources — along with a business cost climate more conducive to fostering economic development — gives us the potential to regain our status as a global manufacturing hub.

This report takes a closer look at how New York compares nationally — and to an extent globally — in our ability to compete in this sector and provides viable recommendations for regaining a competitive edge.
A Great Legacy

Historically, New York’s economy was a global leader supported by two pillars. One was the modern banking system and financial markets, along with related industries such as law and accounting. The other was manufacturing.

Our state’s natural resources, unique geography, significant human capital, physical infrastructure and support from other sectors of the state’s economy created a manufacturing boon for New York. As recently as 1970, the manufacturing sector employed more than 1.7 million New Yorkers.

New Yorkers worked in factories that defined many of the state’s cities and surrounding communities. Corning, Oneida, Massena, Bethpage, Tonawanda, Endicott and Troy are just a few of the towns that established New York as a leader in manufacturing.

International Business Machines in Binghamton, General Electric in Schenectady, Pfizer in Brooklyn and Xerox, Kodak and Bausch & Lomb in Rochester all helped turn New York’s cities, large and small, into prosperous communities. Twenty years ago, these manufacturers employed nearly one million New Yorkers-- two out of every thirteen workers in the state had careers making products that were shipped around the globe.

However, there have been significant economic changes over the past two decades. The state’s economy has diversified with growth in areas like health care and professional services. At the same time, globalization, technology and an ever-increasing demand for higher productivity and lower costs, coupled with shortsighted government policies at the state level, have cut New York’s manufacturing employment base by over one half. This decline has had a dramatic, adverse affect on New York, especially upstate.

Data obtained from the BEA indicates that in 2009, manufacturing comprised 11.3 percent of gross domestic produce (GDP). In New York, the sector accounted for approximately 5.4 percent of total GDP for the
state, ranking it 46th among other states.

In upstate New York, average employment in the manufacturing sector declined by 16.1 percent from 2005 to 2009. The Mohawk Valley, Finger Lakes region and the North Country each experienced over an 18 percent drop in employment during this period. Conversely, the decline in private sector job growth was only 2.8 percent.

Even so, manufacturing remains a vital component of New York State’s economy. Nearly $70 billion in goods are produced here each year — over 6 percent of the state’s economic output. Today, the share of New York’s wealth coming from manufacturing is only a couple of percentage points lower than it was in 1990.

If New York had matched national job figures over the last decade, where manufacturing jobs still declined, but by a lesser 14 percent, we would have retained another 100,000 manufacturing workers. Those 100,000 manufacturing jobs would have directly resulted in another $4.6 billion in annual income for New Yorkers, about $184 million per year in income taxes for the state and nearly $1 billion in annual total state and local tax revenues. The economic multiplier effect of manufacturing employment would likely more than double these economic and tax benefits. As of 2010, New York’s manufacturers directly employed 457,800 workers, or 5.4 percent of our non-farm workforce.

The Empire State’s manufacturers produce food and beverages, textiles, apparel and accessories, wood and paper products, auto and aviation products, fuels, chemicals - including pharmaceuticals - plastics and rubber, specialty metals, computers, vehicles, building materials, sports and recreation equipment, furniture, fixtures and much, much more. New York is still home to leaders in many manufacturing sectors — medical devices, energy systems, specialty glass and ceramics, motion picture film and office equipment.
Chemical producers, which include pharmaceutical firms, dominate New York’s manufacturing, with 26 percent of the sector’s economic output. Food producers are the second largest sub-sector. Other large sub-categories include machinery, fabricated metals and computers and electrical systems.

Despite this powerful legacy and the number of manufacturing companies still based in New York, the recent experience and outlook for the manufacturing sector here is discouraging.
A Dangerous Decline

One key indicator illustrates the decline of the manufacturing sector in New York: Firms here are investing in new plants and equipment at a much slower rate than are manufacturers in other states. For example, in 2009, California saw $14.3 billion in capital invested to expand its manufacturing base. Texas had $12.9 billion, Illinois got $7.2 billion, Ohio received $5.9 billion and Pennsylvania saw $5.3 billion in capital investment.

In contrast, in the same year, New York saw only $3.8 billion invested. Companies in New York are not making commitments to new plants and equipment, and without upgrades and expansions, our manufacturing sector will continue to contract at a rate higher than the rest of the country.iii

The Global Competition for Manufacturing Firms

Jobs, wealth creation, taxes, exports and economic security – these are the elements that make manufacturing one of the most desirable economic sectors in the world.iv

States in the U.S., as well as countries around the globe, offer incentive packages to attract and retain manufacturers. Each entity plays against the others to come up with the most attractive packages, including direct grants, refundable tax credits, low- or no-interest financing, tailored worker-training programs, infrastructure improvements and more.
Offers of large cash and tax reduction incentives to invest in new plants and equipment and create jobs have become routine, and many governments have established dedicated offices to aid in the marketing of locally made products and expand new business opportunities.

Why does manufacturing garner such special status from governments across the globe? First, the multiplier effects for manufacturing are substantially higher than for other sectors. According to the BEA, for every dollar spent on manufacturing, no matter how traditional the production means, another $1.41 is generated in other sectors of the economy. The corresponding “accelerator” for financial services, by contrast, is 64 cents.

New York’s 18,888 manufacturing firms support 1.15 million of the 6.9 million private sector jobs in New York. Applying manufacturing’s full impact to the state’s economy means that it supports 14.4 percent, or $166 billion, of the current state domestic product.

This economic impact has a positive effect on the state’s finances as well. New York’s manufacturing companies provide 16.9 percent of business taxes in the state, although they only employ 5.4 percent of the state’s workers. Only Wall Street and insurance firms, with 23.4 percent of the tax liability, contribute more to the public coffers.

Applying manufacturing’s full impact to the state’s economy means that it supports 14.4 percent, or $166 billion, of the current state domestic product.

It is the manufacturing production pipeline that generates so much value compared to, for example, professional services (71 cents) or retail trade (58 cents). After all, in order to make consumer goods, producers must build plants and fill them with high-end equipment, acquire materials, mobilize skilled labor and establish distribution and markets. Intermediate or finished goods are delivered over transportation networks, passed through wholesalers and distribution centers and eventually sold at the retail level. No other sector adds so much value to so many additional components of economic output.

This multiplier advantage for manufacturing explains why the competition for high-technology manufacturing companies is so fierce. The Milken Institute, using the BEA’s models, estimated that the jobs multiplier for cutting-edge biotechnology and nanotechnology firms is 9.20. This means that for every job in these firms about ten additional jobs are supported.
Beyond their multiplier effect, it should be noted that jobs in manufacturing generally pay well. Nationally, the average wage and benefits for a manufacturing position are 29 percent higher than for the rest of the private sector workforce. Although the required education levels for employment in the sector are increasing, these jobs often do not require advanced degrees, and many companies provide in-house training.

Governments covet manufacturing because it leads to exports. Goods sold to other regions, states or countries create wealth for the home community. Manufacturing accounts for 81 percent of the value of New York’s exports, 22 percent more than the ratio for the nation as a whole. These products bring substantially more value back to the state than the input required to make them. Export growth is the one sure way of raising opportunity and living standards, and is therefore the one economic development goal universally sought by every government.

Additionally, manufacturers drive more innovation than any other sector of the U.S. economy. Manufacturers conduct half of all of the combined private and public research and development in the nation. The share of private firms’ research and development (R&D) conducted by manufacturers is 70 percent of the nation’s total.

Manufacturers also provide important links to academic institutions through public-private and for-profit/non-profit partnerships, and by mentoring start-ups in academic labs and incubators. They lock in the academic-commercial nexus through participation in university affiliated research parks. State support of manufacturers is the clearest way to show a positive return in investments in higher education facilities and a growth in human capital.
New York Loses Against Peer States

Even though New York ranks sixth in the nation for the total size of its production economy, manufacturing’s share of employees in production and its contribution to the state’s economy is about half as large as its major competitor states.

Manufacturing’s importance in the state varies immensely by region, its share of total compensation only about 2 percent in New York City, 9 percent on Long Island and 10 percent in the lower and mid-Hudson Valley.

<table>
<thead>
<tr>
<th>State</th>
<th>All Industry Total GDP</th>
<th>Manufacturing GDP</th>
<th>Mfg as % of all industry GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>New York</td>
<td>1,085,130</td>
<td>58,847</td>
<td>5.42%</td>
</tr>
<tr>
<td>California</td>
<td>1,884,450</td>
<td>224,313</td>
<td>11.90%</td>
</tr>
<tr>
<td>Illinois</td>
<td>621,101</td>
<td>69,322</td>
<td>11.16%</td>
</tr>
<tr>
<td>Indiana</td>
<td>257,463</td>
<td>64,546</td>
<td>25.07%</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>362,413</td>
<td>33,271</td>
<td>9.18%</td>
</tr>
<tr>
<td>New Jersey</td>
<td>478,391</td>
<td>36,767</td>
<td>8.10%</td>
</tr>
<tr>
<td>New York</td>
<td>1,085,130</td>
<td>58,847</td>
<td>5.42%</td>
</tr>
<tr>
<td>North Carolina</td>
<td>908,992</td>
<td>72,864</td>
<td>18.27%</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>547,885</td>
<td>68,486</td>
<td>12.50%</td>
</tr>
<tr>
<td>United States</td>
<td>14,027,700</td>
<td>1,584,830</td>
<td>11.30%</td>
</tr>
</tbody>
</table>

Source: BEA data

However, west and north of the Hudson River, manufacturing still accounts for over 20 percent of the wage base, by far the largest component of the private sector economy. If upstate is to enjoy any sort of economic recovery, manufacturing employment must be stabilized and ultimately increased.

Entire communities in upstate New York are often dependent on one major manufacturing employer. When a company does well and retains or increases employment, the locality prospers. When the reverse occurs – the case all too often in the last 30 years - the result is truly devastating.

Entire communities in upstate New York are often dependent on one major manufacturing employer.
State Policies Discourage Manufacturing in New York

New York’s state and local governments have greatly contributed to the manufacturing sector’s trend to limit investment and production activities here. To start, we have the highest combined local and state tax burdens and are considered to have one of the worst business climates in the nation.

New York also imposes a heavy regulatory burden on its manufacturing sector, especially in the environmental area, where the state’s permitting and emission requirements are typically among the most rigorous in the nation. New York routinely exceeds national requirements in implementing federally designated environmental regulatory programs such as the Clean Air Act and RCRA (which governs the management of hazardous materials and hazardous wastes). While these programs produce environmental benefits, the state rarely does serious cost-benefit assessments to justify the efficacy of additional requirements.

According to the Tax Foundation, we have the highest per capita individual income tax collections in the nation and rank second in per capita corporate income tax collections. New Yorkers pay the highest fuel taxes, and we rank fifth in per capita residential property tax burdens. In terms of real property taxes on businesses, we rank either first or second to Texas, a state with no personal or corporate income tax.

Further, despite significant hydropower resources, New York has the third highest overall electricity prices, largely due to high taxes and regulations. The state does rank a somewhat more acceptable ninth in terms of manufacturing power prices. This reflects the impact of low cost New York Power Authority (NYPA) hydropower sold to several hundred energy-intensive manufacturers. Power costs paid by the typical manufacturer not receiving NYPA assistance are among the highest in the nation. The PPI has shown that New York State manufacturers pay rates on average 52 percent above their competitors in other states, and that 26 percent of the typical energy bill in New York is state-imposed taxes, fees and assessments.

**New York routinely exceeds national requirements in implementing federally designated environmental regulatory programs such as the Clean Air Act and RCRA.**
New York’s elected and other public officials severely failed to take proactive measures to support the manufacturing sector and the state’s general business environment.

To date, the state lacks a meaningful agenda to promote industrial high-tech manufacturing clusters based on regional historical strengths and opportunities. New York has one of the nation’s worst records of utilizing academic research and industrial parks to brand its strengths, attract talent and reduce regulatory burdens on emerging and expanding firms. It also has been slow to utilize high-skill training through public community colleges to develop the world-class industrial workers that other states use to attract the next generation of manufacturing firms.

The state provides a number of incentives to firms looking to move into or expand in New York, but the state provides relatively limited incentives to support capital re-investment by existing in-state businesses, absent significant increases in head count.

New York’s leaders have often done a poor job of building the public’s respect for the vital role manufacturing plays in our economy. This low consideration encourages “Not in My Backyard” opposition and reduces production firms’ ability to justify new investments and compete for human and capital resources.

Despite these shortcomings, two measures were included in the 2011-12 state budget that will help foster economic development in New York State. Recharge New York, the permanent replacement for Power for Jobs, will provide 910 megawatts of discounted power to businesses starting in 2012. In addition, this year’s budget included a plan to develop 10 regionally-based economic development councils that will focus on the specific strengths of different areas of the state.

New York’s elected and other public officials failed to take proactive measures to support the manufacturing sector and the state’s general business environment.
Business Council Manufacturers Speak Out

What do the heads of the state’s manufacturing firms say about how New York treats its production sector? The Business Council conducted an online survey of its manufacturing members to get a sense of where they think the state is today and where it is going with respect to this vital sector. Business leaders responded to six questions asking them to rank the biggest hurdles facing their firms regarding business climate, labor issues, government policy and investment opportunities.

The executives surveyed feel that the biggest hurdle that Albany and local governments place on companies is New York’s property tax, followed by workers’ compensation issues and personal and corporate income tax levels. The greatest threat in terms of current market forces is perceived to be the loss of consumer demand caused by the recession, followed by the ever-increasing threat of international competition.

Respondents were also asked to comment on the state’s business climate, and how New York is treating its manufacturing corporations. The general sense is that government is making it more and more difficult for New York companies to succeed, through high taxes and excessive regulations.

A total of 83 percent of respondents listed the state’s overall business climate as poor or dismal. The state’s high cost structure is the primary reason why firms are not investing in New York, followed by the perception that the state is not keeping its promises to companies in terms of honoring contracts and coming through with pledged tax credits.¹⁰

Comments from survey respondents include:

“New York is going above and beyond federal regulations, and this has killed current and future manufacturing opportunities in NY.”

“At this time we could hire many more people if we could find them with the skills we need.”

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¹⁰Comments from survey respondents include:

“New York is going above and beyond federal regulations, and this has killed current and future manufacturing opportunities in NY.”

“At this time we could hire many more people if we could find them with the skills we need.”

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What is the biggest government imposed hurdle facing manufacturers?

<table>
<thead>
<tr>
<th></th>
<th>Most Important</th>
<th>Very Important</th>
<th>Important</th>
<th>Somewhat Important</th>
<th>Least Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Taxes</td>
<td>30.4%</td>
<td>21.7%</td>
<td>21.7%</td>
<td>15.2%</td>
<td>10.9%</td>
</tr>
<tr>
<td>Income and Franchise taxes</td>
<td>17.4%</td>
<td>26.1%</td>
<td>13.0%</td>
<td>19.6%</td>
<td>23.9%</td>
</tr>
<tr>
<td>Government regulations</td>
<td>20.4%</td>
<td>8.2%</td>
<td>24.5%</td>
<td>20.4%</td>
<td>26.5%</td>
</tr>
<tr>
<td>Energy costs</td>
<td>12.2%</td>
<td>24.5%</td>
<td>14.3%</td>
<td>30.6%</td>
<td>18.4%</td>
</tr>
<tr>
<td>Workers’ compensation</td>
<td>20.0%</td>
<td>28.0%</td>
<td>28.0%</td>
<td>12.0%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>

Source: Business Council survey
“We need less state taxes and lower costs for us to stay in business and less government.”

“Employee compensation costs are a direct result of high taxes, and both are very high on the negative priority list.”

“New York is no longer a manufacturing state, and they keep driving more and more small firms out of business because the bigger companies they do work for all move out!”

Potential for a Manufacturing Rebound in New York

The value of manufacturing jobs illustrates the need for New York State policies to focus more effectively on this sector. The average wage for manufacturing is well above the average wage (for private and public sectors combined) in all regions of the state, with the exception of New York City.

High-tech applications such as advanced communication, biotechnology and nano-scale manufacturing require ever-higher amounts of reliable power, clean water, moderate temperatures and affordable land. Upstate’s inherent strengths in these crucial components will make it more and more attractive to potential investment and expansion, if we can present site selectors with the necessary human and policy components.

### 10 Regions Employment and Wages in Manufacturing, 2009

<table>
<thead>
<tr>
<th>Region</th>
<th>Average mfg employment</th>
<th>Average mfg wages</th>
<th>Average wage (all industries)</th>
<th>Mfg wage advantage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Region</td>
<td>28,720</td>
<td>$57,810</td>
<td>$43,374</td>
<td>$14,436</td>
</tr>
<tr>
<td>Central New York</td>
<td>33,278</td>
<td>$56,703</td>
<td>$40,297</td>
<td>$16,406</td>
</tr>
<tr>
<td>Finger Lakes</td>
<td>69,774</td>
<td>$56,285</td>
<td>$40,843</td>
<td>$15,442</td>
</tr>
<tr>
<td>Hudson Valley</td>
<td>51,115</td>
<td>$78,213</td>
<td>$51,752</td>
<td>$26,461</td>
</tr>
<tr>
<td>Long Island</td>
<td>74,218</td>
<td>$57,766</td>
<td>$50,909</td>
<td>$6,857</td>
</tr>
<tr>
<td>Mohawk Valley</td>
<td>17,820</td>
<td>$40,518</td>
<td>$35,082</td>
<td>$5,436</td>
</tr>
<tr>
<td>North Country</td>
<td>11,687</td>
<td>$50,287</td>
<td>$35,753</td>
<td>$14,552</td>
</tr>
<tr>
<td>New York City</td>
<td>81,551</td>
<td>$51,490</td>
<td>$73,917</td>
<td>-$22,427</td>
</tr>
<tr>
<td>Southern Tier</td>
<td>38,122</td>
<td>$56,853</td>
<td>$39,336</td>
<td>$17,517</td>
</tr>
<tr>
<td>Western New York</td>
<td>66,560</td>
<td>$53,015</td>
<td>$38,224</td>
<td>$14,791</td>
</tr>
</tbody>
</table>

*Source: NYS Department of Labor*
General Recommendations

The economic health of New York State, and especially upstate New York, is dependent on a healthy, vibrant and expanding manufacturing sector, and we need policies that help us support this key economic development objective that will create the high quality and career rewarding jobs New York needs.

New York’s first manufacturing policy objective should be to achieve a level of capital investments in our production plants and equipment that will support this growth and retention, and put us on par with our major competing states. The goal should be a level of private sector capital investment of $10 billion a year in 2010 dollars.

New York’s second manufacturing policy objective should be to raise manufacturing’s contribution to the state gross product from its current 6 percent to the national average of 11 percent.

To achieve these goals, it is imperative that we address the factors that discourage producers from investing in New York, and work to create a more competitive economic climate for manufacturing investment. Our tax structure must be realigned to make New York a leader in private sector investment. We need tax policies that encourage investments; there should be market-based and as-of-right incentives awarded for investment in capital, R&D and the creation or retention of high value manufacturing jobs.

Moreover, we must start tapping one of our most significant, underutilized assets — partnerships with our colleges and universities.

To attract major investments, New York’s leaders must recognize that these manufacturing firms represent the most sought-after companies and jobs in the world. To become competitive, the state must be prepared to provide incentives and policies that make New York’s manufacturing environment competitive worldwide.
Policy Recommendations to Support Manufacturing in New York State

Based on the findings of this report, the PPI supports the following recommendations to promote the growth of New York’s manufacturing sector:

- Implementation of a property tax cap designed to bring our ad valorem tax levies imposed on business and residential property to no more than the national median within ten years. Assessments on business property should more adequately reflect the one-quarter of the state total real estate values that business properties contribute rather than the 40 percent of these taxes firms currently pay.

- The reduction of all state franchise and income taxes on manufacturers and high-technology companies. The positive impact provided by these sectors’ high economic multipliers will more than make up for the estimated $500 million a year loss in direct franchise tax and corporate and other business income receipts that the state currently receives.

- There should be an immediate repeal of the business tax credit “deferral” adopted in the SFY 2010-11 state budget. This law defers the use of already-earned business credits, such as the manufacturers’ investment tax credit bill, for capital investments previously made in New York State, and limits the effectiveness of credits for new investments made during 2011 and 2012. Moreover, maintaining this policy will result in long term damage to the state’s economic incentive programs. The state must view its statutory programs as contractual pledges; taxpayers that have earned credits for capital investments already made should not be subject to later reductions or delays in credits.

- New York should establish, clear, market-driven incentives for capital investments using refundable tax credits. It should adopt a statewide, market driven and refundable investment tax credit of 12 percent for most tangible property and 15 percent for R&D activities. This is the minimum level needed compared to offers and cost advantages in other states that will attract significant international attention.

- The existing Qualified Emerging Technology Company tax credit program should be expanded to give New York a better chance of attracting and retaining the type of firms providing the highest multipliers for the rest of the economy.

- We must work to eliminate barriers inhibiting the flow of capital and threatening Wall Street’s status both nationally and globally. We need dedicated commitments to attract the world’s highest skilled workforce and to encourage the private redevelopment of New York’s upstate urban cores and existing industrial properties.
• New York should use its public universities to better serve the needs of manufacturers and encourage public-private partnerships. This entails, at a minimum, targeting degree programs at our community colleges to the needs of the manufacturing sector, working with firms’ in-house training programs, allowing joint asset arrangements between universities and research-intensive manufacturers, catalyzing technology transfer agreements and creating large-scale university/industrial research and production parks.

• The state should focus its economic development efforts less on creating one-off “deals”, and instead implement broad improvements in the state’s economic climate and overall reductions in the state’s cost of doing business. We must implement a strong marketing strategy that again leverages our historical regional strengths. One of the biggest impediments to our firms is access to new and expanding markets. New York needs to take a more aggressive and proactive role in getting these opportunities.
Endnotes

i. The Decade in Review: New York State’s Labor Markets, 2000-2010, NYS DOL

ii. Annual Survey of Manufacturers (Census)

iii. Export Nation p.3

iv. Manufacturing 2.0, 7,41. We have adjusted the Milken multipliers down by 42.5 percent to conform to cross industry comparisons used by PPI. Thus, a 16 multiplier for Milken translates to a 9.2 for our purposes.

v. Manufacturing Resurgence: A Must for U.S. Prosperity, 13-19

vi. 2011 State Business Tax Climate p. 57

vii. Short-Circuiting New York’s Recovery

viii. A New Paradigm for Economic Development, 18-19

ix. The Business Council conducted an online survey of its manufacturing members to determine what they perceived to be the biggest threats to the sector.
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The Business Council survey of manufacturing members

The Public Policy Institute is the research and educational arm of The Business Council of New York State, Inc. The organization's purpose is to formulate and promote public policies that will restore New York’s economic competitiveness.

PPI accomplishes this mission by conducting timely, in-depth research addressing key state policy issues. The Institute is a non-partisan, tax-exempt, 501 (c) (3) organization. It depends on the support of corporations, foundations and the public.

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