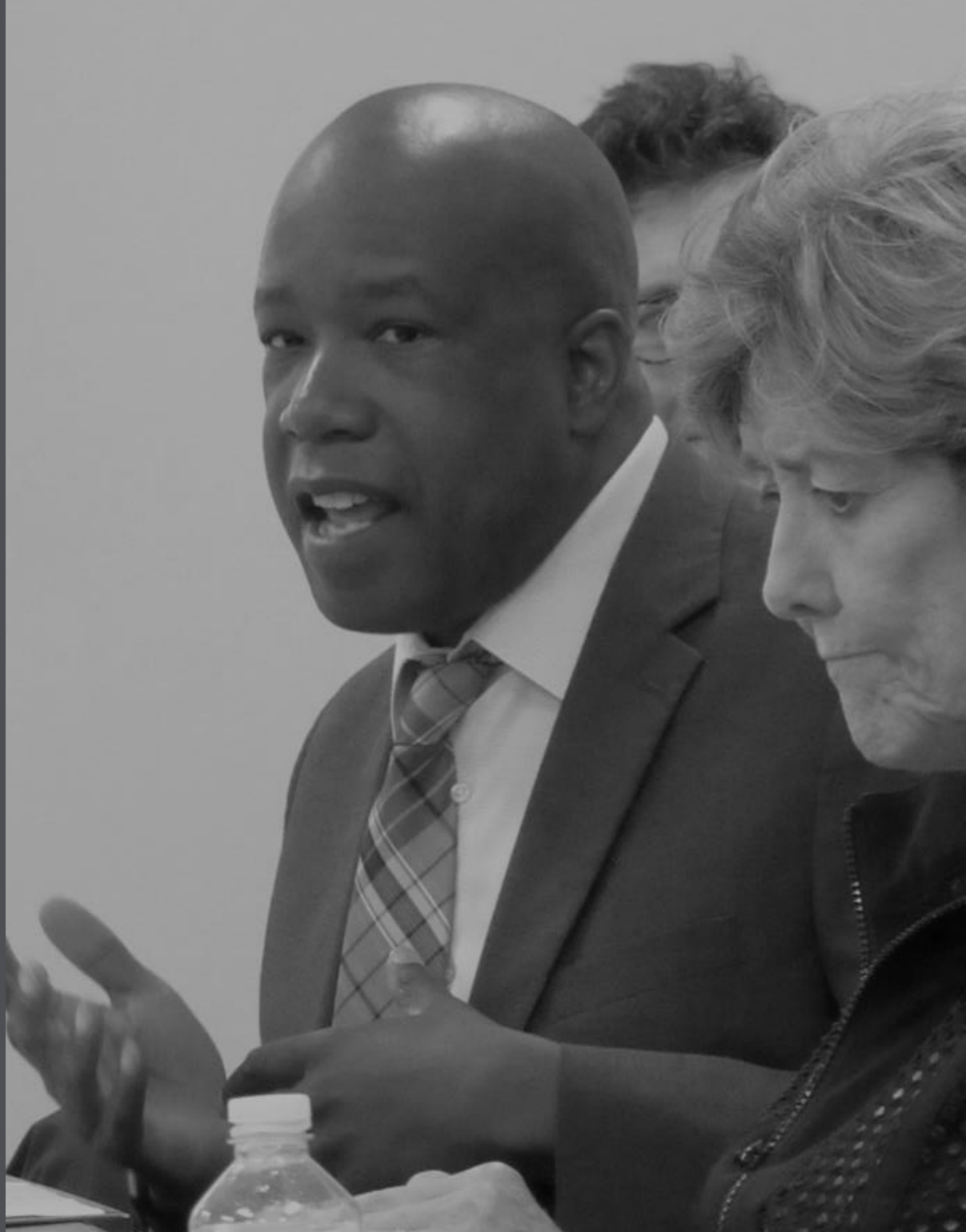


THE WORKER INSTITUTE

ADVANCING WORKER RIGHTS AND COLLECTIVE REPRESENTATION



BUFFALO, NY SINCE THE GREAT RECESSION A WORKSHOP ON ECONOMIC RESTRUCTURING IN THE RUST BELT SINCE THE GREAT RECESSION

BY: DINCER AND WHEATON

AUGUST 14-15 2017
CORNELL IN BUFFALO AND UAW LOCAL 774

PROGRAM

DAY 1, AUGUST 14, Cornell in Buffalo

Welcome, Arthur Wheaton, The Worker Institute, Cornell University
09AM-09.10AM

Introduction: The Contours of Economic Development in the Rust Belt since the Great Recession
Evren Dincer, Uludağ University
09.10AM-09.30AM

Session I

Main Trends and Issues of Economic Development in Buffalo 09.30AM-12PM

The Performance of the Buffalo Economy Since the Great Recession
Jaison Abel, Federal Reserve Bank of New York

Healing Buffalo's Economy: The Buffalo Billion and Priorities for Economic Development
John Slenker, New York State Department of Labor

General Trends in the Labor Market
Cesar Cabrera, New York State Department of Labor

Labor Market and Challenges for Workforce Development
Heather Gresham, Executive Director, Buffalo and Erie County Workforce Investment Board

Labor's Role in Economic Development and Organizing
Richard Lipsitz Jr., Western New York Area Labor Federation

Economic Development from a Social Justice Perspective
Franchelle C. Hart, Open Buffalo

Lunch Break: 12PM-1PM

Session II

Placing Buffalo in its Geographical and Economic Context: Buffalo as part of New York State and the Rust Belt 1PM-2.45PM

The Role of New York City in the Economy of New York State
James Parrott, Center for New York City Affairs at The New School

Buffalo's Economic Relations with Albany
Bruce Fisher, SUNY Buffalo State

The Role of Community Organizations in Buffalo's Economic Revitalization in a Comparative
Perspective
Ronald Applegate, Cornell University

Buffalo's Economic Development Compared: Buffalo as Part of the Rust Belt
Evren Dincer, Uludağ University

Coffee Break, 2.45PM-3.00PM

Session III
Sectors in Perspective I
3PM-5PM

Buffalo's Housing Market since the Great Recession
Sam Magavern, Partnership for the Public Good

Buffalo's Agricultural Economy since the Great Recession
Diane Held, Cornell University Cooperative Extension

The Finance Sector in Buffalo since the Great Recession
Gary Keith, M&T Bank

Buffalo-Niagara Medical Corridor Experiment: Perspectives on a Project for Economic Revitalization
David Scott, Buffalo Niagara Medical Campus (TBC)

The Energy Sector, Community Development and Sustainability in Buffalo since the Great Recession
Rahwa Ghirmatzion, PUSH Buffalo

Concluding Remarks and Reflections on Day One
Rosemary Batt, Cornell University

DAY 2, AUGUST 15, UAW Local 774

Session IV, 09AM-12PM
Sectors in Perspective II
Manufacturing and the Auto Industry

A Historical Review of the Auto Industry in the U.S. and Western New York
Art Wheaton, The Worker Institute at Cornell University

Recent Trends in Auto Manufacturing in Western New York
Ian Greer, Cornell University

Canadian Auto Industry since the Great Recession: A Look at Buffalo from the other side of the
Border
Mathieu Dupuis, School of Industrial Relations, University of Montreal

The Reindustrialization of the U.S.: Tonawanda Powertrain since the Great Recession
Evren Dincer, Uludağ University

Auto Manufacturing in Buffalo since the Great Recession: A Managerial Perspective
Steve Finch, Plant Manager, GM Tonawanda Powertrain

Labor Management Relations and Restructuring in Manufacturing since the Great Recession:
A Union Perspective
Wenceslao Valentin III, President, UAW Local 774

For more information please contact:

Evren Dincer, email: emd224@cornell.edu, call or text (267) 438-9450

Art Wheaton, email: acw18@cornell.edu, call or text (716) 777-0303

The Finance Sector in Buffalo Since the Great Recession

Gary D. Keith

Regional Economist, Commercial Banking Division

August 14, 2017

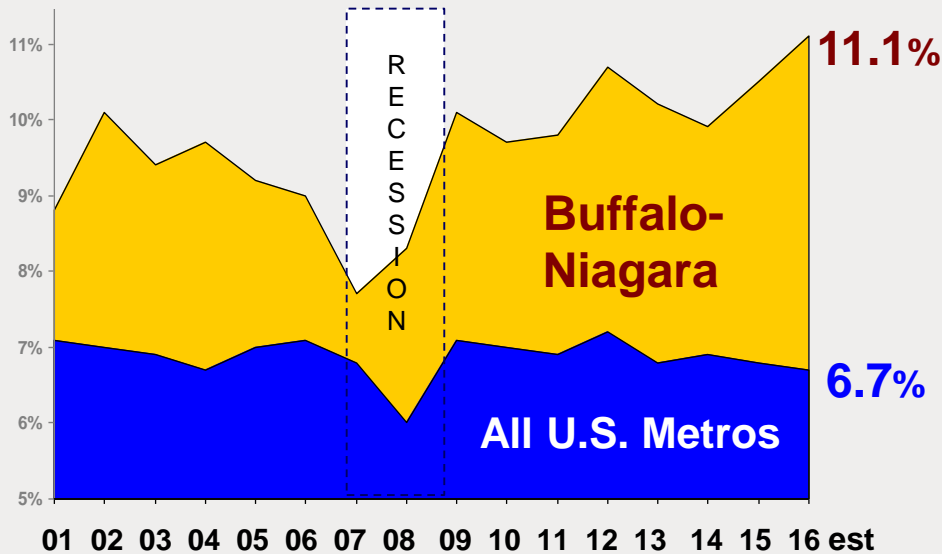
M&TBank

Finance & Insurance Industry Share of Total Metro Area Real GDP

Buffalo is a Regional Financial Services Hub

In 2016, the finance sector's share of Buffalo area GDP was two-thirds higher than the U.S. metro area average

Finance & Insurance Share of GDP



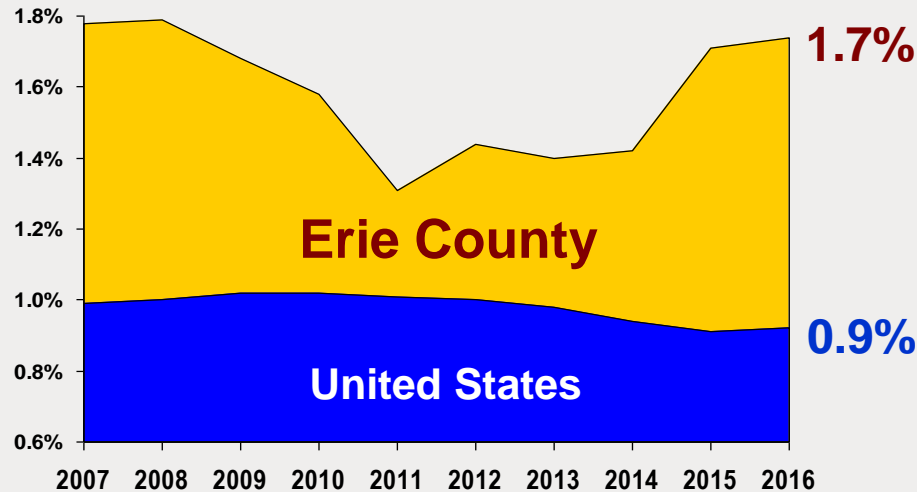
Rank vs. Top 50 U.S. Metros—2015

Based on Total Population

1	Hartford, CT	17.8%
2	New York City, NY	14.0%
3	Charlotte, NC	12.4%
4	Columbus, OH	11.2%
5	Salt Lake City, UT	10.5%
6	BUFFALO-NIAGARA, NY	10.5%
7	Philadelphia, PA	9.7%
8	Richmond, VA	9.3%
9	Jacksonville, FL	9.1%
10	Chicago, IL	9.1%

Finance & Insurance Share of Erie County Employment

Commercial Banking



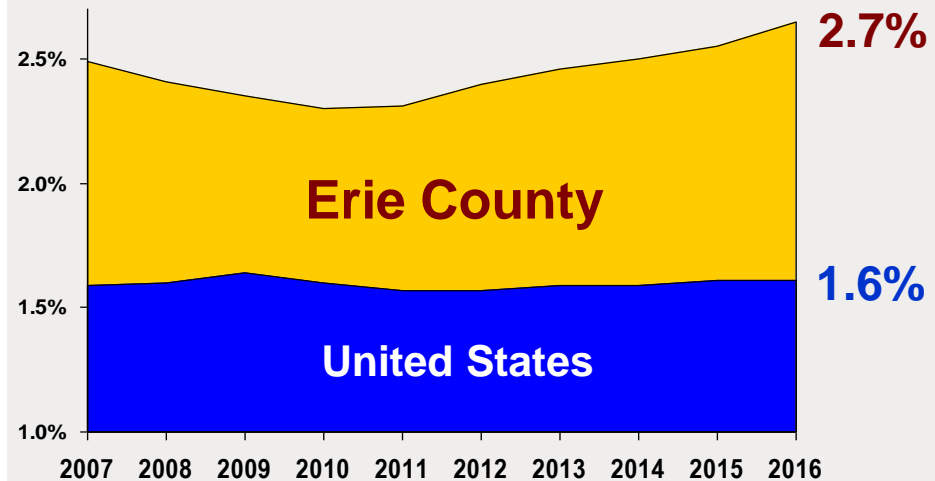
Banking Employment is Well Above Average

In 2016, the banking industry's share of Erie County nonfarm employment was nearly twice the U.S. norm

Insurance Employment Follows a Similar Pattern

The share of Erie County jobs in the insurance field is two-thirds higher than the national mean

Insurance

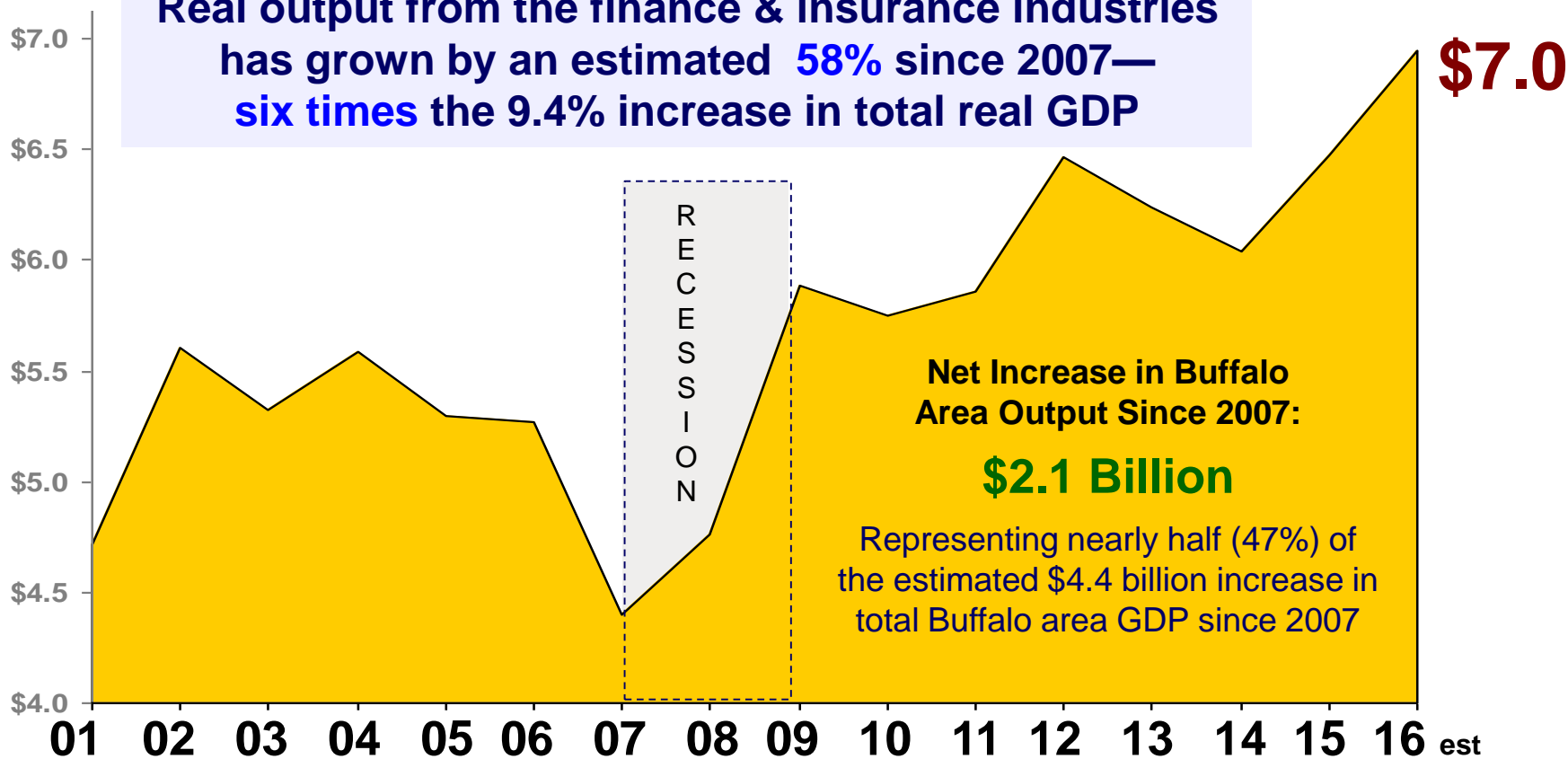


Major Buffalo Area Banking & Insurance Employers

	<u>FTE Employees In 8 Counties of WNY</u>	<u>Rank Among 100 Largest Employers</u>
M&T Bank	7,500	5
GEICO	2,750	16
HSBC	2,700	17
First Niagara	2,200	22
Key Bank	825	55
Citibank	1,700	25
BlueCross BlueShield	1,500	33
Independent Health	1,300	39
Bank of America	800	57
Total	21,275	

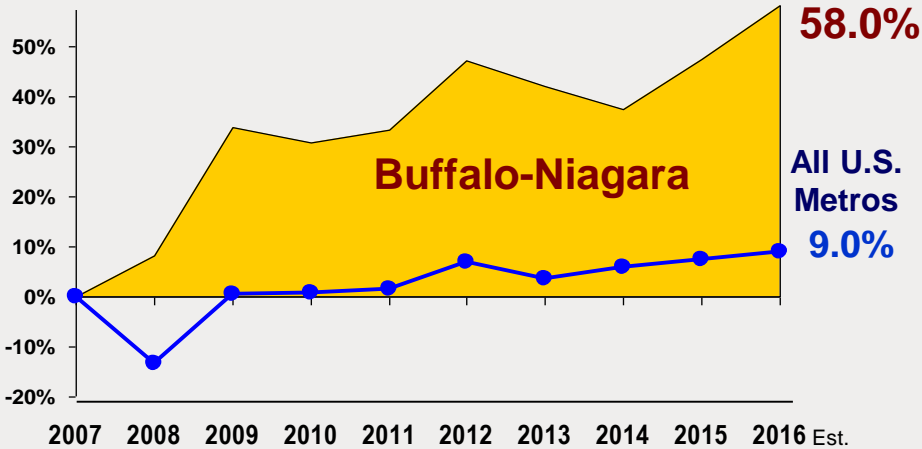
Buffalo Metropolitan Area Real GDP From Finance & Insurance Industries

The Finance Sector Has Been a Major Contributor to Buffalo's Economic Rebound
Real output from the finance & insurance industries has grown by an estimated **58%** since 2007—**six times** the 9.4% increase in total real GDP



Buffalo Metropolitan Area Real GDP Growth From Finance & Insurance

Relative Change in Real GDP From Finance & Insurance Since 2007



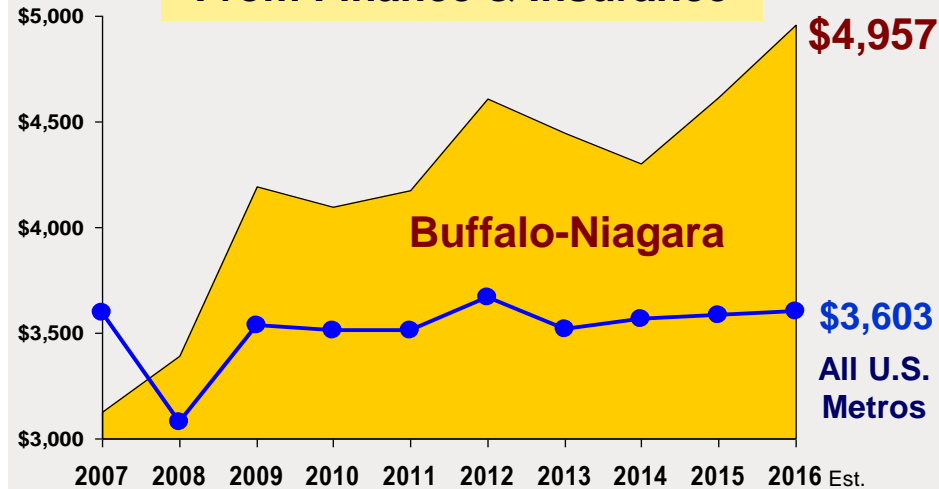
Buffalo's Finance Sector Growth Has Significantly Topped the U.S. Norm

Since 2007, Buffalo's real output has grown by more than **6X** the U.S. metro area mean

“Apples-to-Apples” Growth Is Even More Impressive

Normalized for population factors, real GDP from the financial sector is up **59%**—versus a **0.2%** gain for all U.S. metro areas

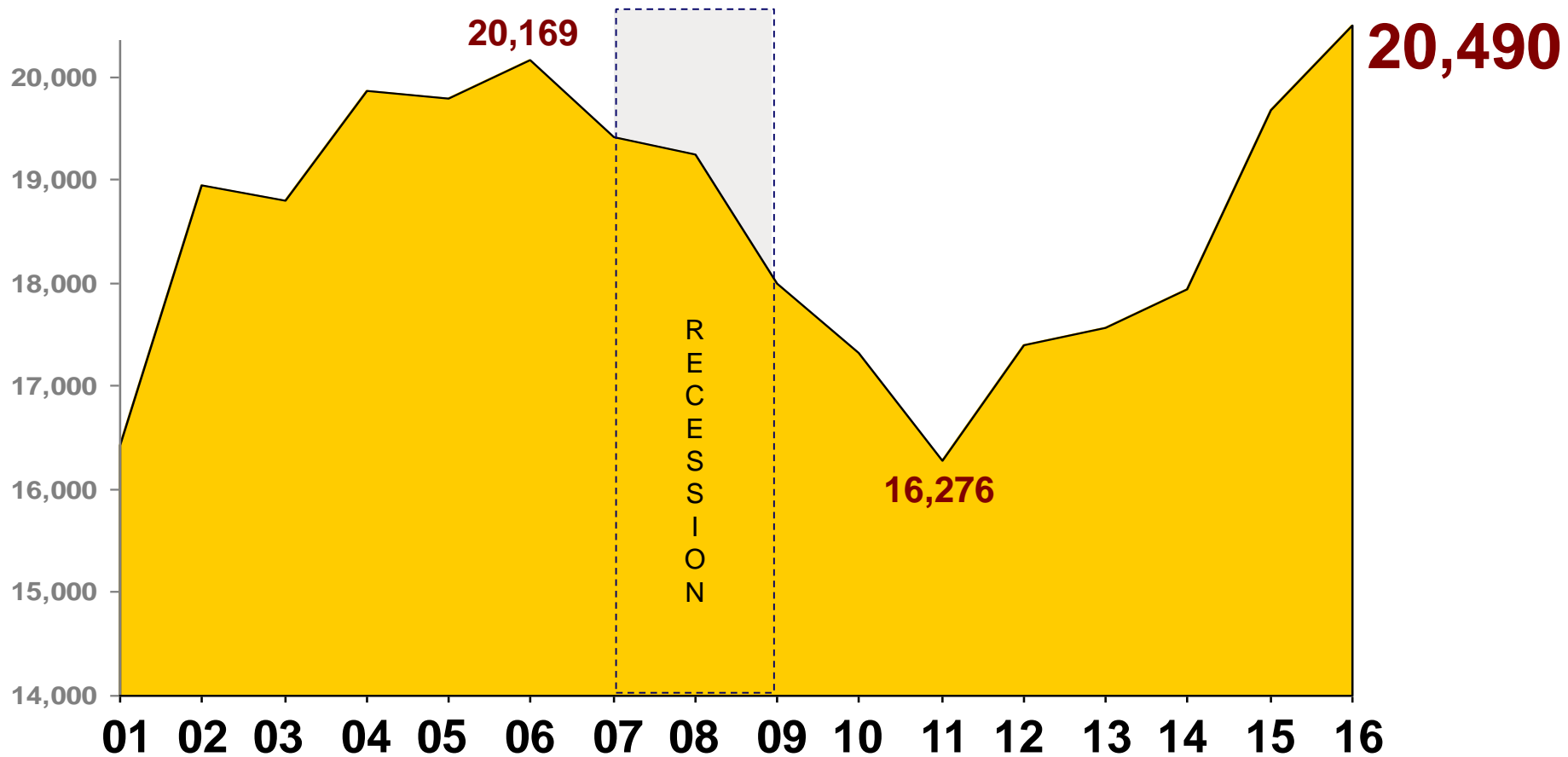
Per Capita Real GDP From Finance & Insurance



Erie County Banking & Insurance Industry Jobs

Hiring Surge Since 2011 Drives Employment to Historic High

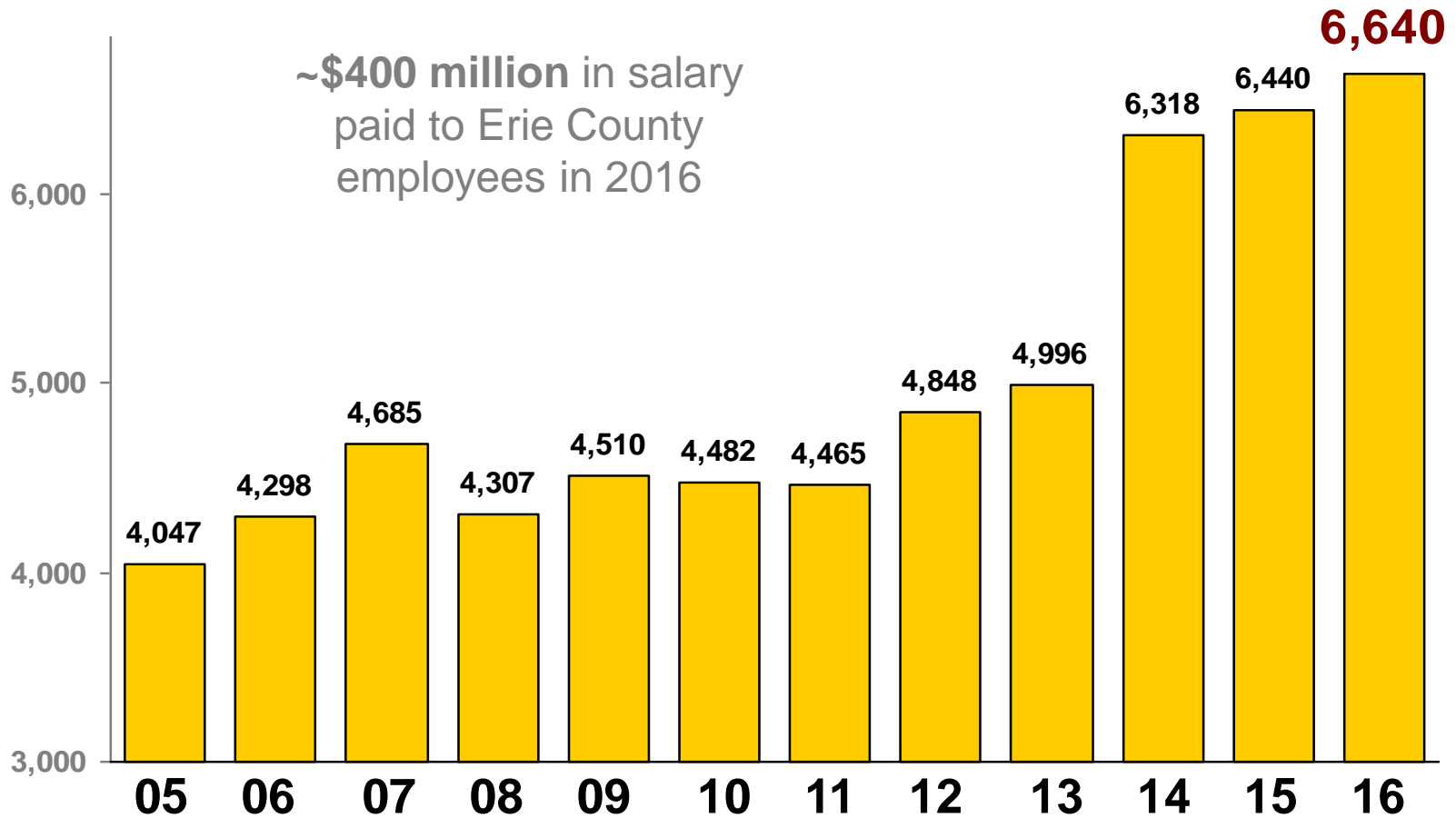
Commercial banking and insurance industry employment is up **4,200 (24%)** since 2011—and is now 1.6% above the pre-recession peak



M&T Bank FTE Employment in Erie County

Major Contributor to Countywide Employment Gains

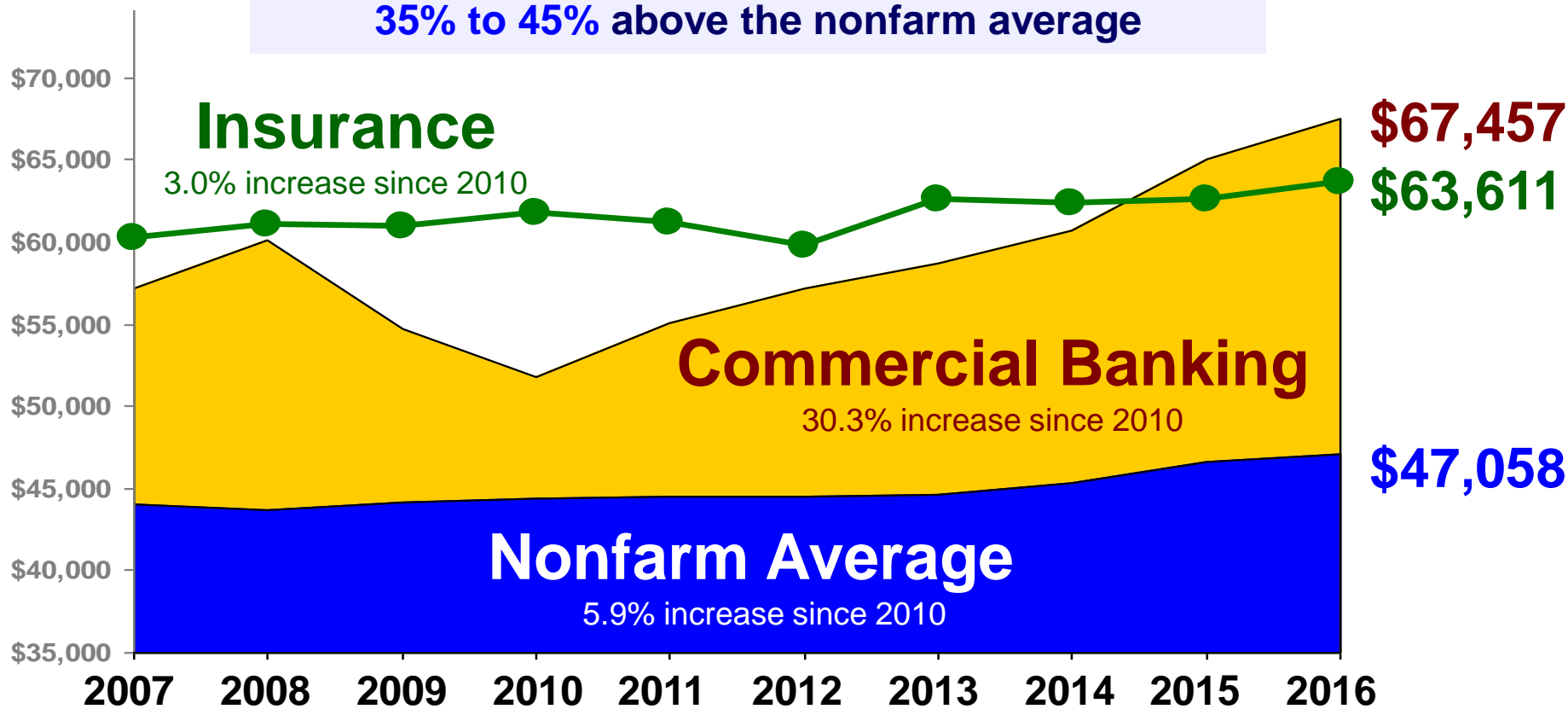
Over **2,000** new jobs have been added since 2011—accounting for 13% of the net gain in total Erie County nonfarm jobs over the period



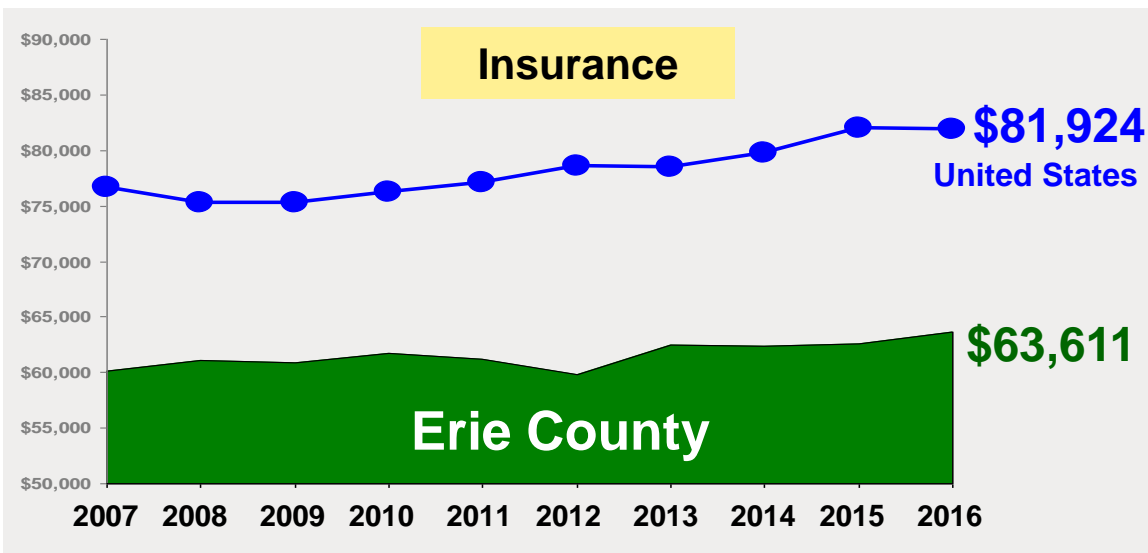
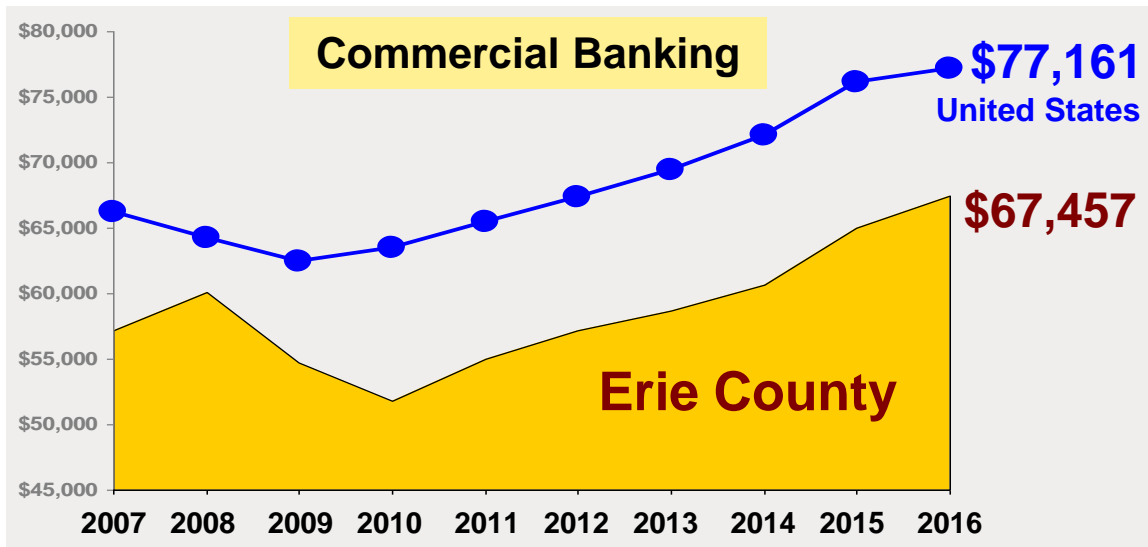
Real Average Annual Earnings Per Erie County Job

Finance Sector Jobs Are a Strong Source of Household Income & Spending Power

In 2016, annual earnings for commercial banking and insurance industry workers were **35% to 45% above the nonfarm average**



Real Average Annual Earnings—Erie County vs. U.S.



Lower Labor Costs Are a Major Locational Advantage & Business Development Tool

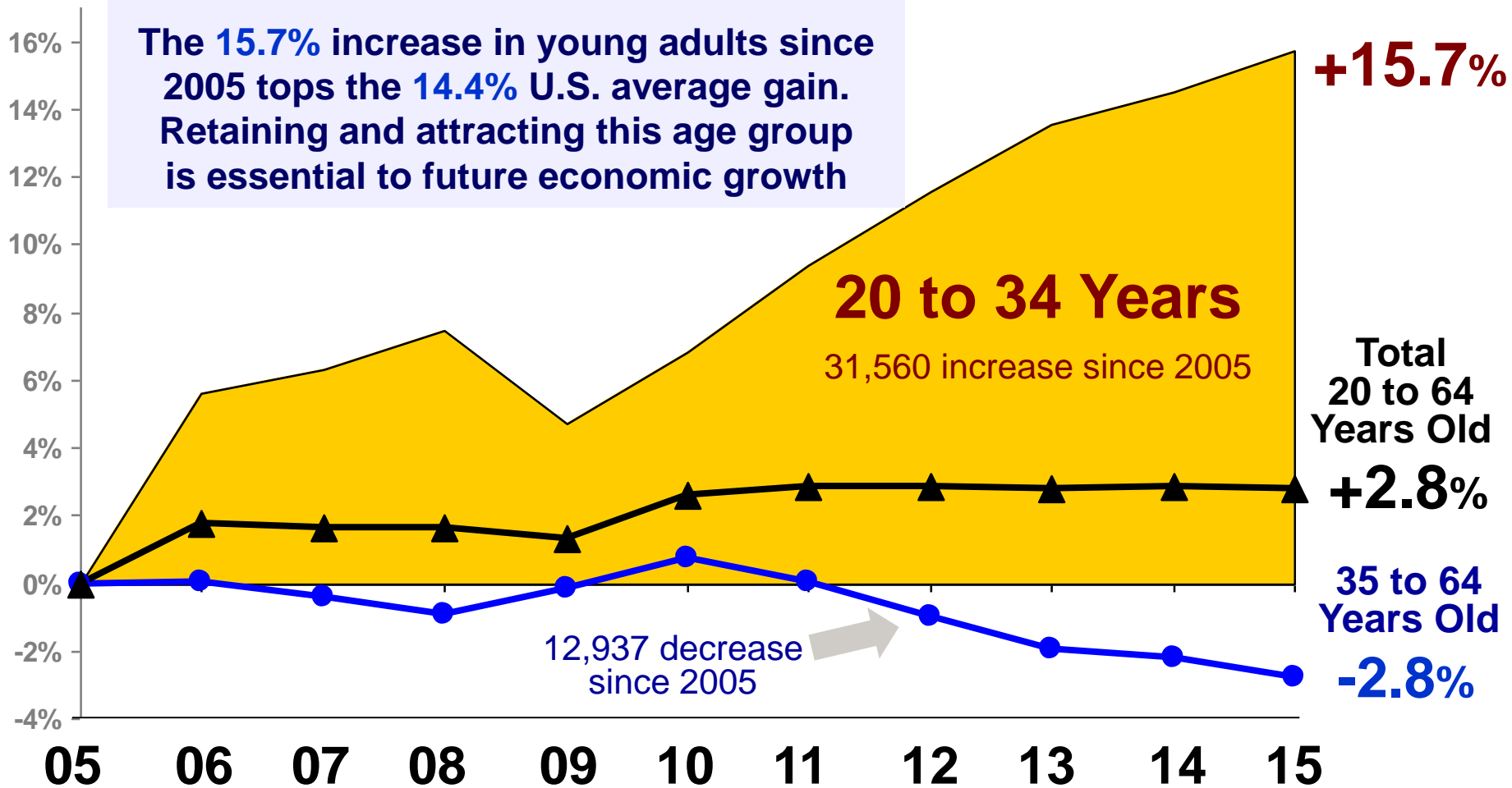
Annual earnings for Erie County commercial banking and insurance workers are **15% to 20%** below the comparable national average

This differential is a major advantage in mature, highly commoditized industries with thin profit margins and limited growth potential

Buffalo Metro Area Population by Age Group

Growing “Millennial” Population Provides an Attractive Labor Pool

The 15.7% increase in young adults since 2005 tops the 14.4% U.S. average gain. Retaining and attracting this age group is essential to future economic growth



Questions?



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