NYC 9/11 Public Portal Document

NEWSDAY, FRIDAY, SEPTEMBER 21, 2001

Slowdown Inevitable For City

Facing rough economic times before attack

By Katia Hetter
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Even before the World Trade Center destroyed thousands of lives and displaced even more workers, economists were predicting a slowdown in the city's economy.

The evidence appeared yesterday.

New York City lost 10,300 jobs last month — the steepest monthly decline in five years, according to an analysis of state Labor Department data by city Comptroller Alan G. Hevesi. From May through August, the private sector lost a seasonally adjusted 18,000 jobs. The city unemployment rate rose from 5 percent in July to 5.8 percent last month — and some experts predict it may go higher in coming months.

"It's too early to tell the economic impact [of the disaster] because it changes hour by hour," said Jim Brown, a city-based labor market analyst with the state labor department. "It depends on how fast we bounce back, and how people react to bargain offers to come to New York."

Discounts may become the norm at hotels and restaurants, but Brown said that the city's once booming industries already had begun to feel the slowdown. In recent months, job losses have shown up in business services, financial services, manufacturing and entertainment production. In coming months, other sectors are at risk, mostly because of the terrorist attacks.

The airline industry, with more than 46,000 jobs at LaGuardia and JFK airports, expects at least 100,000 layoffs nationwide in response to the disaster.

The city's $25-billion tourism industry — with 280,000 jobs — lost the Twin Towers and other landmarks promoted by NYC & Co., the city's convention and visitors bureau, on Sept. 11.

When One World Trade Center collapsed, the famous Windows on the World — and its 350 food-service jobs — were lost. Owner David Emil, tearful over the loss of 75 workers, promised the remaining staff that he would "twist arms" to get them jobs elsewhere, but his competitors have few customers to serve. Emil promised to re-open, but it could take years.

About 1,000 hotel workers — working near the Twin Towers at the Marriott, the Millenium Hilton, the Embassy Suites and the Regent Wall Street — have all lost their jobs, some permanently. With few guests checking in, another 2,000 workers have been laid off at other hotels this month.

Union hotels will give displaced employees first preference when jobs open up, said John Turchiano, an official with the Hotel Employees and Restaurant Employees Local 6.

Other victims include the Broadway show "Kiss Me Kate" and off-Broadway's "Bat Boy," whose performers will find it difficult to find new work.

Pfizer and Lifetime Television have already offered jobs to the Consortium for Worker Education, which has established an emergency clearinghouse for temporary jobs. Developed in conjunction with the New York City Central Labor Council and the New York City Partnership, the project asks employers with jobs to call 212-558-2250. Workers needing jobs can call 212-558-2261.

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