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Disaster's Aftershocks: Number of Workers Out of a Job Is Rising

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More than 100,000 New York City workers are likely to find themselves unemployed, at least temporarily, as a result of the World Trade Center disaster, according to government estimates released yesterday.

Already, 10,800 people who have asked the New York State Department of Labor for unemployment assistance have attributed their situation to the terrorist attack on the twin towers and its fallout throughout the economy.

Some of the people who are out of a job — janitors, hotel cashiers, store clerks — worked in or near the towers. Many more — waiters, limousine drivers, flight attendants — worked far from ground zero but are economic victims of the aftershocks like the steep drop in tourism.

And the fate of many in other occupations — printing, securities, the garment industry — will depend on the stock market and on how quickly the city's economy rebounds, economists and labor analysts said.

Even before the disaster, the city's economy, once red-hot, had cooled significantly. In August, New York City companies employed 8,200 fewer people than in July, according to the city comptroller's office, which said it was the steepest monthly decline in five years. The unemployment rate jumped to 5.8 percent in August; it was 5.0 percent the month before.

"In all likelihood, the city was showing signs of recession before this happened," said Barbara Byrne Denham, a private economist.

But the disaster will add significantly to the ranks of the unemployed. About 75,000 people who worked in the city are likely to apply for unemployment insurance because of the disaster, Emily S. DeRocco, an assistant secretary of labor, said yesterday at a news conference in Washington.

An additional 37,500 are expected to receive special unemployment benefits under the Disaster Unemployment Assistance program that will be available to those who worked in the five boroughs of New York City and are not eligible for regular unemployment insurance payments.

In total, about 700,000 of the almost four million jobs in the city have been affected in some way by the devastation at ground zero, said Stuart Roy, a Department of Labor spokesman.

Not only have many people lost their jobs, but companies that continue to operate have also lost everything from phone service to a week's revenues. People who are paid on commission lost income, while some people simply could not get to work because of transportation problems.

The new unemployment figures are based on estimates from the New York State Department of Labor, which tried to forecast how much federal aid the city might need. The state's unemployment insurance fund has more than a billion dollars in it, and it can draw upon federal help should that become necessary, Mr. Roy said.

People who qualify for unemployment insurance are eligible for as much as $405 a week for up to six months. Those who are not eligible for unemployment insurance — because, for example, they are self-employed — can apply for the disaster unemployment assistance program, which provides the same amount of money. A family in which the breadwinner has died because of the disaster may also be eligible; all benefits are awarded on a case-by-case basis.



James Estrin/The New York Times

Henry Archer Meer, the chef and owner of the City Hall restaurant on Duane Street, reduced his staff by 25 and cut back on his waiters' shifts.

Of course, some workers will find themselves in demand in the coming months. Construction workers, for example, are very likely to be in short supply. Demand for security guards also appears to be rising.

But many New Yorkers worked at places that no longer exist, in jobs that no longer exist.

Among them are 2,000 janitors, security guards, porters and window cleaners who worked in the World Trade Center or in surrounding buildings that were destroyed or shut down. Of these, 350 were on duty during the attack, and 26 died.

Their union said many of these survivors may be able to find work eventually. Last week, the union, the Building Service Workers Local 32BJ, reached an agreement that requires contractors to give these workers first choice when new jobs become open.

"There's a strong possibility of absorbing all of these people in the next few months," said Bill Meyerson, a union spokesman.

Worse off, perhaps, were about 1,000 people who worked in the four hotels in and around ground zero. Their prospects of finding new jobs are dim, because even before the attack, the hotel business was already reeling from a decline in business travel.

Since Sept. 11, of course, tourism has taken a nose dive. About 600 members of Local 6 of the Hotel and Restaurant Workers were laid off before the attacks, and 1,200 more have been let go since, said John Turchiano, a union spokesman.

Until Sept. 11, Daniel Mensah, 35, was holding down two jobs and sending money home to Ghana for his wife and three children. At night, he waxed and stripped floors and shampooed carpets at the Millennium Hilton, next to the trade center. During the day, he mopped and swept at the Muse Hotel in Midtown.

Last week, he said, Muse employees were warned to expect layoffs, prompting Mr. Mensah's wife to urge him to move to another state. But he said he chose to stay and take his chances. "My feeling for New York is too great," he said.

Expecting a long dry spell, the union local and the Hotel Trades Council have set aside $2 million in relief for the displaced workers and have assured workers that they will get medical coverage for a year. And the hotels have pledged to spend $5 million to help workers laid off.

Restaurants that rely heavily on tourists or are in or near the financial district, beyond the reach of taxis and private cars, are also cutting back on staff. At City Hall, the name of a three-year-old restaurant on Duane Street, Henry Archer Meer, the chef and owner, said he had reduced his staff of 115 employees by 25, and was doing without 15 of his 22 waiters by operating one shift instead of two.

The tourism drought has also hurt companies that transport people to airports. "The day they destroyed the World Trade Center, they destroyed our business," said Steven P. Ellis, the sales director of XYZ 2-Way Radio Service a car service based in Park Slope Brooklyn.

XYZ drivers are independent contractors, who own their Lincoln Town Cars. Mr. Ellis said at least 25 of the 425 drivers had decided to search for other work.

But they are lucky compared to people like Inocencio Tecalero, 18, who worked as a deliveryman for Candy's, a restaurant in the financial district that will be closed for months. Mr. Tecalero, who earned $8 a hour, is the sole support of his seven brothers and sisters in Mexico.

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