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Attacks Hit Low-Pay Jobs The Hardest

Many of the Unemployed Were in Service Industry

By LESLIE EATON and EDWARD WYATT

The terrorists who attacked the World Trade Center may have been trying to crush American capitalism and its masters of the universe on Wall Street. But the economic impact of the attack is felling a very different group of people: cooks, cabdrivers, sales clerks and seamstresses.

Workers in traditionally low-wage industries, like restaurants and hotels, retailing and transportation, have been hit hard in the fallout from Sept. 11, according to a new analysis from the New York State Department of Labor.

And a report released yesterday by the labor-backed Fiscal Policy Institute forecasts that almost 80,000 people will have lost their jobs by the end of the year and that 60 percent of these positions paid an average of $23,000 a year. That is far below the citywide average salary of roughly $58,000.

"The spillover effects hit the retail and service industries very hard in New York City," said James Parrott, the chief economist for the institute. "And those tend to be lower-wage jobs."

The sudden decline in these jobs marks a sea change in the economy since Sept. 11. Earlier this year, while the job market was softening, the losses were concentrated among white-collar workers like dot-com programmers, stockbrokers and advertising executives.

Now, they are concentrated among people like Kim Daily. A single mother of two, Ms. Daily worked her way up from a $6-an-hour job picking up room-service trays to a $15-an-hour job stocking minibars at the World Trade Center Marriott.

When the hotel was destroyed on Sept. 11, so was her job. And she has not been able to find another one.

It is not for lack of trying; she stood in line for four hours outside a city-sponsored job fair but never even made it in the door. She has been talking to her union, but the only position available so far was so tip-dependent that she worried it would not cover her $700-a-month rent. A job bank had only a few hotel positions, and none paid anywhere near the $25,000 she earned at the Marriott last year.

"I don't want to go for less money," she said.

The changed job market raises huge challenges for the city at a time when hundreds of thousands of families have moved off the welfare rolls. The most successful of these former welfare recipients, as well as many

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newcomers to this country, found jobs at hotels and restaurants, as cleaners at office buildings and as messengers in Lower Manhattan.

"Now that the economy has exploded along with the World Trade Center, their prospects of staying in the world of work have diminished," said David R. Jones, president of the Community Service Society of New York, which has been helping workers who lost their jobs after Sept. 11.

His group is recommending a government-financed jobs program, he said. "Otherwise, we'll have people sitting on stoops, getting a little check and doing nothing," he said.

How many New Yorkers are unemployed is unclear. In a government survey taken in the week of Sept. 11, in which anyone who worked at all was counted as employed, 223,100 people in New York City were looking for work (after adjustments for seasonal factors). That was an increase of almost 20,000 people in a month. The unemployment rate hit 6.3 percent.

The October survey will not be released for several weeks, but its results are included in federal figures, released Friday, that showed a surge in national unemployment, which rose by half a percentage point, to 5.4 percent. Unemployment insurance covers only about a third of unemployed workers, but the number of people applying for benefits in the city has soared. In the last month, an average of 12,745 people a week has applied; a year ago, that figure was 5,616.

A special program, Disaster Unemployment Assistance, is supposed to help those who are not eligible for unemployment insurance (usually because they worked part time or were self-employed). But only 2,350 people are now getting those benefits.

Almost 25,000 people told the New York State Department of Labor that they lost their jobs because of the trade center disaster. An analysis of the first 22,000 of those claims found that about 16 percent worked at bars and restaurants, 14 percent worked at hotels and 5 percent worked in air transportation. Only 4 percent worked at Wall Street brokerage firms (many of which simply relocated workers to Midtown or New Jersey).

The largest group of people — 21 percent — worked in a category

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called business services. Many of them were temporary workers, like Lisa Mendes, a single mother who lost her job as an accounting clerk on Sept. 12. In years past, when one temporary job ended, she could pick and choose among the offerings at the agencies. Now, "there's just nothing there," she said. "It's scary."

Ms. Mendes is typical of the unemployed in another way — she lives in Brooklyn. The Labor Department analysis found that almost 26 percent of those who said they were jobless because of the twin towers collapse live in Brooklyn; 24 percent live in Queens, and 12 percent live in the Bronx. Just 18 percent live in Manhattan.

But Ms. Mendes, who is from Jamaica, is luckier than many of the unemployed because she speaks English and can use a computer. The Consortium for Worker Education, which runs a special program for people unemployed because of the disaster (and has already counseled more than 3,200 of them) has 5,000 jobs in its special job bank.

"Most of them are back-office jobs, data entry, word processing, administrative assistants," said Saul Rosen, associate executive director [illegible]

Spillover effects depress the retail and service industries.

of the group.

Hotel and restaurant employment has been devastated by the destruction of the trade center and the steep drop in tourism that followed. Most restaurants are not unionized, but Local 100 of the Hotel Employees and Restaurant Employees Union, which represents about 6,000 restaurant workers, says that 10 percent of its membership lost jobs immediately after Sept. 11. About 200 of those 600 have since found work, but not necessarily restaurant work.

John Haynes has a short-term job at the Immigrant Workers Assistance Alliance, helping undocumented workers. Until Sept. 11, he cooked meals on the 106th floor of the World Trade Center for the 250 employees of Windows on the World. He said he earned $488.80 a week before taxes, or about $25,400 a year, and he lives in public housing in the Bronx.

He does not think he will be able to go back into restaurant work, he says. "They are not hiring right now," he said. 'So I'm going to go for job training, either in computers or photo imaging."

The tourist and travel drought has hit many businesses in Queens, according to a new report by the Center for an Urban Future, a public policy group. Airline workers, freight forwarders, truckers and limousine drivers are all hurting.

Listen to Greg Buttle, who operates valet parking lots at the three major New York area airports: You park at these lots and workers will shuttle you to and from the terminal for about $13 a day plus tax. (They will also wash your car, change the oil, rotate or replace the tires, even pick up your dry cleaning.) Before, he normally had more than 150 cars in the lots; now, there are about 50, he said.

Mr. Buttle said he employed 45 people before Sept. 11; now he employs 30. "I tried to make sure that the part-timers who have come in most recently are the first ones to go," he said. "But some of our employees have worked for us for eight or nine years."

For more evidence of the spillover effect, look at Chinatown. Business has plunged at many of the more than 200 sewing shops below Houston Street and at least 20 went out of business in October, said May Chen, a vice president of Unite, the garment workers' union. At least a thousand of her 10,000 members have lost their jobs as stores and clothing companies have canceled orders. Others are working reduced hours.

Their job prospects are not good. "Because of the language barrier, sewing is about the only skill they have," said Susan Cowell, another union official.

Unite also represents workers at commercial laundries; because of the declines at many restaurants, about 600 of these workers have also been laid off.

With the public's attention riveted to the sad stories of the dead and the heroism of the rescuers, some workers fear that their plights will be ignored.

"No one wants to hear our stories," said Asmat M. Ali, a former captain at Windows on the World. "About a busboy or the dishwasher making $250 a week and raising three kids in an apartment in the Bronx or Brooklyn. But 80 percent of the people who worked in the World Trade Center fell in that category."

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