

It's Time to Get on the Road to Economic Recovery



By Brian Sampson

As many New Yorkers fight to overcome the highest unemployment rates in decades, there are large areas of our state that never benefited from the national economic boom of the late 1990's. Numerous Upstate communities have felt the impact of a tremendous loss in population and the disappearance of private sector jobs.

The reasons for these struggles are widely known. High taxes, crippling mandates, burdensome regulations and escalating energy costs have given New York a reputation as a place to avoid starting a business.

To meet our energy goals, create new jobs and grow Upstate's economy, we must maintain our state's existing baseload energy capacity while also creating a regulatory environment which encourages the development of new sources of power. The safe development of the Marcellus Shale provides such an opportunity.

Economist Tim Considine has projected if we were to drill 42 Marcellus wells in 2011, New York would see 1,419 new jobs. By 2020, New York could see 20,000 new jobs. Additionally, investments in safe natural gas development would total \$153 million with \$19 million in sales tax and \$21 million in Federal taxes.

In spite of the current de facto moratorium, in Elmira, Corning and other locations across the Southern Tier, hotels are packed and restaurants are filled due to the Marcellus-related activities in Pennsylvania.

The job creation in the Southern Tier is not limited to the service sector. For example, French firm Schlumberger is building a \$30 million facility in Horseheads (Chemung County). The company supplies materials and technical services to the drilling industry.

The Pennsylvania Department of Labor and Industry has identified six core industries related to natural gas extraction. From the 2nd quarter of 2006 to the 2nd quarter of 2010, the job count in these industries in New York's Southern Tier increased by 174 (+49%) to 531, according to the Quarterly Census of Employment and Wages. In contrast, the region's private sector job count declined by 8,500 (-4%) over the same period.

It's time for our policy makers to give our communities the tools to help create private sector jobs and realize economic prosperity. By lowering our tax burden, reducing unnecessary mandates and properly developing our natural resources, we will be able to reclaim the title of the Empire State.

Brian Sampson is the executive director of Unshackle Upstate, a bipartisan coalition representing a growing group of more than 70,000 employers with upwards of 1.5 million workers in every region of Upstate. To learn more about Unshackle Upstate, please visit www.unshackleupstate.com.

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