



Rural Change, Regional Challenges

Estimates from the U.S. Census Bureau indicate that rural Western New York (the counties of Allegany, Cattaraugus, Chautauqua, Genesee, Orleans, and Wyoming) has begun the 21st century in decline. Population and employment patterns reveal a more complicated picture, with patches of growth and economic transitions pointing toward strategies for moving communities and the region forward.

Which places are growing and which are declining in rural WNY?

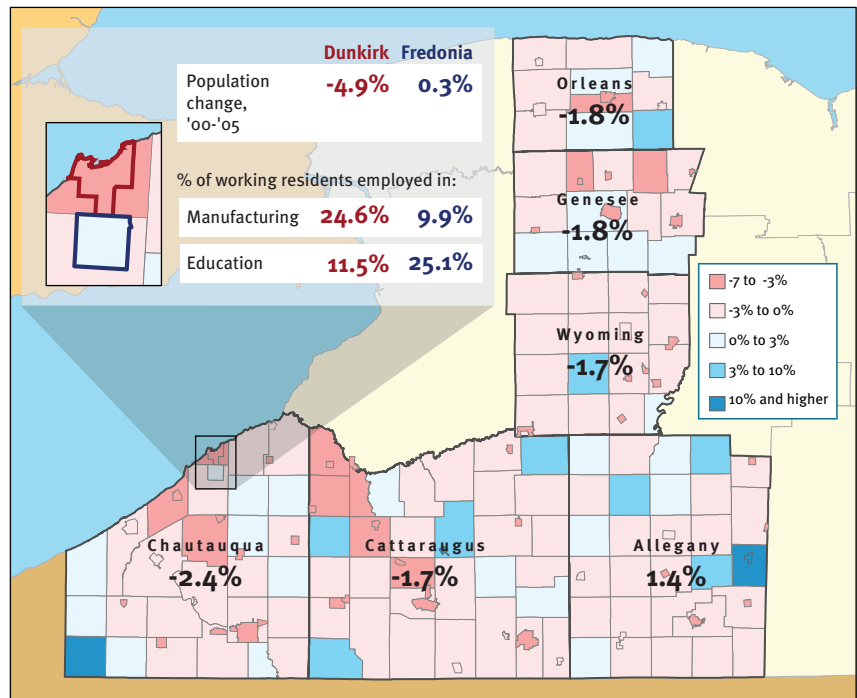
The population of rural WNY fell by 1.6% between 2000 and 2005, from 421,597 to 414,950, reversing a 0.1% gain during the 1990s. Losses occurred in five of the six counties, led by Chautauqua's 2.4% decline, while Allegany was alone in adding residents. In declining counties, losses stemmed from out-migration and, in the case of Chautauqua, deaths outnumbering births.

Cities and villages declined the fastest, with only 4 of 62 cities and villages growing during the period and losses averaging 3.6%. Towns with less than 2,500 residents declined the least (down 0.8%) with one-third of them posting gains.

Places that are growing share some characteristics, including the presence of colleges, ski resorts, or water-based recreation, though such features do not guarantee growth. Places with the sharpest declines tend to be communities with long histories as manufacturing or agricultural centers.

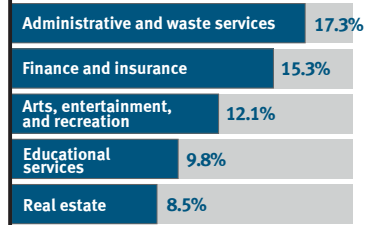
Dunkirk and Fredonia—next-door neighbors—are emblematic of population patterns in rural WNY. Fredonia, whose economy is anchored by its college, is growing, while Dunkirk, whose economy is anchored by manufacturing, is one of the region's fastest decliners.

Population Change, 2000-2005

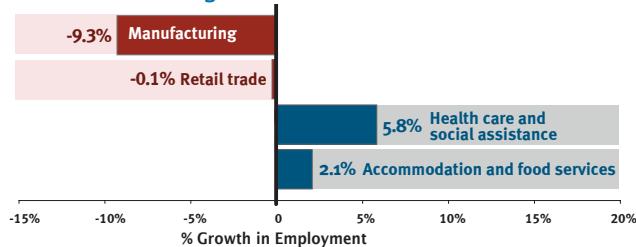


Employment Patterns in Rural WNY, 2001-2004

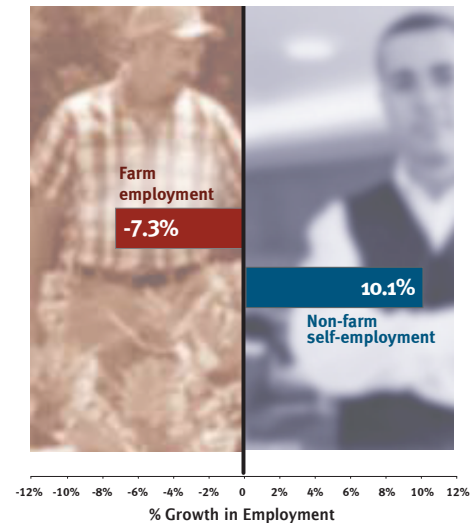
Fastest Growing Sectors



Performance of Largest Sectors



Down on the Farm Self Starters



Where are the jobs?

Employment in rural WNY grew by 1.2% between 2001 and 2004, from 196,502 jobs to 198,766, with non-farm private sector jobs growing by 1.5% and public sector jobs growing by 1.7%. Farm employment, which represented 4.2% of total employment in 2004, fell by 7.3%.

The two largest sources of private employment—manufacturing and retail—posted losses. Manufacturing fell by 9.3%, a loss of 2,804 jobs from 30,140 to 27,336. Gains in health care, hospitality, and a number of smaller but fast-growing sectors compensated for those losses, though often at lower pay than manufacturing jobs.

Self-employment, which represented 20% of rural WNY employment in 2004, is becoming more widespread. Although farm proprietorship fell by 4.7% between 2001 and 2004, non-farm self-employment grew by 10.1%, perhaps indicative of the slow-growth job market.

Government jobs represented 20% of total employment in rural WNY in 2004, compared to just 14% statewide. This figure varied, however, from 14% in Chautauqua to over 25% in Orleans and Wyoming counties, where state prisons serve as economic anchors. Local governments—and particularly school districts—are the largest sources of public employment in all six counties.

For more information:

U.S. Census Bureau, 2000 Census and 2005 Census Estimates
Bureau of Economic Analysis, Regional Economic Information System (REIS)

What does it take to be a prosperous community in rural WNY?

Employment trends and the characteristics of growing rural communities suggest a number of development strategies at the local and regional levels, many of which are currently being pursued:

Invest in natural and historic assets to improve the quality of life for residents, boost business and attract visitors.

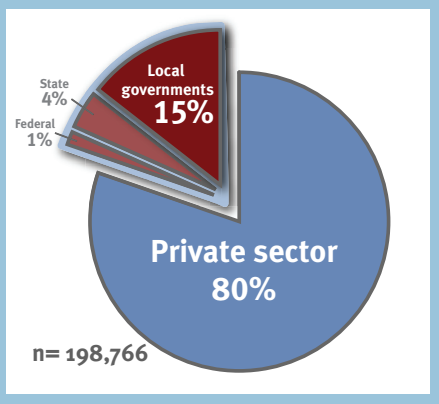
With self-employment on the rise, support small businesses by investing in business districts and taking advantage of educational and financial resources for small business owners.

Identify economic strengths and reinforce them through collaborations between employers and area colleges, secondary schools and BOCES.

Develop a diversification strategy to survive the loss of a major employer, especially where a single business or institution is dominant.

Forge cross-municipality and cross-county partnerships for regional service sharing and joint marketing of rural opportunities.

Public Employment in Rural WNY, 2004



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