



**CHAPTER 6:
OUR ECONOMY**

Warren County's economy is shaped by its natural beauty, entrepreneurial history, and strong legacy industries like tourism, health care, and manufacturing. However, as workforce shortages, housing challenges, and infrastructure limitations place increasing strain on economic growth, the County must adapt and diversify to remain competitive.

Economic studies such as Warren County EDC's Pathways to Progress (2015), LCLGRP's Forward Together (2021), and EDC's Natural Resources, Natural Beauty, and Opportunity (2024) provide a deeper understanding of these dynamics. Together, they highlight the County's strengths and emerging opportunities: expanding

year-round tourism, supporting advanced manufacturing and clean energy innovation, enhancing small business growth, and investing in infrastructure.

Challenges like workforce shortages, a lack of affordable housing, and rural infrastructure gaps must be addressed to unlock the county's economic potential. Investments in workforce training, broadband expansion, and economic diversification could help Warren County to sustain its economic competitiveness.

The following section explores the County's core industries, challenges, and opportunities, providing a clearer picture of Warren County's economic present and future.

28%

of survey respondents that said Economic Development should be the County's top priority – the second highest response rate.

INDUSTRY

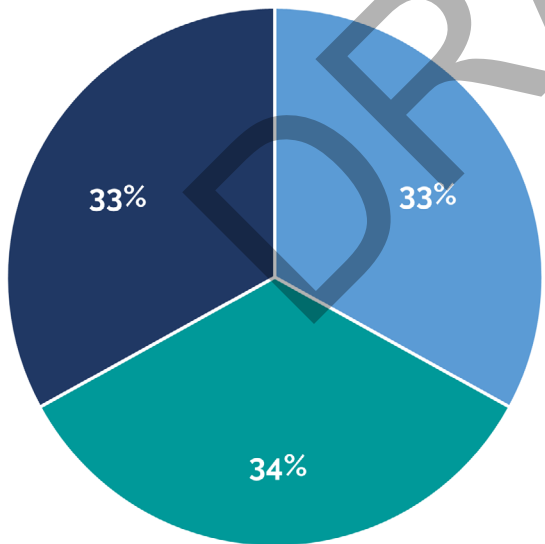
Warren County's economy is driven by a diverse mix of industries. In this context, **industry** refers to a group of businesses or organizations that produce similar goods, provide related services, or perform similar types of work. These industries are categorized based on the **North American Industry Classification System (NAICS)**, which is a standard used by federal statistical agencies to organize and analyze economic activity.

The County's current industries fall into three main clusters:

1. Tourism, hospitality, and retail
2. Manufacturing, natural resources, and entrepreneurial ventures
3. Healthcare, human services, education, and government

Over the past 25 years, shifts in employment and economic activity have reshaped these sectors, particularly manufacturing. In 1990, manufacturing accounted for 20% of the County's employment, but by 2023, this share declined to 11%. Historically treated as a standalone sector, manufacturing is now viewed as part of a broader cluster alongside natural resources and entrepreneurial activities, which

2024 Warren County Industry Clusters by Employment



- Tourism, hospitality, retail
- Manufacturing, natural resources, entrepreneurial
- Healthcare, human services, education, and government

Source: Warren County Economic Development Commission

for purposes of this categorization include professional and business services, finance, information, and traditional entrepreneurial activities like technology start-ups, gig work, freelancers and consultants, and miscellaneous services.

This way of viewing the County's economy highlights shared characteristics across sectors and provides a more balanced perspective on the County's economy, with each cluster comprising roughly one-third of the economic activity.

Within these clusters, no one industry, in terms of GRP, accounts for more than 14% of the overall economy. While the total manufacturing Gross Regional Product (GRP) declined between 2010 and 2022 by approximately \$23 million, manufacturing continues to make up the largest percentage of the County's economy in terms of GRP. Over time, manufacturing employment in the County has shifted from the more traditional, natural resources-based businesses to specialized manufacturing, such as medical devices. Based on data compiled by the Warren County EDC, the three largest manufacturing businesses in Warren County today are Finch Paper (paper manufacturing), BD Becton Dickinson (medical devices), and AngioDynamics (medical devices).

The next cluster – government, private education, and health services – is relatively stable, resilient sector. Health Care positions are largely concentrated among Warren County's two largest employers in any industry – Glens Falls Hospital (2,800 employees) and Hudson Headwaters Health Network (930 employees). Other major public sector employers include SUNY Adirondack (161 employees), Glens Falls School District (122), and Queensbury Union Free School District (119).

Tourism - Adopted 2023 Budget					
Personnel Services	Employee Benefits	Contractual Expense	Other Benefits	Equipment	Total
\$50,495	\$164,303	\$1,852,725	\$25,170	\$2,000	\$2,564,693



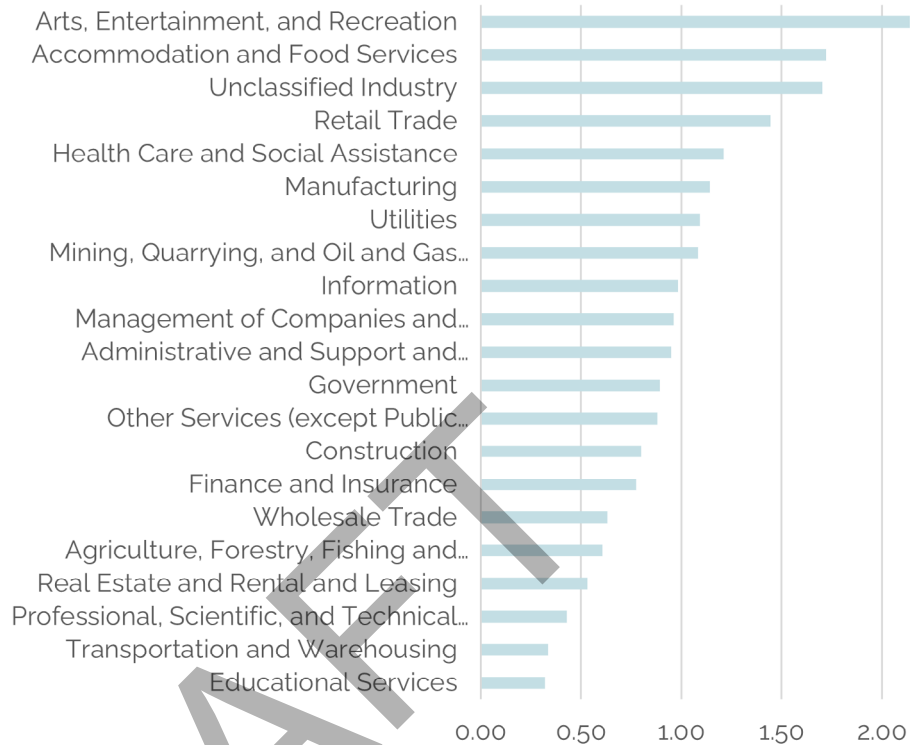
Tourism and its related sectors are a point of emphasis within Warren County. The County staffs a Tourism department within the County government and contracts with Lake George Regional Chamber of Commerce and Convention and Visitors bureau for additional programs and services to support the County's tourism industry.

The outdoor recreation sector within tourism is a key economic driver, distinguishing Warren County from other areas and serving as a cornerstone of the county's culture and quality of life. According to the Outdoor Recreation Strategic Plan, at least 160 private businesses in Warren County are directly involved in selling outdoor goods, services, and experiences. In 2022, tourism spending supported 5,866 direct jobs, accounting for one in six jobs in the County, despite its overall strength, the outdoor recreation

industry faces several challenges, including the lack of a central hub for information on outdoor activities, a shortage of employee housing, poor cell coverage at critical recreational locations like trailheads, limited lodging options, high insurance costs for business operators, and restricted public access to water resources. Another issue affecting the tourism industry is the disparity in average annual earnings. Although the tourism sector represents 33% of the county's workforce, it accounts for just 24% of the wages paid. In 2021, two of the top three industries in the county by total employment—Retail Trade and Accommodation and Food Services—ranked 13th and 16th out of 16 industries in terms of average wages, with average annual earnings of \$39,227 and \$28,648, respectively. Filling these minimum-wage service sector jobs has become increasingly difficult.

The chart to the right highlights the concentration of industries in Warren County compared to the national average, measured by their location quotients (LQs). Eleven industries have an LQ greater than one, indicating a higher concentration in Warren County than at the national level, identifying them as regional strengths. Notably, the Arts, Entertainment, and Recreation sector has a location quotient of 2.14, meaning its employment concentration is more than double the national average. This underscores Warren County's unique strength in this sector both regionally and nationally.

2022 Location Quotient by Industry

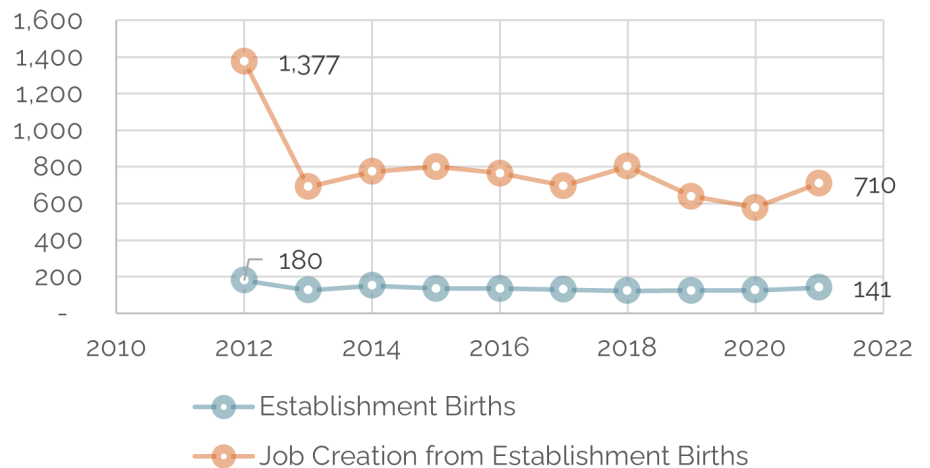


Source: Center for Economic Growth, Lightcast

Most of Warren County's economy is comprised of smaller businesses; 97% of all Warren County businesses employ 49 or fewer employees. The LCLGRP's 2022 Forward Together: Economic Resiliency Plan identified the region's "Spirit of Rural Entrepreneurship" as a key competitive asset. While this remains true in Warren County, certain indicators have declined over the past ten years. Warren County business formations, as tracked by Employment Identification Number (EIN) applications reached a fifteen year high in 2021 at 608 applications and saw 585 applications in 2022. However, despite the strong LLC filings, establishment births, which filters for business operations versus holding companies or LLCs formed for other legal reasons, have steadily declined since 2012 and 667 fewer jobs were created from establishment births in 2022 as compared to 2012.

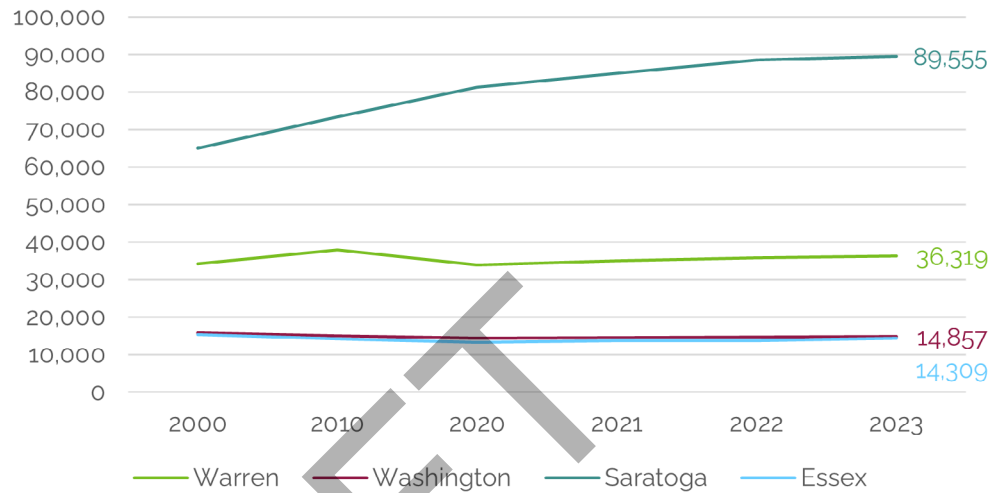
Warren County's economy is diverse and comprised of mostly small businesses.

Establishment Births and Job Creation



An aging workforce and skills mismatches are two challenges the County faces in filling open positions.

Employment Comparison: 2000 - 2023



WORKFORCE

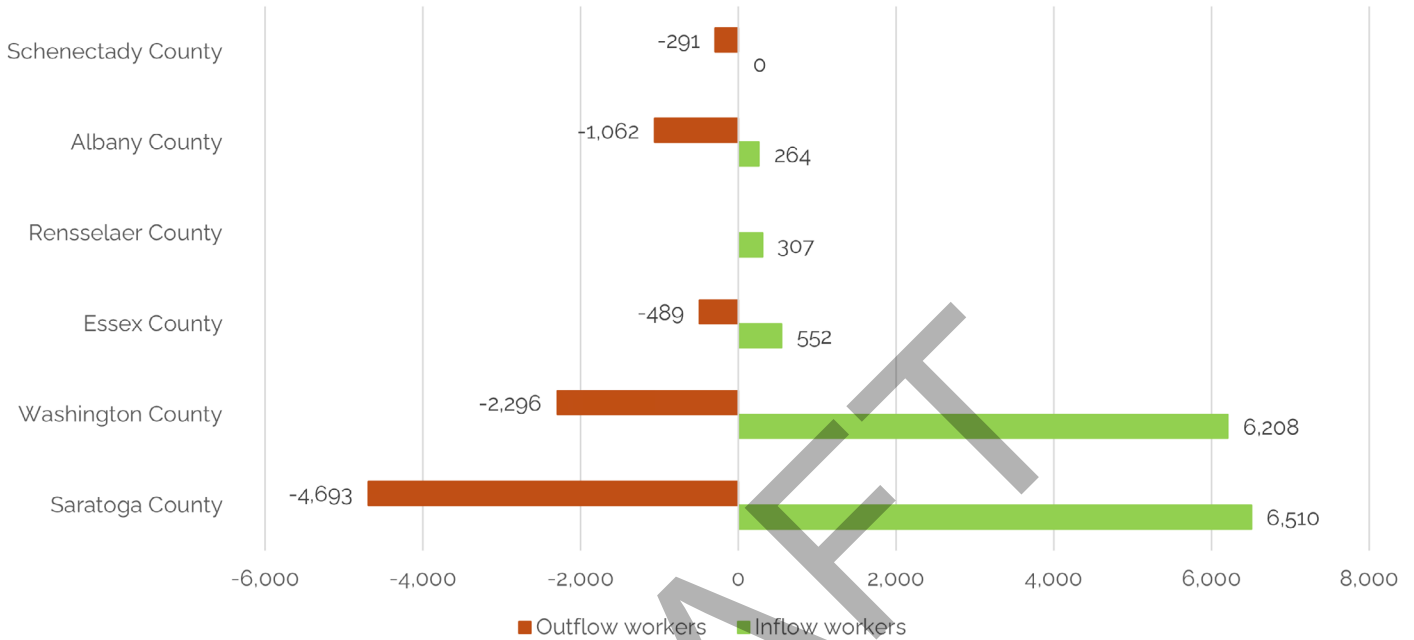
Employment in Warren County has remained relatively stable over the past 20 years. Since 2000, the county has added 2,087 jobs, representing a 6% growth, bringing total employment to 36,319 jobs in 2023. This performance compares favorably to its more rural neighbors, Washington and Essex Counties, both of which experienced a 7% decline in employment during the same period. However, Warren County's growth lags behind Saratoga County, which saw a significant 38% increase in employment over the same timeframe.

Looking ahead, data gathered from the Center for Economic Growth and Lightcast database shows the number of jobs in Warren County is projected to increase – to 41,643 by 2030. While a projected increase in local jobs is a positive sign for the County, filling these jobs will be a challenge, given current low unemployment levels and workforce age trends. As of September 2023, the unemployment rate in Warren County was 2.91%, a decrease from 4.64% just five years prior. In terms of labor force participation, according to the US Bureau of Labor Statistics, the County has a rate of around 62% (on par with the national average of 61.5%); however, many local businesses report difficulties in filling positions, in particular jobs that require specific technical skills.

For instance, in the manufacturing sector, over 20% of job openings remain unfilled due to a shortage of qualified candidates. Consequently, while there are available jobs, the local workforce often lacks the necessary qualifications, leading to both unutilized human potential and unmet employer needs.

In terms of age, the average age of workforce participants has risen from 37 in 2000 to 45 in 2022. The 2022 Forward Together: Economic Resiliency Plan found that 23.8% of all workers in the five-County region are over 55; notable key industries with a high number of workers over 55 include medical (hospitals, physician offices, nursing care facilities), manufacturing (medical equipment and pulp/paper mills).

Top 5 Counties for Worker Inflow-Outflow



The workforce supporting jobs in Warren County extends beyond its boundaries. According to 2020 data from the New York State Department of Labor (NYSDOL), Warren County has a net commuter inflow of 5,025, meaning more workers commute into the county for jobs than residents commute out for work elsewhere.

These commuting patterns highlight opportunities to enhance transit connections, such as rideshares, shuttles, and dedicated bus lines. Additionally, they present a chance to connect Warren County residents currently commuting elsewhere with similar employment opportunities within the County.

J1 Visa workers also remain a critical component of Warren County's labor force. J1 Visa workers fill a range of positions, including au pairs, physicians, professors and research scholars, and, most relevant to Warren County's workforce, summer work travel positions typically within the hospitality and tourism sectors. According to BridgeUSA, a company that helps connect foreign workers to host companies and support groups, Warren County hosted 952 summer work travel participants in 2024 within ten communities.

Lake George hosted 543 of those workers; Queensbury (174) and Bolton Landing (91) also hosted a substantial number of workers. This spike in international workers has generally coincided with seasonal housing crunches, which some communities have explored addressing through dorm style housing. It also raises interesting challenges around language accessibility, wayfinding, and other community resources that can aid foreign workers in living and working in Warren County, even for a season.