

## WALL STREET TO LOSE 10,000 FINANCE JOBS BY 2012



According to New York's comptroller, by the year 2012, Wall Street is expected to lose around 10,000 jobs. According to press spokesman for state comptroller, Eric Sumberg, the job losses that will occur in New York's securities industry, should begin now and end sometime in December. "It now seems likely that profits will fall sharply, job losses will continue, and bonuses will be smaller than last year" says Thomas DiNapoli, New York's state comptroller. "These developments will have a rippling effect through the economy and adversely impact state and city tax collections." Thomas DiNapoli says he blames the dismal outlook on "uncertainty due to the European sovereign debt crisis, a sluggish domestic economy, volatile stock markets and regulatory changes." DiNapoli has also said that the industry bonuses are likely to shrink this year. "It now seems that profits will decline sharply from last year's level, job losses will grow and cash bonuses will be smaller," DiNapoli says. Wall Street started 2011 strong by adding 9,900 jobs from January 2010 and April 2011, but lost 4,100 jobs through the month of August. The comptroller's office noted that the securities industry has weakened considerably through the rest of 2011. "Up to this point in New York City, the material result of the credit crunch hasn't been felt as quickly as people were expecting," says Marcia Van Wagner, the deputy comptroller for the budget of New York City. "It took a while for the other shoe to drop." A total of 32,000 Wall Street jobs have been cut from the period of January 2008 to the end of 2012. The comptroller's report has said "job losses are likely to continue given declines in profitability and recent layoff announcements." "Since April 2011, the securities industry in New York City has lost 4,100 jobs. The Office of the State Comptroller forecasts that the city will lose nearly 10,000 additional jobs by the end of 2012, which will bring the total job losses in the securities industry to 32,000," DiNapoli's report says. New York Stock Exchange member firms have earned \$9.3 billion for the first quarter, but the profits "declined sharply" in the second quarter. The New York Stock Exchange is expected to fall short of \$18 billion for the entire year. The New York economy, more than ever, depends on very high Wall Street incomes. The income has jumped by more than half since 2001, with an average income now of \$387,000, according to the city comptroller's office. In a reaction to Monday's rally and nervousness for the future of corporate earnings, stock prices for Wall Street banks fell on Tuesday. Earlier this month, the federal government reported that the U.S. added 103,000 jobs in the month of September, nationwide. Of the 8.6 million jobs lost since the recession began, only 2.1 million have been recovered. Which leaves the unemployment rate at a steady 9.1%