

DOW JONES

256.10 to 23,787.45

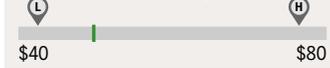
Over the past year:



CRUDE OIL

\$1.26 to \$49.78

Over the past year:



Key:
 L — Past year's low
 H — Past year's high

Close; color indicates up/down from previous close

STOCKS UP AGAIN ON TRADE-TALKS HOPES

Stocks climbed for the third day in a row Tuesday as the latest round of trade talks between Washington and Beijing continued. It's the longest winning streak for U.S. indexes since late November.

News reports said the trade negotiations would be extended to a third day, a potential positive sign though no major developments have been announced so far. Experts say it will take months for them to resolve the causes of the trade war.

Investors have become more optimistic about an eventual deal, a sharp reversal of the concerns that helped send stocks plunging in October and December. An agreement could remove a major obstacle to global economic growth.

Kate Warne, an investment strategist for Edward Jones, said, "You have new information that's driving stock prices both higher and lower, and that's pretty typical when there's uncertainty and there's a lot of new information coming into the market," she said.

The S&P 500 index rose 1 percent to 2,574.41. The Dow Jones Industrial Average picked up 256.10 points, closing at 23,787.45. The Nasdaq composite climbed 0.1 percent to 6,897. The Russell 2000 index of smaller-company stocks gained 1.5 percent, to end at 1,426.55. — AP

Get business updates and sign up for the daily business newsletter.

newsday.com/biz

Pay hikes up but . . .

Inflation erodes much of increase in wages on LI

BY CARRIE MASON-DRAFFEN
 carrie.mason-draffen@newsday.com

Average weekly wages in Nassau and Suffolk counties rose last year, though not as fast as in some other parts of the state, federal data released this week show.

And inflation has eaten into a lot of the increase, a local economist said.

On the Island, wages rose faster in Suffolk than in Nassau.

Average weekly wages rose 3.4 percent to \$1,134 in Suffolk in the second quarter (April to June) of 2018, compared with the second quarter of 2017, the Bureau of Labor Statistics said. In Nassau, average weekly pay increased 2.5 percent over the 12 months to \$1,175.

Still, the Island's wage growth overall remains weaker than local economists have expected.

The modest wage growth "has puzzled observers, given low unemployment rates that have persisted for many months now," said John A. Rizzo, economics professor at Stony Brook University and chief economist of the Long Island Association trade group. The Island's jobless rate dropped to 3



Job seekers attend a recruiting fair in Garden City last October. The unemployment rate is low, but wage growth has been modest.

percent in November, the lowest for that month since 1999, the latest state Labor Department data show. And companies have long complained of a shortage of skilled workers.

Rizzo said wage increases in manufacturing have been particularly strong, which could explain why Suffolk outperformed Nassau.

"Counties with a higher share

of manufacturing jobs may have higher overall wage growth than counties with a larger share of jobs in discretionary services, because it is more difficult to pass on wage increases in terms of higher prices in industries where consumer spending is discretionary," Rizzo said. "You still need a refrigerator but can pass on dinners out if the price rises."

Kavanaugh's first opinion favors Henry Schein

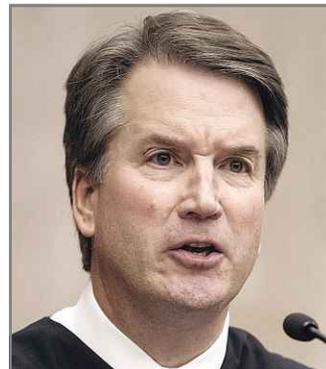
BY KEN SCHACHTER
 kenneth.schachter@newsday.com

Justice Brett Kavanaugh's first majority opinion for the Supreme Court, handed down Tuesday, centered on an arbitration dispute involving Long Island's largest public company.

Kavanaugh's eight-page opinion, a unanimous decision, reversed an appellate ruling in a lawsuit filed by Archer & White Sales Inc. against Melville-based Henry Schein Inc.

Plano, Texas-based Archer & White, a distributor of dental supplies, had sued Henry Schein, alleging violations of antitrust laws.

But Henry Schein maintained their contract called for



Justice Brett Kavanaugh wrote eight pages on arbitration issues.

any dispute to be submitted to arbitration and that an arbitrator — not a court — should decide whether their dispute should be settled in court or through arbitration.

"We are pleased by the Supreme Court's ruling, which reversed a prior ruling of the Fifth Circuit that precluded arbitration of this matter," a Henry Schein spokeswoman said in an email. "We have always maintained that this matter should be arbitrated rather than tried in a court."

Archer & White officials did not immediately respond to calls and emails seeking comment.

In his opinion, Kavanaugh said courts must stick to the text of the Federal Arbitration Act and "are not at liberty to rewrite the statute passed by Congress and signed by the President."

It was the first opinion to be issued from a session of the court that began in October.

Several Long Island industries have had wage growth above the national average, including retail and manufacturing, said Shital Patel, labor-market analyst in the Labor Department's Hicksville office. "Job losses over the past year in several high-paying industries such as finance and insurance and professional and technical services held down overall wage growth," she said.

Last year, metro New York prices rose an average of 2 percent, so the real, after-inflation wage rise was only 0.5 percent in Nassau and 1.4 percent in Suffolk, said economist Gregory DeFreitas, who heads Hofstra University's labor studies program.

"All this needs to be kept in the context of rising price inflation lately that has eaten away most of the purchasing power of the higher pay," he said.

Suffolk's 3.4 percent annual wage increase matched the average for the nation, while Nassau's fell below it.

Weekly wages rose 4.4 percent year over year in Manhattan, to \$2,025. Queens posted a 3.9 increase to \$1,062.

Nassau and Suffolk's weekly wages placed them 51st and 65th, respectively, among the 349 largest U.S. counties, the data show. New York County ranked fourth nationwide and had the highest weekly wages in the state.

Shares of Henry Schein, which manufactures and distributes dental and medical supplies to practitioners' offices, rose 1.7 percent on Tuesday to close at \$75.37.

Henry Schein is Long Island's largest public company based on 2017 revenue of \$12.5 billion.

Separately, Henry Schein also announced on Tuesday that it expected to distribute shares of its veterinary-products spinoff on Feb. 4.

The new company, a combination of the Henry Schein unit and Portland, Maine-based Vets First Choice, will be named Covetrus Inc. and trade on the Nasdaq Global Select Market.

The new company will be based in Maine. *With AP*