

Regional Focus: North Jersey

Data and analysis for the Bergen-Hudson-Passaic and Newark labor areas

Payrolls Continue to Rise in Northern Region

From March 2014 to March 2015, total nonfarm employment in the Northern Region (Bergen-Hudson-Passaic and Newark labor areas) increased by 20,200 jobs or 1.0 percent, to reach a not-seasonally adjusted level of 2,062,800. In comparison, the state's payrolls, which increased at a slightly slower rate (+0.9%), were up by 35,100 from the same month a year ago. This year marked the fifth consecutive year of March-to-March regional payroll advances, totaling 71,500 new jobs since March 2010. As a whole the Northern Region is a key economic driver in the state, accounting for 52.5% of statewide jobholding.

Over the year, educational and health services, which accounts for nearly 19 percent of the region's private sector employment base, was the regional job growth leader (+8,000 jobs or +2.5%). Regional job growth in the sector increased at a faster pace than the state (+2.5% vs. +1.7%, respectively). The region's growing and aging population drives demand which allowed the sector to gain jobs every year since 1990, and it is the only sector that did not lose jobs during the Great Recession. Gains in health care and social assistance employment (+6,400) accounted for 80 percent of job growth within the sector. Offices of Physicians was the fastest growing subsector (+4.5%).

The trade, transportation and utilities (T/T/U) sector (+6,300 or +1.4%) was the region's second fastest growing industry over the past year. With employment of 444,900, T/T/U is the largest supersector in the Northern Region, accounting for 23.5 percent of private sector employment. Payrolls in transportation and warehousing advanced by 4,500 over the year (+5.1%) and accounted for over 71 percent of the job growth in the T/T/U supersector. Retail trade accounted for 49.5 percent of T/T/U employment in March of 2015. Other sectors that experienced regional job growth over the year were construction (+4,600 jobs or +7.2%) and government (+4,200 jobs or +1.4%). Professional and business services experienced the largest job loss over the period (-2,000 or -0.6%).

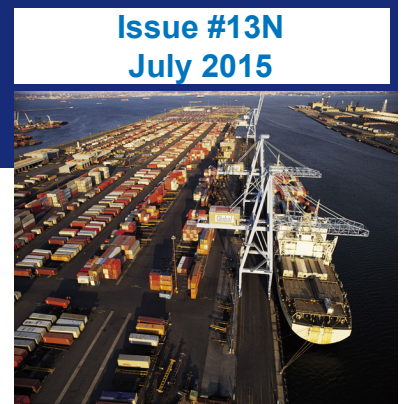
Change in Nonfarm Employment March 2013 - March 2014p (not seasonally adjusted)

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	20,200	1.0	35,100	0.9
Private Sector	16,000	0.9	29,500	0.9
Construction	4,600	7.2	9,000	7.0
Manufacturing	-900	-0.6	2,000	0.8
Trade, Trans. & Utilities	6,300	1.4	11,800	1.4
Information	-200	-0.5	-300	-0.4
Financial Activities	-1,900	-1.3	-1,100	-0.4
Prof. & Business Svcs.	-2,000	-0.6	-7,300	-1.2
Ed. & Health Svcs.	8,000	2.5	10,700	1.7
Leisure & Hospitality	-1,800	-1.2	-600	-0.2
Other Services	3,900	4.4	5,400	3.3
Government	4,200	1.4	5,600	0.9

Source: NJLWD, Current Employment Statistics

business services experienced the largest job loss over the period (-2,000 or -0.6%).

The state posted significant job gains in the T/T/U (+11,800 or +1.4%), educational and health services (+10,700 or +1.7%) and construction (+9,000 or +7.0%) supersectors. T/T/U advances were bolstered by gains in each of its component industries: transportation, warehousing and utilities (+5,100 jobs), retail trade (+4,200) and wholesale trade (+2,500). Employment in educational and health services was up due to an increase in health care and social assistance



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(+12,900 jobs) which offset the loss in educational services (-2,200). Employment gains in construction were mainly due to specialty trade contractors (+7,000 jobs). The biggest employment loss was in the professional business services sector. (-7,300 jobs or -1.2%).

Newark Labor Area the Region's Job Growth Leader

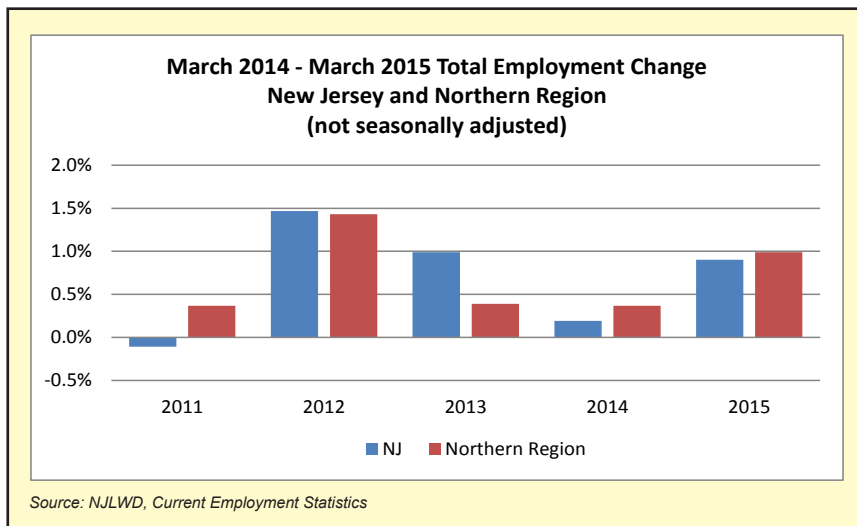
Over the year, total nonfarm payrolls advanced in both of the region's labor areas. The Newark Labor Area led the region in employment growth, with an increase of 13,600 jobs, or 1.2 percent to total 1,178,200 jobs in March 2015. This year's job gain marked the labor area's fifth consecutive March-to-March payroll increase and accounted for 67.3 percent of regional job growth. Payrolls in the Bergen-Hudson-Passaic Labor Area (BHP) were up by 6,600 jobs, or 0.8 percent, to total 884,600 jobs in March 2015. Since March of 2010, the Newark Labor Area has slightly outpaced the BHP Labor Area in job growth (+3.7% vs. +3.4%, respectively).

In the Newark Labor Area, construction (+5,000 jobs or +13.6%), trade, transportation and utilities (+4,800 or +2.1%), and educational and health services (+4,500 or +2.6%) posted the largest payroll gains. Within construction, specialty trade contractors significantly increased (+2,300 jobs or +9.5%). The transportation and warehousing industry (+2,700 or +5.2%) experienced the largest gain within T/T/U. Government (+2,000 jobs or +1.1%) and other services (+1,800 or +3.3%) also experienced notable gains. Professional and business services (-2,200 jobs or -1.1%) experienced the largest job loss over the year. Other industries that declined from March 2014 were: leisure and hospitality (-1,400 jobs or -1.6%), manufacturing (-800 or -1.0%) and information (-500 or -2.0%). Anheuser-Bush contributed to the manufacturing loss by laying off 60 employees at its Newark (Essex County) brewery in the first quarter of 2015.

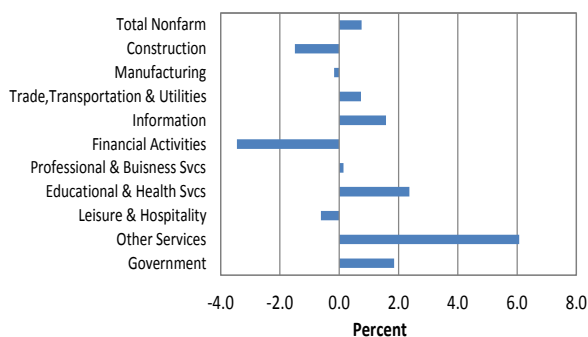
In the BHP Labor Area, educational and health services (+3,500 jobs or +2.4%) added the most jobs over the year. Government (+2,200 jobs or +1.9%), other services (+2,100 or +6.1%) and trade, transportation and utilities (+1,500 or +0.7%) also posted significant gains. The health care and social assistance industry posted the largest gain within education and health services (+4,600 jobs or +3.7%), while ambulatory care was the fastest growing (+4.2% or +2,400). Local government (+2,300 jobs or +2.4%) accounted for the majority of the increase in government payrolls, while state and federal employment was relatively flat. Financial activities (-2,300 jobs or -3.4%) experienced the largest job loss over the year. Other industries that declined over the year were: construction (-400 jobs or -1.5%), leisure and hospitality (-400 or -1.6%) and manufacturing (-100 or -0.2%).

Total Nonfarm Employment (unadjusted March data, employment in thousands)						
	2010	2011	2012	2013	2014	2015
New Jersey	3,797.3	3,793.2	3,848.9	3,887.0	3,894.5	3,929.6
Northern Region	1,991.3	1,998.6	2,027.2	2,035.1	2,042.6	2,062.8
Bergen-Hudson-Passaic Labor Area (Bergen, Hudson and Passaic counties)	855.6	861.2	871.5	870.9	878.0	884.6
Newark Labor Area (Essex, Hunterdon, Morris, Somerset, Sussex and Union counties)	1,135.7	1,137.4	1,155.7	1,164.2	1,164.6	1,178.2

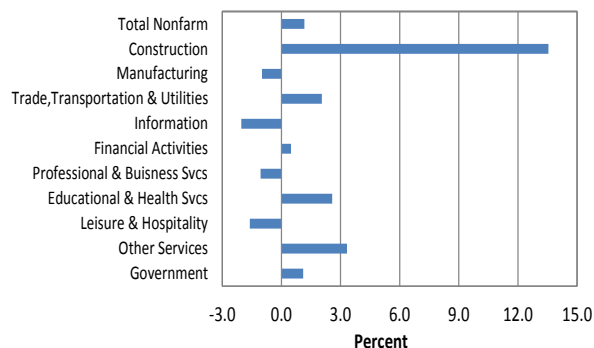
Source: NJLWD, Current Employment Statistics



**Employment Change by Industry, Mar 2014 - Mar 2015
Bergen-Hudson-Passaic Labor Area
(not seasonally adjusted)**



**Employment Change by Industry, Mar 2014 - Mar 2015
Newark Labor Area (not seasonally adjusted)**



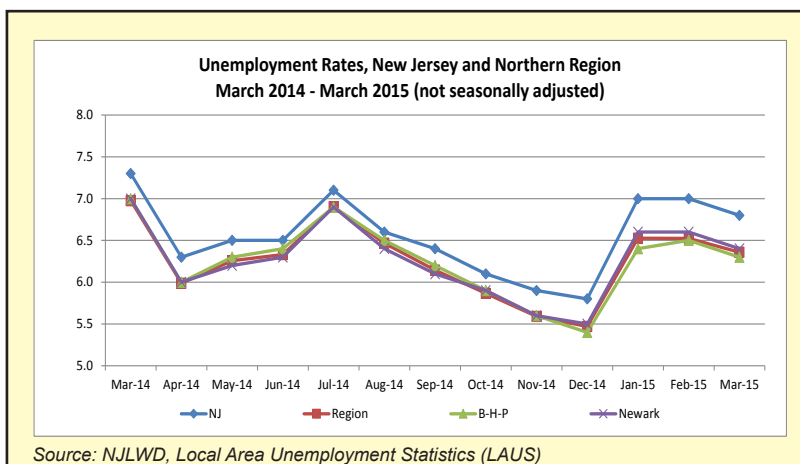
Source: NJLWD, Current Employment Statistics

More detailed data from the Current Employment Statistics (CES) program can be found at: http://lwd.dol.state.nj.us/labor/lpa/employ/ces/ces_index.html

LABOR FORCE DATA

- In March 2015, the non-seasonally adjusted unemployment rate for the Northern Region (6.4%) was slightly below the statewide rate (6.8%) and just over half a percentage point lower than the March 2014 regional rate of 7.0 percent. Resident employment in the region was up by 25,100 (+1.2%), while the regional labor force increased by 11,500 (+0.5%) since March 2014. There were 13,600 (-8.4%) less unemployed Northern Region residents than in the same month a year ago.

- Both of the region's labor areas showed improved unemployment rates over the year. In the Newark Labor Area the unemployment rate during March 2015 was 6.4 percent, down 0.6 percentage point from March 2014 (7.0%). In the area, unemployment rates ranged from a high of 7.8 in Essex County to a low of 4.9 percent in Hunterdon County. The Bergen-Hudson-Passaic Labor Area's March 2015 unadjusted unemployment rate of 6.3 percent was a 0.7 percentage point improvement over the same month a year ago (March 2014, 7.0%). By county, the area's unemployment rates for March 2015 were: Passaic County 8.2 percent, Hudson County 6.3 percent and Bergen County 5.3 percent.

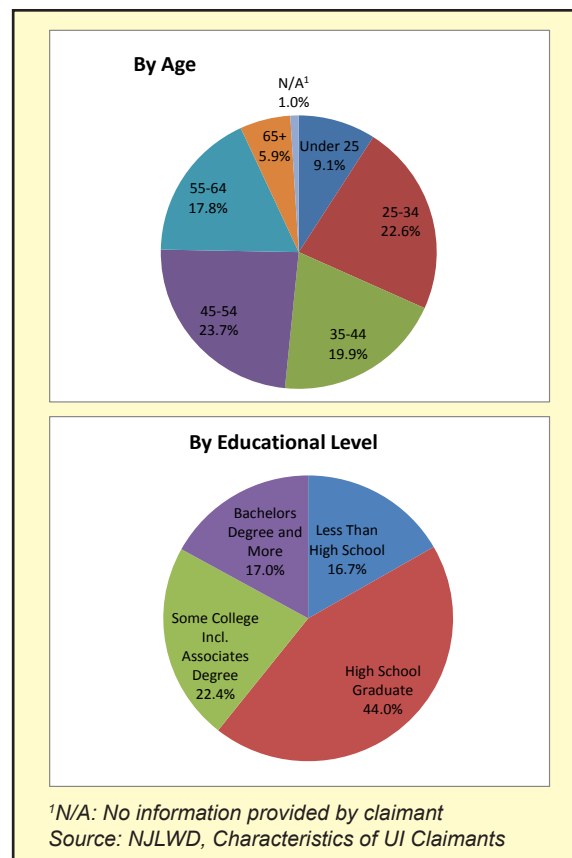


More detailed data from the Local Area Unemployment Statistics (LAUS) program can be found at:
http://lwd.dol.state.nj.us/labor/lpa/employ/uirate/lfst_index.html

CHARACTERISTICS OF NEW JERSEY'S INSURED UNEMPLOYED NORTHERN REGION, FIRST QUARTER 2015

CLAIMANTS BY OCCUPATIONAL GROUP		
	Number	Percent
Management	7,235	7.3
Business and financial	3,432	3.5
Professional and related	11,329	11.5
Services	18,893	19.1
Sales and related	6,985	7.1
Office and administrative support	12,668	12.8
Farming, fishing and forestry	338	0.3
Construction and extraction	11,260	11.4
Installation, maintenance and repair	3,339	3.4
Production	8,912	9.0
Transportation and material moving	14,018	14.2
Military	335	0.3

- In the first quarter of 2015, 45.8 percent of New Jersey's insured unemployed claiming continued benefits resided in the Northern Region. During the quarter, 98,788 regional residents claimed benefits, an improvement of 21,989 (-18.2%) from the first quarter of 2014. The office and administrative support (-4,603 or 26.7%) and transportation and material moving (-3,015 or 17%) occupational groups posted the sharpest declines in the number of claimants from the same quarter a year ago.
- The majority of the Northern Region's residents who claimed unemployment insurance benefits during the first quarter of 2015 were previously employed in professional and business services (18,547) and trade, transportation and utilities (18,014) sectors. These sectors are also the largest in terms of overall employment in the region.
- The Newark Labor Area was home to the regional county with the most claimants (Essex County, 18,997 claimants) as well as the county with the fewest claimants (Hunterdon County, 2,648 claimants). The three-county Bergen (14,575)-Hudson (13,247)-Passaic (14,651) Labor Area was responsible for 43 percent of the region's claimants.



REGIONAL POPULATION ESTIMATES

Intercensal Population Estimates for New Jersey and the Northern Region: 2010 to 2014

	<u>Population</u>		<u>Change</u>	
	<u>2010</u>	<u>2014</u>	<u>Number</u>	<u>Percent</u>
New Jersey	8,791,894	8,938,175	146,281	1.7%
Northern Region	4,563,102	4,670,393	107,291	2.4%
Bergen	905,116	933,572	28,456	3.1%
Essex	783,969	795,723	11,754	1.5%
Hudson	634,266	669,115	34,849	5.5%
Hunterdon	128,349	126,067	-2,282	-1.8%
Morris	492,276	499,727	7,451	1.5%
Passaic	501,226	508,856	7,630	1.5%
Somerset	323,444	332,568	9,124	2.8%
Sussex	149,265	144,909	-4,356	-2.9%
Union	536,499	552,939	16,440	3.1%
Warren	108,692	106,917	-1,775	-1.6%

Source: U.S. Census Bureau, Population Division

The county's 25,200 natural increment (surplus of births over deaths) was the largest in New Jersey, and its 9,800 net migration (more in-migration from abroad and other counties than out-migration) was the second largest in the state (next only to Bergen's 20,800).

- Bergen (population 933,572) was the most populous county in the region and in New Jersey in 2014. Essex County (795,723) and Hudson County (669,115) ranked second and third, respectively, in the Northern Region. Warren County had the lowest population in the region with 106,917 residents in 2014.

- The ten counties that make up the Northern Region grew at a faster rate than the state (+2.4% vs. +1.7% respectively) from 2010 to 2014. The region's urbanized counties experienced the most growth from 2010 to 2014. Hudson County's (+5.5%) annual growth rate was the fastest in the state, over the period, followed by Bergen and Union counties (+3.1% each).
- In contrast, the region's rural counties experienced a loss over the period. Sussex County's population decline (-2.9%) was the steepest in the state. Hunterdon (-1.8%) and Warren counties (-1.6%) also posted notable population losses over the period.
- Seven of the ten counties in the Northern Region gained population between 2010 and 2014, led by Hudson (+34,849), Bergen (+28,456) and Union (+16,440). The hefty population growth in Hudson County was due to substantial natural increment and migration.

SPECIAL NOTE REGARDING LABOR MARKET AREA DEFINITIONS

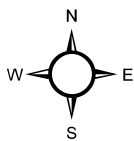
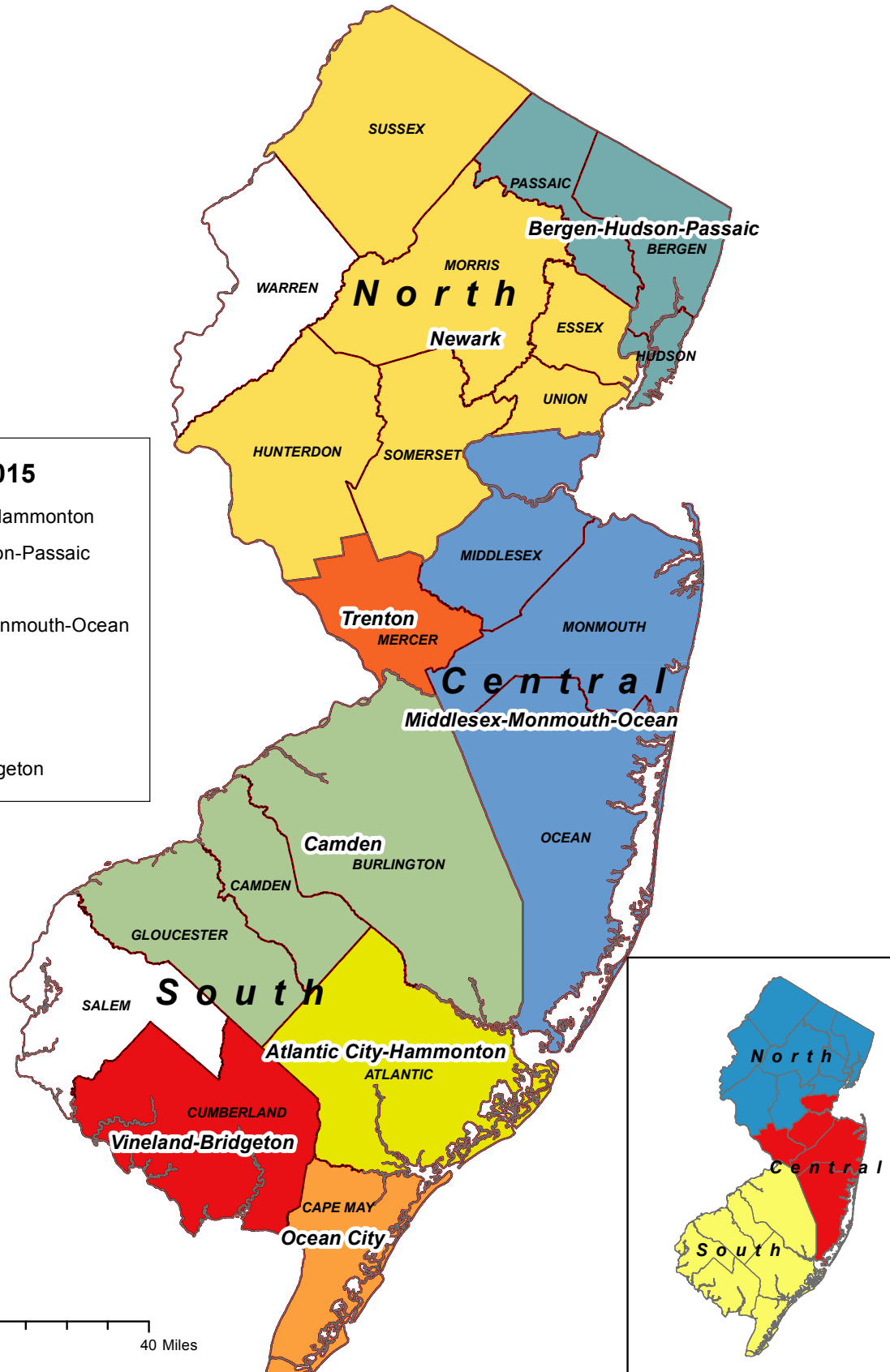
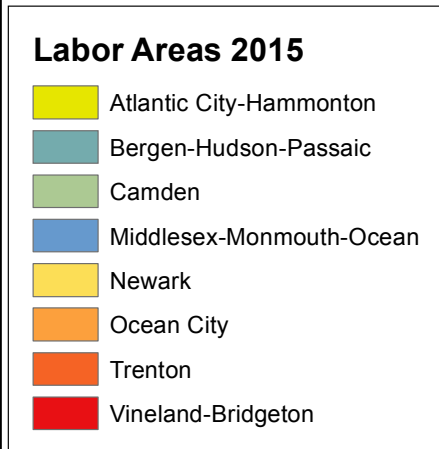
Starting with the publication of January 2015 data on March 17th, New Jersey's Department of Labor and Workforce Development will release nonfarm employment estimates and labor force statistics based on new labor market area definitions.

Every 10 years, the U.S. Office of Management and Budget (OMB) re-defines federal statistical areas which includes metropolitan statistical areas (MSAs) based on the application of updated 2010 statistical standards to the U.S. Census Bureau's 2010 Census population and American Community Survey journey-to-work data. As a result, the geographic configurations for some of New Jersey's labor areas will change. Monthly nonfarm wage and salary estimates, labor force estimates and other economic series will be generated based on these new geographic configurations. In addition, historical data series for these new areas have been reconstructed back to 1990. The following table shows a comparison of the previous and new Labor Area designations.

Consequently, the regions for which the Northern and Central Regional Focus is written will also change. The Northern Region will now include Somerset County formerly in the Central Region. All other county regional assignments will remain the same. See the map for the new regional county alignments.

2000 Census-based Labor Areas	Counties Covered	New 2010 Census-based Labor Areas	Counties Covered
Atlantic City-Hammonton Labor Area	Atlantic County	Atlantic City-Hammonton Labor Area	Atlantic County
Bergen-Hudson-Passaic Labor Area	Bergen, Hudson, & Passaic counties	Bergen-Hudson-Passaic Labor Area	Bergen, Hudson, & Passaic counties
Camden Labor Area	Burlington, Camden & Gloucester counties	Camden Labor Area	Burlington, Camden & Gloucester counties
Edison Labor Area*	Middlesex, Monmouth, Ocean & Somerset counties	Middlesex-Monmouth-Ocean Labor Area	Middlesex, Monmouth, & Ocean counties
Newark-Union Labor Area*	Essex, Hunterdon, Morris, Sussex, Union, & Pike (PA) counties	Newark Labor Area	Essex, Hunterdon, Morris, Somerset , Sussex, Union, & Pike (PA) counties
Ocean City Labor Area	Cape May County	Ocean City Labor Area	Cape May County
Trenton-Ewing Labor Area	Mercer County	Trenton Labor Area	Mercer County
Vineland-Millville-Bridgeton Labor Area	Cumberland County	Vineland-Bridgeton Labor Area	Cumberland County

Labor Areas 2015



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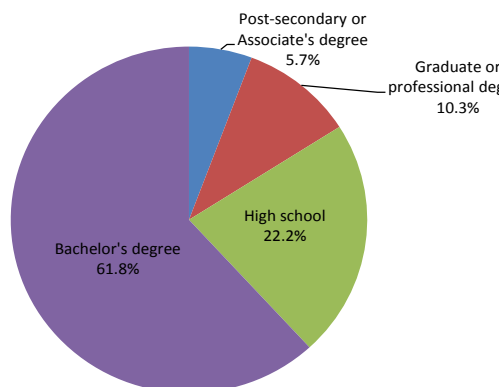
Note: Warren County is part of the Allentown-Bethlehem-Easton MSA (Labor Area), & Salem County is part of the Wilmington, Metropolitan Division (Labor Area).
 Source: NJLWD, Office of Research & Information, Division of Economic & Demographic Research
 Prepared by: Division of Workforce Research & Analytics, Bureau of Labor Market Information, March 2015

REGIONAL JOB OUTLOOK JANUARY 2015 - MARCH 2015

The New Jersey Department of Labor and Workforce Development through its agreement with Burning Glass Technologies is able to provide the following labor market information aggregated from online employer job listings during the quarter. This data provides valuable insight regarding current employer demand for characteristics such as skills and educational requirements. Note that this data is not meant to represent all available employment opportunities but rather should be viewed in terms of analysis of labor market demand.

JOB LISTINGS BY COUNTY	
County	Listings
Hudson	28,974
Morris	23,619
Bergen	23,111
Essex	21,323
Somerset	17,524
Union	11,306
Passaic	7,541
Hunterdon	1,957
Warren	1,788
Sussex	1,437

Job Listings by Educational Requirement



- During the first quarter of 2015, Northern Region employers in the professional, scientific and technical services, hospitals, educational services, insurance carriers and related activities, and ambulatory health care services exhibited the most online demand based on online job postings.
- Concentrated in Hudson, Morris, Bergen and Essex counties, employers indicated that they were most interested in filling positions for software applications developers, sales representatives, registered nurses, and retail salespersons. Skills that were actively sought included accounting, sales, technology-related SQL, Oracle and JAVA, collaboration, and business management.
- Of the regional job listings in the first quarter for which educational requirements were provided, more than half required a bachelor's degree.

OCCUPATIONS WITH THE MOST LISTINGS	
Occupation	Listings
Software Developers, Applications	7,693
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	3,935
Registered Nurses	3,719
Retail Salespersons	3,363
Managers, All Other	3,146
Computer Systems Analysts	2,782
First-Line Supervisors of Retail Sales Workers	2,458
Customer Service Representatives	2,451
Business Intelligence Analysts	2,227
Management Analysts	1,985
Computer User Support Specialists	1,961
Medical and Health Services Managers	1,954
Heavy and Tractor-Trailer Truck Drivers	1,877
Tutors	1,876
Database Administrators	1,850

INDUSTRIES WITH THE MOST JOB LISTINGS	
Industry	Listings
Professional, Scientific, and Technical Services	11,408
Hospitals	7,431
Educational Services	5,212
Insurance Carriers and Related Activities	4,574
Ambulatory Health Care Services	4,382
Credit Intermediation and Related Activities	3,840
Chemical Manufacturing	3,821
Food Services and Drinking Places	3,721
Administrative and Support Services	2,123
Accommodation	2,017
Food and Beverage Stores	1,990
General Merchandise Stores	1,485
Securities, Commodity Contracts, and Other Financial Investments and Related Activities	1,454
Telecommunications	1,168
Real Estate	1,133

TOP SKILLS IN DEMAND	
Skill	Listings
Accounting	7,855
Sales	7,659
SQL	6,919
Oracle	6,272
JAVA	5,572
Collaboration	5,232
Business Management	5,022
Mathematics	4,930
Scheduling	4,718
Business Process	4,397
Business Development	4,068
SAP	3,901
Cleaning	3,862
Store Management	3,762
Repair	3,759

EMPLOYERS WITH SIGNIFICANT ONLINE JOB LISTING ACTIVITY
Accenture
Wyzant
ShopRite / Wakefern
Oracle
Tekopinc
Verizon Communications Incorporated
Barnabas Health
Johnson & Johnson
Burger King
Saint Barnabas Health Care System
JP Morgan Chase Company
Marriott International Incorporated
Pricewaterhousecoopers
Novartis
Prudential

Source: Burning Glass Technologies, Labor Insight

Prepared by: New Jersey Department of Labor and Workforce Development, Bureau of Labor Market Information

Development in Jersey City Moves Inland

By 2020, the Jersey City skyline will have undergone a major transformation. Due to the multi-family residential housing building boom in the 15-square mile city, there are nearly 20 residential buildings currently under construction. Thanks to new tax abatement rules designed to entice investment further inland, real estate developers that have traditionally focused on the popular waterfront are beginning to focus on more inland neighborhoods such as Journal Square. Developers are taking advantage of the incentives and demand from millennials who work across the river in Manhattan for more affordable living with easy access to the city. Jersey City is attracting young people who prefer to live and work in an urban environment, as opposed to suburban office campuses. Millennials are being drawn in by the proximity and convenient transit options such as ferry service and PATH train to downtown and midtown Manhattan.

Journal Squared, one of the major projects underway in the city, is designed to revitalize the Journal Square neighborhood. The three tower project broke ground in early 2014 and the first 53-story tower is expected to be complete in mid-2016 with the second 70-story tower coming five years later. It is reported to be the first new building in Journal Square in decades and when complete all three towers will have 1,838

units, totaling 2.3 million-sq.ft. with 36,000-sq.ft. of retail space. A rezoning plan in 2010 that lifted building height restrictions in parts of the neighborhood along with new tax abatements for up to 30 years for Journal Square compared to 10 years in the downtown area and along the harbor, are expected to make Journal Square the flourishing neighborhood that it once was.

In addition to recent developments in Journal Square, construction of multi-family residential buildings in popular downtown and waterfront neighborhoods continues to expand. Silverman Development Company is near completion of two new mixed-use properties in Jersey City. The seven story, Charles & Co., was built on what used to be a parking lot and is scheduled to start leasing in May. The building is located along Grove Street next to City Hall and will house retail stores on the ground floor. Office space will occupy the second floor and 99 residential units will make up floors two through seven. The building will also include a fitness center open to residents and the public, a Mathnasium tutoring center and a restaurant. In all, the project will have 100,000-sq.ft. of residential space and 10,000-sq.ft. of commercial space. The smaller of the two projects, 210 9th Street, will also have commercial space on the ground floor with 25 apartments on its upper floors. 210 9th Street is in the beginning phase of construction but will contain 15,000-sq.ft. of residential space and 4,000-sq.ft. of commercial space. Construction is expected to

be completed by the end of the year. Brothers Eric and Paul Silverman have been active in the redevelopment of Jersey City's downtown with previous projects including Hamilton Square, Schroder Lofts and The Majestic.

New York-based Fisher Development broke ground on a 44-story luxury apartment building in Jersey City's Liberty Harbor North district. Construction began in early April. In addition to 448 residential units, future plans for the building also include an additional tower and a 267-room Marriott hotel at the waterfront site. Fisher expects to complete the first tower by spring of 2017. The project is expected to create 1,000 construction jobs and 200 permanent jobs. The company has constructed numerous properties on the booming Gold Coast including Liberty Terrace, Liberty Towers and Crystal Point.

Charles Komar & Sons to bring 500 Jobs to Jersey City

Apparel company Charles Komar & Sons signed a 17-year lease to relocate from Manhattan to Jersey City in December 2014. Komar received a \$37.2 million Grow New Jersey award from the New Jersey Economic Development Authority to relocate to 90 Hudson Street on Jersey City's waterfront. The apparel company chose Jersey City's popular waterfront location over one in Long Island City, NY. They will occupy 159,141-sq.ft. of space on the seventh and eight floors of the same building that financial management firm Lord Abbett moved into from Manhattan in 2000. The move will consolidate two offices in Manhattan, bringing its corporate office and showroom to Jersey City. Komar is a privately held company founded in 1908, and a manufacturer of sleepwear and other retail apparel.

Development in Jersey City has extended to Harrison and Kearny

The popularity of Jersey City and the scarce available space for development in Hoboken has impacted nearby Harrison and Kearny. In addition, rising rents in Jersey City are pushing businesses and residents further west, also making Harrison

and Kearny ideal locations which have easy access to the PATH train line and more affordable housing.

Water's Edge, a new 141-unit apartment complex in Harrison opened in September. The complex gives residents easy access to the Harrison PATH station and was reported to be 85 percent occupied as of March. Harrison Station, which is also located near the PATH station, is set to complete the third and final phase of a mixed use development in October. The final phase will include 329 residential units and 8,700-sq.ft. of retail space. The previous two stages included the Element Hotel which opened in August 2014 and 275 rental units along with 12,000-sq.ft. of retail space that opened in 2011. Also in Harrison, construction of 402 rental units and 15,000-sq.ft. of retail space is underway adjacent to the Red Bull Arena and the Harrison PATH station. Vermella Harrison is expected to begin leasing the first 100 apartments by the end of the summer.

Development is also taking place in neighboring Kearny. Russo Development expects to open the first two buildings of a six-building project in May. Vermella Crossing, located along Bergen Avenue, will include 150 apartments as well as a club house and a fitness center. On Passaic Avenue, construction has begun on a large-scale retail development, which will include a BJ's Wholesale Club and the conversion of an old supermarket into an LA Fitness. On Kearny Avenue, buildings that once housed a furniture store and bar were demolished last winter to make way for a Walgreen's drug store.

140-Unit Luxury Apartment in Hoboken

Bridgewater-based developer Advanced Realty began construction on a new 140-unit luxury apartment building in northern Hoboken in early April. The seven story building is being built atop a four story underground parking garage, which Advance Realty already constructed. The building, which sits at the corner of 14th Street and Willow Avenue, will include 20,000-sq.ft. of retail space. The Willow14 site, which will feature a host of high end amenities, is about a mile from the Lincoln Tunnel entrance and is expected to be completed in the first quarter of 2016.