

Arthur J. Lynch

Labor market information and testimony
before the judiciary subcommittee on re-
fugees and escapees
1966.

Copy 1.

974.90
L123
1966b



3 3009 00516 2443

LABOR MARKET INFORMATION

and

TESTIMONY

before

THE JUDICIARY SUBCOMMITTEE

on

REFUGEES AND ESCAPEES

PROPERTY OF
NEW JERSEY STATE LIBRARY

DEC 4 1967

185 W. State Street
Trenton, N. J.

Respectfully submitted by:

Arthur J. Lynch, Superintendent
Field Operations Service
Division of Employment SecurityDEPOSITORY COPY
Do Not Remove From LibraryRaymond F. Male, Commissioner
Department of Labor and IndustryEdward J. Hall, Director
Division of Employment Security

974.90

L123

1966 to copy 1

REMARKS BY ARTHUR J. LYNCH BEFORE THE
JUDICIARY SUBCOMMITTEE ON REFUGEES AND
ESCAPEES

I welcome the opportunity of talking with you about the labor supply situation in Northern New Jersey, with particular reference to the impact that the Cuban Refugee has had upon that market.

It might be helpful to review briefly the size and character of the labor supply and labor demand in the area under scrutiny. The Newark Labor Market Area which comprises Essex and Morris Counties has a total population of 1.8 million people. It is the 13th largest in size in the nation.

The Paterson-Passaic Labor Market Area has a total population of 1.3 million people and is 18th in size in the nation.

Hudson County, whose principal place is Jersey City, is not considered a separate labor market area for statistical reporting purposes because of its proximity to New York City. Nevertheless, it is an important New Jersey Labor Market Area and has 0.6 million inhabitants.

I will supply your committee with Labor Market Area Profiles for each of these areas.

The total population of the area we are surveying, therefore, is 3.7 millions. If the population of the three reporting areas was combined, we would be talking about the fifth largest labor market area in the country. The total geographic area is smaller than that included in the Los Angeles Labor Market Area and is not substantially larger than the four labor market areas which in-

clude a greater population. It is a densely populated, highly industrialized complex and defies easy cataloging.

Located as it is, northwest, west and southwest of New York City this general area knows --- because it has --- all the pressures and problems associated with population growth, population shift and core city decay. Its industry has felt the blows and blessings of automation and changing techniques.

In spite of all this, however, our Northern New Jersey labor force continues to grow at a pace greatly in excess of the national average. The National Bureau of Labor Statistics has estimated that between 1960 and 1970, the labor force in this area will grow 24.6%. BUT, and this is an important BUT, the labor demand is only slightly less than the labor supply.

What we lack, in addition to numbers of people who want to work are people who have the skills required in today's economy.

Against this background then we may assess the impact of the Cuban Refugee. It would be easy to say that the Cuban Refugee has had no impact on the Northern New Jersey Labor Market because the Cuban, as such, is invisible. He has not asked for or needed State help in securing employment. Except in Hudson County, he is not on the welfare rolls. He is not known to the police. He belongs to a church (85%). He is or plans to become a citizen (40%). He has joined the "Y", PAL, unions and other evidences of good citizenship.

These facts must be evaluated against an analysis of the characteristics of the Cuban who has come to those major metropolitan areas. There is some evidence which would permit us to

3.

evaluate him.

In Cuba, the refugees who have come to Northern New Jersey were employed as follows:

Professional and Managerial 15% - 20%

Clerical - Sales 5% - 10%

Skilled Workers 30%

Thus it would appear that 6 of 10 such refugees would have been good candidates for employment without regard to the state of our economy. ^{at} In today's labor market, their skills educational achievements and work attitudes have contributed significantly to their easy assimilation into the active work force. ⁷ It must be assumed, therefore, that they have had a real impact on the Northern New Jersey Labor Market. We would have been the poorer had they not come. Their continuing impact will be hard to assess.

They are, to our indiscriminate eyes, a part of the "Spanish speaking minority." That they should generally be considered so is open to some discussion. They come from a different socio-economic background than the ~~so-called~~ ^{EARLIER ST} "Spanish speaking ~~minority~~ ^{CITIZENS},"

^{IN N.J.} whom we have been called upon to serve in the recent past. They are generally urban, rather than a rural people. They are ^{usually better} well-educated, ~~rather than meagerly educated~~. I do not believe, however, that this sharp distinction will continue.

The size of the Cuban group in this general area is hard to determine. The Immigration and Naturalization Service lists about 26,000 as the total number of Cubans in New Jersey. On

the other hand, leaders in the several Cuban communities estimate as many as 50,000. The truth, I believe, lies between these two figures.

The Cuban, generally, has found the Northern New Jersey area a benign area into which to come and as the number of his compatriots in this general area increases, they exert an increasing influence on their friends, neighbors, relatives and compatriots in persuading them to come to this State.

I believe such immigration will accelerate as they continue to flow into the country at the various ports of entry. It should be noted that we cannot make any estimate of numbers based only on entrance through the Miami door. They come to us from temporary stays in all parts of Mexico and the southern hemisphere.

There are particularly large enclaves of Cuban Nationals in Union City, West New York and Elizabeth. The number in the Elizabeth area particularly is growing. The Cuban community itself, to this point, has done yeoman work in helping these people to find housing, to become accepted in the community and to be placed in employment. The New Jersey State Employment Service has played a role here also.

Whether these organizations can continue to carry this load is debatable. If Cubans of lesser skills and less educational achievements begin to arrive, such assimilation may be more difficult. However, I anticipate no real problem as long as our economy remains as vigorous as it is now.

In conclusion, I would like to give you some random impres-

sions:

1. The Cuban immigrant wants to work.
2. Professional men and women have demonstrated a willingness to accept work at less than their highest skills while seeking to overcome the language disability or, perhaps, to meet local requirements for professional certification.
3. Teachers have had special difficulty because of a feeling on the part of educational authorities that their accent made pupil understanding difficult or would, perhaps, affect students' speaking facility. For instance, we have at the moment, 31 Cuban teachers registered in our Professional Placement Center, who we can't place because of language deficiencies and lack of certification.
4. Doctors have secured work in technical or non-professional jobs in hospitals and laboratories.
5. Scientists have had less difficulty in making the transition.
6. Attorneys, accountants, nurses, chemists, etc., are generally employed, but not in their professions. Since these are shortage occupations this represents a skill deficit.
7. Skilled mechanics, on the other hand, have had no difficulty other than those inherent in communications.
8. There are some indications that the Northern New Jersey climate is troublesome to the older Cuban.

I will supply the Committee with listings of shortage occupations in the Northern New Jersey areas under review, for which

I foresee no immediate hope of filling. Unskilled labor, at the moment, is in demand and can be placed, but you, of course realize that should the economy level off, the demand for this type of worker will be the first to decrease.

I am sure that what I have had to say is generally what you have heard and will hear from others, but I appreciate the opportunity of discussing it with you. If there are any questions about this area which I can answer, I will be pleased to do so.

LABOR MARKET CHARACTERISTICS 1962 to 1965

Newark, Jersey City and Paterson Labor Market Areas Combined

	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>
Work Force	1,596,200	1,613,200	1,630,000	1,659,400
Total Employment	1,505,300	1,516,900	1,536,200	1,578,500
Nonagricultural	1,311,700	1,328,300	1,346,000	1,392,400
Total Unemployment	90,900	96,300	93,800	80,900
Rate of Unemployment	5.7	6.0	5.8	4.9

LABOR MARKET CHARACTERISTICS - 1962 to 1965

BY

LABOR MARKET AREA

ANNUAL AVERAGE

<u>1962</u>	<u>NEWARK</u>	<u>PATERSON</u>	<u>JERSEY CITY</u>
Work Force	816,400	482,600	297,200
Employment	769,900	456,200	279,200
Non-Agricultural	672,400	383,400	255,900
Unemployed	46,500	26,400	18,000
Rate Unemployment	5.7	5.5	6.1
<u>1963</u>			
Work Force	823,700	496,400	293,100
Employment	775,400	467,800	273,700
Non-Agricultural	681,000	395,900	251,400
Unemployed	48,300	28,600	19,400
Unemployment Rate	5.9	5.8	6.6
<u>1964</u>			
Work Force	835,300	506,000	288,700
Employment	789,500	475,900	270,800
Non-Agricultural	693,800	402,700	249,500
Unemployed	45,800	30,100	17,900
Unemployment Rate	5.5	5.9	6.2
<u>1965</u>			
Work Force	852,500	517,200	289,700
Employment	813,200	490,900	274,400
Non-Agricultural	719,600	419,400	253,400
Unemployed	39,300	26,300	15,300
Unemployment Rate	4.6	5.1	5.3

POPULATION CHARACTERISTICS OF THE SIX COUNTIES WHICH MAKE UP THE
PASSAIC, HUDSON AND NEWARK LABOR MARKET AREAS

	<u>1960</u>	<u>Est. July 1965 *</u>	<u>% Change 1960-1965</u>
Hudson County	610,734	608,970	- 0.3
Essex County	923,545	949,650	2.8
Morris County	261,620	328,170	25.4
Union County	504,255	554,190	9.9
Passaic County	406,618	444,870	9.4
Bergen County	<u>780,255</u>	<u>873,510</u>	<u>12.0</u>
Total 6 Counties	3,487,027	3,759,360	+ 7.8

1960-1965 Change 6 Counties Number + 272,333

* Department of Conservation and Development,
N.J. Population Estimates 1965, No. 144

FEBRUARY 1966

WORKFORCE CHARACTERISTICS
(Latest Figures Available)

	<u>Work Force</u>	<u>Total Employment</u>	<u>Unemployment</u>	<u>Rate of Unemployment</u>
Jersey City	285,300	271,000	14,300	5.0
Newark	847,200	804,400	42,800	5.1
Paterson	517,100	490,900	26,200	5.1
Statewide	2,717,800	2,566,500	151,300	5.6

