

# Regional Focus: North Jersey

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

## Employment Growth Continues in Northern Region

From December 2013 to December 2014, total nonfarm employment in the Northern Region, (Bergen-Hudson-Passaic and Newark-Union labor areas) increased by 15,400 jobs to reach a non-seasonally adjusted level of 1,911,800 jobs. This year marked the fourth consecutive year of December-to-December payroll advances in the region after facing recessionary losses from 2008 to 2010. The gains, which started in 2011, account for a cumulative increase of 52,100 jobs. In comparison, statewide payrolls, which increased at a slightly slower rate than in the region (+0.7% vs. +0.8% respectively), were up by 28,600 jobs from the same month a year ago.

Professional and business services was the region's job growth leader (+7,800 jobs or +2.5%) followed by government (+4,400 or +1.6%) and educational and health services (+4,200 or +1.4%). With a gain of 3.8 percent (+2,300 jobs), construction was the region's fastest growing sector. The increase in construction employment can be partly attributed to the construction of a number of multi-family residential projects. Other sectors that experienced job growth over the year were leisure and hospitality (+2,800 jobs or +2.0%), and trade, transportation and utilities (T/T/U, +300 or +0.1%). Financial activities (-2,500 jobs or -1.8%) and manufacturing (-2,400 jobs or -1.9%) each shed employment over the year.

The state experienced employment growth in the T/T/U (+16,100 jobs, +1.9%), educational and health services (+14,600, +2.3%), professional and business services (+13,200, +2.1%) and construction (+1,800, +1.4%) supersectors. T/T/U advances were bolstered by gains in each of its component industries: transportation, warehousing and utilities (+5,600 jobs), wholesale trade (+5,400) and retail trade (+5,100). Educational and health services was up due to increases in both educational services (+7,100 jobs)

and health care and social assistance (+7,500). Employment gain in professional and business services companies were mainly due to a rise in administrative and support services (+11,400 jobs). The biggest detractor to statewide jobholding was the leisure and hospitality supersector (-8,000 jobs or -2.4%).

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

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	15,400	0.8	28,600	0.7
Private Sector	11,000	0.7	29,600	0.9
Construction	2,300	3.8	1,800	1.4
Manufacturing	-2,400	-1.9	-300	-0.1
Trade, Trans. & Utilities	300	0.1	16,100	1.9
Information	-1,000	-2.8	-3,100	-4.1
Financial Activities	-2,500	-1.8	100	0.0
Prof. & Business Svcs.	7,800	2.5	13,200	2.1
Ed. & Health Svcs.	4,200	1.4	14,600	2.3
Leisure & Hospitality	2,800	2.0	-8,000	-2.4
Other Services	-500	-0.6	-4,800	-2.9
Government	4,400	1.6	-1,000	-0.2

Source: NJLWD, Current Employment Statistics

### Bergen-Hudson-Passaic Outpaces the Newark- Union Labor Area

Although jobholding advanced in both of the region's labor areas over the year, payroll gains in the Bergen-Hudson-Passaic (BHP) Labor



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Area accounted for 72 percent of the growth in the region. Employment in the labor area advanced by 11,100 or 1.2 percent to total 910,100 jobs in December 2014 and marked the fifth consecutive December-to-December payroll increase in the BHP Labor Area. In the Newark-Union Labor Area, payrolls were up by 4,300 or 0.4 percent since December 2013, reaching 1,001,700 jobs in December 2014. Since 2009, the BHP Labor Area has outpaced Newark-Union in job growth (+3.7% vs +1.3% respectively) over the five year period. The region is a key economic driver of employment in the state, accounting for 47.9 percent of jobholding.

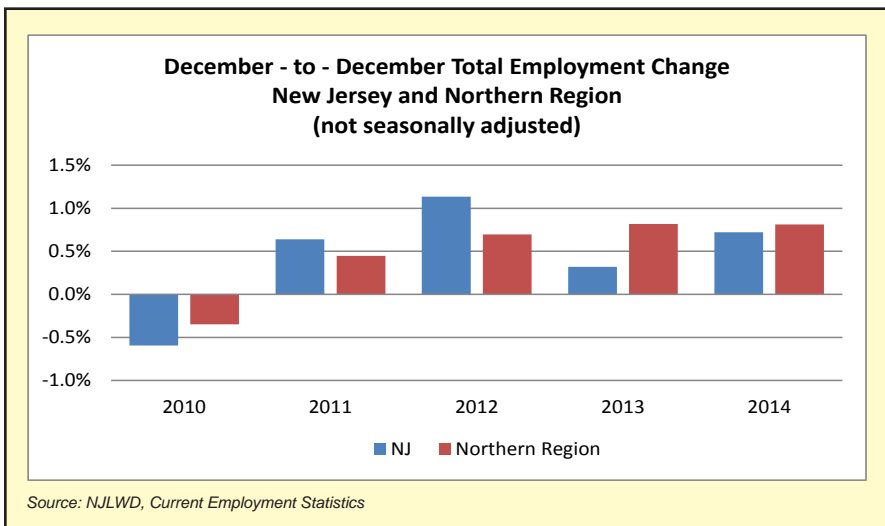
In the BHP Labor Area, professional and business services (+9,800 jobs or +6.8%) experienced the largest gain in employment. The 9,800 job gain is the most significant increase in the sector over the past five years. Administrative/support waste management/remediation services (+9,200 jobs or +16.2%) experienced the largest increase within the professional business services sector. Government (+2,500 jobs or +2.1%), educational and health services (+2,500 or +1.7%) and construction (+1,800 or +6.7%) also experienced notable gains. Financial activities (-2,800 jobs or -4.0%) experienced the largest job loss over the period followed by manufacturing (-2,600 jobs or -4.4%). Other industries that declined over the year were: information (-1,000 jobs or -5.7%), trade, transportation and utilities (-400 or -0.2%) and leisure and hospitality (-300 or -0.5%). Despite the decline in information, NBC Universal Technology Center opened in Englewood Cliffs with over 300 workers at the beginning of 2014 which helped offset losses in the sector.

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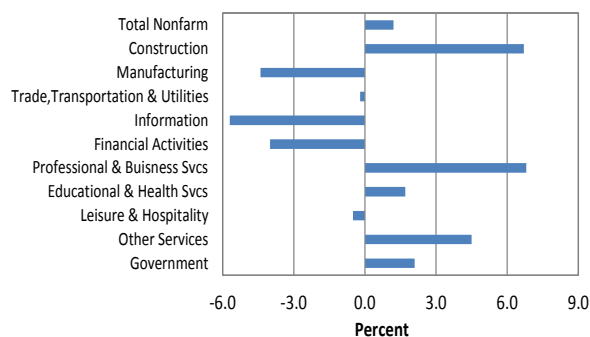
In the Newark-Union Labor Area, the leisure and hospitality sector (+3,100 jobs or +4.1%) experienced the largest payroll gain. Food services/drinking places (+1,400 jobs or +2.6%) accounted for the majority of growth in the leisure and hospitality sector. Government (+1,900 jobs or +1.2%), educational and health services (+1,700 or +1.1%), trade transportation and utilities (+700 or +0.3%) and construction (+500 or +1.5%) also experienced notable employment gains. Jobholding was down in just two sectors in the Newark-Union Labor Area. Other services (-2,100 jobs or -4.6%) and professional and business services (-2,000 or -1.2%) shed jobs over the period. Administrative support/waste management/remediation services (-3,600 jobs or -5%) accounted for the majority of the loss in the professional and business services sector. A major contributor to the losses in professional and business services in the Newark-Union Labor Area was Novartis Pharmaceuticals, who announced layoffs in February and April of 2014. In New Jersey, the job losses occurred primarily at their headquarters in East Hanover and totaled over 300 people.

Total Nonfarm Employment (unadjusted December data, employment in thousands)						
	2009	2010	2011	2012	2013	2014
New Jersey	3,903.1	3,879.9	3,904.7	3,949.0	3,961.6	3,990.2
Northern Region	1,866.2	1,859.7	1,868.0	1,881.0	1,896.4	1,911.8
Bergen-Hudson-Passaic Labor Area (Bergen, Hudson and Passaic counties)	877.5	882.3	886.1	892.8	899.0	910.1
Newark-Union Labor Area (Essex, Hunterdon, Morris, Sussex and Union counties)	988.7	977.4	981.9	988.2	997.4	1,001.7

Source: NJLWD, Current Employment Statistics

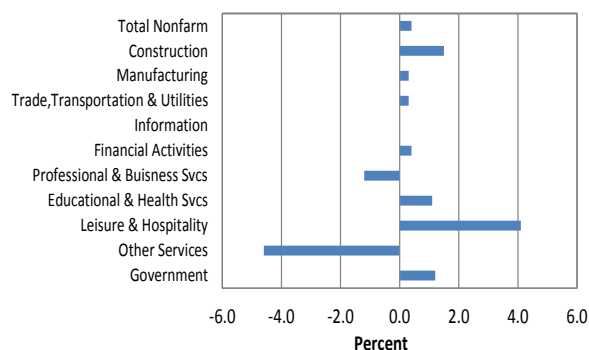


**Employment Change by Industry, Dec 2013 - Dec 2014  
Bergen-Hudson-Passaic Labor Area  
(not seasonally adjusted)**



Source: NJLWD, Current Employment Statistics

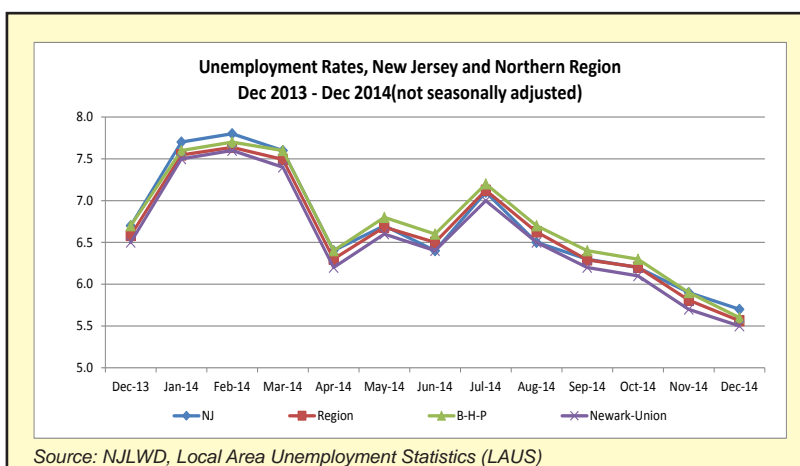
**Employment Change by Industry, Dec 2013 - Dec 2014  
Newark-Union Labor Area (not seasonally adjusted)**



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](http://lwd.dol.state.nj.us/labor/lpa/employ/ces/ces_index.html)

## LABOR FORCE DATA

- In December 2014, the non-seasonally adjusted unemployment rate for the Northern Region (5.6%) was slightly below the statewide rate (5.7%) and 1.0 percentage point lower than the December 2013 regional rate of 6.6 percent. Resident employment in the region was up by 57,400 (+2.9%), while the regional labor force was up by 38,400 (+1.8%) since December 2013. There were 19,100 (-13.9%) 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 due to increased resident employment and an expanded labor force. In the Newark-Union Labor Area the unadjusted unemployment rate during December 2014 was 5.5 percent, down 1.1 percentage points from December 2013 (6.6%). In the area, unemployment rates ranged from a high of 6.7 percent in Essex County to a low of 4.1 percent in Hunterdon County. The Bergen-Hudson-Passaic Labor Area's December 2014 unadjusted unemployment rate of 5.6 percent was a 1.1 percentage point improvement over the same month a year ago (December 2013, 6.7%). By county, the area's unemployment rates for December 2014 were: Passaic County, 6.9 percent; Hudson County, 6.2 percent; and Bergen County, 4.6 percent.

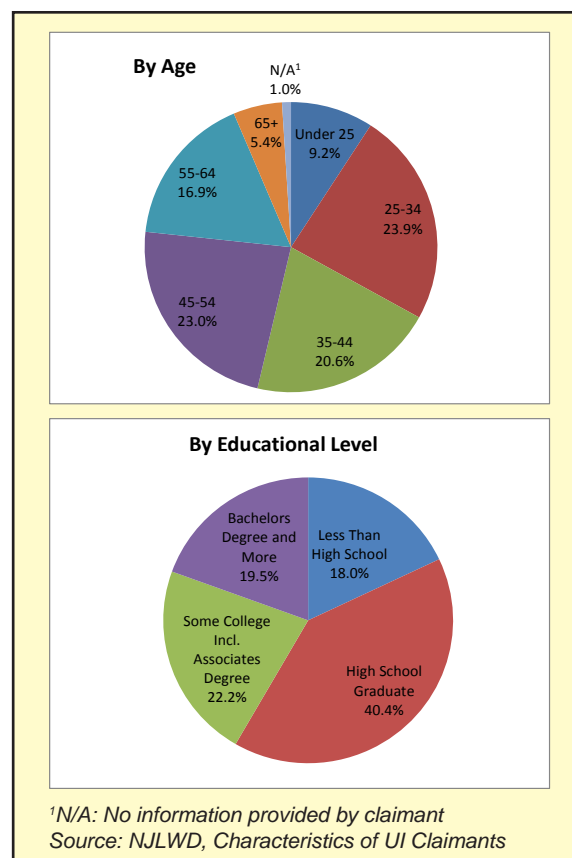


More detailed data from the Local Area Unemployment Statistics (LAUS) program can be found at:  
[http://lwd.dol.state.nj.us/labor/lpa/employ/uirate/lfest\\_index.html](http://lwd.dol.state.nj.us/labor/lpa/employ/uirate/lfest_index.html)

### CHARACTERISTICS OF NEW JERSEY'S INSURED UNEMPLOYED NORTHERN REGION, FOURTH QUARTER 2014

CLAIMANTS BY OCCUPATIONAL GROUP		
	Number	Percent
Management	6,267	7.8
Business and financial	3,273	4.1
Professional and related	10,304	12.8
Services	14,492	18.0
Sales and related	6,013	7.5
Office and administrative support	11,792	14.7
Farming, fishing and forestry	213	0.3
Construction and extraction	6,524	8.1
Installation, maintenance and repair	2,841	3.5
Production	7,548	9.4
Transportation and material moving	10,695	13.3
Military	362	0.5

- In the fourth quarter of 2014, 43 percent of New Jersey's insured unemployed claiming continued benefits resided in the Northern Region. During the quarter, 80,371 regional residents claimed benefits, an improvement of 42,227 (-34.4%) from the fourth quarter of 2013. The office and administrative support (-8,351 or -41.5%) and services (-5,997 or -29.3%) 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 fourth quarter of 2014 were previously employed in the professional and business services (15,439) and trade, transportation and utilities (15,124) sectors. These sectors are also the largest in terms of overall employment in the region.
- The Newark-Union Labor Area was home to the region's county with the most claimants (Essex County, 17,566 claimants) as well as the county with the least claimants (Hunterdon County, 2,086 claimants). The three-county Bergen (12,242)/Hudson (12,115)/Passaic (12,163) Labor Area was responsible for 45.5 percent of the region's claimants.



## SPECIAL NOTE REGARDING LABOR MARKET AREA DEFINITIONS

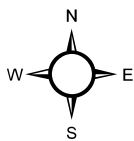
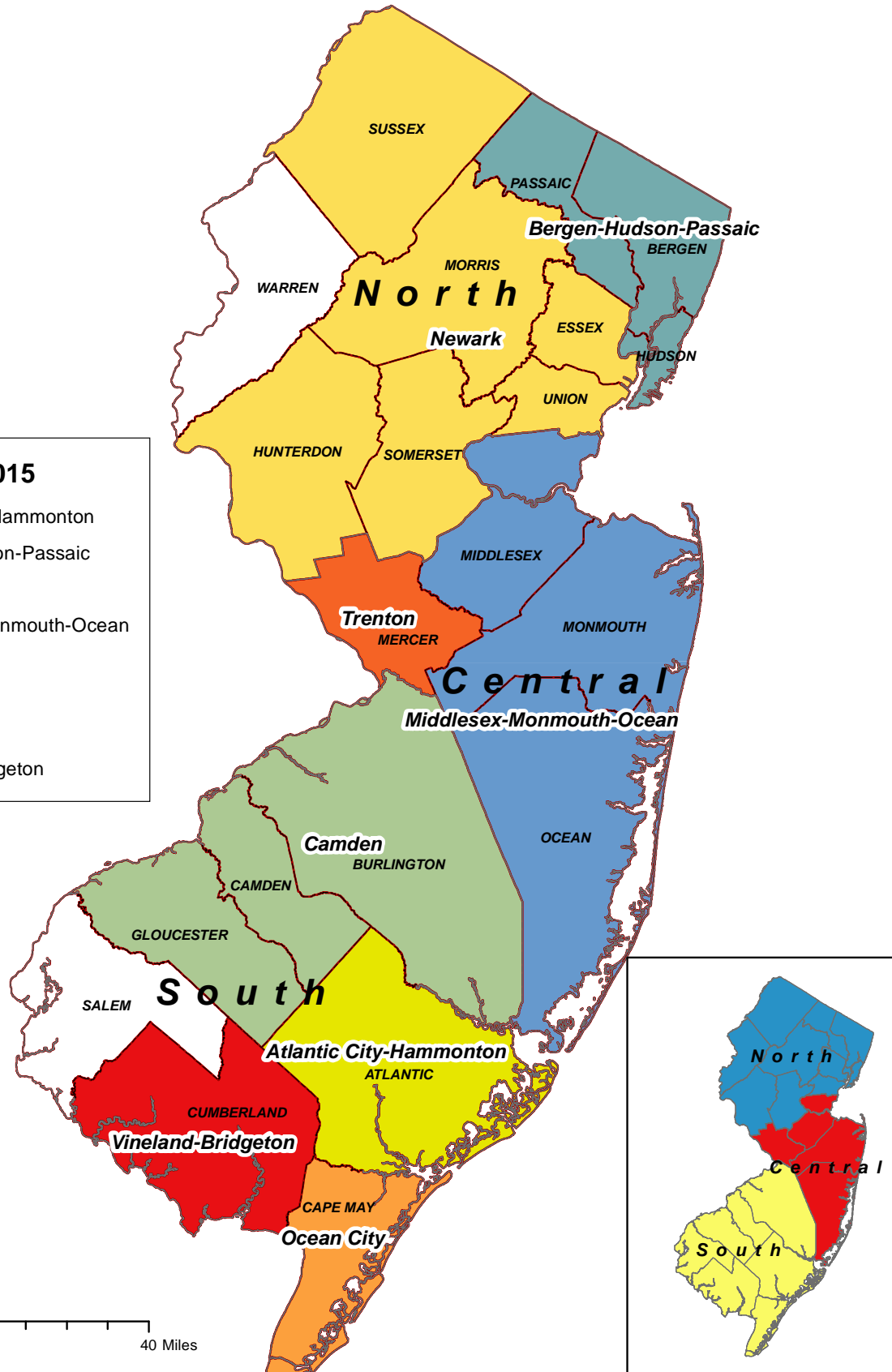
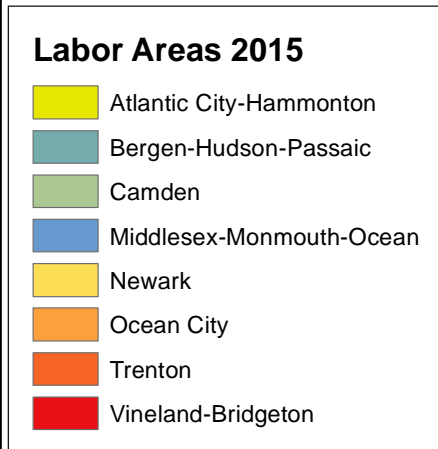
Starting with the publication of January 2015 data on March 17th, New Jersey's Department of Labor and Workforce Development will release nonfarm employment estimates and labor force statistics based on new labor market area definitions.

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 & <b>Somerset</b> 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, <b>Somerset</b> , 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



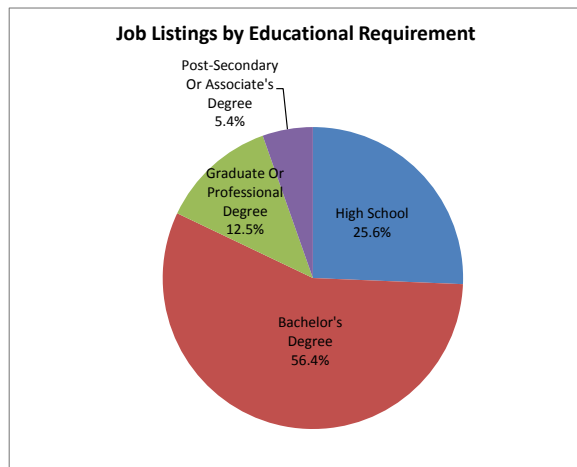
0 10 20 40 Miles

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 OCTOBER 2014 - DECEMBER 2014

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
Essex	21,091
Hudson	18,823
Bergen	18,595
Morris	16,098
Union	9,307
Passaic	6,567
Hunterdon	1,669
Sussex	1,400
Warren	1,171



In the Northern region during the most recent quarter, employers in the professional, scientific and technical services, hospitals, educational services, food services and drinking places and ambulatory health care services exhibited the most occupational demand based on online job listings activities.

Concentrated in Essex, Hudson, Bergen and Morris counties, employers indicated that they were actively seeking workers with sales, accounting, scheduling, mathematics and technology-related SQL, Oracle and JAVA skills. The types of positions they were interested in filling included registered nurses, tractor-trailer drivers, retail salespersons, sales representatives and computer systems analysts.

Of the regional job listings in the fourth quarter for which educational requirements were provided, more than half required a bachelor's degree.

OCCUPATIONS WITH THE MOST LISTINGS	
Occupation	Listings
Registered Nurses	3,216
Heavy and Tractor-Trailer Truck Drivers	2,731
Retail Salespersons	2,507
Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	2,489
Computer Systems Analysts	2,056
First-Line Supervisors of Retail Sales Workers	1,785
Software Developers, Applications	1,757
Medical and Health Services Managers	1,585
Customer Service Representatives	1,575
Computer User Support Specialists	1,566
Computer Programmers	1,463
Managers, All Other	1,347
First-Line Supervisors of Food Preparation and Serving Workers	1,133
Database Administrators	1,073
Management Analysts	1,050

INDUSTRIES WITH THE MOST JOB LISTINGS	
Industry	Listings
Professional, Scientific, and Technical Services	6,000
Hospitals	4,531
Educational Services	3,500
Food Services and Drinking Places	3,208
Ambulatory Health Care Services	2,795
Insurance Carriers and Related Activities	2,696
Credit Intermediation and Related Activities	2,645
National Security and International Affairs	2,421
Administrative and Support Services	1,560
Accommodation	1,336
Chemical Manufacturing	1,302
Truck Transportation	1,302
General Merchandise Stores	1,227
Food and Beverage Stores	1,094
Securities, Commodity Contracts, and Other	912
Financial Investments and Related Activities	

TOP SKILLS IN DEMAND	
Skill	Listings
Sales	5,467
Accounting	5,136
SQL	3,838
Scheduling	3,497
Oracle	3,404
JAVA	3,280
Mathematics	3,141
Business Management	2,675
Collaboration	2,674
Repair	2,573
Store Management	2,394
Business Development	2,392
Business Process	2,222
Cleaning	2,085
SAP	2,027

EMPLOYERS WITH SIGNIFICANT ONLINE JOB LISTING ACTIVITY
Burger King
Wyzant
Barnabas Health
JP Morgan Chase Company
ShopRite / Wakefern
Freeman Marketing
Pricewaterhousecoopers
Barnabas Health Medical Group
Prudential
Marriott International Incorporated
H&R Block
Hackensack University Medical Center
Workinsports
Sears
Cognolink

Source: Burning Glass Technologies, Labor Insight

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

## Pearson Education and Jet.com Move Into New Hoboken Headquarters

New tenants at Waterfront Corporate Center III, the last phase in a mixed-use business complex developed by SJP Properties, is bringing jobs to the Hoboken (Hudson County) waterfront. Pearson Education moved into the new facility in January. The textbook publisher is leasing 200,000-sq.ft. in the building located along River Street bringing 900 jobs to Hoboken, from operations in Upper Saddle River and Old Tappan (Bergen County). Pearson received an Urban Transit Hub Tax Credit from the New Jersey Economic Development Authority of up to \$66 million for keeping these jobs in New Jersey.

Online shopping startup Jet.com also signed a lease for 40,000-sq.ft. of space in the expanded complex. Jet.com, which currently has offices in Montclair (Essex County), plans to launch in 2015. The company plans to operate their shopping site as a membership shopping club such as BJ's Wholesale Club or Costco. Jet.com is expected to bring a significant number of new jobs to Hoboken.

## New Medical School Proposed for Former Roche Site

Seton Hall University and Hackensack University Health Network announced plans to partner to create a new private medical school. The medical school,

proposed to open in 2017, would be located at the former Hoffmann La Roche pharmaceutical site along Route 3 at the Clifton (Passaic County)-Nutley (Essex County) border. The 100-acre Roche site has been empty since the company left in 2009. The school is expected to occupy 14 acres of the complex and anchor for further redevelopment of the facility. Before the school can open, the plan must first receive approval from a joint committee of the American Medical Association and the Association of American Medical Colleges.

## Companies Now Doing Business in the Garden State

The Northern Region, and in particular the Hudson County waterfront, continues to attract businesses from other states. Some recent firms that have moved to New Jersey include: Charles Komar & Sons, a privately held maker of sleepwear and other retail apparel, which is relocating its office space and showrooms from New York City to Jersey City (Hudson County). The move is expected to bring nearly 500 jobs to the state. Forbes Media recently moved roughly 350 workers across the river from New York City to new offices located in Jersey City (Hudson County). Trascient Management Consulting LLC, a global real estate and facilities management consulting firm, is opening a new global headquarters in Summit (Union County). This centralized location will accommodate

future growth needs. The company, which relocated from Arlington, Virginia, moved all of its administrative, finance and marketing workers to New Jersey.

### **Izod Center to Close After 34 Years**

State officials announced in January that the Izod Center will hold its last show at the end of March. The Izod Center, which opened in 1981, has been faced with decreasing revenues in recent years after the loss of professional sports franchises and increased competition after the opening of new arenas in Newark (Prudential Center) and Brooklyn (Barclays Center). Under an agreement approved by the sports authority, the Prudential Center will receive the hosting rights of the Izod Center's future events. Roughly 1,100 workers will be impacted by the closing of the Izod Center.

### **Mercedes Leaving New Jersey for Atlanta**

Mercedes-Benz USA announced in January 2015 that it will relocate its U.S. corporate headquarters from Montvale (Bergen County) to a facility in Atlanta, Georgia. The move, which will affect approximately 1,000 New Jersey employees, is expected to begin in July. However, several operations including a parts distribution center and regional office, will remain at the 37-acre Montvale campus.

### **Retail Stores Close in North Jersey**

The Macy's department store in Ledgewood Mall (Roxbury Township, Morris County) is scheduled to close this spring, idling approximately 79 workers. The Ledgewood Mall location is one of 14 stores across the country and the only New Jersey store that Macy's plans to close this year. The closings are part of a restructuring effort.

Woman's clothing retailer Wet Seal closed several stores throughout New Jersey, part of a 338-store shutdown across the country. In the Northern Region, stores in Rockaway Townsquare (Rockaway, Morris County), Livingston Mall (Livingston, Morris County), and Garden State Plaza (Paramus, Bergen County) all closed down by the beginning of 2015. Statewide, the closings resulted in a loss of roughly 100 jobs.

Saks Fifth Avenue closed its Hackensack (Bergen County) store in December. Roughly 100 sales

associates were affected by the closure. The luxury retailer will continue to operate their New Jersey location at The Mall at Short Hills (Essex County).

### **Construction Begins on Commuter Rail Line to Sussex County**

Construction began in January on a new commuter rail line in Sussex County. Plans call for train service to be extended 7.3 miles from the Port Morris rail yards to Andover Township. The new rail line will connect to New Jersey Transit's existing Morris & Essex lines at Port Morris Junction in Roxbury, and to Mid-town Direct service to New York in Dover. The new stretch is the first phase of a larger plan to connect service of 31-miles of abandoned rail line that runs through Sussex and Warren counties to Pennsylvania.

### **Eateries Expand in North Jersey**

Several restaurant chains are expanding across the region. Companies like Jersey Mike's and Potatopia continue to sprout up across northern New Jersey. Jersey Mike's, a popular sandwich chain, recently signed five leases in the region – that will be located in East Hanover, West Orange, Warren, and two new locations in Wayne. Similarly, Potatopia, an all-potato concept restaurant, recently held a grand opening at the Newport Centre Mall in Jersey City (Hudson County). This is the company's fourth location in the state.

### **Company Relocations**

Gnutti Carlo USA, a valve and fuel injection device manufacturing firm, is closing its factory in Northvale (Bergen County). The company, which was acquired by WH Industries, plans to centralize its U.S. operations which will result in the relocation of 86 jobs out of state. Kurt Versen Co. a lighting products manufacturer, will be laying off about 100 workers and relocating from Westwood (Bergen County). As of the time of this writing, the firm's future site had not been announced.

Schwan Cosmetics USA announced plans to consolidate operations from two facilities in Piscataway (Middlesex County) to a location in Tennessee. The move is expected to occur in April resulting in the loss of over 100 New Jersey jobs.