

NEW JERSEY

ECONOMIC INDICATORS

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NEW JERSEY DEPARTMENT OF

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LABOR AND WORKFORCE DEVELOPMENT
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NEW JERSEY ECONOMIC INDICATORS

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November Feature Article

Employment in New Jersey's Labor Areas Annual Review and Outlook Series

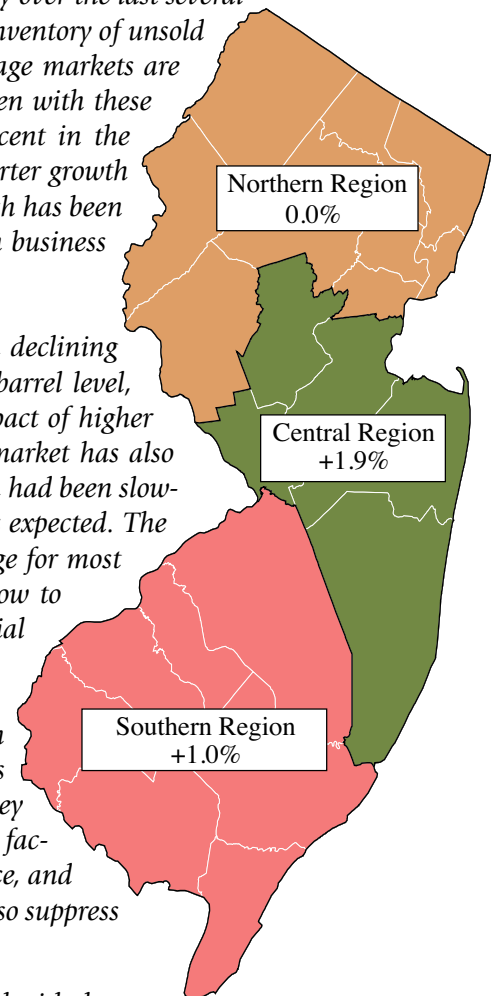
Employment growth in New Jersey over the next several months will be influenced, as always, by developments in the national and regional economies as well as the world economy.

The national economy has been marked by a high level of volatility over the last several months. The deepening problems in residential real estate, where the inventory of unsold homes continues at high levels, and problems in the sub-prime mortgage markets are the two most serious problems undermining the national economy. Even with these problems, Gross Domestic Product (GDP) grew by a robust 3.8 percent in the second quarter of this year and by 3.9 percent in the third. Third quarter growth was supported by a rebound in personal consumption expenditures which has been week in the second quarter, by strong growth in exports, and growth in business investment.

Despite the positive GDP growth, consumer confidence has been declining since July. Oil prices are continuing to move toward the \$100.00 a barrel level, raising concerns about the price of heating oil this winter and the impact of higher heating oil prices on personal consumption expenditures. The stock market has also experienced large day-to-day changes. National nonfarm payroll growth had been slowing but the October estimate of 166,000 was double what most experts expected. The national unemployment rate has remained in the 4.5-4.7 percent range for most of the year. Most experts still expect the national economy to have slow to moderate growth over the next year as continuing problems in residential real estate and the credit markets slow the overall level of growth.

In New Jersey, nonfarm employment payroll employment growth has been picking up over the last few months but New Jersey growth is still slower than that of the nation and neighboring states. The New Jersey unemployment rate has remained beneath the national rate. The same factors, weakness in residential construction, declining consumer confidence, and rising energy prices, that will slow economic growth in the nation will also suppress economic growth in New Jersey and the region over the near term.

The analyses of New Jersey's regions and labor areas were prepared with data available through September 2007 to summarize economic trends during the first three quarters of the year. The data is not adjusted for seasonal variations. Unless otherwise noted, all employment data are nine-month averages for the year cited above or are based on comparisons of nine-month averages. Additionally, the analyses include an outlook for 2008 highlighting local area industry developments which could cause local area economies to show growth patterns that differ from that of the state.



Statewide Summary

From 2006 to 2007, non-farm payroll employment increased by 22,000 or 0.5 percent to reach 4,084,400, based on nine-month averages. This marked the fourth consecutive year that employment in New Jersey has increased. Since 2003, New Jersey's employment has increased

Table 1

Change in Employment by Industry Supersector New Jersey and Labor Areas: 2006 — 2007

<i>(in thousands, based on nine-month averages)</i>			Goods Producing			Service Providing	
<u>Labor Area (counties)</u>	<u>Total Nonfarm</u>	<u>Private Sector</u>	<u>Total Goods Producing</u>	<u>Natural Resources, Mining and Construction</u>	<u>Manufacturing</u>	<u>Total Service Providing</u>	<u>Trade, Transportation and Utilities</u>
New Jersey	22.0	16.7	-9.7	-2.1	-7.6	31.7	-0.3
Atlantic City (Atlantic)	-2.8	-2.9	-0.6	-0.6	0.0	-2.2	0.6
Bergen-Hudson-Passaic (Bergen, Hudson & Passaic)	-2.1	-3.4	-4.8	-1.3	-3.5	1.4	-1.0
Camden (Burlington, Camden & Gloucester)	10.4	8.0	-1.5	-0.9	-0.6	11.9	1.7
Edison (Middlesex, Monmouth, Ocean & Somerset)	7.2	5.6	-1.4	-0.2	-1.2	8.6	-1.7
Newark-Union (Essex, Morris, Sussex, Union & Hunterdon)	2.9	0.7	-3.8	-0.1	-3.7	4.5	1.6
Ocean City (Cape May)	0.5	0.6	0.0	N/A	N/A	0.5	0.4
Salem (Salem)	0.1	0.0	0.1	0.1	0.0	0.0	-0.2
Trenton-Ewing (Mercer)	4.5	2.3	0.0	-0.1	0.1	4.5	0.4
Vineland-Millville-Bridgeton (Cumberland)	0.1	0.4	-0.3	0.0	-0.3	0.4	0.3
Warren (Warren)	0.0	-0.1	-0.2	0.0	-0.2	0.1	0.1

Service Providing (cont.)						Public	
<u>Labor Area (counties)</u>	<u>Information</u>	<u>Financial Activities</u>	<u>Professional and Business Services</u>	<u>Education, Health and Social Services</u>	<u>Leisure and Hospitality</u>	<u>Other Services</u>	<u>Government</u>
New Jersey	0.0	2.5	10.6	11.0	0.9	1.7	5.3
Atlantic City (Atlantic)	0.0	0.2	-0.1	0.1	-3.2	0.1	0.1
Bergen-Hudson-Passaic (Bergen, Hudson & Passaic)	-0.5	0.3	-2.4	0.9	1.8	2.3	1.3
Camden (Burlington, Camden & Gloucester)	-0.2	0.8	1.7	1.7	2.1	1.7	2.4
Edison (Middlesex, Monmouth, Ocean & Somerset)	1.0	0.4	2.3	1.4	0.9	2.7	1.6
Ocean City (Cape May)	N/A	N/A	N/A	0.0	0.9	N/A	-0.1
Newark-Union (Essex, Morris, Sussex, Union & Hunterdon)	0.4	-0.3	0.6	2.2	-0.7	0.7	2.2
Salem (Salem)	0.0	0.0	0.1	0.1	-0.1	0.0	0.1
Trenton-Ewing (Mercer)	-0.3	0.1	0.9	0.3	0.8	0.1	2.2
Vineland-Millville-Bridgeton (Cumberland)	0.0	0.0	-0.1	0.2	0.0	0.3	-0.3
Warren (Warren)	0.0	-0.1	0.2	-0.1	0.0	0.0	0.1

Source: New Jersey Department of Labor and Workforce Development, Division of Labor Market & Demographic Research. N/A: Not Available.

Table 2

Percent Change in Employment by Industry Supersector New Jersey and Labor Areas: 2006 — 2007

(in percent, based on nine-month averages)

Labor Area (counties)	Total Nonfarm	Private Sector	Goods Producing			Service Providing	
			Total Goods Producing	Natural Resources, Mining and Construction	Manu- facturing	Total Service Providing	Trade, Trans- portation and Utilities
New Jersey	0.5	0.5	-1.9	-1.2	-2.3	0.9	0.0
Atlantic City (Atlantic)	-1.8	-2.2	-5.4	-8.5	0.0	-1.5	2.8
Bergen-Hudson-Passaic (Bergen, Hudson & Passaic)	-0.2	-0.4	-4.4	-4.0	-4.6	0.2	-0.5
Camden (Burlington, Camden & Gloucester)	1.9	1.8	-2.0	-3.4	-1.3	2.5	1.4
Edison (Middlesex, Monmouth, Ocean & Somerset)	0.7	0.6	-1.1	-0.4	-1.6	1.0	-0.8
Newark-Union (Essex, Morris, Sussex, Union & Hunterdon)	0.3	0.1	-2.8	0.2	-4.1	0.6	0.8
Ocean City (Cape May)	1.1	1.7	0.0	N/A	N/A	1.2	4.7
Salem (Salem)	0.4	0.0	2.3	9.1	0.0	0.0	-3.3
Trenton-Ewing (Mercer)	1.9	1.3	0.0	-1.6	1.2	2.0	1.2
Vineland-Millville-Bridgeton (Cumberland)	0.2	0.8	-2.3	0.0	-3.1	0.8	2.4
Warren (Warren)	0.0	-0.3	-2.5	0.0	-3.6	0.4	1.1

Labor Area (counties)	Service Providing (cont.)						Public Government
	Information	Financial Activities	Professional and Business Services	Education, Health and Social Services	Leisure and Hospitality	Other Services	
New Jersey	0.0	0.9	1.8	1.9	0.3	1.1	0.8
Atlantic City (Atlantic)	0.0	4.4	-1.0	0.5	-5.4	2.4	0.4
Bergen-Hudson-Passaic (Bergen, Hudson & Passaic)	-2.0	0.4	-1.8	0.7	2.9	6.0	1.1
Camden (Burlington, Camden & Gloucester)	-2.2	2.3	2.4	2.2	5.1	7.1	2.7
Edison (Middlesex, Monmouth, Ocean & Somerset)	3.3	0.6	1.4	1.0	1.1	5.6	1.1
Ocean City (Cape May)	N/A	N/A	N/A	0.0	8.0	N/A	-1.0
Newark-Union (Essex, Morris, Sussex, Union & Hunterdon)	1.6	-0.4	0.4	1.6	-1.1	1.5	1.3
Salem (Salem)	0.0	0.0	6.7	2.9	-5.0	0.0	2.1
Trenton-Ewing (Mercer)	-5.0	0.6	2.4	0.7	5.3	1.0	3.3
Vineland-Millville-Bridgeton (Cumberland)	0.0	0.0	-2.6	2.2	0.0	12.5	-2.0
Warren (Warren)	0.0	-10.0	5.7	-1.6	0.0	0.0	1.5

Source: New Jersey Department of Labor and Workforce Development, Division of Labor Market & Demographic Research. N/A: Not Available.

by 118,700 or 3.0 percent. The state's three regions (Northern, Central and Southern) all recorded numeric increases in employment.

The Central region had the largest numerical and percentage gain, with employment increasing by 11,700 or 0.9 percent and was responsible for over half (53.1%) of the overall statewide job increase. The region's Edison Labor Area accounted for 32.7 percent (7,200) of the statewide growth and 61.5 percent of the job gain within the region.

The Southern region overall, increased by 8,300 or 1.0% over the year. The Camden Labor Area located in the Southern Region had a robust increase in employment of 10,400 and accounted for 47.3% of the statewide growth. The region's Atlantic City Labor Area, however, was one of two areas statewide that had declines in employment (2,800 or -1.8%) over the previous year.

Although the state's Northern region showed a small numeric increase from 2006 (800 or 0.0%) the area still accounted for nearly half (1,971,600 or 48.3%) of total statewide employment in 2006. The Newark-Union labor area had an employment gain of 2,900 or 0.3 percent and the Bergen-Hudson-Passaic labor area declined by 2,100 or 2.1 percent.

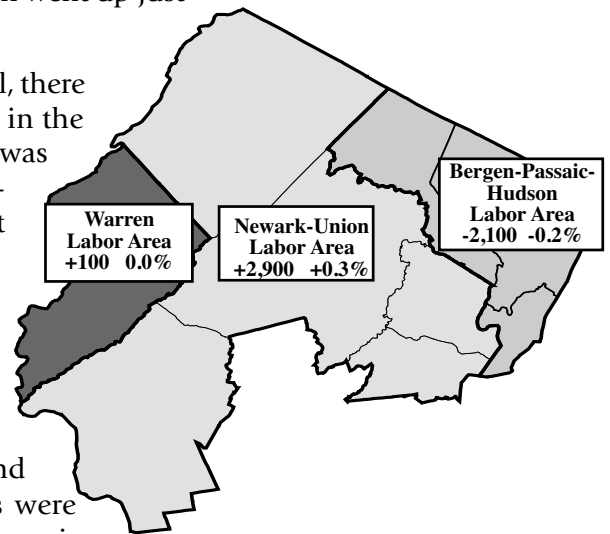
Northern Regional Summary

After posting a gain of 7,000 in 2006, total nonfarm employment in the nine-county Northern New Jersey Region was virtually unchanged in 2007. Based on nine-month averages (January to September), employment in the region went up just 800 to total 1,971,600 in 2007.

While the over-the-year change may have been marginal, there were significant changes within the labor areas contained in the region. A gain of 2,900 jobs in the Newark Labor Area was mostly offset by the loss of 2,100 jobs in the Bergen-Hudson-Passaic Labor Area. In comparison, statewide employment grew 0.5 percent over the same period.

In the nine-county region, a gain of 9,600 jobs in the service-providing sector just barely offset a loss of 8,800 jobs in the goods-producing sector. The largest gains were in government (+3,600), other services and educational and health services (+3,000 each), and leisure and hospitality (+1,100). Cancelling out most of these gains were losses in manufacturing (-7,400), professional and business services (-1,600), and construction (-1,400).

Job growth in the Northern Region is expected to be modest, at best, in 2008. Because the population is projected to keep growing, there will be a need for more jobs in educational and health services, government, and retail trade. The negative job trend in manufacturing is expected to continue.



Growth in Nonfarm Employment: 2002— 2007 Based on January to September Averages

	Growth Rates (Percent)					2007 Employment (000)
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	
Northern NJ Region	0.6	-0.1	-0.1	0.4	0.0	1,971.6
<u>Labor Areas</u>						
Bergen-Hudson-Passaic Labor Area	0.5	-0.4	0.2	0.1	-0.2	898.6
Newark-Union Labor Area	0.7	-0.1	-0.4	0.7	0.3	1,033.8
Warren Labor Area	1.7	7.7	3.3	-2.7	0.0	39.2
New Jersey	-0.3	0.4	1.1	0.9	0.5	4,084.4

Source: New Jersey Department of Labor and Workforce Development, Division of Labor Market & Demographic Research.

Bergen-Hudson-Passaic Labor Area Review of 2007 and Outlook for 2008 (Bergen, Hudson and Passaic Counties)

by James McGarry, Bureau of Labor Market Information

In 2007, total nonfarm wage and salary employment in the Bergen/Hudson/Passaic Labor Area was affected by a slumping housing market, problems in the mortgage industry, weakening consumer demand, and the shrinking manufacturing sector. Employment averaged 898,600, down 0.2 percent (-2,100 jobs) from 2006, based on nine-month averages (January to September). In contrast, statewide employment grew 0.5 percent during the same period. Since reaching a recessionary low of 897,400 in 2002, employment in the three-county labor area has increased just 0.1 percent, significantly slower than the state's 2.7 percent gain.

In the labor area, job losses this year were concentrated in the manufacturing (-3,500), professional and business services (-2,400), construction (-1,300), and trade, transportation and utilities (-1,000) industry sectors. In manufacturing, the losses, which have been steady since 1998, were equally divided between the durable goods and non-durable goods segments. The labor area's rate of loss was twice as fast as the state's (-4.6% vs. -2.3%). With stiff competition and high operating costs, manufacturers continued to cutback, close or move production to lower cost areas. H.C. Starck, a producer of metal and ceramic powders, completed its move from Carlstadt (-125 jobs) to Cleveland, Ohio, in September. Imagine Screen Printing & Production, which prints T-shirts and sweatshirts, relocated from Passaic City (-160 jobs) to Middlesex County in July and Inverness Corp., a manufacturer of sterile ear piercing systems, consolidated operations from Fair Lawn (-149 jobs) to North Carolina in January. Based on nine-month averages, the number of manufacturing jobs in the labor area dropped from 156,400 in 1990 (earliest employment data by NAICS code available) to 72,700 in 2007, a loss of 83,700 or 53.5 percent. The state lost 40.4 percent of its manufacturing jobs over the same period.

Employment in professional and business services declined for the second straight year. With a slowing economy, demand has dropped for professional, scientific, technical (-1,000 jobs) and administrative support and waste management and remediation services (-1,400 jobs). This industry sector provides services to businesses and individuals, such as legal, accounting/payroll, engineering, computer, human resources, administrative support, building maintenance, and security. In June, Givaudan Flavors, Inc., a Swiss-based producer of flavors and fragrances, closed its facility in Teaneck and transferred operations and about 200 employees to Morris County. Investigation and security services was the only segment to post a significant gain (+1,000 jobs) in 2007.

The loss in trade, transportation and utilities was mostly in retail trade (-1,000 jobs). Much of this loss resulted from a drop in consumer demand caused, in part, by the crisis in the mortgage industry and to job security worries. Food and beverage stores and general merchandise stores each posted a loss of 500 jobs from the same period in 2006.

Although total employment in the Bergen/Hudson/Passaic Labor Area was down in 2007, there were job gains in some industry sectors. The more significant ones were in other services (+2,300), leisure and hospitality (+1,800), and government (+1,300). Population growth in the labor area and surrounding counties helped fuel the job growth in other services and government, primarily at the local level (+1,700). Other services include automotive repair and maintenance services, personal care and laundry services, and religious, grantmaking, civic, and professional organizations.

In leisure and hospitality, the positive job growth trend, which began in 1993, continued in 2007. From 1993 to 2007, 17,000 jobs were created, a growth rate of 36.9 percent that was faster than the state's 29.0 percent gain. During the first nine months of 2007, job gains occurred mainly in accommodation and food services (+1,000), which includes hotels, full-service restaurants and limited-service (fast food) eating places. Maggiano's Little Italy and P.F. Chang's recently opened at Riverside Square Mall in Hackensack with over 400 employees and Grand Lux Café opened in the Garden State Plaza in Paramus with over 180 employees.

The Bergen/Hudson/Passaic Labor Area's unemployment rate averaged 4.5 percent for the first nine months of 2007, down from 5.0 percent in 2006. The unemployment rate in each county of the labor area also showed improvement from 2006 – Bergen (3.6% vs. 4.1%), Hudson (5.2% vs. 5.8%), and Passaic (5.6% vs. 5.9%). In comparison, statewide unemployment averaged 4.4 percent in 2007, down from 4.9 percent in 2006.

Job growth in 2008 in the Bergen/Hudson/Passaic Labor Area is expected to continue to remain slow and to lag the rest of the state. The industry sectors that could generate employment growth are construction, educational and health services, leisure and hospitality, and other services.

In construction, the employment outlook should continue to be positive in 2008. Large developments currently under construction include: the Meadowlands Xanadu Sport Complex and Giants/Jets Stadium projects in the Meadowlands, the 320,000-sq.ft. retail and entertainment Center City Project in Paterson, the renovation and expansion of the 300,000-sq.ft. Bergen Mall into the new 1.5 million-sq.ft. Bergen Town Center in Paramus, the 55-story first of two residential towers of the Trump Plaza Jersey City development, the 26-story Westin Jersey City hotel in the Newport development, and the 25-story W Hoboken hotel along the Hudson River waterfront.

The positive trend in the leisure and hospitality sector should continue in 2008. More restaurants are expected to open during the year. Rosa Mexicana, a Mexican restaurant at the Riverside Square Mall in Hackensack, is scheduled to open this November with a staff of 200.

The 2008 unemployment rate in the Bergen/Hudson/Passaic Labor Area is expected to continue to be in the 4.0 to 5.0 range.

For more information on the Bergen/Hudson/Passaic Labor Area, please contact James McGarry by e-mail at james.mcgarry@dol.state.nj.us or call (973) 648-3866.

Newark-Union Labor Area

Review of 2007 and Outlook for 2008

(Essex, Hunterdon, Morris, Sussex and Union Counties)

by Ganga Sivakumar, Bureau of Labor Market Information

Total nonfarm wage and salary employment in the five-county Newark/Union Labor Market Area reached a record high of 1,033,800 in 2007, based on nine-month averages (January-September). Employers added 2,900 jobs for a growth rate of 0.3 percent, compared to 0.5 percent statewide. Though positive, this was slower than during the 2005-2006 period when employment grew 0.7 percent in the labor area and 0.9 percent in the state. This moderation in job growth in 2007 was due, in part, to the slowing national economy.

Over the 2006-2007 period, job gains in the labor area's service-providing sector (+6,700) were somewhat overshadowed by losses in the goods-producing sector (-3,800). The more significant service-providing job gains were 2,200 each in educational and health services and government, and 1,600 in trade, transportation and utilities.

Population growth was a key factor in the increased number of jobs in educational and health services and government. Employment in educational and health services reached an 18-year average high of 142,500 in 2007 (1990 employment data by NAICS code is the earliest available). Most of the gain from 2006 occurred in colleges, universities and professional schools and in health care and social assistance. The increase in health care and social assistance was due mainly to hospitals expanding services, such as sports medicine, rehabilitation services, and wellness centers. The labor area is home to several large hospitals, including Trinitas Hospital in Elizabeth and Newark Beth Israel Medical Center and University Hospital in Newark. Education-related hiring at the local level was responsible for most of the job gain in government.

The increase in trade, transportation and utilities was more than three times the gain experienced in 2006 (+1.6% vs. +0.5%). However, the 214,500-job total in 2007 remained below the pre-recession high of 221,700 in 2001. Almost all of the job gain in the labor area was due to growth in the retail trade segment. After losing 100 jobs each in 2005 and 2006, retail trade bounced back with 1,500 new jobs and reached a record high of 103,300 in 2007. Some of the stores that opened during the first nine months of this year included a Super Stop & Shop supermarket in Union Township, an Eckerd drug store in Califon, a Walgreens drug store in Raritan Township, and a Polo Ralph Lauren Children's, Gymboree Outlet, and Michael Kors stores in Flemington. The gain would have been higher except for the loss of

over 250 jobs due to the closing of three chain stores, Rockaway Bedding, Comp USA, and the Rag Shop. Although, the number of jobs in the transportation, warehousing and utilities segment remained virtually unchanged from 2006, the air transportation industry added 900 jobs, reaching a high of 17,000 for 2007. Air services at Newark Liberty International Airport increased due, in part, to hiring by Continental Airlines and to the addition of three new airlines - Silverjet Plc, French L'Avion, and Qatar Airways.

Within the professional and business services industry sector, the picture was mixed in 2007. The sector, which provides services to both companies and individuals that include professional, scientific, technical, management, and administrative support, added 600 jobs during the first nine months in 2007. A gain of 2,600 jobs in professional, scientific and technical services, however, was mostly eclipsed by losses in administrative support and waste management and remediation services (-1,600) and in management of companies and enterprises (-400). Less demand for these services was probably related to a slowing economy.

The five-county labor area's shrinking manufacturing base was largely responsible for the overall loss in the goods-producing sector (-3,800 jobs) from 2006 to 2007. Once the mainstay of the labor area's economy, factory payrolls fell by 3,700 or 4.1 percent, with losses in both the durable goods (-2,300) and non-durable goods (-1,400) segments. These losses were due to automation, closings, cutbacks, mergers, and relocations. Affected industries included chemicals, fabricated metals, food products, paper manufacturing, plastics and rubber products, machinery manufacturing, and nonmetallic mineral products.

The unemployment rate for both the Newark/Union Labor Area and the state averaged 4.4 percent for the first nine months of 2007, down from 4.9 percent in 2006. All five counties in the labor area recorded declines in their unemployment rates, ranging from a drop of 0.6 percentage point in Hunterdon to 0.2 percentage point in Sussex.

Even though total employment in the Newark/Union Labor Market Area reached a record high in 2007 and employment growth has generally been positive since its low point of 907,200 in 1992, there is some uncertainty about which way the job picture will go in 2008. Not until the effects from the tumult in the mortgage industry, a slumping housing market, a declining manufacturing sector, and a weak dollar on the labor area's economy are known will there be a clear picture on whether total job growth will be positive or negative next year.

In the labor area, any job growth is expected to be mainly in trade, transportation and utilities and in educational and health services. In trade, transportation and utilities, more jobs are anticipated in the retail trade and the transportation and warehousing segments. In September, construction began on The Shoppes at Flemington in Flemington. The shopping center will have smaller, high-end merchants, including Ann Taylor Loft, Coldwater Creek, J. Jill, Lane Bryant, New York & Company, Talbots, Limited Too, The Children's Place, and Bensi. The shopping center is expected to open next fall with 30 to 33 retail and food establishments. In Dover, a Bravo supermarket and Walgreen's drug store are scheduled to open this November, creating 70 jobs.

Most of the new jobs in educational and health services are anticipated to be in health and social assistance, which includes home health care services, medical offices, and nursing and personal care facilities. As the area's population continues to expand and age, demand should increase for medical and social services, especially among the poor and the elderly.

There could be some more softening in construction employment in 2008 as some major projects are nearing completion and if residential construction continues to slowdown. Some of the construction projects scheduled for completion this year are the Prudential Center in Newark and the 212-suite Grand Cascades Lodge, a hotel condominium, at the Crystal Springs Resort in Vernon.

Projects underway or about to begin include the three-building Picatinny Applied Research Campus in Rockaway Township; the New Jersey headquarters for L'Oreal USA in Berkeley Heights; the North American Consumer Products Creative Center for Givaudan Flavors, Inc., a Swiss-based producer of flavors and fragrances, in East Hanover; a \$300-million pharmaceutical sciences research center and office campus at the Schering-Plough Research Institute in Summit; and a new corporate headquarters for the Wyndham Worldwide Corporation in Parsippany. Infrastructure projects under construction include the Stickel Bridge (Route 280) over the Passaic River, the Interstate 78 resurfacing and reconstruction in Essex and Union counties while school construction projects include Orange Township, Drew University in Madison, and Union County College in Elizabeth.

The labor area's unemployment rate could fluctuate between 4.5 percent and 5.0 percent in the coming year.

For more information on the Newark-Union Labor Area, please contact Ganga Sivakumar by e-mail at ganga.sivakumar@dol.state.nj.us or call (973) 877-1430.

Warren Labor Area Review of 2007 and Outlook for 2008 (Warren County)

by James McGarry, Bureau of Labor Market Information

In Warren County, total nonfarm employment in 2007 was essentially unchanged from a year ago. Based on nine-month averages (January to September), the county had an average of 39,200 jobs in 2007. Statewide, employment grew 0.5 percent over the same 2006-2007 period. Nevertheless, this was an improvement over the county's loss of 1,100 jobs (-2.7%) in 2006. Since 2000 (latest employment data by NAICS code available for Warren), employment in the county has grown 17.0 percent (+5,700 jobs) compared to the state's 2.7 percent. Most of the county's job gain can be attributed to population growth that resulted from increases in both natural increment (births minus deaths) and migration into the county.

From 2006 to 2007, Warren County had job gains of 200 in professional and business services and 100 each in trade, transportation and utilities, and government that were overshadowed by job losses of 200 in manufacturing and 100 each in financial activities and educational and health services.

The manufacturing sector continued to contract in 2007, but the rate of loss was slower than last year (-3.6% vs. -8.2%). Manufacturing's share of total employment fell from 20.3 percent in 2000 to 13.8 percent in 2007. Even with the job loss this year, there was still some positive news. For example, a former warehouse in Phillipsburg was renovated into

the Walter Park Complex, a 224,000-sq.ft. mixed-use building. This structure has been retrofitted to accommodate nine tenants, including Hunterdon Transformer, a designer and manufacturer of industrial transformers, that transferred 15 jobs from Kenilworth (Union County) and Alpha to the complex in August.

The Warren County unemployment rate for the first nine months of 2007 averaged 3.8 percent, down from 4.3 percent in 2006. Over the same period, the state's average unemployment rate was 4.4 percent in 2007, down from 4.9 percent in 2006.

Even though the employment outlook for Warren County in 2008 is modest at best, the county will continue to attract new residents because of its rural environment, recreational areas, and easy access to Northern New Jersey and New York City via interstates 78 and 80. With population growth that is expected to outpace statewide growth in the years ahead, there will be a need for additional jobs, especially in retail trade, educational and health services, and local government.

In retail trade, Shop-Rite is replacing a smaller supermarket with a larger one in Washington Township. Completion is anticipated for mid-2008 and the workforce will increase from approximately 160 to about 225. Wal-Mart is also replacing a smaller store in Pohatcong Township. Construction should begin in early 2008 with completion expected before the end of the year.

Any job growth in educational and health services will be concentrated in the health care and social assistance segment, while the need for increased staffing of schools could boost payrolls in local government.

The unemployment rate in the Warren County should remain in the 3.5 to 4.5 percent range in 2008.

For more information on Warren County, please contact James McGarry by e-mail at jmcgarry@dol.state.nj.us or call (973) 648-3866.

Central Regional Summary

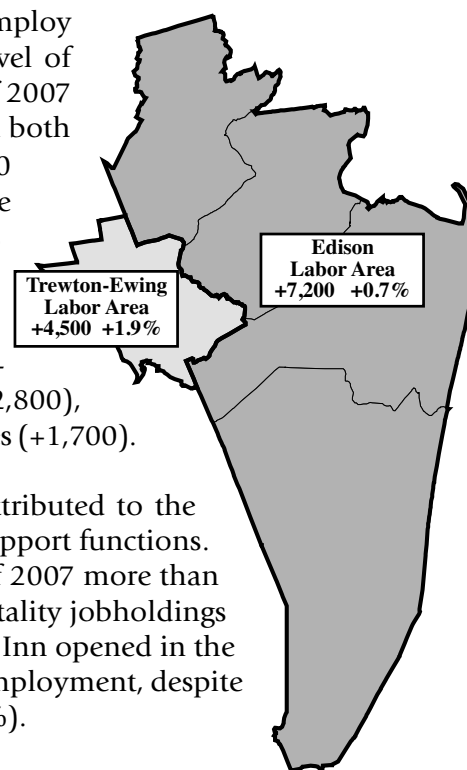
The Central Region recorded growth in total nonfarm employment for the sixteenth consecutive year, reaching a level of 1,278,700, up by a robust 11,700 jobs in the first nine months of 2007 compared with 2006. Employment gains were demonstrated in both of the region's labor areas as the Edison Labor Area added 7,200 jobs and the Trenton-Ewing Labor Area added 4,500 jobs over the nine-month period. The region's growth rate over the period was above the state's growth rate (0.9% vs. 0.5%).

The Central Region's significant employment gain over the first nine months of 2007 occurred in the following private sectors: professional and business services (+3,200), other services (+2,800), leisure and hospitality (+1,700) and educational and health services (+1,700).

The boost in professional and business services can be attributed to the increase of employers utilizing outside businesses to perform support functions. Other services' average employment for the first nine months of 2007 more than doubled compared with last year's (+1,400). Leisure and hospitality jobholdings expanded as hotels such as the Heldrich Center and a Residence Inn opened in the region. Educational and health services continued to generate employment, despite growing at a much lesser rate in 2007 than 2006 (1.0 % vs. 2.3%).

The region's job losses occurred in trade, transportation and utilities (-1,300) and manufacturing (-1,100). The reductions were partially due to companies restructuring their workforce or relocating out of New Jersey.

Economic growth in the Central Region should continue in 2008. The five-county region's projected population of 2,740,200 in 2009 should have an impact on payrolls in the construction, retail trade, and other services industries. Job gains in retail trade should continue to grow as new shopping centers are scheduled to open through the remainder of the year and into the first half of 2008. Construction payrolls should remain steady as ongoing projects continue along with new projects that are scheduled to start in the year. Other services can expect growth due to companies meeting the needs of local residents' busy lifestyle.



Growth in Nonfarm Employment: 2002 — 2007
Based on January to September Averages

	Growth Rates (Percent)					2007
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	Employment (000)
Central Coastal NJ Region	0.6	0.9	0.8	1.6	0.9	1,278.7
<u>Labor Areas</u>						
Edison Labor Area	0.4	0.7	0.5	1.4	0.7	1,032.5
Trenton-Ewing Labor Area	1.6	1.9	2.3	2.5	1.9	246.2
New Jersey	-0.3	0.4	1.1	0.9	0.5	4,084.4

Source: New Jersey Department of Labor and Workforce Development, Division of Labor Market & Demographic Research.

Edison Labor Area Review of 2007 and Outlook for 2008

(Middlesex, Monmouth, Ocean and Somerset Counties)

by Michael Dugan, Bureau of Labor Market Information

Total nonfarm employment in the Edison Labor Area reached a record high level of 1,032,500 during 2007, based on average employment for the January – September period. Increasing for the sixteenth consecutive year payrolls in the labor area expanded by 7,200 or 0.7 percent when compared with 2006, the rate of growth was slightly higher than the states (+0.5%). Since 1991 employment in the five-county labor area has increased by 243,100.

In the goods-producing sector, which saw jobholding decline by 1,400 over the year, manufacturing was the main culprit, accounting for 1,200 of the loss. Factory employment continued to erode as Johnson Controls, a manufacturer of automotive batteries closed its location in New Brunswick and Ferrero USA, Inc., a maker of confectionary products in Somerset, reduced its workforce to consolidate operations to Branford, Connecticut. Also, Eisai, a Tokyo-based pharmaceutical company, moved employees (-225 jobs) from their Bedminster (Somerset County) and Teaneck (Bergen County) locations and moved into a new building in Woodcliff Lakes (Bergen County). Ward Products, a manufacturer of automobile antennas for Ford and Chrysler, closed at the end of December 2006 (-80 jobs).

In the other goods-producing component, for the first time since the 2003-2004 period, construction employment declined (-200). Construction payrolls moved lower mainly due to a slowdown in residential building activity. Comparing August 2007 year-to-date (latest available) data with that of a year ago, new privately owned residential housing units authorized by building permits are considerably down in the Edison Labor Area (5,173 in 2006 vs. 4,195 in 2007) indicating the area is now experiencing the new residential construction slowdown that is being felt nationwide.

Although residential housing units authorized in the Edison Labor Area are down about 19 percent from the same period a year ago, the area still maintains a significant portion of the statewide total. Out of the 16,715 new, residential housing units authorized to be built in New Jersey through August, Ocean (1,298), Monmouth (1,238), Middlesex (1,028), and Somerset (631) counties account for over one quarter (25.1%) of the permits. Many families are still moving to Ocean County, continuing its status as a desirable place to live, ranking it as number one in the state in single-family units authorized. The estimates of resident population reveal that the four counties in the Edison Labor Area account for over 26 percent of New Jersey's total population (July 2006, latest available). This large population base of potential customers will continue to attract businesses to the area.

A further look at the local housing market indicates the Shore region's housing prices have fared better than other parts of the state. For instance, in the second quarter of 2007, the median price for an existing single-family home in Monmouth, Ocean, Middlesex and Somerset counties was \$385,100, down 0.1 percent or \$200 from the same quarter last year. In comparison, the median price in an area that includes Essex, Hunterdon, Morris, Sussex and Union counties fell 6.4 percent. Nationally, prices fell 1.5 percent, according to the National Association of Realtors.

In the service-providing sector, which advanced by 8,600, other services (+2,700), professional and business services (+2,300) and government (+1,600) accounted for the majority of the increase.

Payrolls in other services expanded due to meeting the needs of the area's residents. Other services includes companies doing repair work or providing personal services as well as religious, professional, political, social and civic organizations. Employment in other services rose primarily because of hiring in the personal services component such as hair-styling and nail salons.

In 2005 (latest data available), per capita personal income for the labor area was \$44,297, an increase of 11.8 percent since 2000. The area is home to the second wealthiest county in the state, Somerset County, which had a 2005 per capita personal income of \$61,039, ranking only behind Morris County's \$62,585. Additionally, according to the 2006 American Community Survey, the Edison Metropolitan Division's median household income was 110 percent of the state's median household income (\$71,253 vs. \$64,470). Somerset County also ranked second statewide with a median household income of \$91,288 for 2006. An estimated 57 percent of the families in the area had a family income of \$75,000 or more.

Providing a significant impact to the local economy was The Breeder's Cup – the internationally known thoroughbred horse-racing event was held October 26th and 27th at Monmouth Park in Oceanport. The second day is when the main event — the Breeders' Cup Classic, carrying a purse of \$5 million — took place. Over 80,000 fans came to Monmouth Park with nearly 27,000 on Friday and over 41,000 on Saturday. Wagering at Monmouth on Saturday topped \$12 million with worldwide wagering coming in just over \$112 million, breaking the state of New Jersey records for wagering which were set the previous day during Friday's racing card. Track officials say about \$30 million was spent on renovations and catch-up maintenance dating back two years, geared to getting Monmouth Park ready to host the Breeders' Cup. The economic impact that horse-racing fans provided may top \$60 million due to spending at area hotels, restaurants, convenience stores, movie theaters, car rental agencies and other businesses, according to racetrack and tourism officials.

Banks and retailers are also attracted to the area's affluent residents. For example, Yardville National Bank opened in Woodbridge (January, +20 jobs), Chase Bank (Franklin Park, February, +20 jobs), Hudson City (Old Bridge, June, +20 jobs) and Valley National Bank opened in Hillsborough (May, +15 jobs). Negating some of those gains in the financial activities' sector was a development that occurred during the first two months of this year: Wachovia Bank eliminated a retail credit sales support unit and transferred some of the positions to North Carolina and Alabama, laying off a total of 65 workers.

In retail trade, six arts and crafts Rag Shop stores closed in Monmouth and Ocean counties near the end of July (Wall, Middletown, Brick, Lakewood, Lanoka Harbor and Toms River). Between 10-20 people worked at each location. Despite showing a drop of 1,100 in retail, several notable developments occurred: Stop and Shop opened in Whiting (Manchester Township, Ocean County) with 100 employees in May 2007; at the Heritage Square Shopping Center in South Brunswick, Staples opened (+50 jobs) and in July, Best Buy (+100) and Target (+90) opened. Additionally, The Shoppes at Old Bridge began opening some of its doors in early May 2007. The remaining stores opened later with over 300 workers. Retailers include Ann Taylor Loft, Chico's, Coldwater Creek, New York & Company, White House/Black Market, Children's Place, Gap Kids/Baby Gap, Banana Republic, Gap/Gap Body, Aerosoles, Clarks/Bostonian, Yankee Candle and Corbo Jewelers. Located on the site and expanding the area's leisure and hospitality payrolls are eateries Salaritas, Bensi, and Maggie Moo's.

In leisure and hospitality, which increased payrolls by 900 over the period, the Heldrich Hotel and Conference Center opened in March in New Brunswick with 300 employees and a Gold's Gym opened (May, +75 jobs) in Old Bridge. Old Man Rafferty's opened at the end of August in Asbury Park. About 60 people were hired.

The outlook for the Edison Labor Area remains positive in the immediate future due to its well-balanced industry composition, population growth and state-leading, albeit slowing, housing market. Due to its sheer size, the area's employment growth should continue to remain in line with expansion by the state.

Despite leisure and hospitality and retail trade's high turnover in employment, these sectors should see a boost in employment as the "outdoor lifestyle center" addition at Freehold Raceway Mall opened in early November 2007. Tenants in the new center include P.F. Chang's China Bistro, Borders Books, Ann Taylor, Chico's, Coldwater Creek, White House Black Market, Territory Ahead and Jared the Galleria of Jewelry. The Cheesecake Factory opened in the mall's expansion in October, adding about 100 jobs. Additionally, the lifestyle center, The Shoppes at North Brunswick, is forecast to open in the fall of 2007. It will have over 30 upscale retailers and five eating places. Also, Houlihan's Route 35 location in Eatontown opened in October 2007.

There was an October groundbreaking for a new development project - the Jersey Shore Premium Outlets in Tinton Falls. The 435,000-sq.ft. outlet center will offer an upscale outlet shopping experience. The center will be a single-level, village-style project and will be Chelsea Property Group's third Premium Outlet Center in New Jersey, joining Liberty Village Premium Outlets in Flemington (Hunterdon County) and Jackson Premium Outlets (Ocean County). It will feature 120 stores and is scheduled to open fall of 2008 with approximately 800 to 1,000 jobs being created and is projected to generate an estimated \$170 million in retail sales.

In the financial activities' sector, Foxtons Realtors, the West Long Branch-based discount broker which promoted itself as "the home of the 2 percent real estate commission," stated in late September that it will lay off 350 of its 380 remaining employees and planned to file for bankruptcy protection, mainly due to the weak housing market.

In a growing trend over the last 20 years, hospitals have been moving towards offering services that go beyond the traditional use of hospitals. Of the 80 full-service hospitals in the state, more than a dozen have their own fitness or wellness centers. Health and education employment in the area should benefit from this trend. In October, CentraState Healthcare System opened a \$48 million, 171,000 sq. ft. ambulatory campus in Freehold.

Additionally, since last year, Jersey Shore University Medical Center (Neptune) has been working on a \$300 million project which is estimated to be completed in 2009. It includes a 360,000 sq. ft. addition, 82,000 sq. ft. renovation and a 975-car parking garage.

Aiding construction in the near-term and health and education on the horizon is start of a world-class stem cell research facility. The \$150 million, 18-story tower is to be built in downtown New Brunswick next to Robert Wood Johnson University Hospital, near Rutgers University, several other schools and hospitals and the Cancer Institute of New Jersey. The building is to have facilities for research, clinical study and outpatient treatment and is expected to be completed in spring 2011.

In another development, aiding construction employment initially, and ultimately transportation and warehousing, the Portfield's Initiative is a project of the Port Authority of New York & New Jersey and the New Jersey Economic Development Authority. It is designed to help private developers, communities and others transform underutilized and brownfield sites into productive properties to support emerging market opportunities for ocean and air freight-related warehousing and distribution operations.

One of the major Portfield's Initiative projects currently under construction is the iPort12 International Trade & Logistic Center. The project, which is on a former brownfield site, is a two building \$100 million project which is situated on 113 acres in Carteret off Interchange 12 on the New Jersey Turnpike. This project hopes to attract tenants requiring a minimum space of 100,000-sq. ft. and up. Currently, there are no tenants, but food and beverage businesses have expressed interest. Highway upgrades are to be done at Interchange 13 to expand toll booths from seven to 14. Other sites under consideration for development: Port 440 and Chevron in Perth Amboy; Nuodex in Woodbridge; Middlesex Logistics Center in Edison and Port Reading Business Park in Carteret.

The biggest news for the area is the slated closing of Fort Monmouth. Congress authorized the Pentagon to begin shutting down Fort Monmouth while expanding Picatinny Arsenal which is situated on a 6,500-acre military installation located in Morris County and merging McGuire Air Force Base, Lakehurst Naval Air Engineering Station and Fort Dix into a megabase. Fort Monmouth — which employs more than 5,000, supports an estimated 22,000 more jobs and generates about \$3.3 billion for the state's economy — is to be closed as a result of the 2005 Base Realignment and Closure round. The bulk of its functions are to be transferred to Maryland's Aberdeen Proving Ground by 2011.

One specific development that indicates the area is now experiencing the sinking real estate market felt nationwide: Belmar (Monmouth County) was planning its most ambitious proposal - a \$500 million project to essentially raze and rebuild most of its downtown. Recently though, this initiative has run into difficulty, as the municipality terminated the contract of its master developer due to the developer's decision to back out of a key agreement on the first phase of the redevelopment project.

The developer and the owners of the respective site could not reach a deal to develop a 3-story complex of condominiums and townhouses along with 9,500 sq. ft. of retail space. Besides the weakening housing market, other factors affecting Belmar's efforts were the nation's "credit crunch" and the state courts' tighter definition of "blight" to prevent municipalities from abusing eminent domain to force unwilling residential and business owners from their properties, according to local officials.

The Edison Area's unemployment rate can be expected to remain below that of the state in the coming year. In 2007, the nine-month average unemployment rate for the labor area was 4.0 percent and improved from its 2006 level (4.5%). In comparison, New Jersey's average nine-month rate improved by moving from 4.9 to 4.4 percent, from 2006 to 2007.

For more information on Middlesex and Somerset counties, please contact Anntionette Blackston by e-mail at Anntionette.Blackston@dol.state.nj.us or call (609) 292-2572. For more information on Monmouth and Ocean counties, please contact Michael Dugan by e-mail at Michael.Dugan@dol.state.nj.us or call (609) 633-6425.

Trenton-Ewing Labor Area Review of 2007 and Outlook for 2008

(Mercer County)

by JoAnne Caramelo, Bureau of Labor Market Information

In 2007, total nonfarm employment in the Trenton-Ewing Labor Area advanced for the eleventh consecutive year as local employers added 4,500 jobs to their payrolls, based on average employment for the first nine-months of the year (January to September). The 1.9 percent rate of growth brought employment in the labor area to a record high of 246,200 and was nearly four times the rate of growth realized statewide (0.5%) in 2007. Since 1996, the start of the Trenton-Ewing Labor Area's eleven-year growth cycle, area jobholding has increased by 53,100 or 27.5 percent.

With a payroll increase of 900, professional and business services was the private sector job growth leader over the first nine months of 2007. Gains attributable to hiring in the professional, scientific and technical services component served as the catalyst to this sector's growth. Area employment advanced by 6.1 percent, a rate more than twice that of the state (2.6%). Central New Jersey, which has often been referred to as the nation's medicine chest, has a large concentration of pharmaceutical companies, and companies that provide them with various research and development services have added to payrolls. Other professional and business services firms that realized job growth were those that provide specialized computer services, and architectural and engineering firms. The labor area's strong corporate climate makes it a prime market for office space and some of the newly-constructed office space throughout the labor area has been absorbed by growing companies like the ones mentioned above moving into larger spaces.

Growth by clean technology companies has also benefited payrolls in professional and business services. Research in clean technology, or alternative energy sources, recycling practices, and energy efficiency, is a growing field, and firms in the Trenton-Ewing Labor Area are making important contributions in this area. EPV Solar (Lawrence) is developing more efficient and affordable solar technology. Ocean Power Technologies (Pennington), a renewable energy company, has contracts with the U.S. Navy and the Spanish government for its wave power technology services. BlackLight Power (East Windsor) invented hydrogen-based alternative energy and light sources. According to a study from CleanTech Network, New Jersey ranks 5th in the U.S. in encouraging the growth of clean technology startup companies. Nationally, in the second quarter of 2007, total venture capital investments in clean technology increased 46 percent from the prior quarter according to The MoneyTree Report by PricewaterhouseCoopers and the National Venture Capital Association based on data from Thompson Financial.

Leisure and hospitality payrolls added 800 jobs since last year. Chain restaurants opened in or near the area's many shopping centers. However, the labor area's diners have more new options besides national chains like PF Chang's China Bistro in West Windsor and Camille's Café in Lawrence. Several independent restaurants like 130 South in Hamilton and Barone's Tuscany Grill in Pennington opened throughout the area. Also, several full-service eateries specializing in various ethnic foods moved into long vacant storefronts in downtown Trenton.

Between 2006 and 2007 jobholding in trade, transportation, and utilities increased by 400. Positive developments in transportation and warehousing include McMaster Carr's relocation of their Dayton (Middlesex County) distribution center to Washington at the end of 2006. Although Comair, a subsidiary of Delta Airlines, stopped service from the Trenton-Ewing Airport, payrolls were unaffected as Big Sky Airlines, another Delta subsidiary, took over their flight routes. Retail openings throughout the Trenton-Ewing Labor Area also contributed to the sector's job gain. They include an Old Navy and Walgreen's in Hamilton, Filene's Basement in Lawrence, Fresh Fig natural foods market in Pennington, and Foot Locker in Trenton. Although retailers like Rockaway Bedding, Rag Shop and Comp USA closed all locations statewide due to bankruptcy or restructuring, these merchants had a small area presence so there was minimal effect on payrolls.

Employment in educational and health services increased by 300 during the 2006-2007 period. In health care and social assistance, the hiring of workers to staff Robert Wood Johnson University Hospital Hamilton's new tower expansion contributed to job creation. In educational services, Princeton University's campus is undergoing a transformation. Whitman College, a new residential college, opened for the fall 2007 semester. Named for eBay.com CEO and Princeton alumna Meg Whitman, who made a significant financial contribution to the project, Whitman College is the university's 6th residential college. The 10 buildings include dormitories, a dining hall, drama theater, library, and classroom space. This new residential college will help the university meet its goal of expanding the student body from 4,700 to 5,200 by the fall 2012 semester. An \$8.4 million soccer stadium and new science library are due to open in 2008. Outdated dormitories from the 1960s were razed in the summer of 2007 and are being replaced with modern facilities projected to be completed for the fall 2009 semester. The university recently received planning board approval for the construction of a new chemistry building and a 300-foot pedestrian bridge over Washington Road. In 2006, the university celebrated its 250th anniversary in Princeton.

In financial activities, the opening of several bank branches helped payrolls in the Trenton-Ewing Labor Area add 100 jobs. The Bank of Princeton and First Choice Bank, two of 19 new banks to open in New Jersey within the last two years, opened in the labor area in 2007. Many of these banks have been formed by members of the business community who perceive a need for more personalized service to small businesses and individuals that they feel is not met by large national banking institutions. The state's high per capita personal income makes it a desirable market for banks, and the number of bank choices benefits consumers as institutions compete with each other to offer the best terms to customers. This is evident in the Trenton-Ewing Labor Area, where according to 2006 FDIC figures, there were 25 institutions operating within the market, and Mercer County was New Jersey's 9th largest market by total deposits. In just five years since 2001, Mercer's total deposits grew by 53 percent.

After reaching a record high in 2006, Trenton-Ewing Labor Area's construction employment was down 100 jobs or 1.6 percent over the first nine months of 2007. Analysis of Mercer County's August-to-date residential building permits (latest data available) reveals a 47.7 percent decline from 2006 to 2007, which is sharper than the statewide decline (29.5%) and is an indicator that construction job cuts could be due to a slowdown in the housing market. However, construction on large commercial projects like the PrincetonSouth Corporate Center being built in Ewing and warehouse development in Washington Township have helped make the percent of decline in area construction jobs relatively small.

Jobholding in the Trenton-Ewing Labor Area should continue to expand near its current rate through the remainder of 2007 and into 2008, with professional and business services continuing to be an important job generator for the area. Payrolls in the professional, scientific and technical services component should continue to benefit from the region's significance in the pharmaceutical and biotechnology fields. Total Learning Concepts, which offers sales training for those industries, recently announced plans to relocate jobs from Massachusetts to the labor area. In the long term, several office parks catering to biotechnology companies are under development. Site work is underway at SciPark, a four-building campus in East Windsor, and construction is due to begin in 2008. The Genesis Biotechnology Campus, a 410,000-sq-ft office development with capacity for 500 to 700 workers is planned for Hamilton Twp. Humigen, a company specializing in genetic immunology and is a spin-off of Medical Diagnostic Laboratories, is expected to occupy 40,000-sq-ft by the first quarter of 2009.

The concentration of technology-oriented companies, availability of highly-skilled labor, location of research institutions like Princeton University, and the major advances in sciences and technology that have historically and continue to be made by area firms have led to a marketing initiative aimed at promoting job growth. Dubbed Einstein's Alley, this initiative was spearheaded by Congressman Rush Holt as a strategy to promote economic growth of high-tech industries in Central Jersey. His vision was for the area to have recognition along the lines of California's Silicone Valley. The name Einstein's Alley capitalizes on the significance of the area with regard to scientific discovery and innovation both past and present. Recently, a new privately funded nonprofit corporation adopted the name Einstein's Alley and has made attracting, building, and retaining technology-based businesses in Central New Jersey their mission. Although it has no set geographic boundaries, the Einstein's Alley Corridor is roughly the area from Edison in Middlesex County to Trenton and from New Jersey's eastern to western borders. The name is beginning to catch on. In the Trenton-Ewing Labor Area, Hamilton and East Windsor have already designated themselves as part of Einstein's Alley, and Trenton, Lawrence, and Ewing plan to follow suit.

In information, payrolls should benefit from Computer Associates International's move to Ewing. The company plans to consolidate operations from Pennsylvania and New Jersey and bring 400 jobs to the newly-constructed PrincetonSouth Corporate Center this fall.

In financial activities, more bank openings are planned. Cranford-based Synergy Bank is opening a location in East Windsor. The newly-formed Bank of Princeton recently received approval from the New Jersey Department of Banking and Insurance to open two additional locations. It is unclear if recent bank mergers will affect area payrolls. Some administrative jobs may be lost as a result of the merger of Yardville National Bank and PNC Bank, although no branch closings are planned. Commerce Bank is being acquired by TD Bank Financial, a Canadian banking group, which does not have a presence in the Trenton-Ewing Labor Area. The recent sale of Merrill Lynch's property in Plainsboro (Middlesex County) should have a positive effect on payrolls in the labor area as the company plans to relocate some workers to its Hopewell site.

Employment in trade, transportation and utilities should also see positive growth in 2007. In retail trade, The Shoppes at Hamilton, a 50-tenant lifestyle center, is under development along Route 130 and due to open at the end of 2008. New retail space is also one component of the redevelopment plans for sites in downtown Trenton; including a major redevelopment of Trenton's train station, the recently renovated Broad Street Bank building, and a site along Warren Street dating from the 1800s which was originally occupied by

a tavern. In transportation and warehousing, additional distribution centers are under development in Washington Township.

Positive developments in leisure and hospitality include the opening of hotels, restaurants and fitness centers. A Hilton Garden Inn opened in October in Hamilton, and will soon be followed by the opening of an Outback Steakhouse and TGI Friday's. Several restaurants are also due to open at the Washington Town Center, and the newly-constructed Windsor Crossing shopping center in East Windsor. A Work-Out World gym is also under construction in Washington, and a Gold's Gym is planned for East Windsor.

In the short term, the large decline in Mercer County's residential building permits could be indicative of slow job growth in construction. However, payrolls could be positively impacted in the long run if commercial and residential projects like additional corporate, retail, and restaurant space at PrincetonSouth Corporate Center, Capital Health System's new hospital in Hopewell, a major expansion of Quakerbridge Mall, loft and condominium projects proposed for vacant industrial sites in Trenton, and proposed transit villages in Trenton, West Windsor, and Hamilton, move forward.

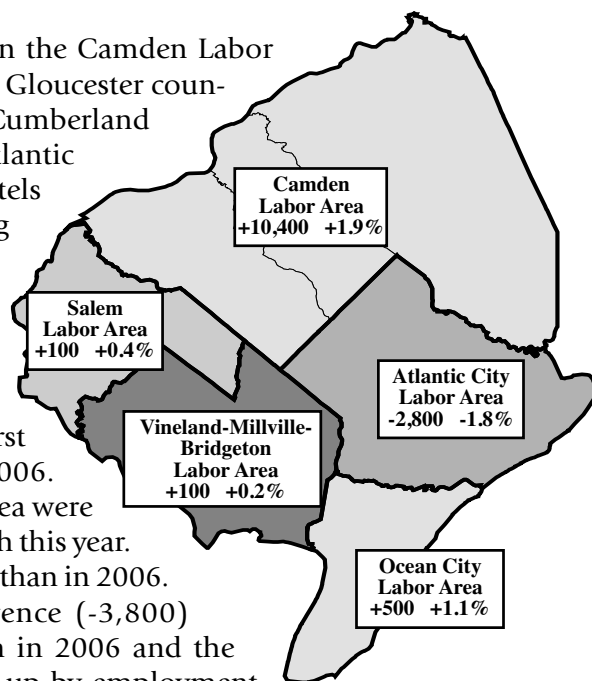
For more information on the Trenton Labor Area please contact Joanne Caramelo, by e-mail at joanne.caramelo@dol.state.nj.us or call (609) 292-633-0553.

Southern Regional Summary

In the first nine months of 2007, total nonfarm employment in the Southern Region averaged a record high 834,500, up by 8,300 jobs or 1.0 percent from the previous year. This year, the region's payrolls expanded at the same rate as in 2006 (1.0%). In 2007, the region added jobs at a slightly faster pace than the state (+0.5%).

This year, employment gains were concentrated in the Camden Labor Area (+10,400), consisting of Burlington, Camden and Gloucester counties, followed by Cape May (+500), Salem (+100) and Cumberland counties (+100). Employment declined this year in Atlantic County (-2,800), as payrolls at Atlantic City's casino hotels were negatively impacted by several factors including closure of the Sands hotel casino, increased competition from slot parlors in Pennsylvania, a partial smoking ban inside the city's casinos and reorganization layoffs at the Tropicana hotel casino.

The Southern Region added 100 more jobs in the first nine months of 2007 than in the same period of 2006. Accelerated employment gains in the Camden Labor Area were mainly responsible for the region's additional job growth this year. In 2007, the Camden Labor Area added 3,300 more jobs than in 2006. This was almost enough to make up for the difference (-3,800) between the Atlantic City Labor Area's 1,000-job gain in 2006 and the area's 2,800-job loss in 2007. The balance was made up by employment



Growth in Nonfarm Employment: 2002 — 2007
Based on January to September Averages

	Growth Rates (Percent)					2007
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	Employment (000)
Southern NJ Region	1.4	2.1	1.1	1.0	1.0	834.5
<u>Labor Areas</u>						
Atlantic City Labor Area	1.3	1.2	1.4	0.7	-1.8	150.4
Camden Labor Area	1.3	2.3	1.1	1.3	1.9	551.3
Ocean City Labor Area	2.1	3.0	0.7	-0.2	1.1	45.8
Salem Labor Area	0.9	2.2	-0.4	1.7	0.4	24.0
Vineland-Millville-Bridgeton Labor Area	1.8	2.0	1.8	-0.3	0.2	63.0
New Jersey	-0.3	0.4	1.1	0.9	0.5	4,084.4

Source: New Jersey Department of Labor and Workforce Development, Division of Labor Market & Demographic Research.

gains this year in Cape May (+600) and Cumberland Counties (+300); areas which sustained job losses in 2006. Salem County added 300 fewer jobs in 2007 than in 2006.

In the region, service-providing sector gains (+10,600), were more than sufficient to offset losses in the goods-producing sector (-2,300). Among the service providing supersectors for which data are available for all labor areas¹, gains were recorded by trade, transportation & utilities (+2,800), government (+2,200) and educational & health services (+2,100), while employment declined in leisure & hospitality (-300). The other services, professional & business services, financial activities supersectors also posted substantial gains, based on labor areas for which data are available.

1. It is not possible to break out nonfarm employment for all NAICS supersectors for the Southern Region because a complete breakout is not available for Cape May County (the Ocean City Labor Area).

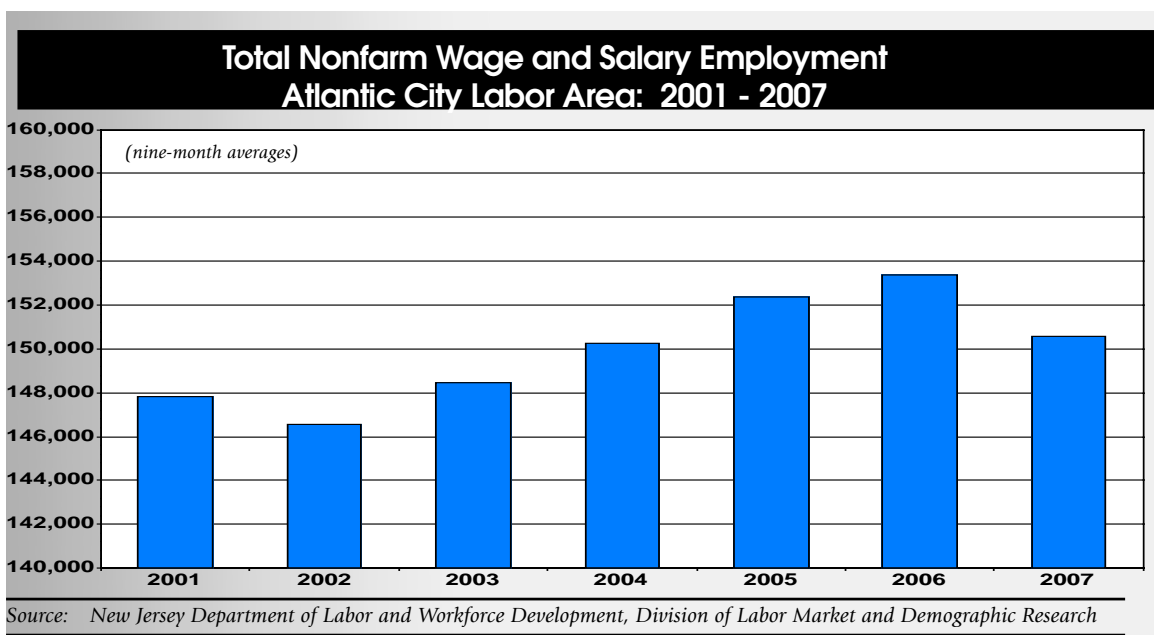
Atlantic City Labor Area Review of 2007 and Outlook for 2008 (Atlantic County)

by Chester E. Sherman, Bureau of Labor Market Information

The Atlantic City Labor Area's level of nonfarm wage and salary employment fell to an average 150,400 during the first nine months of 2007, a drop of -2,800 or -1.8 percent from the same period a year ago. In a similar comparison, employment in the state increased by 0.5 percent. This is the first over the year decline since the county's payrolls slipped to a recession-induced low point of 146,400 in 2002, and largely reflects losses in the gaming industry. Overall, county payrolls are up by 4,000 since 2002, a gain of 2.7 percent that matched the state's percent increase over the same five-year period.

Employment in the gaming industry declined by 2,700 during 2007. While the most significant setback for the industry was the November 2006 closing of the Sands hotel casino, which eliminated 2,100 jobs, there also were significant layoffs during 2007 at the Tropicana hotel casino, which changed ownership in January. The over the year slip in gaming industry payrolls occurred despite the jobs created by the completion of the first phase of a \$550-million expansion of Harrah's hotel casino that added 172,000 square feet of retail, dining and entertainment space. Also, the estimated 1,500 jobs added in July 2006 by a \$200-million expansion of the Borgata hotel casino had a greater positive impact on the nine-month average for 2007.

At an average 39,500 for the first nine months of 2007, hotel-casino employment is at its lowest level since 1986 and well below its peak nine-month average of 47,800 in 1998. Except for a small spike upward in 2003 due to the opening of the Borgata hotel casino, gaming industry payrolls have trended downward since 1998 due to several factors -- most recently the competitive pressure brought about by the opening of the Borgata, labor-saving advances such as coin-less slot machines and the impact of takeovers, mergers and other management restructurings. The latest takeover target, Harrah's Entertainment, owns four Atlantic City casinos (Harrah's, Showboat, Bally's and Caesars) and controls about 40 percent of Atlantic City's \$5.2 billion-a-year gaming market. The private equity firms Apollo Management and Texas Pacific are expected to complete the acquisition of Harrah's by the end of 2007.



The other notable employment setback during 2007 was in construction where a drop of 600 jobs reduced payrolls to an average 6,500. After holding steady at an average 6,600 from 2003 to 2005, construction payrolls jumped to an average 7,100 during 2006. Overall, construction employment has held up well since the completion of the new Borgata hotel casino in 2003 largely due to major expansions within the gaming industry (e.g. Tropicana hotel-casino (\$300 million), The Pier at Caesars (\$200 million), Borgata (\$600 million), Harrah's (\$550 million) and Trump Taj Mahal (\$250 million), and until recently, a steady pace of residential development.

The county's largest employment gain was posted in retail trade (+500) during 2007. The most notable contributors of new retail jobs were located within The Walk, an outlet-style retail, dining, entertainment attraction located along Atlantic City's gateway corridor, and The Pier at Caesars, a similar but more upscale development on the Boardwalk. Overall, retail trade employment has moved steadily upward adding 1,300 jobs since 2002.

Smaller but still notable job gains were posted over the year in transportation, warehousing & utilities (+200), financial activities (+200) and education, health & social services (+100). Financial activities employment, which has benefited from the establishment of smaller, community-style banks, expanded to an average 4,700 in 2007, a gain of 17.5 percent since 2003. Employment in transportation, warehousing & utilities, which has fluctuated between 2,800 and 3,100 since the year 2000, currently stands at 3,000. The employment rise in educational, health & social services during 2007, the sixth straight yearly increase, brings the total job gain to 2,800 or 18.1 percent since 2001.

The decline in nonfarm payroll employment during 2007 helped increase the county's unemployment rate to an average 6.0 percent through the first three quarters of 2007, up slightly from an average 5.8 percent for the same period a year ago. In comparison, the state's unemployment rate fell to an average 4.4 percent from 4.9 in 2006. While the labor area's unemployment rate tends to be higher than the state's on average due to its seasonal swings in employment, the gap has gradually narrowed due to the impact of the year round gaming industry.

The outlook for employment growth in the Atlantic City Labor Area during 2008 is mixed. The completion of several major hotel casino expansions (Borgata 800 rooms, Harrah's 960 rooms, Trump Taj Mahal 800 rooms) during the year will simultaneously create hundreds of hotel casino jobs and idle hundreds of construction workers. Another large construction project slated for completion in 2008 is a \$128-million expansion of the AtlantiCare Regional Medical Center in Atlantic City. The seven-story, 198,000-square-foot addition is expected to result in 50 new healthcare positions.

For construction employment, another cloud on the horizon is a slowing in the issuance of building permits for new residential construction through the first eight months of 2007 (latest data available). Housing units authorized in Atlantic County totaled 889 through August 2007, down 528 or 37.3 percent from the same period a year ago. This suggests that new residential construction was slowing before the fallout from recent developments in the sub prime mortgage market.

As for the possible impact of new private equity ownership on employment levels at the four Harrah's-owned hotel casinos (Harrah's, Showboat, Caesars and Bally's) in 2008, company officials have indicated that layoffs are not expected. Developments that could impact employment levels in Atlantic City's gaming industry going forward include the fact that casino dealers and related workers at four hotel casinos recently voted in favor of union representation, and that state regulators have given preliminary approval for testing of electronic table games, some of which do not require a live dealer.

While in the near term the outlook for employment growth in the Atlantic City Labor Area is guarded, the future appears to be shaping up rather nicely since at least two (possibly three) new hotel casino projects could begin construction in 2008 or 2009. The largest of the planned hotel casino projects is the \$5-billion, MGM Grand Atlantic City, which is expected to start construction in 2008 on a 72-acre site next to the Borgata hotel casino. The project includes 3,000 rooms, 280,000 square feet of gaming space, 500,000 square feet of upscale retail and entertainment attractions, a world-class spa and a convention center. Completion is targeted for 2012.

However, first out of the gate and first to the finish line might be a \$2-billion hotel casino project by Revel Entertainment and a gambling subsidiary of Wall Street investment bank Morgan Stanley. Planned for a 20-acre tract with boardwalk frontage just north of the Showboat hotel casino, the project's design calls for 1,936 hotel rooms, 169,000 square feet of casino space and 500,000 square feet of retail, dining and entertainment space. Revel officials announced in September that they have applied for state environmental permits and filed a site-plan application. A grand opening is scheduled for 2011.

Finally, the new owners of the Sands hotel casino (Pinnacle Entertainment Inc.) imploded the gaming hall in October 2007 to make way for a \$1.5 billion hotel casino. Although environmental testing of the site is complete, Pinnacle officials have not yet revealed a design or a construction start date. The possibility of building a large hotel casino on the site was boosted when the Sands (prior to being acquired) purchased an adjacent ocean front parcel of land in the heart of the Boardwalk casino strip.

The outlook for construction employment hinges on the movement of announced projects through the planning, design and approval pipeline, but it appears unlikely that

enough projects will come on line quickly enough to avoid a decline in construction employment during the second half of 2008. Even a new hotel casino construction project is not particularly labor intensive in its earliest stages.

There were other positive signs for Atlantic City's ongoing transformation into a destination resort during 2007. The major stakeholder in The Pier at Caesars, a \$200-million, largely upscale retail and dining complex, indicated that the development was an "overwhelming success" in its first year of operation. Also, developers of The Walk, the outlet-style retail development with restaurants and entertainment attractions located along the city's gateway corridor, have announced plans for a \$120-million expansion in 2008 that will nearly double the size of the shopping district, and may include residential units. The Walk currently features over 80 merchants that occupy 345,000 square feet of space. In addition, the owners of the city's Central Pier have announced plans to redevelop the pier and a tract of land between St. James Place and South Carolina Avenue into a retail, dining and entertainment attraction. The \$75-million project is expected to take three years. Finally, the city's Holiday Inn and neighboring Howard Johnson hotel will be combined and undergo a \$93-million makeover. Renamed the Chelsea, the upscale, boutique-style hotel will reopen before the summer of 2008 and target younger, wealthier visitors.

While the Atlantic City Labor Area's level of nonfarm payroll employment may return to an upward trajectory in 2008, the big news is that the coming year could see construction begin on one or more major hotel casino projects. Continued progress on the casino development front during 2008 would send a powerful signal that investor interest in Atlantic City remains strong.

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Camden Labor Area

Review of 2007 and Outlook for 2008

(Burlington, Camden and Gloucester Counties)

by Paul Bieksza, Bureau of Labor Market Information

Total nonfarm employment in the Camden Labor Area increased by 10,400 to reach a record high average level of 551,300 in the first nine months of 2007. Job levels in the labor area grew by 1.9 percent over the period, an increase over last year's gain (1.3%). This year, jobholding in the area grew faster than the state's rate (0.5%).

In the first nine months of 2007, gains in the area's private service-providing sector (+9,500) were tempered somewhat by losses in the goods-producing sector (-1,500). The private service-providing gain resulted from increases in leisure and hospitality (+2,100), trade, transportation & utilities (+1,700), professional & business services (+1,700), educational & health services (+1,700), other services (+1,700) and financial activities (+800). These gains were partially offset by losses in information (-200).

Within leisure & hospitality, most of the gain stemmed from hiring spread broadly across the arts, entertainment & recreation sector which includes enterprises that entertain patrons such as the Adventure Aquarium and the Camden Riversharks minor-league baseball team in Camden as well as recreational facilities where the public actively participates including fitness centers and golf courses. Employment in the accommodation & food services sector increased by 900, mainly because more restaurants and other places that sell prepared food opened. While many of the new jobs were at casual sit-down restaurants or at traditional fast-food places that serve complete meals, growth was also seen at businesses that mainly serve snacks or nonalcoholic drinks. For instance, several Starbucks coffee shops and Rita's water ice shops opened across the area. Other food service businesses experiencing growth included caterers that provide food for parties and contract food service companies that operate school or company cafeterias.

In trade, transportation & utilities, all of the recorded net increase was in retail trade (+1,800). Employment rose because retailers added workers and because more stores were open during the first nine months of 2007 compared with the same time in 2006. Although relatively few stores opened this year, several opened in the last three months of 2006, including a Boscov's department store in Deptford (+300) and a Target department store (+200) and several smaller shops at the Town Square Plaza shopping center in Gloucester Township. These retailers contributed to this year's employment gains because they were not open during the first nine months of 2006. In 2007 through September, most of the larger shopping facilities that opened were replacements for smaller stores. For instance, a new auto mall opened on Rt. 73 in Mt. Laurel after the DiSimone BMW and Cadillac and Cherry Hill Lexus dealerships relocated there. Together, the three dealerships added 50 employees after the move. Also, Acme replaced its food store in Bordentown City with a supermarket located in a new strip center in Bordentown Township (+100).

Wholesale trade employment declined slightly (-100) as distributors restructured operations. In the Camden Labor Area as in the rest of the nation, the trend in recent years has been for wholesale companies to close locations and consolidate to larger warehouses. This is taking place partly because new technology allows distributors who invest in modern buildings to handle more goods with fewer personnel. Across the country, companies have been closing older warehouses and moving to more centralized locations. The net

result for the labor area has been nearly a wash because the area is a good place to site warehouses since it is near major markets and has a good highway network. Wholesalers with new locations in the area included deli meat and cheese distributor Dietz & Watson, which opened a refrigerated facility in Delanco in March (+100). In August, Freightliner moved its Logan Township distribution center to new building and added 10 workers. Companies that closed warehouses in the area included promotional items distributor Toppers, in West Deptford (-127). This business closed in August after it merged with Covest Promotional Products and moved out of the area.

In professional & business services, gains were concentrated in administrative & support & waste management services (+3,200), as businesses outsourced more work. The increases were mainly at companies that provide services to other businesses such as document preparation services, collection agencies, armored car services and firms that clean up environmental contamination. Gains elsewhere in administrative & support & waste management services offset losses in employment services (-700), as payrolls dipped at temporary help agencies. Slower economic growth was an important factor behind this decline. Temporary workers are often hired when business is increasing quickly and it is not certain whether the extra work will last. Companies retained fewer temporary workers in 2007 because production was growing slowly at many businesses which were able to meet their needs with permanent staff.

In educational & health service, employment gains were driven by hiring by health care providers within health care & social assistance (+1,800), as payrolls increased in Ambulatory Health Care (+800), hospitals (+500) and nursing & residential care facilities (+500). The largest gains occurred at outpatient medical facilities which have become the favored means of dispensing care for patients, doctors and insurers alike. Patients and doctors prefer outpatient care to hospitalization because treatment is provided quickly and patients are sent home the same day. Insurers often specify it because treatment outside of hospitals is more cost-effective. Technological advances have made it possible to treat more conditions in this manner.

Hospitals have been able to expand by emphasizing emergency medicine and departments that treat conditions normally requiring a hospital stay, ranging from intensive care to orthopedic surgery. For example, Underwood-Memorial Hospital in Woodbury opened a 40-bed emergency room in June and added 40 workers. Also, hospitals have used advertising to compete for patients considering elective procedures.

Most of the job gains in nursing & residential care facilities were at facilities that care for the elderly such as nursing homes, assisted living centers and continuing care retirement communities. These facilities, which provide a range of housing and care options ranging from independent living apartments to skilled nursing care, expanded to accommodate the needs of the area's older residents. According to Census estimates, 152,600 people age 65 and over lived in the 3-county area in 2006 (most recent year available).

Enterprises within the other services supersector include companies doing repair work or providing personal services as well as religious, professional, political, social and civic organizations. Within the broad classification, three industry groups experienced notable employment gains. Businesses providing services for maintaining or changing personal appearance have proliferated as in general the public has become more attentive about personal appearance. Among the businesses classified in the personal care services industry group are hair stylists, nail salons, tanning salons, weight loss centers and tattoo parlors.

Another group of businesses that have expanded are shops specializing in repairing non-automotive commercial and industrial machinery. This grouping covers shops that fix equipment ranging from cleaning equipment to forklifts. The number of positions at these repair shops have grown as the area becomes more economically developed and automation increases. Payrolls also increased at private households as more affluent families hired servants to help with domestic chores.

Financial activities employment rose, with gains concentrated in finance and insurance (+600). The finance and insurance sector includes businesses dealing in insurance, securities and commodities as well as the companies engaged in banking and finance that are found within the credit intermediation industry group. Payrolls rose primarily because insurance carriers and insurance agents employed more workers. Gains elsewhere in finance and insurance were partially offset by losses within credit intermediation (-900). Within this industry group, losses were posted by nondepository credit intermediation (-700) while employment rose in depository credit intermediation (+300). Nondepository credit institutions make loans but do not accept deposits. Most of the losses within this industry were at mortgage lenders, which cut staff as fewer home loans were granted. There was less business at mortgage providers because fewer homes were sold and lending requirements were tightened. Jobholding was up within depository credit as more bank branches opened across the area. Banking companies that opened branches included Commerce Bank, Wachovia Bank and Citizens Bank.

In the goods-producing sector, payrolls declined in construction (-900) and manufacturing (-600). Construction employment fell due to a slowdown in residential building as consumers bought fewer new homes. Demand for new housing was down in 2007 for several reasons. Mortgage companies have tightened lending requirements in the wake of rising defaults and this has reduced the pool of homebuyers who qualify for financing. Also, new home prices have continued to rise in the area, although they are declining nationally. This situation has caused some potential buyers to hesitate about committing to investing in homes that may be worth less in the future than they are today. According to data from the state Department of Community Affairs, year-to-date through July 2007, 1,768 housing units were certified for occupancy in the Camden Labor Area, 495 fewer than for the same period in 2006. In the quarter from April through June 2007, 472 new homes were sold, 39.1 percent fewer than for the same period last year (775). Although fewer homes were sold in the area this year, the average price buyers paid rose by 7.0 percent to reach \$398,712.

Nonresidential building activity remained strong during the year helping to soften the effects of a weakening residential housing market. Work progressed on a variety of shopping center, office, warehouse and public works projects including the Deptford Landing shopping center in Deptford, the Voorhees Town Center mall reconstruction project in Voorhees, an office building at the Liberty Walk at East Gate office park in Mt. Laurel, the Christmas Tree Shops warehouse in Florence, and roadway resurfacing and overpass upgrades along a 10-mile segment of I-295 in Gloucester County.

Manufacturing payrolls declined by 600 or 1.3 percent in the Camden Labor Area from 2006 to 2007. This contrasts with a 400-job gain in the previous year. Factory employment declined this year as some manufacturers consolidated operations and moved production to lower cost locations. For instance, Metrologic Instruments ceased making scanning equipment in West Deptford in June and now manufacture its products in China (-108). Other plants that produced items related to home construction closed or scaled back due to reduced demand because less housing was built nationwide. Slack demand was

one factor which led AFG Industries to close its factory in Cinnaminson in February (-190) that made glass used in residential doors and windows. Also, US Pipe reduced production of cast-iron pipe used in water mains because fewer housing developments were being built. The plant in Burlington City furloughed 36 workers this spring.

The area's unemployment rate in the first nine months of 2007 averaged 4.4 percent, compared with 4.9 percent for the same period in 2006. In the first nine months of 2007, the labor area's resident labor force averaged 673,000, an increase of 3,600 from the same period in the previous year. The average number of employed persons increased by 6,800 to reach 643,500 for the 2007 period and the number of unemployed persons actively seeking work declined by 3,200 to an average level of 29,500 in 2007.

The unemployment rate declined in 2007 as the number of employed workers increased while the number of unemployed persons declined. This is an indication of a tightening labor market where jobseekers can find work more easily, but businesses have more difficulty finding qualified candidates to fill positions. Companies in the three-county labor area have indicated that it is becoming harder to find qualified workers, particularly for jobs requiring licenses, special skills or training. Examples of hard-to-fill jobs include tractor trailer driver and registered nurse.

Employment in the Camden Labor Area is expected to grow moderately in 2008 and the area is likely to add jobs at a slightly faster pace as the first nine months of 2007. The largest job gains are anticipated to be in trade, transportation & utilities, professional & business services and educational & health care. Little employment change is expected in construction. Jobholding may decline in credit intermediation.

Trade, transportation & utilities job gains are likely to be spearheaded by retail trade as stores open in new or upgraded shopping centers. Two major shopping center openings are expected through 2008. Stores should begin to open in November at Deptford Landing in Deptford. The center, anchored by Wal-Mart and Sam's Club, is likely to generate 550 new jobs. The Shoppes at Cinnaminson is slated to open in May 2008 on Route 130 in Cinnaminson (+450 jobs total). A Shop-Rite supermarket signed on to anchor the center.

The largest renovation project scheduled for completion this year is the enclosed shopping area at the Voorhees Town Center in Voorhees. This building is the former Echelon Mall, which is being reconfigured and renovated. A 600,000-square foot section of the 37-year old mall was torn down. The truncated center is being remodeled inside and out and will receive a new main entrance, enclosed courtyard and food court. Work on the 660,000-square foot enclosed shopping center should be completed by summer. The mall remains open and its two anchors are occupied by Macy's and Boscov's department stores. Most of the remaining space is now vacant and will probably be taken over by new stores once the work is done. Existing businesses should also experience an upturn in customer traffic, creating additional job openings. Altogether, about 400 new store jobs are expected result from this project. Work on an outdoor shopping area has also started at the Voorhees Town Center property; however, the first stores along this drive-through "shopping boulevard" probably won't be ready to open until 2009.

Wholesale trade and transportation & warehousing payrolls should receive a boost as new distribution centers open. More merchant wholesalers and distribution centers operated by retailers are expected to open in 2008, with openings concentrated in Burlington

County. Growth of Burlington County's distribution businesses is being driven largely by two factors. Advances in warehousing technology have caused distributors to seek out more modern buildings. Since there is little space available for new warehouses near Exit 8 of the New Jersey Turnpike in Middlesex County, companies are now becoming more interested in opening facilities at locations close to other Turnpike exits including those in the northern part of Burlington County. The Central Crossings Business Park in Bordentown Township is being developed with this trend in mind. It is located between I-295 and Exit 7 of the Turnpike. Two speculative warehouse buildings totaling 240,000 square feet are under construction and slated for completion by spring 2008. Another distribution center in northern Burlington County that is nearing completion is the Christmas Tree Shops building in Florence Township. It features 70-foot ceilings making it the tallest warehouse in the state. It will use an automated lift system to move merchandise through the building. This facility is scheduled to open in January with 100 employees. More warehouses are also expected to be built in other parts of the labor area, including the industrial parks in Gloucester County where many distributors are located.

Professional and business services employment is expected to increase in 2008 with gains anticipated in professional, scientific and technical services and in administrative, support & waste management services as companies continue to outsource more non-core tasks to other firms. Growth should continue at types of businesses that have done well recently, such as building maintenance, security, packaging, direct mail or environmental remediation services. Employment at professional firms is expected to grow as more condominium office parks are built across the area. These developments feature drive-up offices in single story or two-story buildings favored by small professional practices. Opportunities for smaller professional firms that serve individuals and small businesses are expected to improve in areas where more housing is being built, such as eastern Camden County and much of Burlington and Gloucester counties. Most of the new professional office parks are being built along commercial strips near suburban housing developments. While the availability of office space in itself does not create professional jobs, it makes it possible for firms to open or expand when conditions warrant.

Educational and health care employment is expected to increase, with most of the gain emanating from health care and social assistance as ambulatory health care facilities and homes for the elderly add staff. Most of the gain at outpatient centers will probably come from hiring at existing clinics, although a few new locations are slated to open including the Kennedy Health & Wellness Center in November 2007 in Washington Township (Gloucester County). This center, operated by the Kennedy Health System, will offer care from physicians in a full range of medical specialties, in addition to health education programs and a fitness center (+100 jobs). The fitness center will be operated by Healthtrax International, which manages exercise centers at 39 health centers in 14 states. Combining outpatient centers with health clubs is part of a national trend intended to improve patient wellbeing by promoting an active lifestyle. Businesses that provide housing and care for older adults are expanding not only because the population of senior citizens in the area is increasing, but because the concept of elder care is changing. No longer just operating as nursing homes for the frail elderly, many of the larger facilities have become "continuing care retirement communities" that offer a range of options ranging from independent housing where healthy retirees provide for their own needs to skilled nursing care for those that need the most help. This way, operators have their customer base by attracting younger seniors. Hospital employment is also expected to increase as medical centers continue to

invest in upgrading emergency rooms and facilities providing procedures usually performed on an in-patient basis such as orthopedic surgery and cancer treatment.

Construction employment will probably remain at the same level in 2008 as in 2007 as job losses in residential building cancel out payroll gains on nonresidential projects. Homebuilding activity will probably trend downward slightly in 2008 based on data on housing units authorized by building permit as an indicator of future builder intentions. According to the Census Bureau, 2,241 total housing units were authorized by building permit year-to-date through August 2007, 126 fewer than for the same period in the previous year, a decline of 5.3 percent. The data indicate that a greater proportion of newly built housing units will be in multi-unit structures rather than single-family homes. The number of single family houses authorized by permits in 2007 declined by 17.5 percent while the number of units in multiple-unit structures rose by 106.0 percent. Greater numbers of new condominiums and rental apartments are being built as a more affordable alternative to single-family homes which have become unobtainable for many area residents.

Although fewer homes are expected to be built in the area in 2008, work on other projects is expected to continue at a brisk pace. Projects expected to be underway next year include a new wing at the Cooper University Hospital in Camden and scheduled work at the Voorhees Town Center in Voorhees. On the agenda for the former Echelon Mall include interior and exterior renovations and construction of a "shopping boulevard" with store buildings and a drive-through main street where a demolished section of the enclosed shopping mall once stood. Work on the hospital and the mall are expected to be completed in 2008 and the shopping boulevard project is expected to continue through 2009.

Another large-scale shopping center project involves major renovations to the Cherry Hill Mall. This mall in Cherry Hill will receive a new wing with a Nordstrom department store and parking garage connected to the existing mall by a two-story corridor containing 40 smaller stores. The existing part of the mall will be completely remodeled inside and out. Work on the Cherry Hill Mall will continue through 2008 and should be completed by spring 2009.

Also, at Fort Dix and McGuire Air Force Base in Burlington County, work should continue on upgrading and replacing housing for troops and their families. This project began in 2006 and by the time it is completed in 2012, is expected that 1,915 housing units will be demolished, over 1,600 units will be built and 500 units will be renovated. These units include houses and apartments.

Credit intermediation payrolls may decline in 2008 as the area's banks and finance companies continue to feel the effects of far-reaching problems related to adjustable rate subprime mortgages. Most of these loans were not kept by the lenders who made them. Rather, they were bundled together as securities and sold to investors, including banks. As these loans reset to higher interest rates defaults increased and by the last half of 2007, banks began to suffer substantial losses on these securities. Mortgage lenders responded by granting fewer of these "nonconforming" loans because they were becoming more difficult to sell to investors. Lending requirements were tightened and the volume of loan applications declined. In 2008, mortgage lenders are expected to continue to reduce payrolls as the more conservative lending policies remain in place. Also, both banks and mortgage companies will probably cut payrolls to help make up for losses on mortgage investments.

The area's largest mortgage company, PHH Mortgage, and the area's largest commercial bank, Commerce Bank, are both slated to be acquired by other companies in 2008 and may sustain reorganization job losses after the mergers are completed. Although the managements of both companies support the buyouts, both mergers are experiencing difficulties and it is possible that they may be delayed or fall through. The parent of PHH Mortgage is slated to be acquired by GE Capital which will keep an unrelated division of the company and sell PHH Mortgage to The Blackstone Group, a private equity firm. In September, Blackstone indicated that investment bankers JP Morgan Chase and Lehman Brothers cancelled commitments for \$750 million in financing budgeted to fund the merger. Blackstone says it still plans to go ahead with the deal if alternative financing can be arranged. TD North has made an offer to buy Commerce Bank in a cash and stock deal. Financial analysts and some stockholders have questioned whether the offer is too low. Since the deal is subject to a vote by Commerce stockholders, the sale could be derailed if it does not receive a majority vote to proceed. Also, other banks may enter the fray and offer to pay more for Commerce.

The Camden Labor Area's unemployment rate is likely to remain near the state's rate in 2008. As the local economy expands, it should create sufficient job opportunities to accommodate most of those seeking work. The labor area's unemployment rate is likely to average in the 4.0 to 5.0 percent range.

It is possible that wage inflation pressures may increase if the supply of unemployed people that are seeking work continues to decline and competition among employers for qualified workers increases. Salary pressures will probably be greatest for occupations in short supply including those requiring licensing or special skills.

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Ocean City Labor Area Review of 2007 and Outlook for 2008 (Cape May County)

by Chester E. Sherman, Bureau of Labor Market Information

Nonfarm wage and salary employment in the Ocean City Labor Area increased to an averaged 45,800 during the first nine months of 2007, a gain of 500 jobs or 1.1 percent from the same period a year ago. In a similar comparison, employment in the state increased by 0.5 percent. Overall, the labor area has added 2,900 jobs since falling to a recession-induced 42,900 in 2002. The labor area's 6.8 percent employment advance since 2002 was more than twice the state's 2.7 percent increase during the five-year period.

Cape May County's over the year job gain was concentrated in the service-providing sector of the local economy as employment among goods producers was unchanged over the period. Among service providers, the largest employment gain was posted in leisure and hospitality (+900), the county's largest and most seasonally volatile industry sector. These new jobs were split almost equally between the amusement and recreation industry and the leisure and hospitality sector's largest component -- accommodation and food services. Employment within trade, transportation & utilities also advanced in 2007 (+400). This

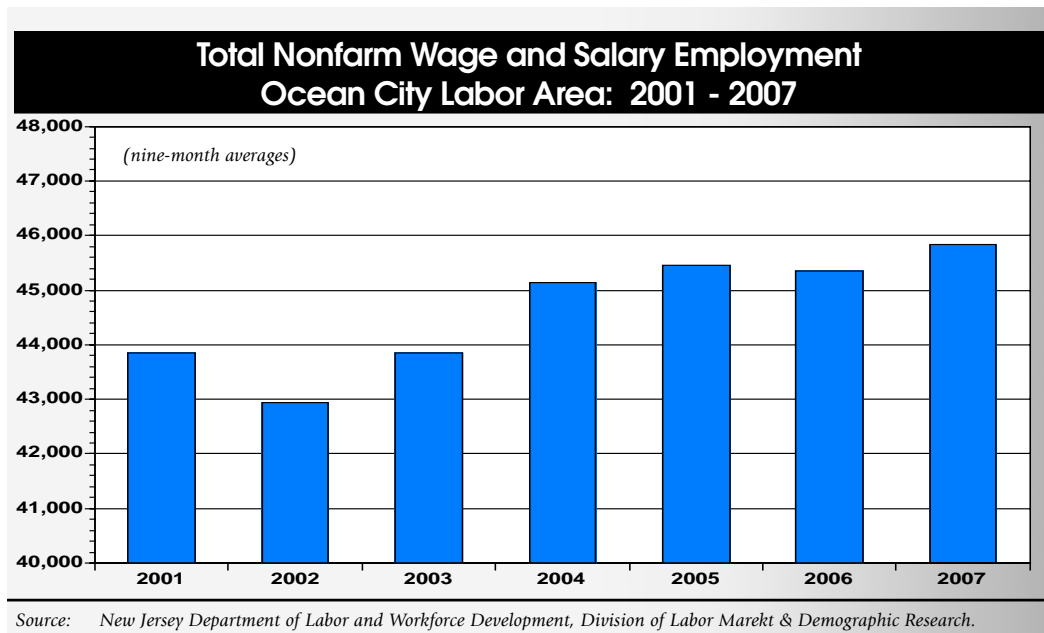
year's employment increase brought the total number of jobs created in this sector since 2003 to 800. The most positive development for trade employment during 2007 was the June opening of a Wal-Mart discount department store along Route 9 in Middle Township. The store employs 300 workers during peak seasonal periods. The most significant setback was the loss of 100 jobs due to the closing in July of a Stop and Shop supermarket in the Grande Shopping Center (Middle Township).

Although the labor area's estimates of nonfarm employment are not sufficiently detailed to verify an over-the-year decline in construction payrolls, it is highly probable there were fewer jobs in this industry in 2007 compared to a year ago. Based on residential building permit data for the first eight months of 2007, the number of housing units authorized for construction declined by 458 or 36.5 percent from the same period a year ago.

There also were significant declines in permits for both retail (-80.5%) and office space (-76.6%) construction in 2007. Overall, the estimated cost of all permitted construction (residential and nonresidential) in Cape May County through the first seven months of 2007 was down by 18.5 percent from the same period a year ago – and by 28.1 percent from the same period of 2005.

The increase in Cape May County's level of total nonfarm employment through the first nine months of the year helped reduce the county's unemployment rate during 2007. Unemployment in the county averaged 6.4 percent through the first nine months of 2007, down from an average 6.8 percent for the same period a year ago. In comparison, the state's unemployment rate fell to an average 4.4 percent from 4.9 in 2006. On average, the labor area's unemployment rate tends to be higher than the state's due to its seasonal swings in employment largely concentrated in its hospitality and other tourism-impacted industries.

Tourism, particularly summer tourism, remains the most critical part of the county's economy. Although an informal survey of tourist activity conducted by the New Jersey Department of Labor and Workforce Development found another mixed bag of mid-season appraisals, favorable weather conditions that extended into October and another sharp increase in the number of Canadian vacationers left many resort business owners with posi-



tive opinions of the 2007 season. More favorable currency rates, which kept the difference between the US and Canadian dollar to about five cents during the summer months, is seen as the primary reason for the steady increase in Canadian visitors the past several years.

However, in several of the county's resort communities, vacancy rates for vacation rental properties and other lodgings continued to be above average during the summer of 2007. While higher vacancy rates are at least partially a reflection of supply having grown faster than demand in recent years, they have largely remained an undercurrent to a strong pace of investment in the state's shore real estate. Indications that the recent rapid run-up in shore real estate values has peaked were evident in both 2006 and 2007. Analysis of second-quarter 2007 housing prices by the Federal Reserve Bank of Philadelphia shows that the Ocean City Metropolitan Area (Cape May County) was the only metropolitan area in the Delaware Valley region to see home prices fall for the past year.

In the Wildwoods, the rise in property values resulted in the demolition of prime examples of the city's unique art deco (or Doo-Wop) architecture -- often motels making way for condominiums. Some believe that the rising number of amenity-laded condominiums, and the corresponding decline in the number of less expensive, more transient hotels and motels, is hurting the restaurant and entertainment trade. It may be that the Wildwoods are in a period of transition between its traditional, value-conscious past and its modern, pricier future.

Partially in response to the loss of these hotel and motel lodgings, and in an attempt to compliment the city's new convention center, Wildwood officials have approved plans for at least six, high-rise hotel/condominium developments in the vicinity of the new center. These planned developments, which feature several hundred hotel rooms and condominiums in 25-story structures, often adhere to the island's doo-wop architectural style. After initially denying approval for one of these high-rise developments, state officials issued guidelines in 2007 that outline criteria the city will have to meet to avoid future permit denials. City officials indicate they are moving quickly to meet the state's requirements.

In addition to these high-rise projects, there are other developments either under construction or making their way through the approval process that could create jobs and provide a boost to the county's economy in 2007. Work has begun in Lower Township on the Grand Resort and Spa; a 12-story building that will include 125 condominium units priced from \$1 million to \$4 million each. In Cape May, Coachman's Motor Inn will be demolished this fall to make way for the Ocean House, a 40-unit luxury condominium development. The project, which also features a 190-seat restaurant, will be unique in that it will have 320 owners under an "equity" or "fractional" ownership arrangement -- a concept that has been used successfully in other vacation hotspots. And, in North Wildwood, officials have moved a step closer to approving plans for a \$175 million hotel/ indoor water park project by declaring an area across the Boardwalk from the city-owned Seaport Pier in need of redevelopment. The development, which could open in 2010 and create 300-400 year round jobs, will feature a 16-story, 425-room hotel on the west side of the Boardwalk and a 90,000-square-foot water park on Seaport Pier.

Some new jobs are possible during the coming year, particularly in retail trade, health services and leisure and hospitality, but overall, the outlook for job creation and economic development in Cape May County during 2008 is not particularly strong. Continued softness in residential and commercial construction is expected as the county attempts to

absorb development that has occurred so far in the new millennium -- one of the strongest periods for economic development in county history.

For more information on the Ocean City Labor Area, please contact Chester Sherman, by e-mail at csherman@dol.state.nj.us or call 609-292-7281.

Salem Labor Area Review of 2007 and Outlook for 2008

(Salem County)

by Bridget Brinson, Bureau of Labor Market Information

Based on nine-month averages, total nonfarm wage and salary employment in Salem County increased to 24,000 in 2007, gaining 0.4 percent from the 23,900 of 2006. Over the same period (January to September) the state recorded a moderate gain of 0.5 percent.

The goods-producing sector added 100 jobs, with the natural resources, mining and construction component contributing the entire amount. The service-providing sector remained stable. Over the same period, retail trade, professional and business services, education, health and social services and government each added 100 jobs. Wholesale trade, information, financial activities and other services were unchanged while transportation, warehousing and utilities and leisure and hospitality lost 200 and 100 jobs, respectively.

Over the first the nine months of 2007 the Salem County unemployment rate averaged 5.1 percent. The state's average rate for this same period was 4.4 percent.

In 2008, the Salem Labor Area may experience modest employment growth. Even so, the area is not expected to add jobs at the same pace as the state. More companies are considering the county and as a result economic development has increased. J.E. Berkowitz, L.P, a leading privately-held glass fabricator, built its new \$25 million 200,000-sq.ft. plant and offices at Gateway Business Park near Pedricktown in Oldman's Township. The company is the lead tenant at Salem County's business park, located just off Exit 7 on Interstate 295. Approximately 225 employees relocated with them from Westville in Gloucester County and 25 new employees were hired. The facility has already started expanding as of July and should boost manufacturing jobs in the county.

Work has resumed at The Riverwalk at Penns Grove after a delay of about a year. Ground for this project was broken in 2005. But after the bulkhead was built, work ceased because of various problems. A new developer, Seaboard LLC, has taken over the \$65 million development. It will feature shops, offices, restaurants, a museum and more. Phase I should be completed in 2008 bringing 60 jobs to the area.

During the up-coming year, the utilities sector will see the construction of a two megawatt electric-generating facility in Alloway Township. Salem County Landfill Energy, LLC (SCLE), has signed an agreement with the Salem County Utilities Authority (SCUA) to develop, own and operate the facility that will produce electricity from landfill methane gas. SCLE plans to have the approximately \$6 million electric generation project constructed and operating by the third quarter of 2008. The new facility will help move Salem County towards renewable energy possibilities.

SC Landfill Energy, LLC will also facilitate the delivery of landfill methane gas to the Salem County Community College's Glass Education Center which will undergo a planned

expansion in 2008. The Education Center is located adjacent to the generating facility. The Salem County Utilities Authority will spend \$2 million to construct the Education Center for the College and develop the site. There is a planned 2008 opening for the expanded center. The two related projects will also aid construction employment in the labor area during the next several months.

For more information on the Salem Labor Area, please contact Bridget Brinson by e-mail at bbrinson@dol.state.nj.us or call (609) 292-0450.

Vineland-Millville-Bridgeton Labor Area Review of 2007 and Outlook for 2008 (Cumberland County)

by Bridget Brinson, Bureau of Labor Market Information

From January to September 2007 total nonfarm wage and salary employment in the Vineland/Millville/Bridgeton Labor Area increased slightly by 100 to reach a level of 63,000 jobs. Employment advanced each year between 2002 and 2005, declined in 2006 and rebounded slightly in 2007. The average number of jobs over the current nine month period increased 0.2 percent from 2006 compared with the state's 0.5 percent.

All of the employment gain during 2007 was recorded in the private service-providing sector, which increased by 700 jobs. The other services and trade, transportation & utilities components each added the most jobs in this sector (+300), followed by education, health and social services (+200). Professional and business services declined during the period, losing 100 jobs.

Education, health and social services has increased by 900 jobs since 2002, showing an over-the-year increase in four of the last five years and declining only in 2006. Other services trended upward as of 2003 with its largest jump during 2007.

The service-providing sector had an overall increase of 400 jobs while the public sector declined by 300 jobs. On the other hand, the goods-producing sector lost 300 jobs in the manufacturing supersector. Contributing to the loss was the closing of Lohmann Animal Health's plant. The company consolidated operations at its headquarters in Winslow, Maine, and eliminated 37 jobs in Vineland during September 2007. Lohmann's parent company in Germany will assume most of the product manufacturing. Since 2004 manufacturing has contracted by 700 in the area.

On average, the jobless rate in the Vineland/Millville/Bridgeton Labor Area over the first nine months of 2007 was 6.7 percent, down from 7.3 percent a year ago. Similarly, the state's unemployment rate dropped to 4.4 percent in 2007 from 4.9 percent in 2006.

The labor area's growth should accelerate moderately in the coming year. With the opening of Thunderbolt Raceway Motorsports Park in Millville new employees are expected to be hired. Retail and manufacturing businesses coming to the area will create additional employment opportunities. The Motorsports Park is being hailed as the largest economic development project in Cumberland County's history. Employment in leisure and hospi-

tality is expected to increase by 200 permanent jobs during the first phase of the project's development, scheduled for completion in the summer of 2008. More than 1,500 jobs should be added upon completion of the entire three phases of this project in 2011. Additionally, as companies that are ancillary to the Motorsports Park are attracted to the area, employment will increase. In addition, the availability of federal and state economic incentives will have a positive effect on attracting new businesses and new jobs to the labor area.

The three major cities in the Labor Area, Vineland, Millville, and Bridgeton along with Commercial Township in Cumberland County, were designated Federal Empowerment Zones in 1999. The Federal Empowerment Zone program targets the nation's poorest areas, providing social service grants and incentives for businesses to locate to these areas. This program is expected to be in place through 2019. The zones were created to assist revitalization of economically challenged areas and as an incentive to attract new businesses which otherwise may not have come to the area.

Coming to the area in the spring and participating in the Empowerment Zone are a Wawa convenience store and Omni Baking Company in Vineland (+80 jobs each) and New Jersey Ethanol in Bridgeton (+25 jobs). Increased business necessitated an addition to Omni Baking Company's facility at the Airport Commerce Center.

The Cumberland Empowerment Zone Corporation (CEZC) administers the Empowerment Zone program in Cumberland County. The (CEZC) has many successes to its credit and is one of the top performing empowerment zones in the nation. CEZC investments in small businesses leverage private money. Banks and other investors then lend these same businesses additional money on the foundation of the CEZC loans. As a result, employment opportunities increase for zone residents. In order to receive CEZC funding businesses within the zone are required to hire 35% of local residents.

Construction employment will benefit by about 300 jobs during Phase I of the construction of the Motorsports Park in Millville and also because of residential development projects. Ground was broken in July 2007 on the \$100 million Motorsports Park which will occupy 708 acres at the intersection of Buckshutem and Dividing Creek roads in the southeastern corner of the Millville Municipal Airport. Additionally, despite the subprime mortgage crisis in which foreclosures nationally climbed to record levels in 2007, building permits authorizing new privately owned housing units in the county are almost on par, 503 permits issued through August 2007, with those issued through August 2006 (539). The availability of undeveloped land in the county seems to be an asset at this time.

In the coming year jobs will most likely be added in retail trade, leisure and hospitality, construction and manufacturing. Among the businesses planning to open in the county are a Wal-Mart superstore along Delsea Drive and West Landis Avenue in Vineland spurring job growth in retail trade by creating between 200 and 300 new jobs by the last quarter of 2008. Retail employment will also be boosted by two Walgreen Pharmacy stores in Vineland and Bridgeton and a new Rite Aid being built at the southeast corner of Sherman Avenue and Delsea Drive in Vineland. All of these new businesses should add a total of 100 jobs.

In addition to the federal Empowerment Zone program there is the state Urban Enterprise Zone (UEZ) program. Businesses that are already in, or locating within the UEZ will benefit from a reduced sales tax, paying 50 percent of the present 7 percent sales tax rate on most items. The State makes a portion of the sales tax revenue available, in the form of grants, to the cities. These loans may be used to construct new or refurbish existing facilities

within the zone. Businesses also benefit from grants and tax credits for on-the-job training, available through the State of New Jersey.

For more information on the Vineland/Millville/Bridgeton Labor Area, please contact Bridget Brinson by e-mail at bbrinson@dol.state.nj.us or call (609) 292-0450.

New Jersey's Economy by the Numbers: November 27, 2007

Comparative Economic Indicators: New Jersey and United States

New Jersey Data (Seasonally adjusted)					Year-to-Date % change from year ago (Unadjusted)	
Latest Month	Month Ago	Year Ago	Latest Data	Data Series	Page Number	NJ US
\$ 426,221	\$423,159	\$ 403,803	2nd Quarter	Personal Income (millions)*		5.9 6.4
51,213	51,143	47,640	Sep	New Vehicle Registrations***	S-18	1.4 -3.8
1,753	3,116	2,850	Sep	Dwelling Units Authorized**	S-16	-30.3 -25.6
4,107.7	4,106.3	4,083.8	Oct	Nonfarm Payroll Employment (000)	S-6	0.6 1.4
316.7	317.4	322.0	Oct	Manufacturing (000)	S-8	-2.2 -1.1
2,960.8	2,960.1	2,934.6	Oct	Private Service-providing (000)	----	0.9 1.9
185.8	194.8	210.0	Oct	Total Unemployment (000)	S-2	-9.0 -0.4
4.1	4.3	4.5	Oct	Total Unemployment Rate (%)	S-4	-----
112.6	111.9	110.4	Oct	Insured Unemployment Volume (000)	S-20	3.8 2.6
2.9	2.9	2.8	Oct	Insured Unemployment Rate (%)	S-20	-----
41.1	41.1	41.8	Oct	Average Factory Workweek (hours)**	S-28	-2.1 0.2
\$17.45	\$17.26	\$16.67	Oct	Average Factory Hourly Earnings**	S-28	3.5 2.6
\$717.20	\$709.39	\$696.81	Oct	Average Factory Weekly Earnings**	S-28	1.3 2.9

Notes: See pages S-31 to S-34 for notes on **Indicators'** series. (Nonbuilding construction contracts are not published; private service-providing data are found in 13-month tables on page S-23.)

1 Monthly revisions to unadjusted data published by special contract with McGraw-Hill Construction. Reprinting and electronic dissemination are prohibited by law.

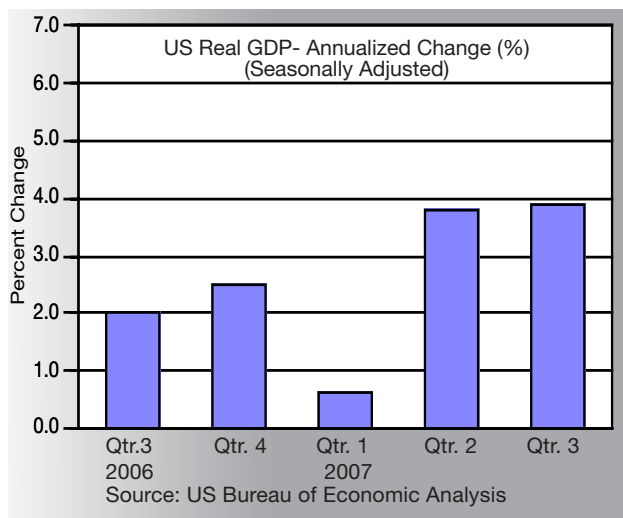
* Latest Month - 2nd Qtr. 2007; Month Ago - 1st Qtr. 2007; Year Ago - 2nd Qtr. 2006 (annualized data).

** Not seasonally adjusted.

*** Includes only total new cars and new light trucks/vans (weight class 0-10,000 lbs.) registered in NJ.

Economic Situation: The Nation

The most recent data for two of the nation's most critical economic indicators, employment growth and growth in real Gross Domestic Product (GDP), are encouraging. Real GDP grew at an annual rate of 3.9 percent in the third quarter while non-farm payroll employment added 166,000 new jobs in October. However, this positive news has been countered by a series of negative economic reports that raised questions about the underlying strength and course of the economy.



Among the areas of concern are oil prices, fast approaching \$100 a barrel—raising concerns about the impact of higher energy costs on consumer spending as the holiday season and winter heating season approach. Both consumer confidence and the American dollar are declining while reports on the housing industry continue to be bleak, with no sign that the residential real estate market has bottomed out yet.

Against this backdrop, the Conference Board's Index of Consumer Confidence declined for the third straight month, from 99.5 percent in September to 95.6 percent in October, a decline of 3.9 percent. Since

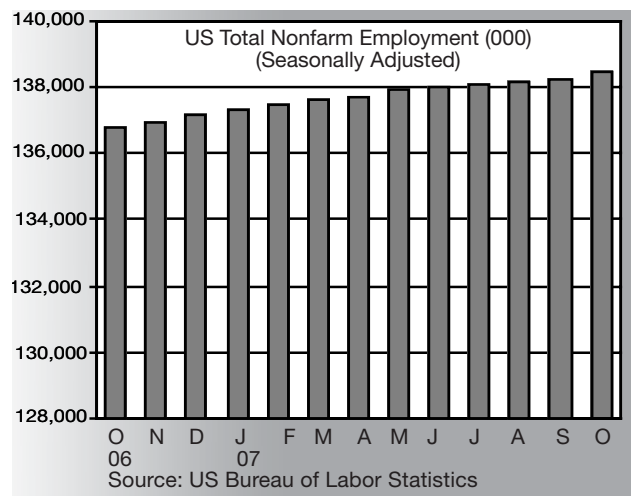
July, the index is down 14.6 percent. Both the present situation and the expectations indices were down in October.

Retail sales for October, reflecting sagging consumer confidence, were almost flat, increasing by only 0.2 percent, following a gain of 0.7 percent in September. The largest monthly gains were in gasoline sales (0.8 %), building material and garden supply sales (0.6%), and food and beverage sales (0.4%). In fact, excluding gasoline sales, the monthly gain was only 0.1 percent. Sporting goods, nonstore retailers, general merchandise stores, furniture and home furnishing stores all had monthly declines in October.

Despite the decline in consumer confidence and lackluster retail sales, nonfarm payroll employment increased by 166,000 in October, almost double the gain expected by most forecasters. The gain was the largest since May when 188,000 jobs were added. The revised August and September gains were 93,000 and 96,000, respectively.

Professional and business services added the most new jobs in October, 65,000, while leisure and hospitality services rose by 56,000. Health care added a relatively modest 34,400 jobs. Since last October, leisure and hospitality, somewhat surprisingly, has added the most new jobs, 438,000, followed by health care, 399,700, and professional and business services, 368,000.

In the goods-producing sector, construction employment fell by 5,000 jobs, mainly due to employment declines in the residen-



Economic Situation: The Nation

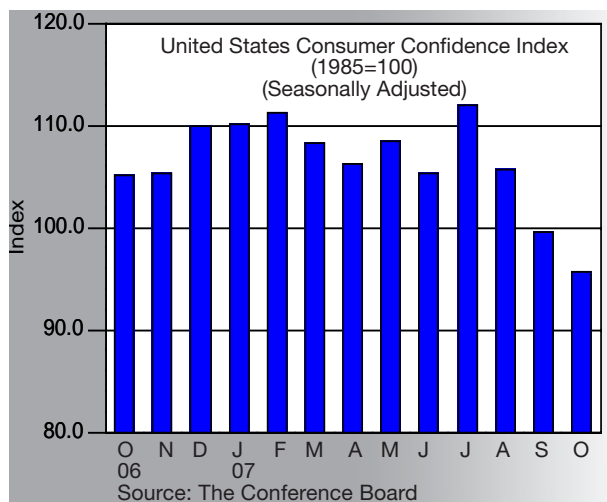
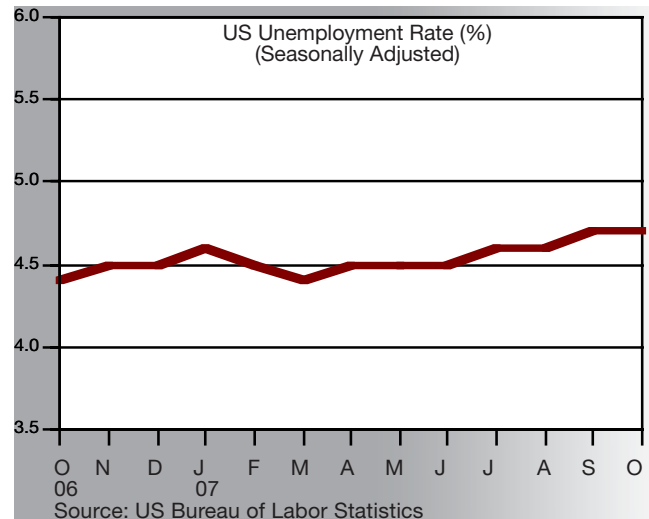
tial components of the industry. Manufacturing employment was also down over the month contracting by 21,000 jobs.

The nation's unemployment rate held steady at 4.7 percent in October. However, the unemployment rate for blacks increased by 0.4 percent while the unemployment rates for the other demographic groups were largely unchanged. Two positive labor force indicators are that the number of people not in the labor force who want a job declined sharply from 4.7 million to 4.2 million while the number of people working part time for economic reasons declined for the third straight month.

Like October employment, growth in recent real GDP was strong. In the third quarter, real GDP grew by 3.9 percent at an annual rate, following growth of 3.8 percent in the second quarter. These data confirm that growth in the second and third quarters of this year has been exceptionally strong, following a weak first quarter when growth was only 0.6 percent.

Third quarter growth was paced by an increase in personal consumption expenditures which rebounded from a weak second quarter. Exports enjoyed their fastest growth since the fourth quarter of 1996, in large part due to the declines in the value of the dollar against other major currencies. Business investment also enjoyed third quarter growth, despite a 20.1 percent decline in investment in residential real estate — the largest since the 20.4 percent decline in the third quarter of 2006. The magnitude of these changes is indicative of the problems facing the housing industry.

National building permits were down 6.6 percent in October to their lowest level year-to-date and were 24.5 percent lower than October a year ago. Housing starts were up 3.0 percent from September's depressed level which was 11.4 percent lower than in August. However, housing starts were down 16.4 percent from October of 2006 and have generally trended down since the fourth quarter of last year.



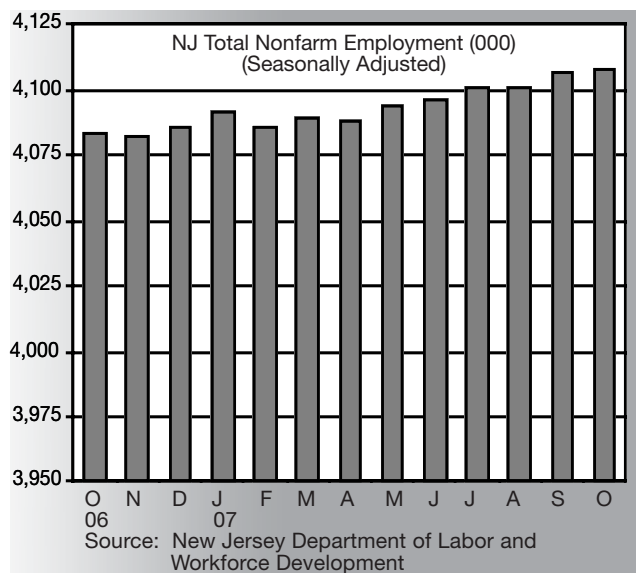
Consumer prices increased by 0.3 percent in October, the same as in September. For the first ten months of this year, prices have risen at an annual rate of 3.6 percent a year, compared with 2.5 percent for all of last year. The increase in inflation this year is due to higher prices for energy and food.

Of course, the recent explosion in oil prices and the weakening dollar has serious negative implications for subsequent inflation rates and the likelihood of further interest rate cuts by the Federal Reserve Board.

Economic Situation: The State

The New Jersey economy, like the national economy, was sending mixed messages in October. The most positive news was on the employment front where the unemployment rate declined to 4.1 percent, while payroll employment reached a record high.

However, the same problems that are hampering the national economy — driven by difficulties in the residential housing market and high oil prices — are evident in the northeast region and in New Jersey. Housing market problems have spilled over into related sectors and are negatively impacting such industries as residential construction, financial services and residential real estate.



Consumer confidence is down in the Middle Atlantic region. The 9.2 percent October decline is larger than the national decline and is attributable to a steep 15.2 percent decline in the expectations index. The present situation index is down only 3.3 percent. A number of factors, such as rising oil prices and heavy losses in the financial services industry, have resulted from problems emanating from sub-prime mortgages.

In the coming months, New Jersey consumers can be expected to be pinched by

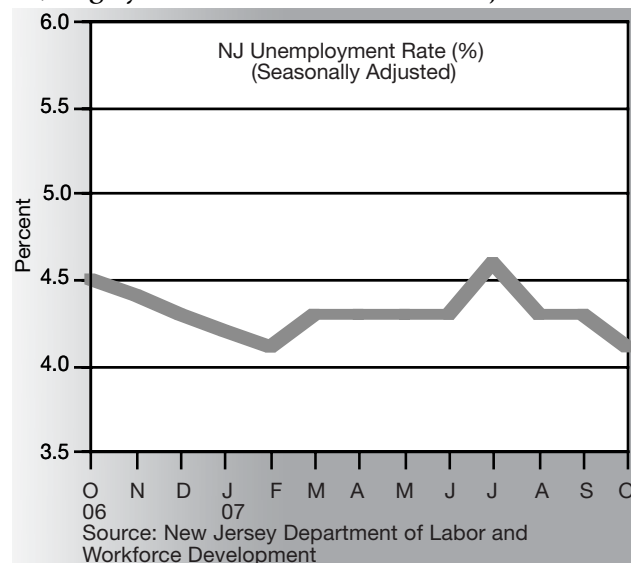
higher gas prices and increased heating costs as oil prices rise. These factors, combined with tighter credit and reduced home equity, will likely slow consumer spending.

Nonfarm payroll employment expanded by 1,400 jobs in October and followed a revised gain of 6,200 in September. The September gain is the largest monthly gain this year. The previous high was the addition of 5,900 jobs in May. Year-to-date employment growth in New Jersey was 0.6 percent compared with 1.4 percent nationally.

In October, a loss of 500 jobs in the goods-producing sector was offset by the addition of 1,900 jobs in the service-providing sector. Of the service-providing jobs, 700 were in the private sector while the public sector added 1,200, largely due to the addition of 800 jobs in local government.

Professional and business services had the largest gain in October, with the addition of 2,400 jobs. Education and health services added 1,000 jobs, largely due to employment gains in health care and social assistance. Employment in leisure and hospitality declined by 1,000 while the financial services industry, heavily impacted by problems due to sub-prime mortgages, lost 500 jobs.

The New Jersey unemployment rate declined to 4.1 percent in October, down from September's 4.3 percent. The rate is significantly below the national rate of 4.7 percent

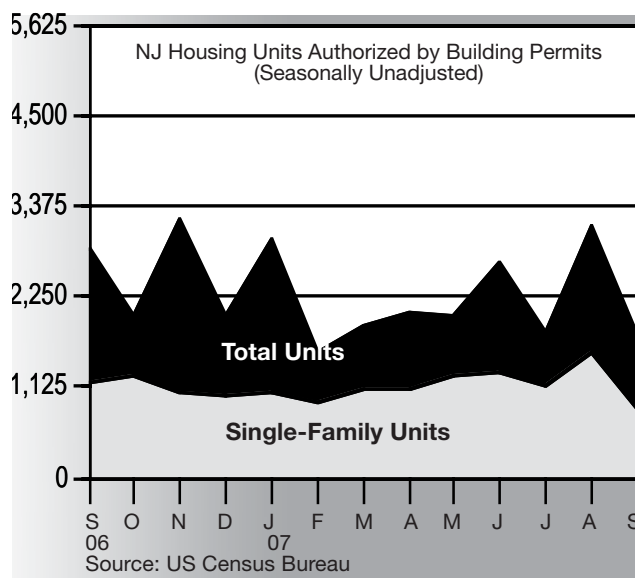


Economic Situation: The State

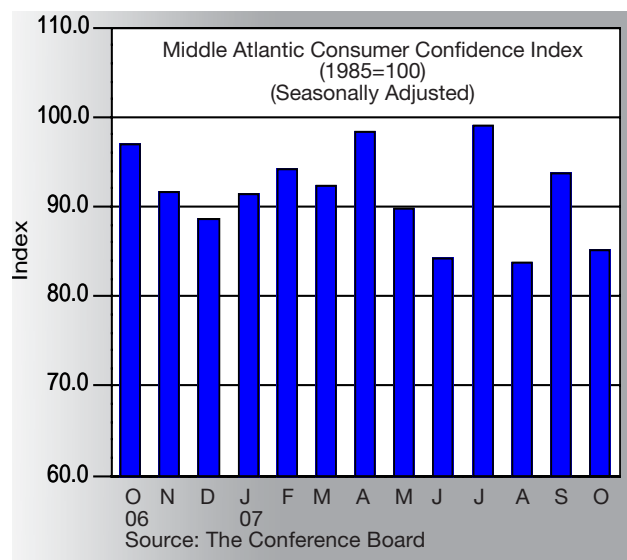
and matches the February rate as the lowest this year. May 2001, was the last time the New Jersey unemployment rate was lower than 4.1 percent.

The September building permit data show no signs of a recovery in residential real estate. The September total, 1,753, was down sharply from the elevated August total and was the third lowest monthly total this year. Year-to-date building permits are down 30.3 percent from a year ago and 38.0 percent from 2005. Private single family homes are down 25.0 percent from a year ago while multi-family dwelling units are down by almost a third (32.3%). Building permits will continue to be monitored for the first signs of a rebound in residential construction.

In the northeastern region of the country, building permits and housing starts paint a more optimistic picture. The latest data for October show that regional building permits were up 2.1 percent over the month and were down only 7.1 percent from October a year ago. The midwestern and southern regions both suffered sizeable monthly declines and were down 20.1 percent and 32.2 percent, respectively, from their October levels of a year ago. Housing starts in the northeast were up 8.5 percent in October while gaining 21.1 percent in the midwest and 5.8 percent in the west. The south, down by 4.6 percent, was the only region having a decline. The northeast is the only region showing an over-the-year gain, 4.1 percent from October of 2006.



In the Northeast, as in the rest of the nation, existing home sales continued to decline. September sales were down 10.0 percent from the previous month and 13.5 percent from a year ago. Similar declines were evident in the other regions of the country. The value of construction contracts in New Jersey showed an unexpectedly large increase of 48 percent in October. The increases were across the board with residential contracts showing the largest increase, 56.4 percent, while the value of nonresidential contracts was up 53.3 percent.

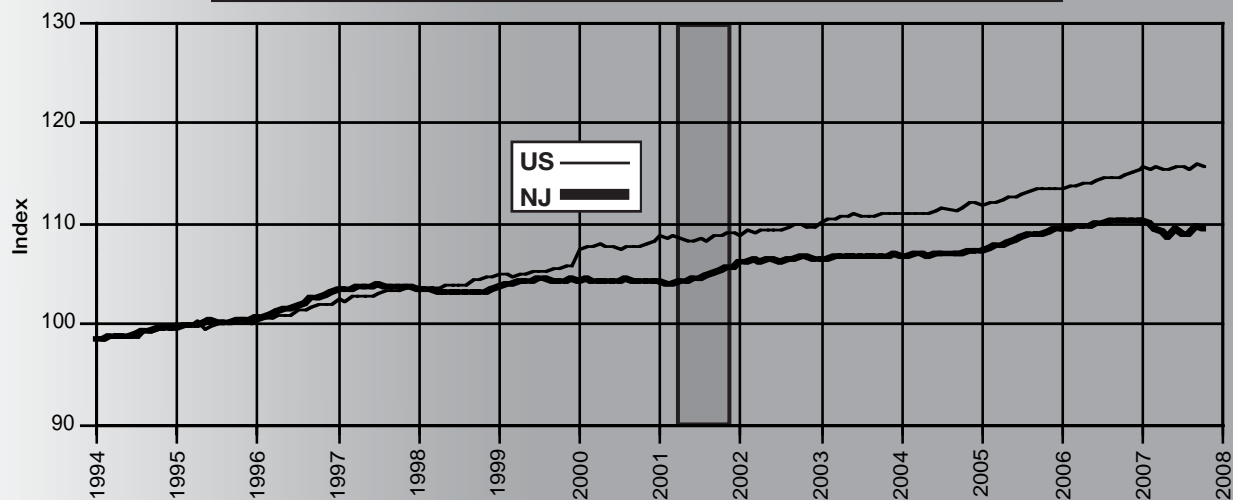


The data should be viewed with caution since it is not consistent with other current data on developments in the construction industry. Even with the large increase, the year-to-date value of construction contracts in New Jersey is down 16.0 percent from October 2006. The nation is down 10.0 percent from this date a year ago.

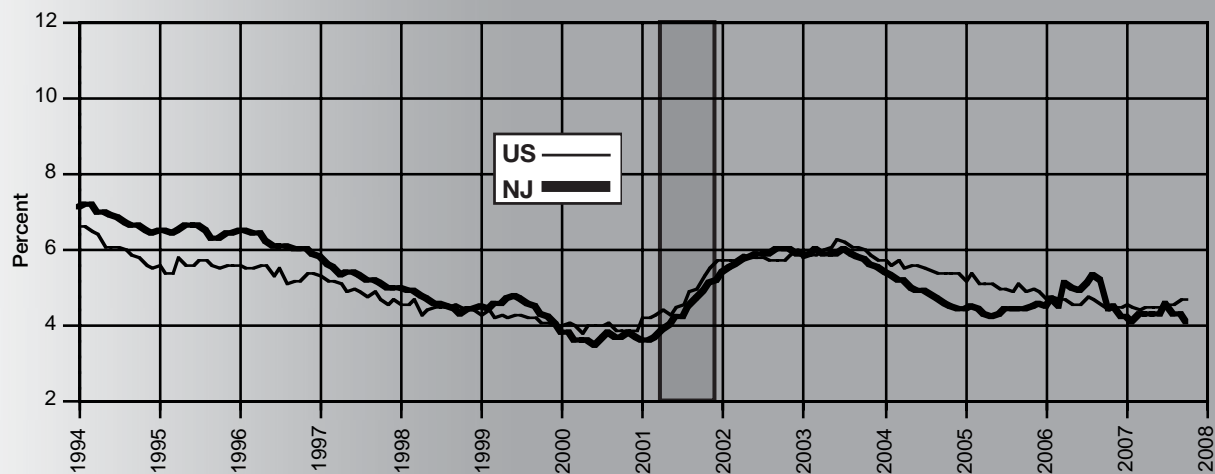
The Consumer Price Index data by region show that inflation was well contained over the August through October period. Prices rose by only 0.1 percent in both the New York region and in the Philadelphia metro region. New Jersey is represented in these regions.

Comparisons of Economic Trends in New Jersey and the US

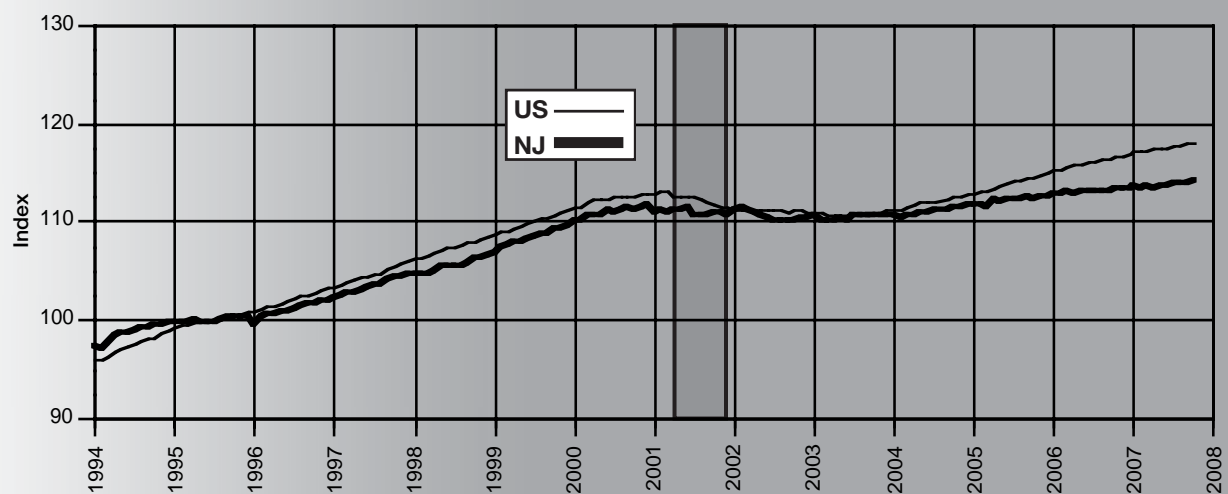
Civilian Labor Force (1995=100)



Unemployment Rate (%)



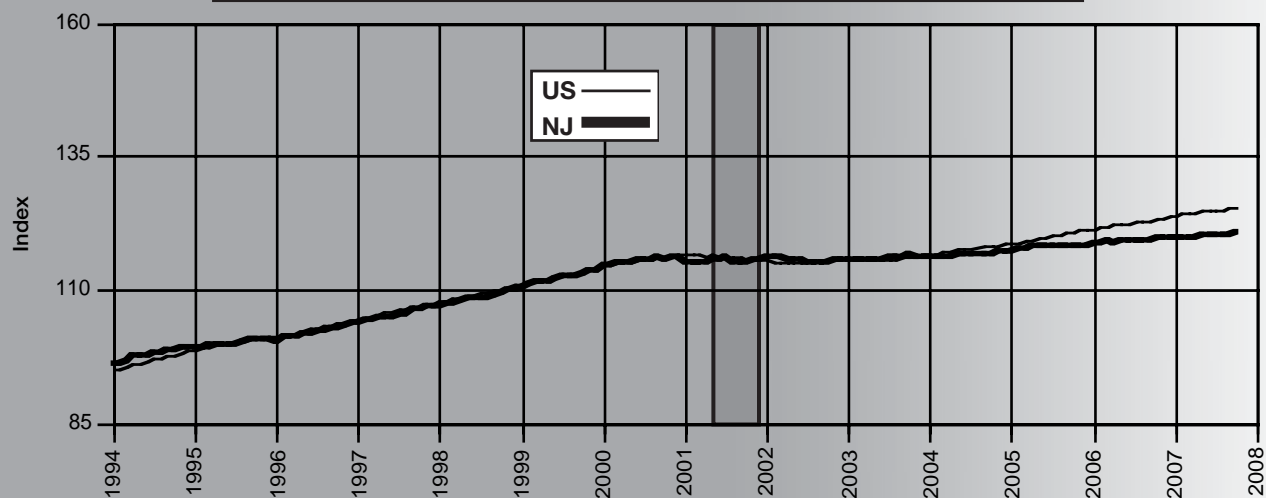
Nonfarm Payroll Employment (1995=100)



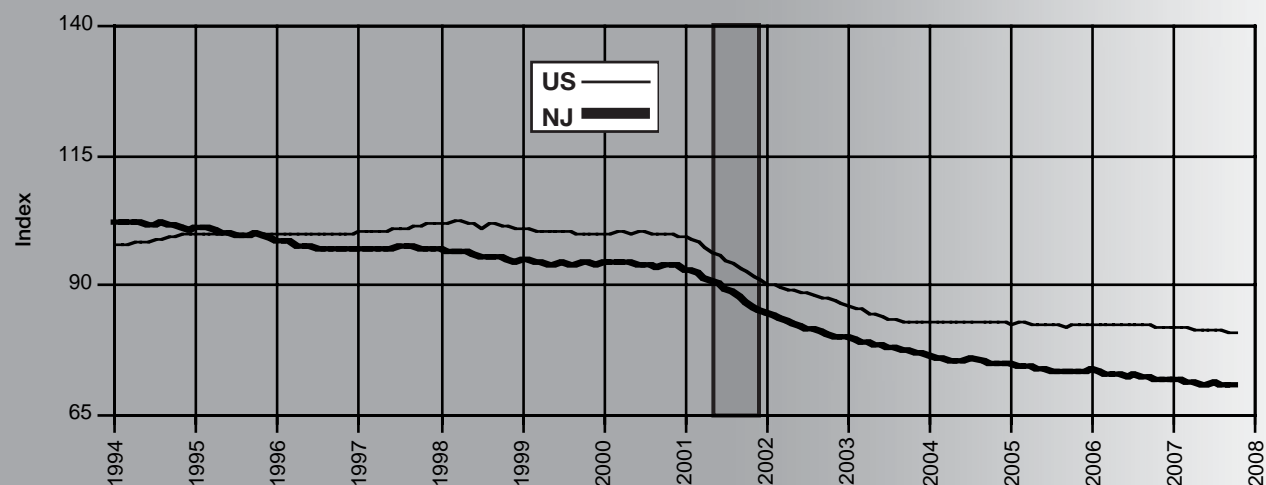
See notes on page 46.

Comparisons of Economic Trends in New Jersey and the US

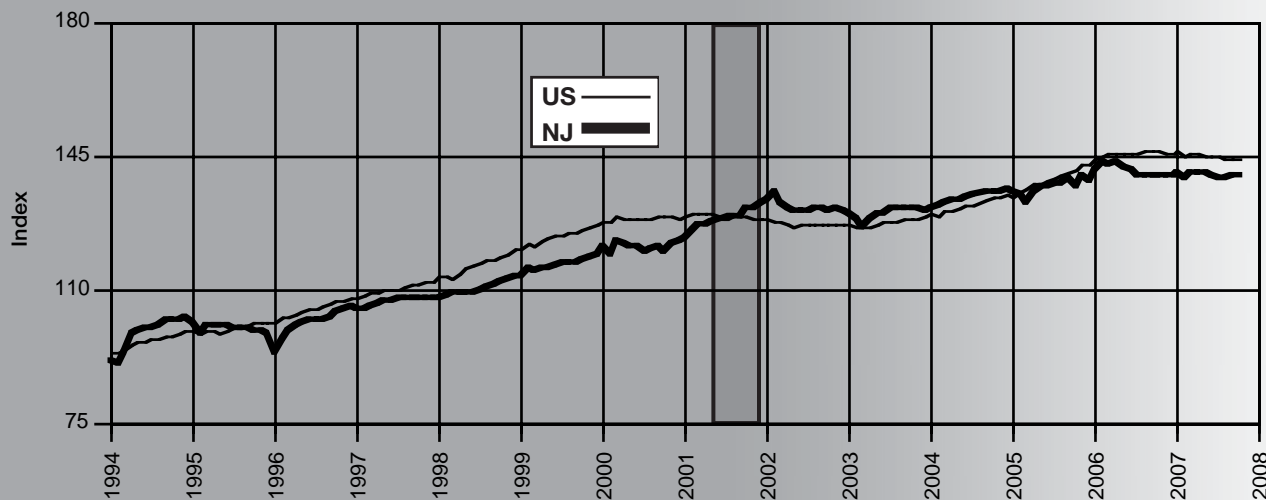
Private Service Providing Employment (1995=100)



Manufacturing Employment (1995=100)



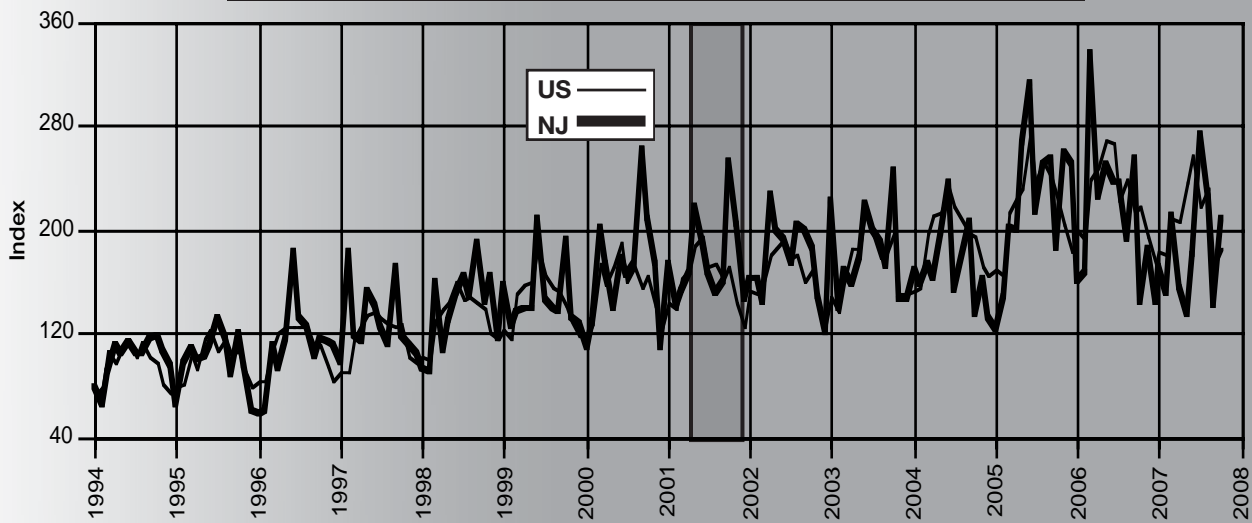
Construction Employment (1995=100)



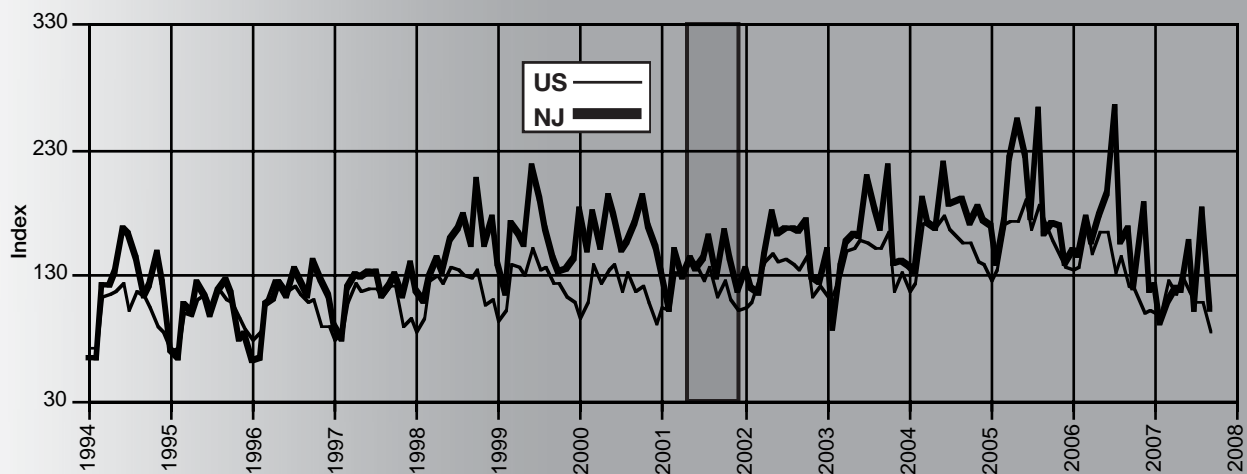
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Comparisons of Economic Trends in New Jersey and the US

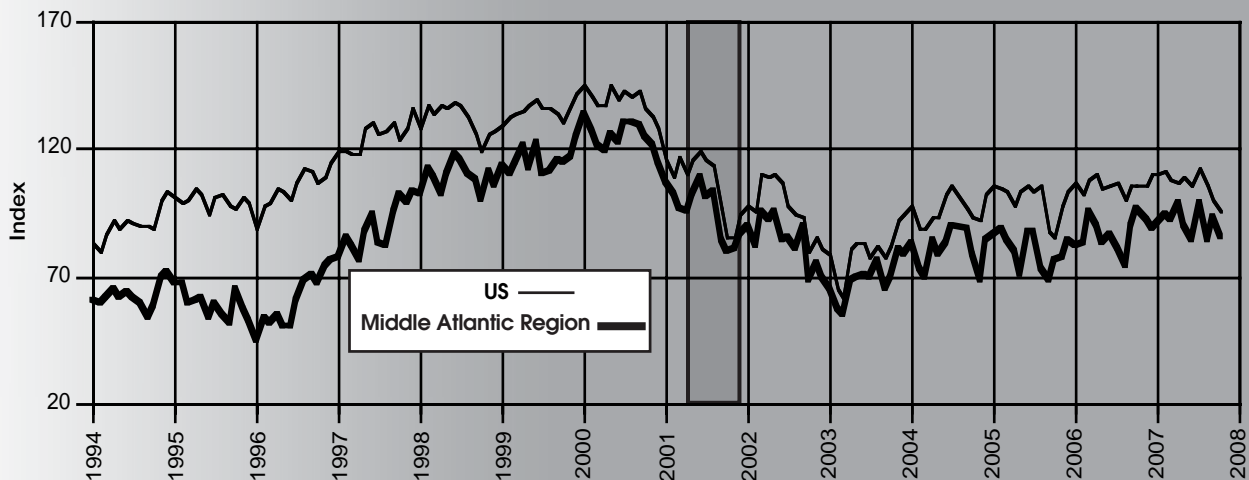
Total Construction Contracts Awarded (1995=100)-Unadj.



Dwelling Units Authorized (1995=100) - Unadj.



Consumer Confidence Index (1985=100)-Unadj.



Notes: Unemployment rates are not indexed. Use of an index facilitates comparisons. All indexed data have a 1995 base except for the Consumer Confidence Index (CCI), which has a 1985 base. All data are seasonally adjusted, except the Middle Atlantic Region CCI, Total Construction Contracts awarded and Dwelling Units Authorized.

Labor Area Focus — Regional Analysts' Corner

Northern Region

In November, a business owned by real estate developer and casino owner Donald Trump joined the consortium that plans to redevelop an 800-acre former landfill that spans three municipalities in two counties in the Meadowlands district. The partnership now includes Meadowlands Development Venture, a company controlled by the Trump Organization which will manage the project. Among the other partners are EnCap Golf Holdings and Cherokee Investment Partners. The planned mixed-use development called Trump National, will include a hotel, golf course and 4,000 condominiums. The plan requires government approval before work can move forward.

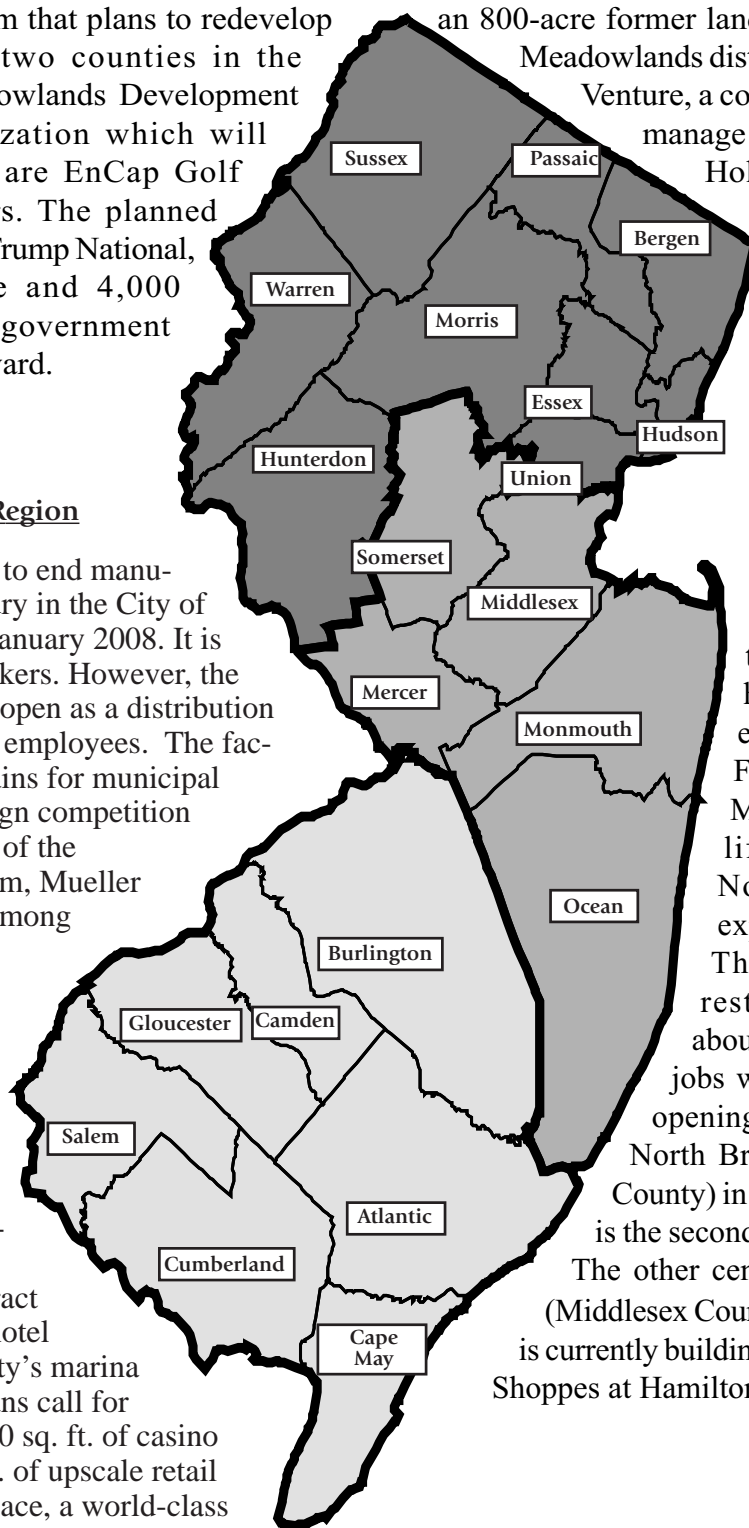
Southern Region

US Pipe plans to end manufacturing at its foundry in the City of Burlington in early January 2008. It is furloughing 180 workers. However, the location will remain open as a distribution center with about 15 employees. The factory makes water mains for municipal water projects. Foreign competition and a reorganization of the company's parent firm, Mueller Water Products are among the causes for this closure. Production will move to Alabama.

Officials of MGM Mirage, Inc. say they will begin construction on a \$5-billion hotel casino resort on a 72-acre tract next to the Borgata hotel casino in Atlantic City's marina district in 2008. Plans call for 3,000 rooms, 280,000 sq. ft. of casino space, 500,000 sq. ft. of upscale retail and entertainment space, a world-class spa and a convention center. Dubbed MGM Grand Atlantic City, the project is scheduled for completion in 2012.

Central Region

Lifestyle centers are contributing to retail trade and leisure and hospitality employment gains. Freehold Raceway Mall opened an outdoor lifestyle center in November, its first expansion since 1998. The new stores and restaurants generated about 300 jobs. Over 700 jobs were created with the opening of The Shoppes at North Brunswick (Middlesex County) in mid-November. This is the second center in the region. The other center is in Old Bridge (Middlesex County), and the company is currently building a third center — The Shoppes at Hamilton (Mercer County).



Labor Area Focus (cont.)

Labor Area Nonfarm Payroll Employment

(seasonally adjusted)

	2006			2007									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Atlantic City Labor Area (<i>Atlantic County</i>)													
Total Nonfarm	152.3	151.1	151.3	151.0	150.3	150.1	149.3	149.7	150.5	150.1	150.7	150.5	149.4
Total Private Sector	129.2	128.0	128.2	128.2	126.9	126.7	126.1	126.5	127.0	126.9	127.2	126.8	126.0
Government	23.1	23.1	23.1	22.8	23.4	23.4	23.2	23.2	23.5	23.2	23.5	23.7	23.4
Bergen-Passaic Labor Area (<i>Bergen & Passaic counties</i>)													
Total Nonfarm	656.8	655.5	654.9	658.0	657.3	656.1	656.1	655.8	656.1	656.6	657.0	656.2	655.8
Total Private Sector	575.9	574.8	574.2	577.4	576.6	575.5	574.9	574.3	574.6	575.2	575.4	574.0	573.7
Government	80.9	80.7	80.7	80.6	80.7	80.6	81.2	81.5	81.5	81.4	81.6	82.2	82.1
Camden Labor Area (<i>Burlington, Camden & Gloucester counties</i>)													
Total Nonfarm	544.6	543.9	545.7	550.1	552.8	552.9	553.2	553.2	553.9	553.7	554.4	554.6	555.5
Total Private Sector	455.8	454.9	456.9	460.4	462.5	462.2	462.6	462.5	462.9	462.9	463.2	463.0	463.4
Government	88.8	89.0	88.8	89.7	90.3	90.7	90.6	90.7	91.0	90.8	91.2	91.6	92.1
Edison Labor Area (<i>Middlesex, Monmouth, Ocean & Somerset counties</i>)													
Total Nonfarm	1,027.4	1,026.2	1,026.5	1,035.1	1,035.1	1,034.9	1,032.8	1,034.5	1,034.6	1,034.5	1,034.6	1,036.3	1,036.2
Total Private Sector	878.4	876.8	876.7	883.7	884.2	884.2	882.8	883.7	883.5	883.8	884.0	884.3	883.8
Government	149.0	149.4	149.8	151.4	150.9	150.7	150.0	150.8	151.1	150.7	150.6	152.0	152.4
Jersey City Labor Area (<i>Hudson County</i>)													
Total Nonfarm	246.4	245.9	245.6	247.0	246.1	246.3	246.6	246.2	246.3	246.8	246.7	246.8	246.4
Total Private Sector	205.3	204.9	204.6	206.2	205.1	205.3	205.5	205.1	205.1	205.3	205.1	205.1	204.6
Government	41.1	41.0	41.0	40.8	41.0	41.0	41.1	41.1	41.2	41.5	41.6	41.7	41.8
Newark-Union Labor Area (<i>Essex, Hunterdon, Morris, Sussex & Union counties</i>)													
Total Nonfarm	1,033.2	1,033.8	1,033.5	1,032.2	1,035.9	1,035.0	1,038.1	1,038.5	1,038.5	1,042.7	1,040.5	1,038.2	1,032.4
Total Private Sector	865.4	866.5	866.0	866.2	869.0	868.6	870.2	870.7	869.8	870.4	870.1	868.9	865.8
Government	167.8	167.3	167.5	166.0	166.9	166.4	167.9	167.8	168.7	172.3	170.4	169.3	166.6
Ocean City Labor Area (<i>Cape May County</i>)													
Total Nonfarm	45.5	45.5	45.4	45.6	45.2	45.0	44.4	44.0	44.6	44.1	44.2	44.6	47.3
Total Private Sector	36.1	36.0	35.9	36.0	35.6	35.4	34.8	34.3	35.1	34.7	34.9	35.3	37.2
Government	9.3	9.5	9.5	9.6	9.6	9.6	9.6	9.7	9.5	9.4	9.3	9.3	10.1
Salem Labor Area (<i>Salem County</i>)													
Total Nonfarm	23.9	24.0	24.0	24.5	24.5	24.7	23.8	24.0	23.7	23.6	23.8	23.9	23.5
Total Private Sector	19.0	19.1	19.2	19.6	19.7	19.9	18.9	19.1	19.0	18.6	18.7	19.0	18.7
Government	4.8	4.8	4.8	4.9	4.8	4.8	4.9	4.9	4.7	5.0	5.1	4.9	4.8
Trenton-Ewing Labor Area (<i>Mercer County</i>)													
Total Nonfarm	244.4	244.7	244.9	246.5	247.2	246.8	247.0	246.3	245.9	247.0	246.9	248.3	248.1
Total Private Sector	175.8	176.0	176.0	177.1	177.4	176.6	176.5	176.5	176.4	177.7	178.0	178.9	178.8
Government	68.6	68.6	68.9	69.4	69.8	70.2	70.5	69.8	69.5	69.3	68.9	69.4	69.3
Vineland-Millville-Bridgeton Labor Area (<i>Cumberland County</i>)													
Total Nonfarm	63.2	63.4	63.7	63.5	63.4	63.4	63.2	63.3	63.4	63.6	63.3	62.8	63.2
Total Private Sector	47.9	48.2	48.5	48.3	48.2	48.2	48.0	48.2	48.4	48.6	48.0	48.1	48.2
Government	15.3	15.3	15.2	15.2	15.2	15.2	15.2	15.1	15.0	15.0	15.3	14.7	15.0

Labor Area Focus (cont.)

Labor Area Civilian Labor Force

(seasonally adjusted)

Labor Area	2006 Oct	Nov	Dec	2007 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Atlantic City Labor Area (Atlantic County)													
Labor Force	139.5	138.7	139.6	139.1	138.8	137.6	136.6	136.3	137.1	135.0	135.9	137.9	136.1
Employment	131.7	131.3	131.7	130.9	130.8	129.3	128.6	128.0	128.6	126.8	128.0	129.9	128.2
Unemployment Volume	7.7	7.4	7.9	8.2	8.0	8.3	8.0	8.3	8.5	8.2	7.9	8.0	7.9
Unemployment Rate (%)	5.6	5.3	5.7	5.9	5.8	6.0	5.9	6.1	6.2	6.1	5.8	5.8	5.8
Bergen-Passaic Labor Area (Bergen & Passaic counties)													
Labor Force	717.8	718.1	718.4	714.0	714.3	710.8	707.5	706.5	712.0	710.9	710.3	714.5	711.0
Employment	688.2	688.5	689.3	684.8	685.8	681.3	678.7	677.3	682.7	680.2	680.8	684.6	682.3
Unemployment Volume	29.5	29.6	29.1	29.2	28.5	29.5	28.8	29.2	29.3	30.7	29.5	29.9	28.7
Unemployment Rate (%)	4.1	4.1	4.0	4.1	4.0	4.2	4.1	4.1	4.1	4.3	4.2	4.2	4.0
Camden Labor Area (Burlington, Camden & Gloucester counties)													
Labor Force	671.9	672.6	674.5	675.7	675.5	672.4	669.9	669.3	674.8	670.8	672.9	676.8	673.9
Employment	642.3	643.2	646.3	646.6	647.3	643.6	641.2	640.8	646.2	641.2	645.0	648.3	645.9
Unemployment Volume	29.6	29.4	28.2	29.1	28.2	28.8	28.7	28.5	28.6	29.6	27.9	28.5	28.0
Unemployment Rate (%)	4.4	4.4	4.2	4.3	4.2	4.3	4.3	4.3	4.2	4.4	4.1	4.2	4.2
Edison Labor Area (Middlesex, Monmouth, Ocean & Somerset counties)													
Labor Force	1,198.4	1,200.6	1,201.9	1,200.4	1,197.6	1,192.2	1,191.4	1,186.6	1,196.1	1,191.3	1,187.2	1,196.9	1,193.4
Employment	1,151.7	1,152.9	1,155.2	1,153.1	1,151.6	1,145.7	1,144.7	1,140.5	1,149.8	1,143.0	1,141.5	1,150.4	1,148.7
Unemployment Volume	46.7	47.7	46.7	47.3	46.0	46.5	46.7	46.1	46.3	48.3	45.7	46.5	44.7
Unemployment Rate (%)	3.9	4.0	3.9	3.9	3.8	3.9	3.9	3.9	3.9	4.1	3.8	3.9	3.7
Jersey City Labor Area (Hudson County)													
Labor Force	293.7	293.6	293.5	293.2	293.0	291.4	290.1	289.3	291.4	291.0	290.4	292.1	290.9
Employment	278.9	279.0	279.2	278.1	278.3	276.5	275.2	274.7	276.8	275.7	275.9	277.5	276.5
Unemployment Volume	14.8	14.6	14.3	15.1	14.7	14.9	14.9	14.6	14.6	15.3	14.5	14.6	14.4
Unemployment Rate (%)	5.0	5.0	4.9	5.2	5.0	5.1	5.1	5.0	5.0	5.3	5.0	5.0	5.0
Newark-Union Labor Area (Essex, Hunterdon, Morris, Sussex & Union counties)													
Labor Force	1,075.5	1,075.8	1,076.2	1,076.3	1,070.5	1,066.6	1,063.6	1,061.3	1,070.3	1,066.5	1,063.9	1,071.7	1,065.0
Employment	1,028.7	1,029.7	1,031.2	1,029.2	1,025.4	1,020.2	1,017.8	1,015.7	1,024.1	1,018.7	1,019.3	1,026.5	1,020.1
Unemployment Volume	46.8	46.1	45.0	47.1	45.1	46.4	45.8	45.6	46.2	47.8	44.6	45.2	44.9
Unemployment Rate (%)	4.3	4.3	4.2	4.4	4.2	4.4	4.3	4.3	4.3	4.5	4.2	4.2	4.2
Ocean City Labor Area (Cape May County)													
Labor Force	60.4	59.3	59.5	59.7	59.4	58.5	58.0	57.4	59.0	57.6	57.4	58.8	61.2
Employment	56.6	55.5	55.8	55.8	55.6	54.7	54.3	53.6	55.1	53.8	53.8	55.1	57.5
Unemployment Volume	3.8	3.8	3.7	3.9	3.8	3.8	3.7	3.8	3.9	3.8	3.6	3.7	3.7
Unemployment Rate (%)	6.3	6.3	6.2	6.5	6.4	6.5	6.4	6.6	6.6	6.6	6.3	6.3	6.0
Salem Labor Area (Salem County)													
Labor Force	32.1	32.2	32.2	32.3	32.2	32.2	32.1	32.3	32.6	32.3	32.3	32.6	32.1
Employment	30.6	30.6	30.7	30.8	30.7	30.7	30.6	30.6	30.9	30.7	30.7	31.0	30.5
Unemployment Volume	1.5	1.5	1.4	1.5	1.5	1.5	1.5	1.7	1.7	1.6	1.6	1.6	1.6
Unemployment Rate (%)	4.7	4.8	4.5	4.6	4.7	4.7	4.7	5.3	5.2	5.0	5.0	4.9	5.0
Trenton-Ewing Labor Area (Mercer County)													
Labor Force	202.8	203.2	203.6	204.5	203.4	202.4	201.6	201.3	202.6	201.9	201.7	203.7	202.9
Employment	195.0	195.3	196.0	196.6	195.8	194.6	193.9	193.8	195.0	194.0	194.4	196.2	195.6
Unemployment Volume	7.8	7.9	7.6	7.9	7.6	7.8	7.7	7.5	7.6	7.9	7.3	7.5	7.3
Unemployment Rate (%)	3.8	3.9	3.7	3.9	3.7	3.9	3.8	3.7	3.8	3.9	3.6	3.7	3.6
Vineland-Millville-Bridgeton Labor Area (Cumberland County)													
Labor Force	70.4	70.7	71.2	71.3	70.6	70.4	70	69.8	70.1	69.7	69.0	69.0	69.1
Employment	65.7	66.2	66.7	66.4	66.0	65.9	65.4	65.3	65.5	65.0	64.7	64.6	64.9
Unemployment Volume	4.7	4.5	4.5	4.9	4.6	4.5	4.6	4.5	4.6	4.7	4.3	4.4	4.2
Unemployment Rate (%)	6.7	6.3	6.3	6.9	6.5	6.4	6.6	6.4	6.6	6.7	6.2	6.4	6.1

NEW JERSEY ECONOMIC INDICATORS

NEW JERSEY
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NEW JERSEY
ECONOMIC INDICATORS

NEW JERSEY
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NEW JERSEY
ECONOMIC INDICATORS

Indicator Series 1-3 Resident Labor Force

1. Civilian Labor Force (000)

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	4,370.8	4,385.0	4,374.8	4,411.6	4,472.5	4,498.4	4,499.3	4,528.6
Feb	4,372.3	4,387.8	4,398.4	4,421.8	4,486.0	4,500.7	4,496.4	4,520.9
Mar	4,380.8	4,390.1	4,410.2	4,427.4	4,495.6	4,507.6	4,484.0	4,499.5
Apr	4,371.8	4,394.5	4,409.3	4,433.0	4,494.2	4,511.4	4,460.5	4,488.9
May	4,368.4	4,388.8	4,427.0	4,440.6	4,503.1	4,510.4	4,455.0	4,468.5
Jun	4,432.9	4,390.1	4,488.0	4,453.8	4,560.3	4,515.9	4,547.7	4,499.9
Jul	4,463.9	4,395.7	4,526.0	4,462.2	4,589.5	4,524.6	4,555.2	4,478.9
Aug	4,423.4	4,397.8	4,500.8	4,470.0	4,556.1	4,530.4	4,512.6	4,475.4
Sep	4,361.9	4,397.5	4,453.9	4,475.0	4,492.4	4,527.7	4,485.3	4,513.0
Oct	4,387.3	4,398.9	4,482.6	4,480.7	4,514.8	4,526.8	4,487.7	4,500.2
Nov	4,402.9	4,402.8	4,493.1	4,490.1	4,523.0	4,530.7		
Dec	4,397.5	4,404.7	4,497.1	4,494.9	4,528.8	4,531.9		

2. Resident Employment (000)

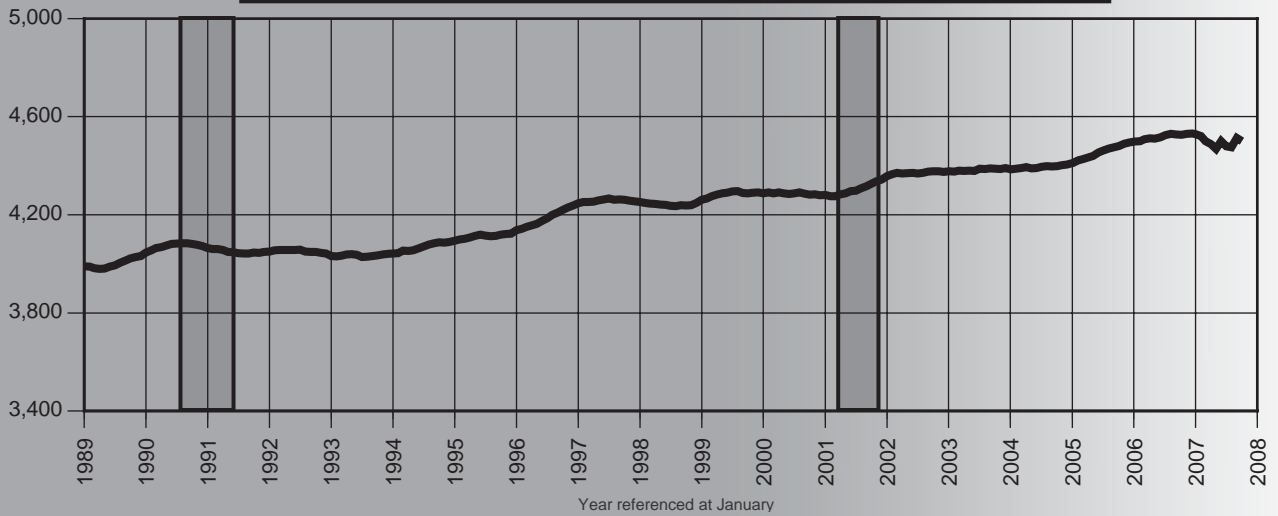
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	4,108.7	4,147.5	4,162.8	4,218.0	4,243.8	4,284.7	4,285.5	4,337.4
Feb	4,123.2	4,153.0	4,177.6	4,223.7	4,252.1	4,288.8	4,289.8	4,334.1
Mar	4,133.8	4,160.1	4,201.4	4,230.3	4,275.4	4,297.0	4,277.8	4,305.6
Apr	4,151.9	4,164.1	4,228.1	4,242.3	4,281.4	4,296.6	4,275.9	4,294.3
May	4,157.7	4,168.9	4,245.5	4,250.0	4,293.5	4,299.0	4,271.8	4,278.1
Jun	4,208.5	4,174.0	4,292.6	4,259.5	4,344.0	4,304.7	4,350.5	4,306.1
Jul	4,223.1	4,179.1	4,307.6	4,264.7	4,346.4	4,311.4	4,328.4	4,274.2
Aug	4,218.7	4,185.3	4,307.9	4,268.3	4,343.3	4,316.2	4,324.7	4,282.3
Sep	4,168.3	4,189.7	4,261.2	4,274.0	4,294.1	4,317.4	4,302.0	4,318.2
Oct	4,200.6	4,195.6	4,298.5	4,277.7	4,338.3	4,325.5	4,319.1	4,314.3
Nov	4,220.0	4,204.9	4,291.7	4,280.4	4,341.6	4,330.5		
Dec	4,219.7	4,212.0	4,294.9	4,280.9	4,354.4	4,336.5		

3. Unemployment (000)

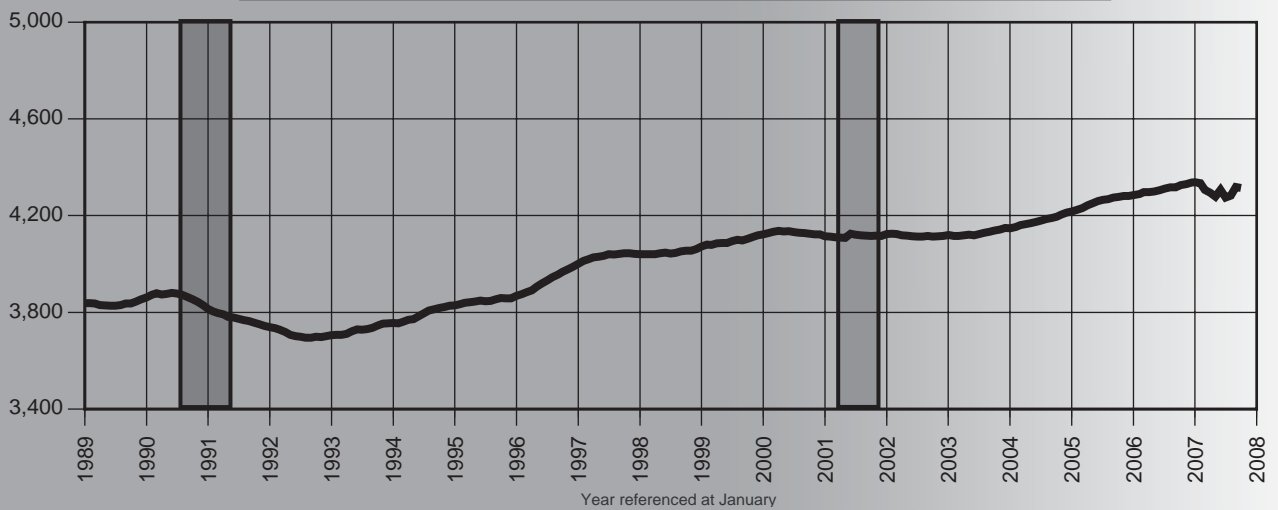
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	262.1	237.5	211.9	193.6	228.7	213.7	213.8	191.2
Feb	249.1	234.8	220.8	198.1	233.9	211.9	206.6	186.9
Mar	247.1	230.0	208.9	197.1	220.2	210.5	206.3	193.9
Apr	219.9	230.4	181.2	190.7	212.9	214.8	184.6	194.5
May	210.7	219.8	181.4	190.7	209.6	211.4	183.2	190.4
Jun	224.4	216.1	195.4	194.3	216.3	211.1	197.2	193.9
Jul	240.8	216.7	218.5	197.6	243.2	213.2	226.8	204.7
Aug	204.8	212.5	192.9	201.7	212.8	214.2	187.9	193.1
Sep	193.6	207.9	192.6	201.0	198.2	210.3	183.3	194.8
Oct	186.8	203.4	184.1	202.9	176.5	201.3	168.6	185.8
Nov	182.9	198.0	201.4	209.7	181.4	200.2		
Dec	177.8	192.7	202.2	214.0	174.5	195.5		

Indicator Series 1-3 Resident Labor Force

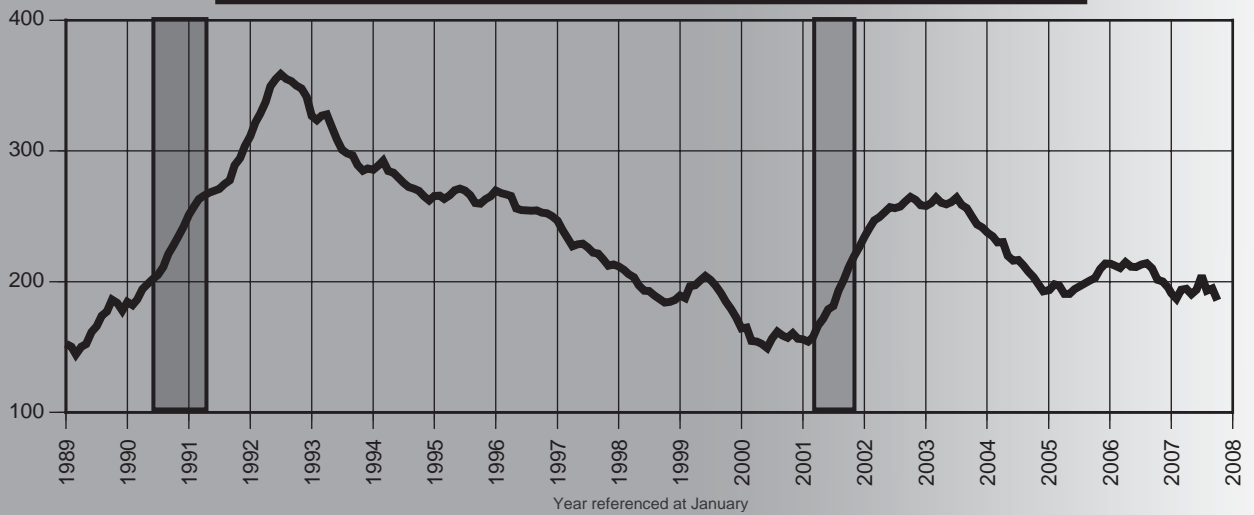
1. Civilian Labor Force (000)



2. Resident Employment (000)



3. Unemployment (000)



Indicator Series 4-6 Resident Labor Force

4. Labor Force Participation Rate (%)

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	65.6	65.9	65.3	65.8	66.3	66.7	66.2	66.7
Feb	65.6	65.9	65.6	66.0	66.5	66.7	66.2	66.5
Mar	65.7	65.9	65.8	66.0	66.6	66.8	65.9	66.2
Apr	65.6	65.9	65.7	66.1	66.5	66.8	65.6	66.0
May	65.5	65.8	65.9	66.1	66.6	66.7	65.4	65.6
Jun	66.4	65.8	66.8	66.3	67.4	66.8	66.8	66.1
Jul	66.8	65.8	67.3	66.4	67.8	66.9	66.8	65.7
Aug	66.2	65.8	66.9	66.5	67.3	66.9	66.2	65.6
Sep	65.2	65.7	66.2	66.5	66.3	66.8	65.7	66.1
Oct	65.6	65.7	66.5	66.5	66.6	66.7	65.7	65.9
Nov	65.8	65.8	66.7	66.6	66.6	66.8		
Dec	65.6	65.8	66.7	66.7	66.7	66.7		

5. Employment /Population Ratio (%)

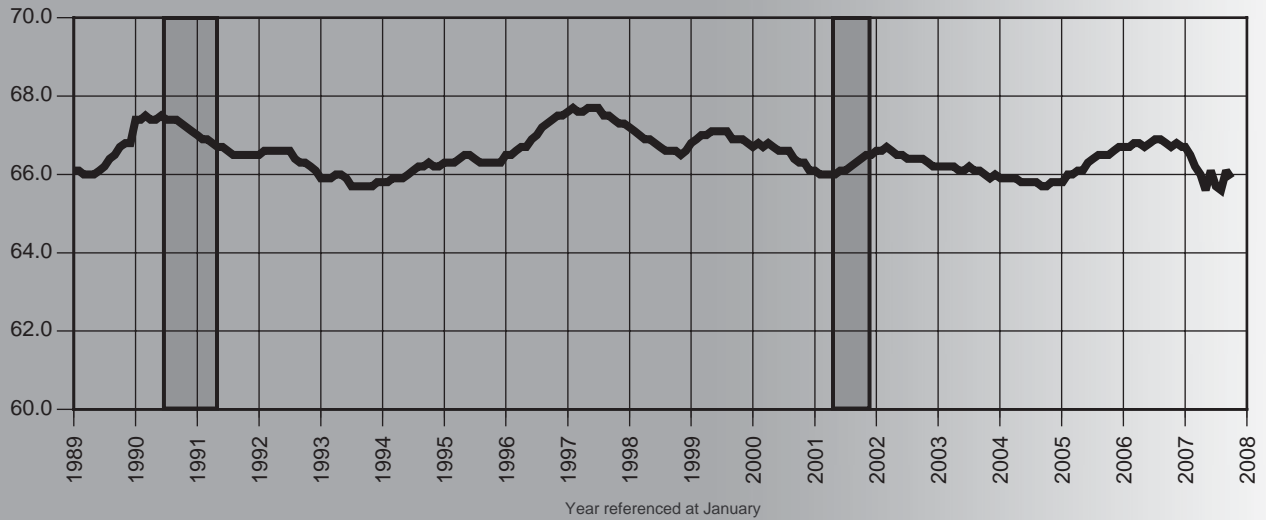
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	61.7	62.3	62.1	62.9	62.9	63.5	63.1	63.8
Feb	61.9	62.4	62.3	63.0	63.0	63.5	63.1	63.8
Mar	62.0	62.4	62.6	63.1	63.3	63.6	62.9	63.3
Apr	62.3	62.5	63.0	63.2	63.4	63.6	62.9	63.1
May	62.3	62.5	63.2	63.3	63.5	63.6	62.8	62.9
Jun	63.0	62.5	63.9	63.4	64.2	63.6	63.9	63.2
Jul	63.2	62.6	64.1	63.4	64.2	63.7	63.5	62.7
Aug	63.1	62.6	64.0	63.5	64.1	63.7	63.4	62.8
Sep	62.3	62.6	63.3	63.5	63.4	63.7	63.0	63.3
Oct	62.8	62.7	63.8	63.5	64.0	63.8	63.2	63.2
Nov	63.0	62.8	63.7	63.5	64.0	63.8		
Dec	63.0	62.9	63.7	63.5	64.1	63.9		

6. Unemployment Rate (%)

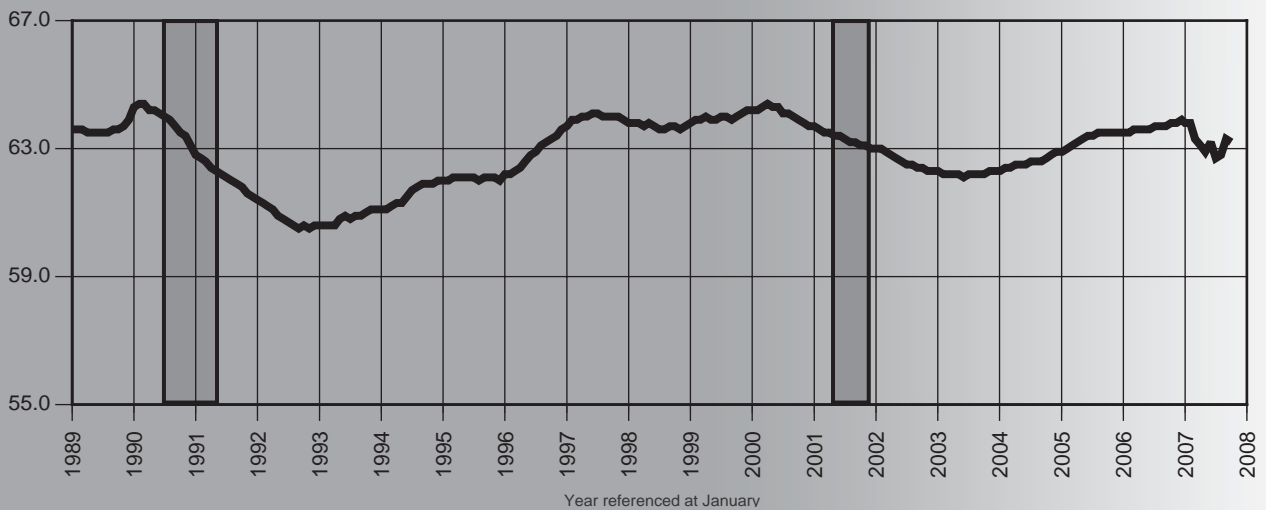
Date	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	6.0	5.4	4.8	4.4	5.1	4.8	4.8	4.2
Feb	5.7	5.4	5.0	4.5	5.2	4.7	4.6	4.1
Mar	5.6	5.2	4.7	4.5	4.9	4.7	4.6	4.3
Apr	5.0	5.2	4.1	4.3	4.7	4.8	4.1	4.3
May	4.8	5.0	4.1	4.3	4.7	4.7	4.1	4.3
Jun	5.1	4.9	4.4	4.4	4.7	4.7	4.3	4.3
Jul	5.4	4.9	4.8	4.4	5.3	4.7	5.0	4.6
Aug	4.6	4.8	4.3	4.5	4.7	4.7	4.2	4.3
Sep	4.4	4.7	4.3	4.5	4.4	4.6	4.1	4.3
Oct	4.3	4.6	4.1	4.5	3.9	4.5	3.8	4.1
Nov	4.2	4.5	4.5	4.7	4.0	4.4		
Dec	4.0	4.4	4.5	4.8	3.9	4.3		

Indicator Series 4-6 Resident Labor Force

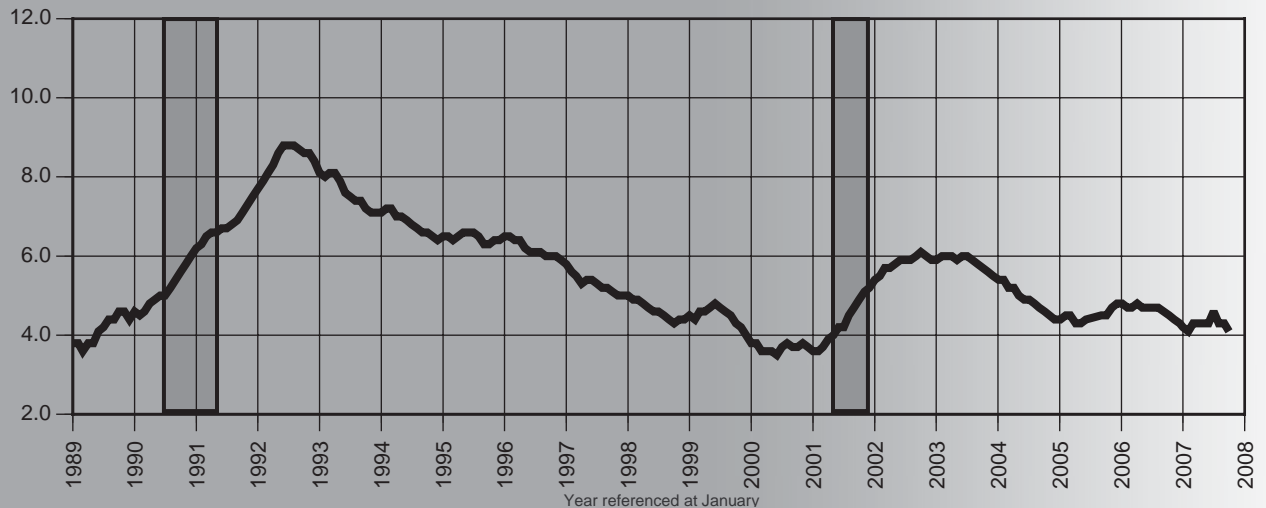
4. Labor Force Participation Rate (%)



5. Employment /Population Ratio (%)



6. Unemployment Rate (%)



Indicator Series 7-9 Establishment Employment

7. Nonfarm Payroll Employment (000)

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	3,905.8	3,981.2	3,946.0	4,023.5	3,984.6	4,063.1	4,022.2	4,090.8
Feb	3,907.6	3,979.1	3,951.3	4,024.2	3,992.5	4,066.4	4,017.2	4,085.0
Mar	3,944.2	3,986.4	3,975.3	4,018.1	4,029.8	4,073.4	4,046.7	4,089.4
Apr	3,969.9	3,982.7	4,024.8	4,038.4	4,053.7	4,067.0	4,077.0	4,087.3
May	4,014.9	3,994.4	4,057.6	4,036.7	4,094.6	4,073.0	4,112.1	4,093.2
Jun	4,063.0	3,997.6	4,111.9	4,044.3	4,146.7	4,077.6	4,159.9	4,095.5
Jul	4,023.0	4,001.7	4,066.0	4,043.4	4,098.6	4,075.8	4,120.8	4,100.5
Aug	4,005.1	4,002.0	4,048.7	4,045.3	4,081.0	4,077.8	4,101.0	4,100.1
Sep	4,014.9	4,009.2	4,054.4	4,049.5	4,079.7	4,075.5	4,104.1 R	4,106.3 R
Oct	4,026.9	4,011.2	4,059.1	4,043.4	4,103.1	4,083.8	4,127.1	4,107.7
Nov	4,050.2	4,018.5	4,082.2	4,050.6	4,112.6	4,081.5		
Dec	4,064.0	4,023.4	4,091.9	4,051.6	4,122.8	4,085.5		

8. Private Sector Payroll Employment (000)

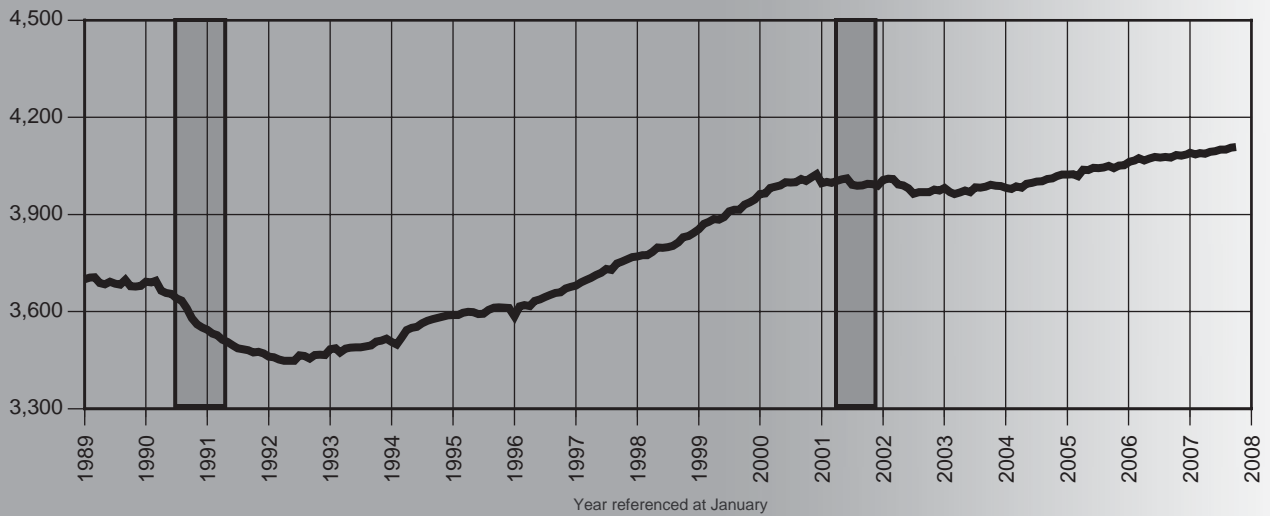
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	3,281.0	3,354.3	3,309.8	3,384.8	3,340.7	3,416.4	3,371.3	3,439.0
Feb	3,271.3	3,351.9	3,302.7	3,384.9	3,336.1	3,419.5	3,355.2	3,432.4
Mar	3,303.1	3,356.5	3,325.3	3,379.4	3,371.4	3,426.3	3,382.9	3,436.3
Apr	3,329.6	3,353.4	3,373.0	3,397.9	3,395.1	3,419.8	3,412.4	3,434.2
May	3,375.4	3,362.5	3,409.0	3,395.9	3,438.9	3,425.1	3,450.1	3,440.5
Jun	3,422.0	3,364.9	3,461.0	3,402.3	3,488.8	3,428.8	3,497.0	3,441.8
Jul	3,414.1	3,368.2	3,450.0	3,402.5	3,474.3	3,426.2	3,491.9	3,446.1
Aug	3,406.7	3,367.6	3,443.0	3,403.0	3,468.4	3,428.1	3,484.5	3,446.1
Sep	3,391.5	3,370.8	3,426.1	3,406.0	3,447.4	3,427.8	3,467.1 R	3,451.6 R
Oct	3,381.9	3,372.8	3,409.3	3,400.3	3,443.1	3,431.6	3,463.3	3,451.8
Nov	3,399.4	3,380.1	3,425.5	3,406.4	3,448.8	3,429.9		
Dec	3,412.6	3,383.5	3,435.4	3,406.7	3,459.8	3,433.7		

9. Construction Payroll Employment (000)

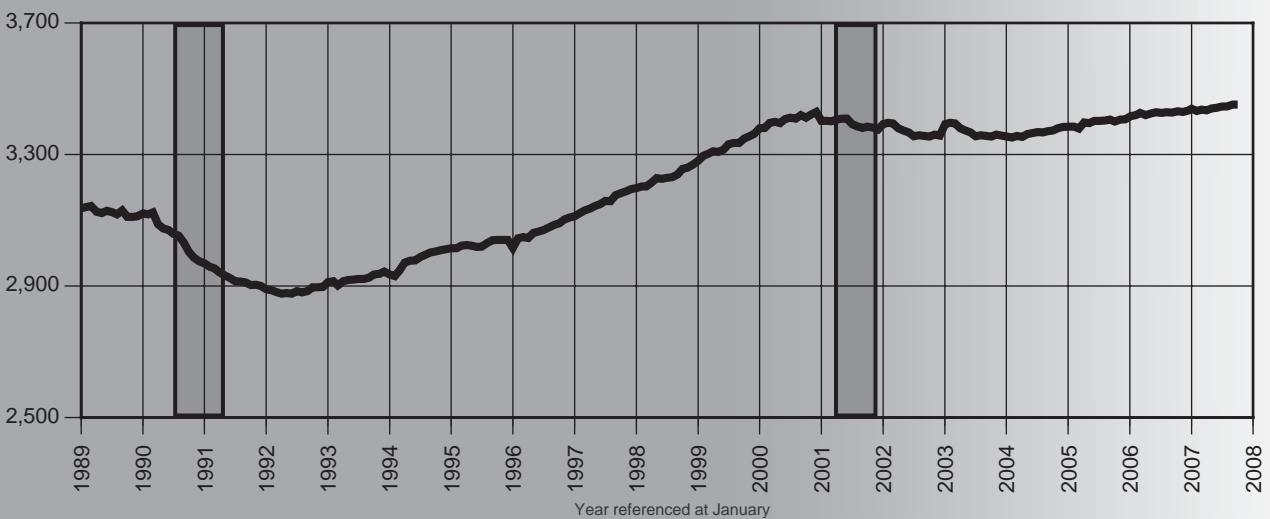
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	151.0	162.5	155.4	167.4	161.5	174.1	162.8	173.9
Feb	148.0	163.1	151.4	166.8	161.2	177.4	157.2	171.6
Mar	154.9	164.0	154.7	163.8	166.5	176.3	162.6	173.4
Apr	162.4	164.3	166.0	167.7	175.3	176.8	171.0	173.8
May	167.8	165.0	171.6	168.7	178.7	175.5	175.3	173.2
Jun	171.4	165.9	174.8	169.1	180.8	174.8	178.0	172.3
Jul	173.4	166.9	176.6	170.0	179.8	173.1	178.9	171.9
Aug	174.7	167.2	178.0	170.4	180.6	173.0	179.8	171.9
Sep	173.9	167.7	178.5	172.1	179.2	172.9	178.7 R	172.3 R
Oct	173.0	167.6	174.7	169.4	177.9	173.1	177.3	172.5
Nov	171.2	167.5	176.0	172.3	176.0	172.5		
Dec	169.0	168.4	172.0	171.4	174.5	172.9		

Indicator Series 7-9 Establishment Employment

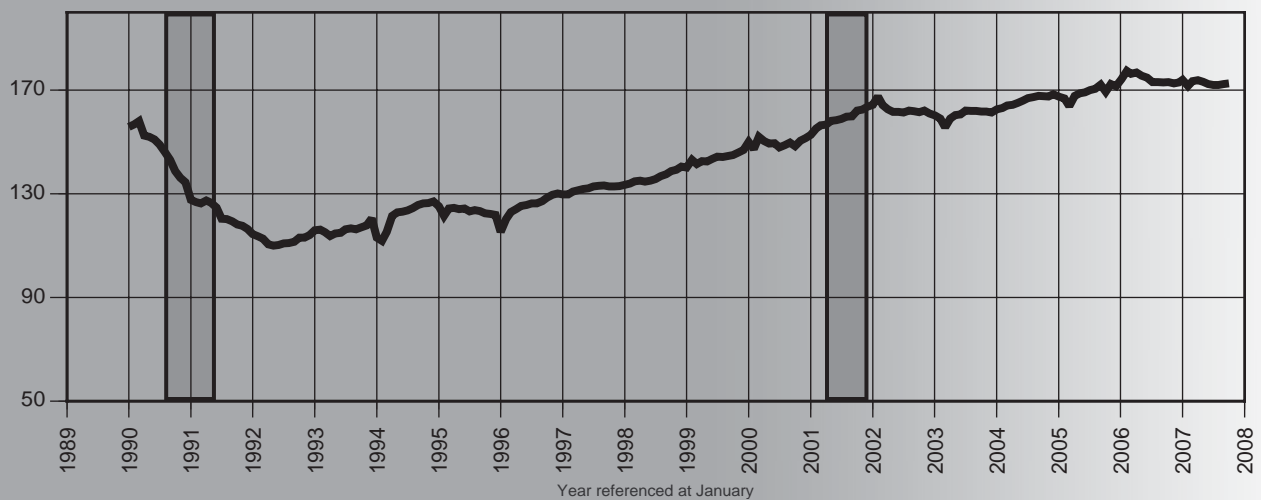
7. Nonfarm Payroll Employment (000)



8. Private Sector Payroll Employment (000)



9. Construction Payroll Employment (000)*



* Due to the conversion of Standard Industrial Classification (SIC) to the North American Industry Classification System (NAICS), data before 1990 are unavailable for this sector.

Indicator Series 10-12 Establishment Employment

10. Total Manufacturing Payroll Employment (000)

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	338.1	342.5	330.8	334.9	326.4	330.3	318.2	321.1
Feb	338.0	340.8	331.2	333.5	325.9	327.8	318.1	320.6
Mar	338.9	339.8	332.2	332.8	326.9	327.2	318.3	319.7
Apr	337.6	338.7	330.7	332.0	325.3	326.5	317.8	318.6
May	339.2	338.5	331.3	330.9	326.2	325.9	317.7	317.6
Jun	341.4	338.3	332.9	330.0	327.7	325.1	320.3	317.6
Jul	338.8	339.2	329.0	329.1	325.4	325.4	318.6	319.0
Aug	338.5	338.0	329.6	329.1	324.7	324.1	317.8	317.7
Sep	339.2	337.4	329.9	328.4	324.5	323.2	318.4 R	317.4 R
Oct	336.5	336.1	329.2	329.0	322.8	322.0	317.5	316.7
Nov	336.1	335.3	328.8	328.1	322.2	320.5		
Dec	336.2	334.5	328.9	327.4	322.3	320.7		

11. Trade, Transportation & Utilities Payroll Employment (000)

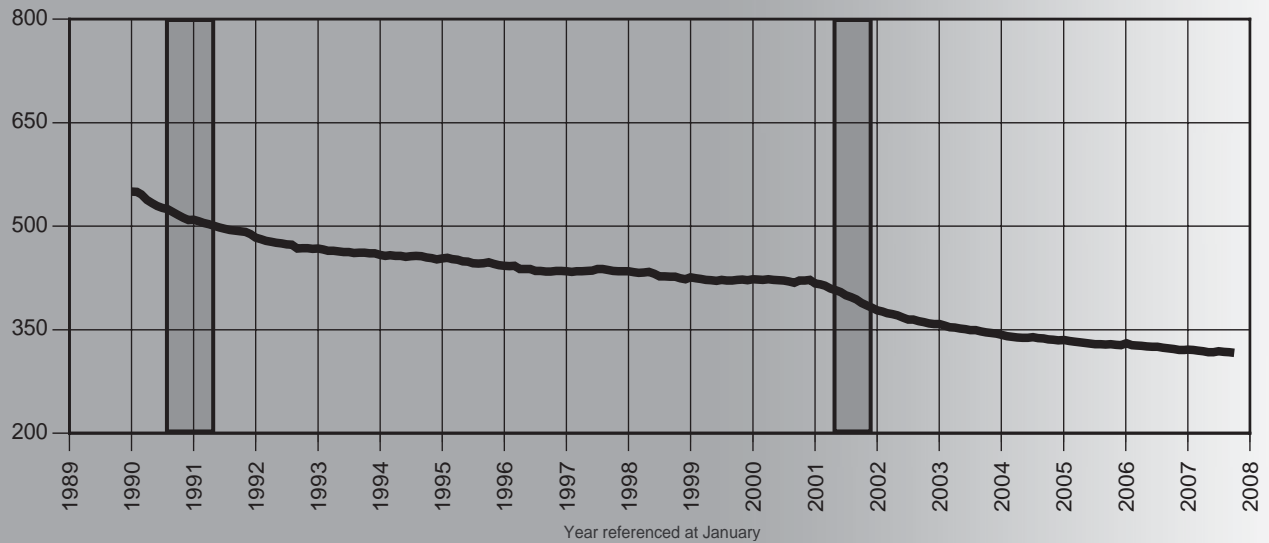
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	866.8	871.8	870.8	876.2	871.2	876.8	869.9	876.7
Feb	859.3	873.8	862.3	877.2	859.3	874.4	859.7	874.1
Mar	863.2	874.6	864.9	876.7	863.8	875.8	862.8	874.7
Apr	860.7	870.9	868.4	879.1	864.2	874.9	864.6	872.9
May	872.4	874.9	875.7	878.1	873.9	876.1	873.2	876.2
Jun	882.2	875.8	885.6	878.9	882.9	876.0	882.0	875.8
Jul	871.0	874.2	876.7	879.3	874.4	876.7	874.3	876.4
Aug	869.5	874.7	873.6	878.3	871.9	876.5	871.6	876.5
Sep	872.0	874.2	875.4	877.7	873.2	875.5	873.9 R	876.8 R
Oct	879.7	877.3	877.1	874.8	877.2	873.4	879.3	875.6
Nov	893.2	877.1	890.8	874.9	891.4	875.2		
Dec	906.5	876.6	906.2	876.4	903.8	875.5		

12. Information Payroll Employment (000)

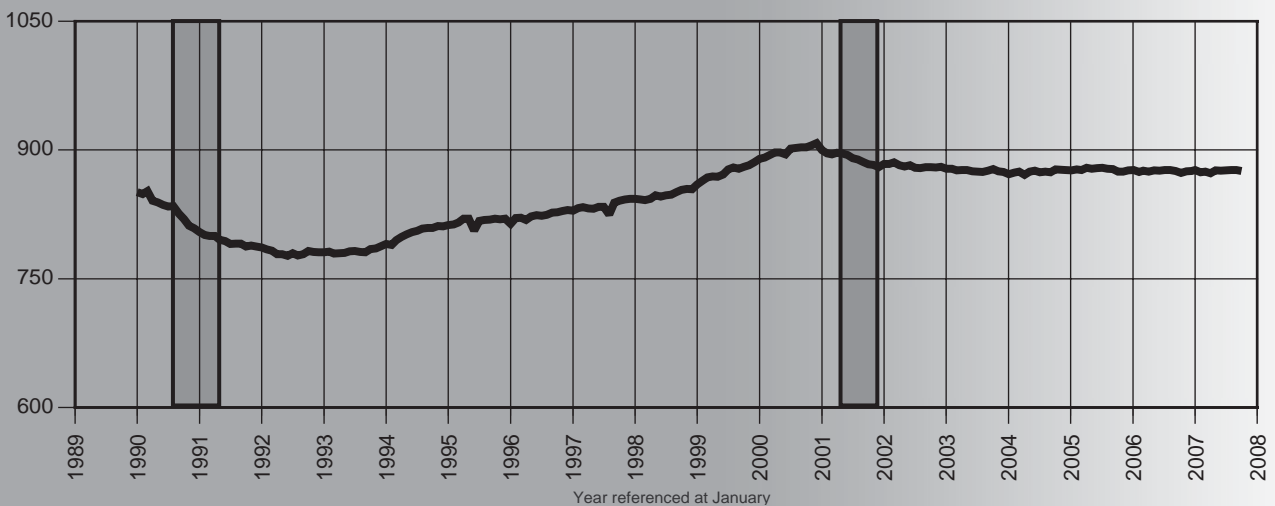
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	100.1	100.6	96.7	97.1	97.4	97.7	98.7	99.4
Feb	98.7	99.2	96.4	96.8	98.1	98.4	98.1	98.9
Mar	99.6	99.2	97.0	96.6	99.3	98.9	98.9	98.9
Apr	98.2	98.8	96.2	96.8	97.1	97.8	98.1	98.6
May	98.0	98.2	96.6	96.9	97.7	98.1	98.4	98.3
Jun	97.9	97.3	97.8	97.3	99.1	98.6	98.8	98.1
Jul	97.3	97.2	97.4	97.3	99.0	98.9	98.6	98.4
Aug	97.1	96.9	97.2	97.0	99.5	99.3	98.9	98.6
Sep	96.2	96.6	96.7	97.2	99.1	99.6	98.3	98.3
Oct	96.9	97.3	96.9	97.2	100.5	100.6	98.5	98.6
Nov	97.5	97.1	97.8	97.4	99.7	99.3		
Dec	97.9	97.1	98.3	97.5	100.0	99.7		

Indicator Series 10-12 Establishment Employment

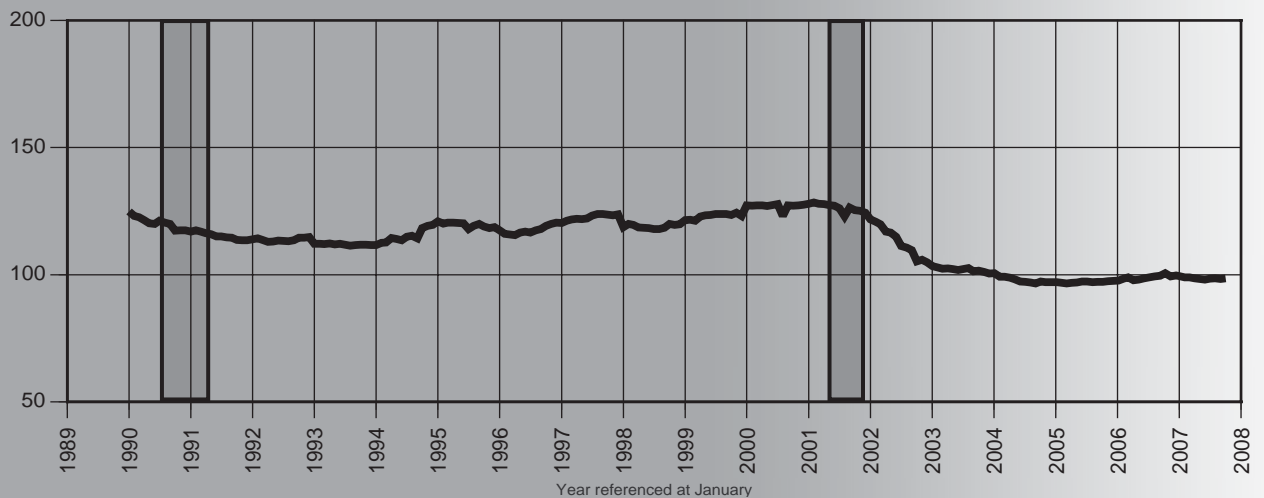
10. Total Manufacturing Payroll Employment (000)*



11. Trade, Transportation & Utilities Payroll Employment (000)*



12. Information Payroll Employment (000)*



* Due to the conversion of Standard Industrial Classification (SIC) to the North American Industry Classification System (NAICS), data before 1990 are unavailable for this sector.

Indicator Series 13-15 Establishment Employment

13. Financial Activities Payroll Employment (000)

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	273.1	275.5	275.8	278.3	276.8	279.3	281.1	282.5
Feb	272.7	275.6	275.1	278.1	276.5	279.6	280.7	282.5
Mar	273.6	276.2	275.9	278.5	277.4	280.1	281.0	282.7
Apr	275.6	276.9	277.5	278.8	278.9	280.3	281.5	282.7
May	276.9	277.2	278.7	279.0	280.2	280.6	282.8	283.3
Jun	279.5	277.2	281.8	279.6	282.2	280.0	284.9	282.6
Jul	280.9	277.0	284.0	280.1	284.6	280.7	286.2	283.6
Aug	280.4	277.1	284.4	281.0	283.9	280.5	285.3	283.0
Sep	277.0	276.5	281.7	281.1	281.2	280.6	281.8 R	282.2 R
Oct	277.2	277.9	279.6	280.2	281.2	281.7	281.2	281.7
Nov	277.7	277.8	280.8	280.9	281.6	281.8		
Dec	278.1	277.7	281.0	280.6	282.9	282.3		

14. Professional & Business Services Payroll Employment (000)

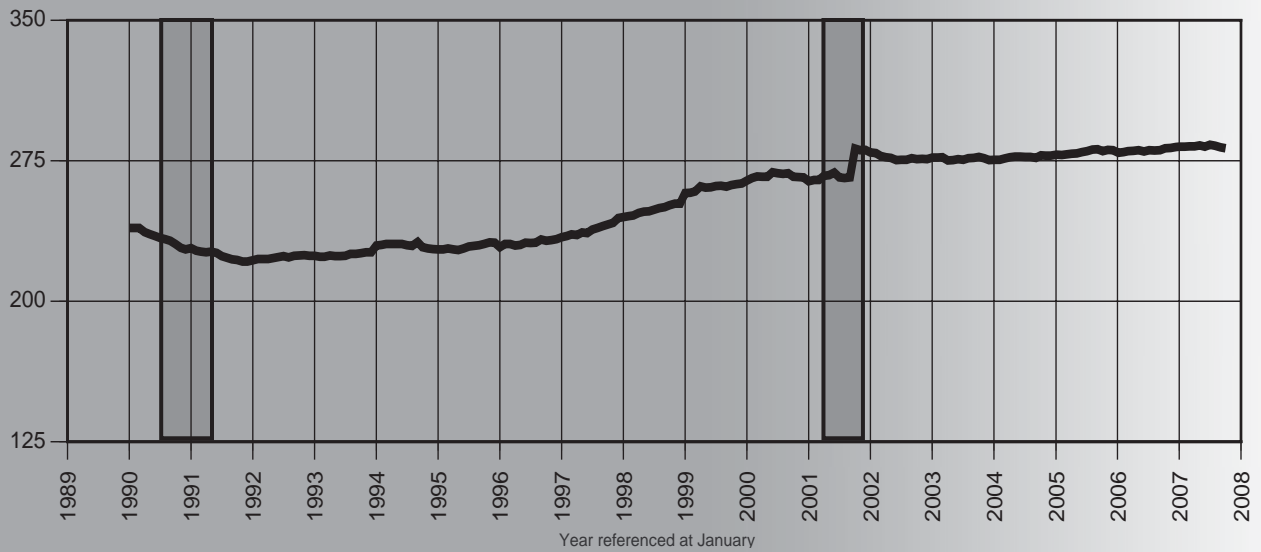
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	564.0	582.0	570.0	588.5	577.5	596.0	592.1	608.3
Feb	562.7	579.1	571.5	588.2	582.6	599.5	591.8	607.1
Mar	572.1	581.1	577.0	586.1	591.5	600.7	599.9	606.6
Apr	582.0	582.9	593.0	594.0	597.4	598.3	608.4	608.2
May	585.3	583.9	594.2	592.7	602.6	601.1	612.3	610.5
Jun	592.1	584.0	604.3	595.8	611.3	602.4	620.7	613.0
Jul	592.1	584.9	600.3	593.3	609.9	602.8	620.5	613.8
Aug	593.0	584.2	601.6	593.0	613.0	604.5	623.2	614.3
Sep	591.5	585.5	599.8	594.0	610.3	604.6	622.4 R	616.7 R
Oct	592.3	587.1	600.7	595.4	609.9	606.8	622.3	619.1
Nov	593.9	588.9	600.3	595.2	610.3	607.3		
Dec	592.8	589.2	597.4	593.9	608.7	607.4		

15. Education & Health Services Payroll Employment (000)

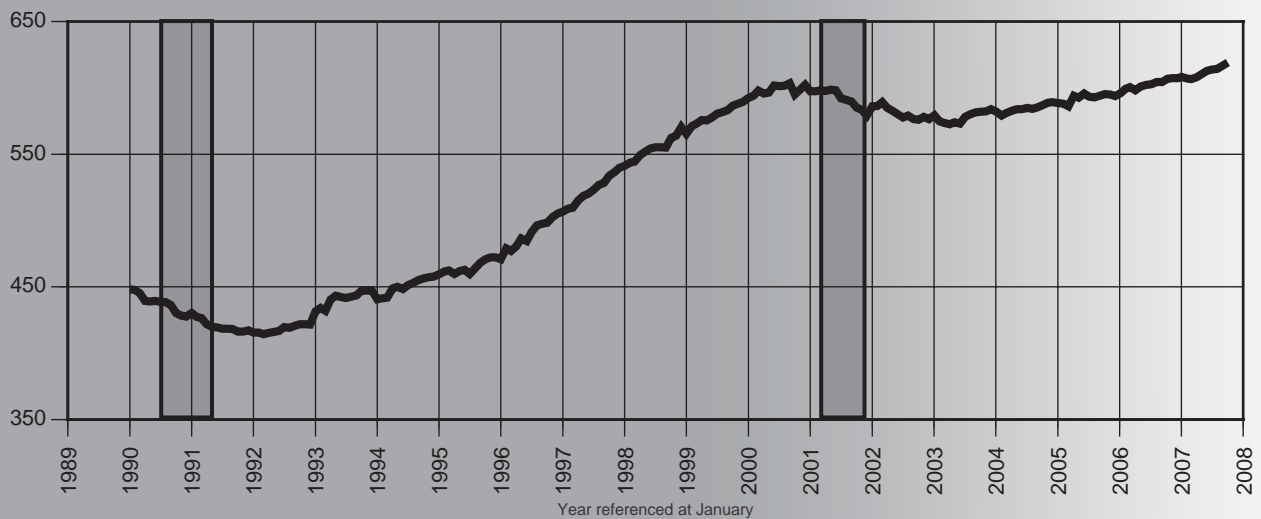
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	537.4	541.2	549.3	553.1	560.8	564.6	571.9	574.1
Feb	539.9	541.1	552.9	554.3	563.2	564.8	574.6	575.3
Mar	543.6	542.8	555.3	554.4	567.1	566.1	578.1	576.4
Apr	544.5	543.4	556.9	556.0	566.4	565.5	578.3	576.4
May	548.9	544.9	561.3	557.2	571.3	567.0	581.8	578.9
Jun	549.6	546.3	561.0	557.8	571.5	568.4	581.3	578.2
Jul	543.2	546.9	555.3	559.1	564.6	568.6	575.9	579.3
Aug	540.1	547.6	551.2	558.9	562.2	570.0	572.7	580.4
Sep	545.6	548.9	557.1	560.6	567.3	570.9	578.8 R	582.9 R
Oct	552.5	550.3	565.0	562.4	575.0	573.4	585.5	583.9
Nov	554.7	550.5	567.6	563.3	577.1	573.7		
Dec	556.4	552.2	568.1	563.8	577.7	574.4		

Indicator Series 13-15 Establishment Employment

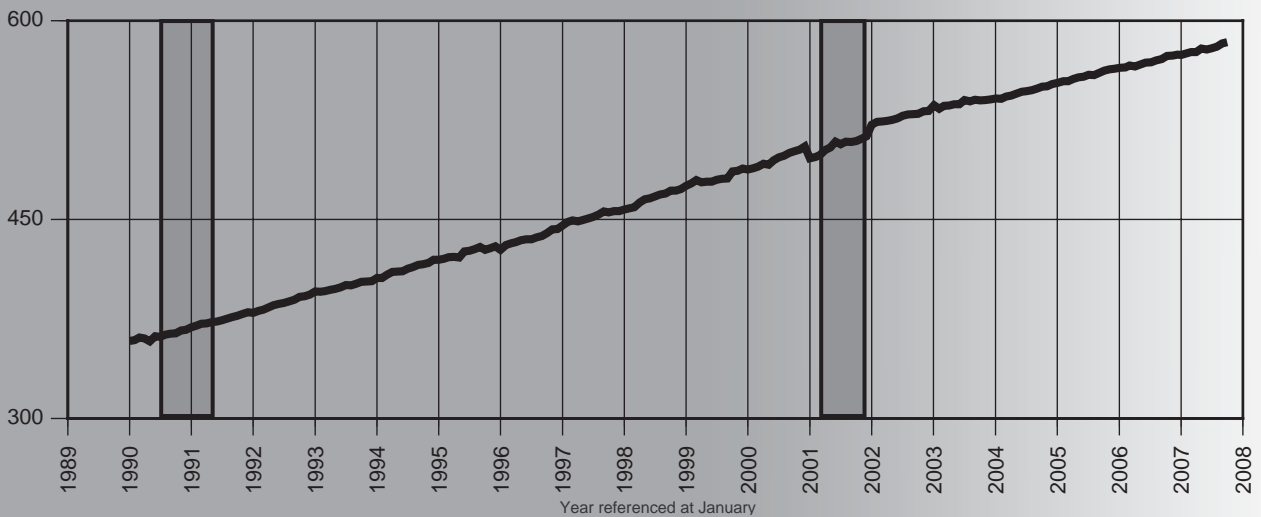
13. Financial Activities Payroll Employment (000)*



14. Professional & Business Services Payroll Employment (000)*



15. Education & Health Services Payroll Employment (000)*



* Due to the conversion of Standard Industrial Classification (SIC) to the North American Industry Classification System (NAICS), data before 1990 are unavailable for this sector.

Indicator Series 16-18 Leisure & Hospitality, CPI and Confidence Index

16. Leisure & Hospitality Payroll Employment (000)

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	298.1	323.5	305.1	331.1	310.7	336.8	315.8	339.9
Feb	299.2	324.3	305.3	331.2	310.8	336.9	314.3	339.2
Mar	303.5	323.6	311.3	331.9	319.0	339.7	319.1	339.8
Apr	314.0	322.8	324.2	333.4	327.8	337.2	329.0	338.8
May	330.3	324.4	338.8	332.9	343.8	337.8	343.5	338.1
Jun	349.5	324.7	359.8	334.0	366.3	339.9	363.8	339.5
Jul	358.5	326.2	367.5	334.3	371.3	337.9	371.5	339.6
Aug	355.3	326.0	364.9	335.0	368.3	338.1	368.4	339.0
Sep	340.5	327.6	348.2	335.1	351.4	338.2	351.3 R	340.7 R
Oct	318.1	322.6	327.7	332.5	336.9	338.5	337.9	339.5
Nov	319.3	329.1	324.5	334.3	328.6	337.4		
Dec	319.5	330.7	323.9	335.1	327.5	338.4		

17. Consumer Price Index — (CPI-U) (1982-84 = 100)

(Seasonally unadjusted)

Date	2005			2006			2007		
	US	NY	PA	US	NY	PA	US	NY	PA
Jan	190.7	208.1	*	198.3	215.9	*	202.416	221.767	*
Feb	191.8	208.9	200.1	198.7	216.4	209.0	203.499	223.066	213.152
Mar	193.3	212.4	*	199.8	218.2	*	205.352	224.551	*
Apr	194.6	212.5	203.3	201.5	220.2	211.6	206.686	225.780	215.270
May	194.4	211.4	*	202.5	221.6	*	207.949	227.146	*
Jun	194.5	210.7	204.8	202.9	222.6	213.9	208.352	228.258	217.255
Jul	195.4	212.5	*	203.5	223.1	*	208.299	228.628	*
Aug	196.4	214.1	206.6	203.9	224.1	216.4	207.917	228.326	218.692
Sep	198.8	215.8	*	202.9	222.9	*	208.490	228.308	*
Oct	199.2	216.6	207.5	201.8	221.7	211.6	208.936	228.552	218.929
Nov	197.6	215.3	*	201.5	220.9	*			
Dec	196.8	214.2	204.9	201.8	221.3	211.6			

18. Consumer Confidence Index, Middle Atlantic Region

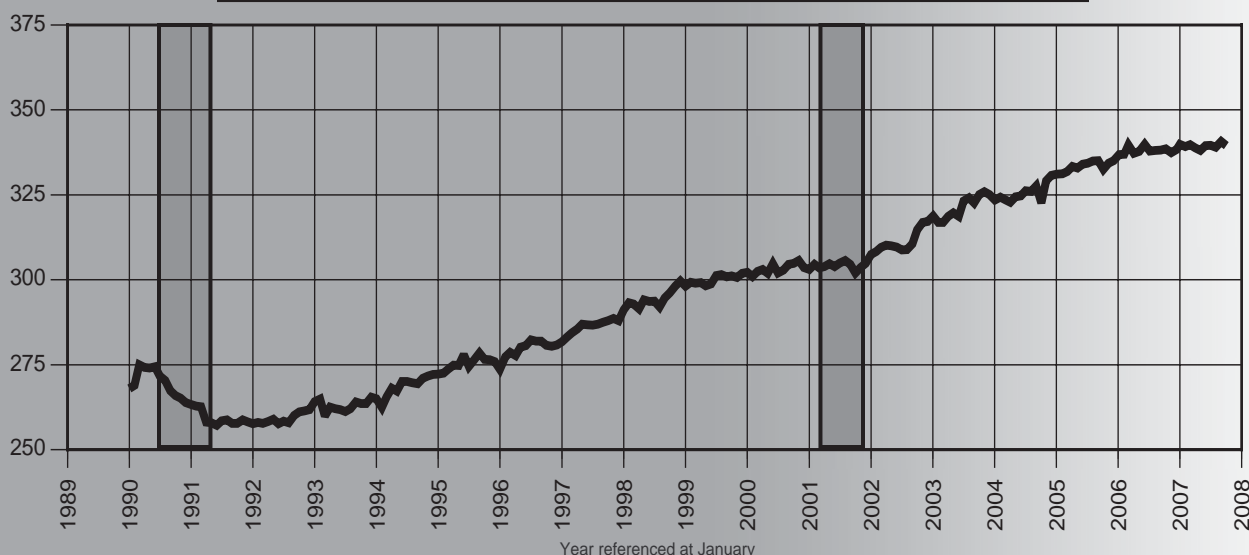
(Seasonally unadjusted)

Date	2004	2005	2006	2007
Jan	83.6	86.7	82.5	91.4
Feb	72.6	89.0	83.4	94.1
Mar	69.4	83.9	95.0	92.3
Apr	83.7	79.2	90.0	98.4
May	78.8	70.7	83.6	89.8
Jun	82.9	87.9	86.0	84.3
Jul	89.5	88.0	81.4	99.1
Aug	84.9	72.4	74.6	83.8
Sep	89.0	67.9	90.0	93.7 R
Oct	78.9	76.8	97.0	85.1
Nov	67.9	77.7	91.6	
Dec	83.7	83.8	88.6	

* CPI data for the Philadelphia-Wilmington-Atlantic City Metro Area (PA) are produced bi-monthly.

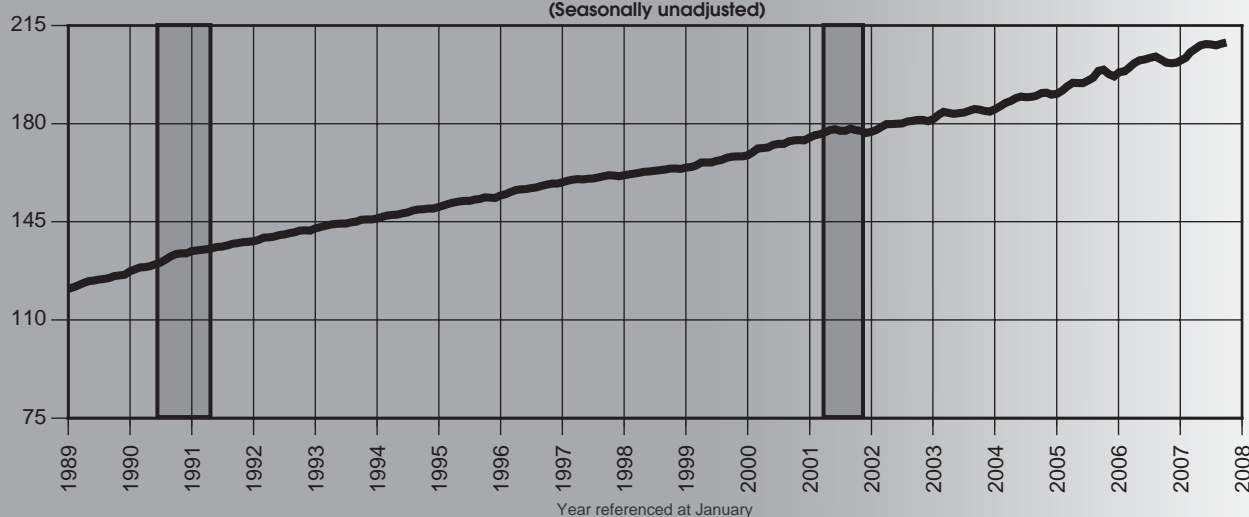
Indicator Series 16-18 Leisure & Hospitality, CPI and Confidence Index

16. Leisure & Hospitality Payroll Employment (000)*



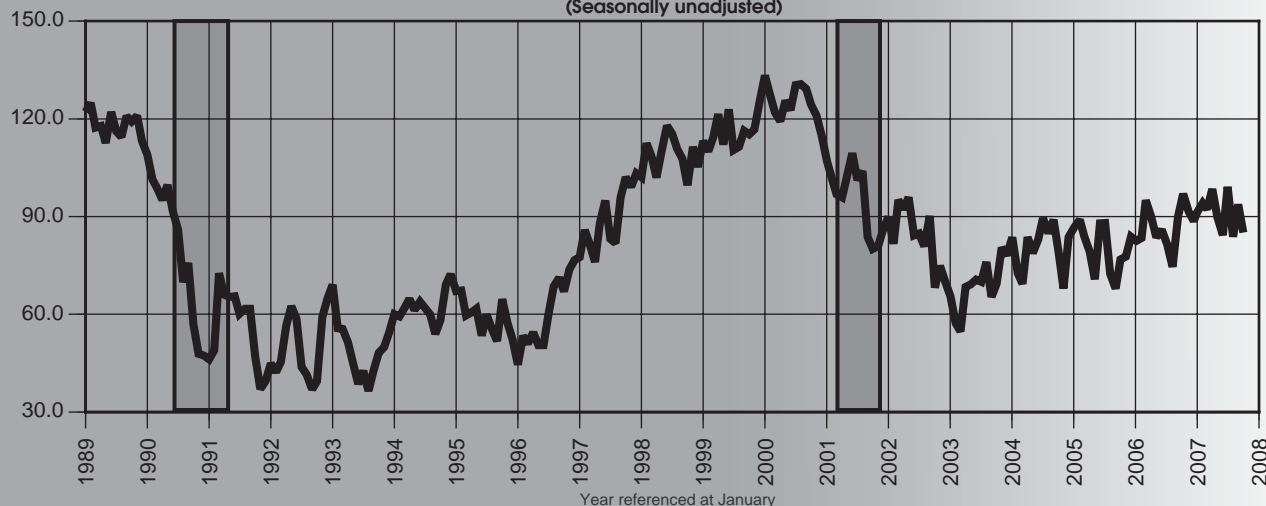
17. Consumer Price Index— U.S. (CPI-U) (1982-84 = 100)

(Seasonally unadjusted)



18. Consumer Confidence Index, Middle Atlantic Region

(Seasonally unadjusted)



* Due to the conversion of Standard Industrial Classification (SIC) to the North American Industry Classification System (NAICS), data before 1990 are unavailable for this sector.

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Indicator Series 22-24 Private Residential Building Permits

22. Total Private Dwelling Units Authorized by Building Permits

(Seasonality not statistically significant)

Date	2004 Unadj.	2005 Unadj.	2006 Unadj.	2007 Unadj.	
Jan	2,334	2,881	2,548	2,079	R
Feb	2,260	2,376	2,502	1,574	R
Mar	3,372	2,964	2,989	1,880	R
Apr	2,924	3,805	2,654	2,048	R
May	2,853	4,329	3,044	2,021	R
Jun	3,737	3,830	3,314	2,684	R
Jul	3,193	3,006	4,516	1,736	R
Aug	2,994	4,471	2,675	3,116	R
Sep	3,248	2,784	2,850	1,753	
Oct	2,937	2,936	2,030		
Nov	3,136	2,884	3,196		
Dec	2,957	2,367	2,024		

23. Private Single-Family Dwelling Units Authorized by Building Permits

Date	2004		2005		2006		2007		
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	
Jan	1,417	1,667	1,458	1,777	1,592	1,869	1,076 R	1,239 R	
Feb	1,385	1,732	1,611	2,054	1,301	1,652	933 R	1,179 R	
Mar	1,943	1,831	2,104	1,966	1,766	1,609	1,111 R	1,041 R	
Apr	1,929	1,901	1,952	1,995	1,457	1,530	1,093 R	1,090 R	
May	1,952	1,906	1,963	1,836	1,674	1,532	1,246 R	1,134 R	
Jun	2,385	2,137	1,934	1,716	1,635	1,431	1,293 R	1,192 R	
Jul	1,958	1,795	1,966	1,851	1,626	1,545	1,159 R	1,063 R	
Aug	2,006	1,799	2,159	1,900	1,536	1,340	1,547 R	1,321 R	
Sep	2,009	1,955	1,888	1,820	1,184	1,211	868	928	
Oct	1,857	1,950	1,907	1,848	1,254	1,191			
Nov	1,881	1,895	1,727	1,823	1,073	1,123			
Dec	1,718	1,887	1,607	1,811	1,032	1,191			

24. Private Multi-Family Dwelling Units Authorized by Building Permits

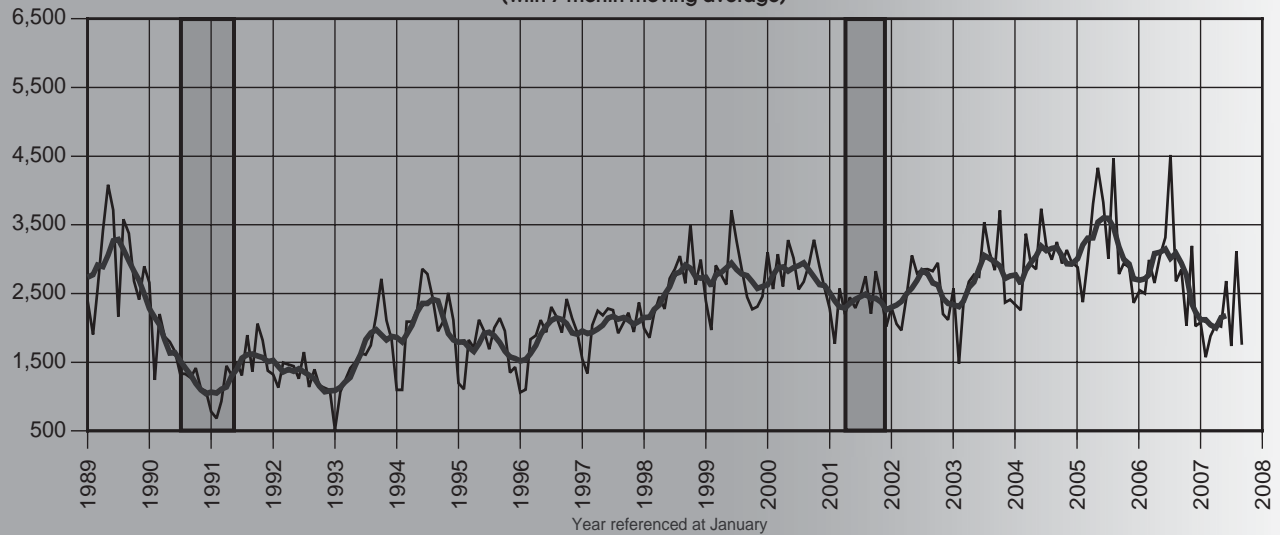
(Seasonality not statistically significant) (5 or more family units)

Date	2004 Unadj.	2005 Unadj.	2006 Unadj.	2007 Unadj.	
Jan	556	1,108	471	773	R
Feb	539	544	924	391	
Mar	991	462	694	551	
Apr	650	1,379	876	733	
May	515	1,940	950	576	
Jun	945	1,369	1,195	1,097	
Jul	721	642	2,250	372	R
Aug	675	1,931	814	1,223	R
Sep	876	529	1,306	702	
Oct	656	589	371		
Nov	818	763	1,844		
Dec	789	450	719		

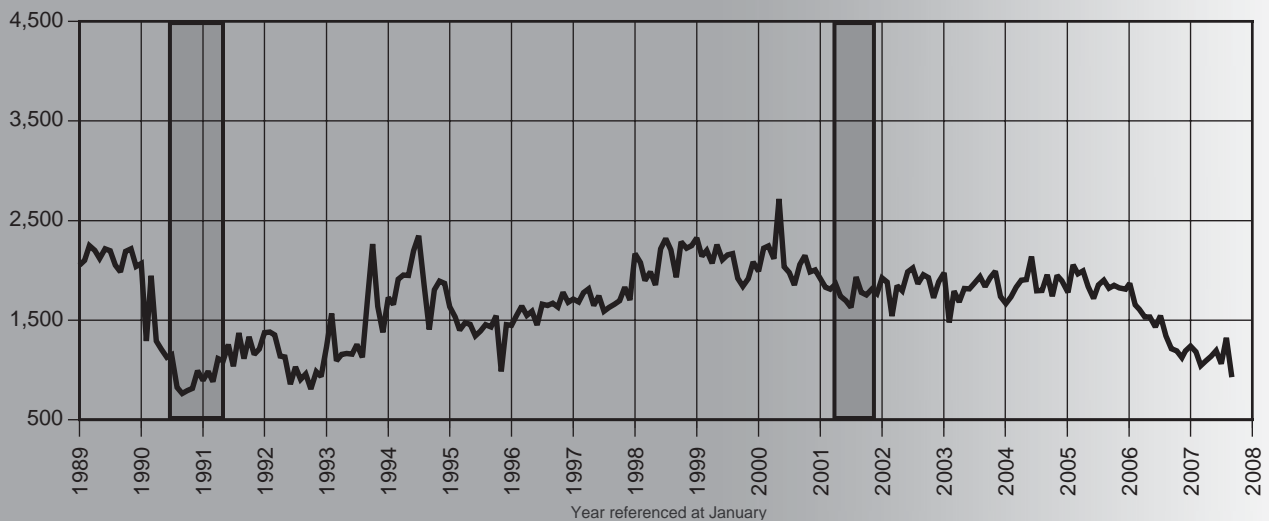
Indicator Series 22-24 Private Residential Building Permits

22. Total Private Dwelling Units Authorized by Building Permits

(With 7 month moving average)

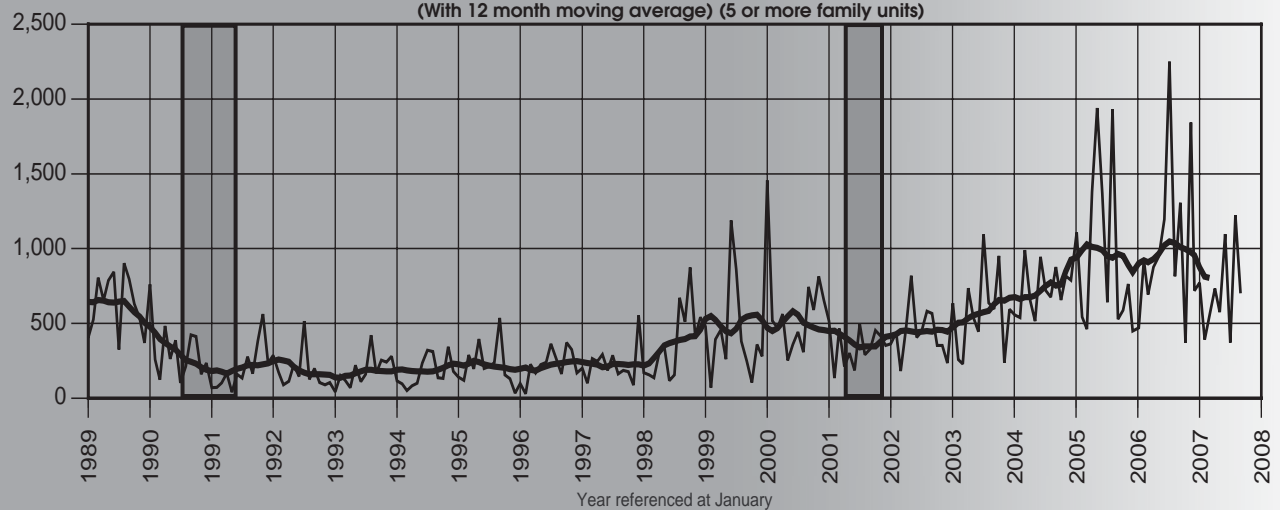


23. Private Single-Family Dwelling Units Authorized by Building Permits



24. Private Multi-Family Dwelling Units Authorized by Building Permits

(With 12 month moving average) (5 or more family units)



Indicator Series 25-27 Vehicle Registrations

25. Total New Vehicle Registrations*

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	39,878	47,973	44,021	54,096	41,594	50,471	41,421 R	49,437 R
Feb	49,678	56,489	44,480	50,750	45,444	52,014	44,087 R	50,503 R
Mar	60,620	54,321	48,982	44,222	55,917	50,695	53,429 R	49,401 R
Apr	55,747	52,739	61,458	58,479	51,395	49,187	54,964 R	52,093 R
May	61,382	54,554	55,821	48,815	59,030	50,924	60,598 R	52,586 R
Jun	58,538	50,868	61,951	55,144	52,058	46,075	53,867 R	47,975 R
Jul	57,134	51,530	63,318	59,295	54,422	50,910	55,888 R	51,206 R
Aug	59,816	54,657	57,416	52,337	56,851	51,704	56,398 R	51,143 R
Sep	50,988	55,620	47,272	48,066	45,864 R	47,640 R	48,301	51,213
Oct	49,420	53,995	43,308	47,840	46,164 R	50,160 R		
Nov	48,808	54,660	45,419	50,930	43,276	48,934		
Dec	50,111	53,733	47,967	52,009	48,254 R	52,179 R		

26. New Passenger Car Registrations

Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	18,923	23,105	21,826	27,388	21,307	26,044	21,655 R	25,752 R
Feb	24,863	28,665	21,283	25,027	22,786	26,931	22,093 R	26,201 R
Mar	31,202	27,273	24,946	22,113	29,428	26,291	28,815 R	26,681 R
Apr	28,866	26,238	31,814	29,217	29,105	27,268	29,995 R	27,465 R
May	31,804	28,137	28,982	24,817	32,632	27,182	33,590 R	28,221 R
Jun	31,303	26,173	30,421	25,963	28,193	24,121	29,238 R	25,430 R
Jul	27,680	25,980	29,165	27,458	28,753	27,097	29,387 R	26,723 R
Aug	28,779	26,795	29,540	26,529	29,839	26,901	29,306 R	26,357 R
Sep	24,704	25,104	25,622	26,397	23,966 R	25,349 R	24,866	27,176
Oct	23,843	26,783	23,160	26,346	23,393 R	25,870 R		
Nov	23,361	26,684	23,722	26,904	22,210	25,544		
Dec	24,239	27,076	23,902	27,219	24,288 R	27,576 R		

27. New Light Truck/Van Registrations

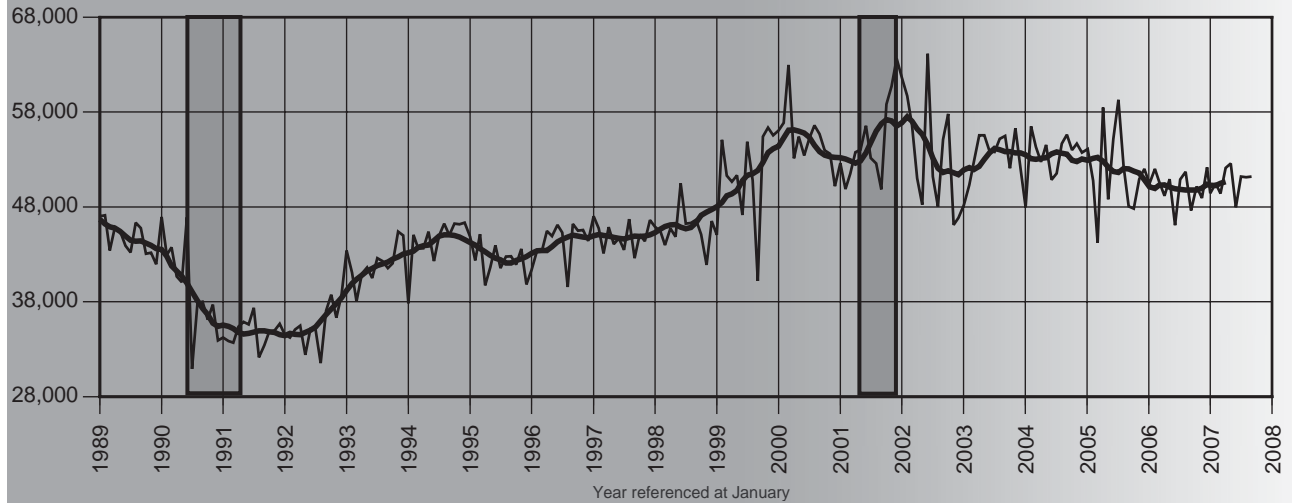
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	20,955	24,869	22,195	26,708	20,287	24,427	19,766 R	23,685 R
Feb	24,815	27,824	23,197	25,723	22,658	25,082	21,994 R	24,301 R
Mar	29,418	27,048	24,036	22,109	26,489	24,404	24,614 R	22,720 R
Apr	26,881	26,501	29,644	29,263	22,290	21,918	24,969 R	24,628 R
May	29,578	26,416	26,839	23,998	26,398	23,742	27,008 R	24,365 R
Jun	26,816	24,695	31,530	29,181	23,865	21,955	24,629 R	22,545 R
Jul	27,235	25,550	34,153	31,837	25,669	23,813	26,501 R	24,483 R
Aug	29,454	27,862	27,876	25,808	27,012	24,803	27,092 R	24,786 R
Sep	31,037	30,516	21,650	21,669	21,898 R	22,291 R	23,435	24,037
Oct	25,577	27,212	20,148	21,494	22,771 R	24,290 R		
Nov	25,447	27,977	21,697	24,026	21,066	23,390		
Dec	25,872	26,658	24,121	24,790	23,966 R	24,603 R		

* Includes only new passenger car and light truck/van registrations.

Indicator Series 25-27 Vehicle Registrations

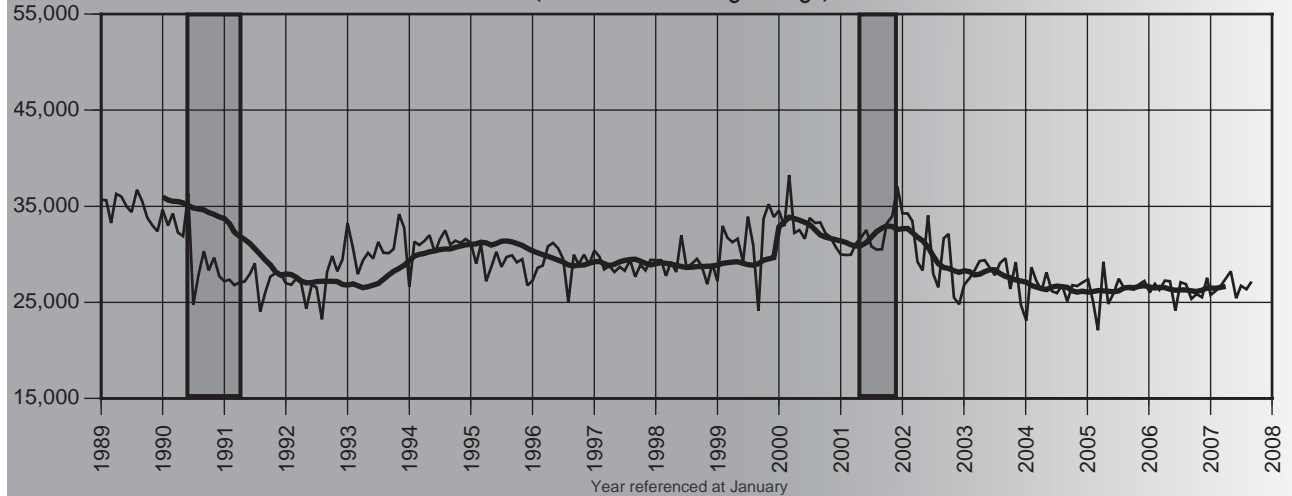
25. Total New Vehicle Registrations*

(With 10 month moving average)



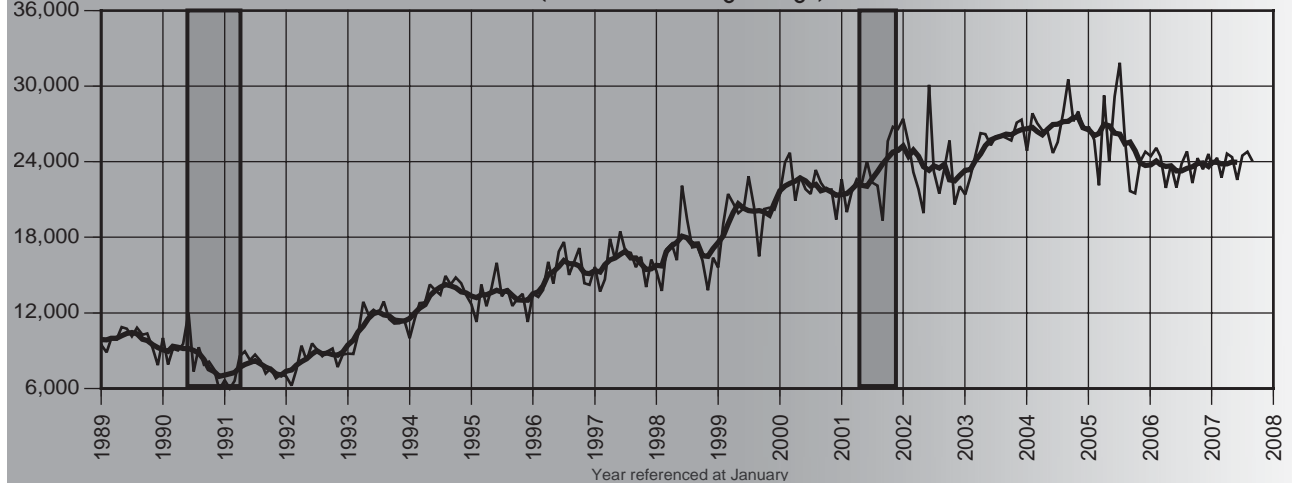
26. New Passenger Car Registrations

(With 10 month moving average)



27. New Light Truck/Van Registrations

(With 7 month moving average)



* Includes only new passenger car and light truck/van registrations.

Indicator Series 28-30 Unemployment Insurance Claimants

28. Weeks Claimed & Insured Unemployment Rate

(WA = Weekly Average of Weeks Claimed, IUR = Insured Unemployment Rate)(Seasonally adjusted)

Date	2004		2005		2006		2007	
	WA	IUR	WA	IUR	WA	IUR	WA	IUR
Jan	129.3	3.4	115.9	3.1	108.1	2.8	108.9	2.8
Feb	128.7	3.4	117.0	3.1	105.6	2.8	111.0	2.9
Mar	126.2	3.3	116.8	3.1	105.0	2.7	111.8	2.9
Apr	127.2	3.3	113.3	3.0	105.2	2.7	113.0	2.9
May	124.2	3.3	113.1	3.0	105.4	2.7	111.9	2.9
Jun	123.9	3.3	112.3	3.0	104.5	2.7	109.1	2.8
Jul	120.5	3.2	112.5	3.0	111.5	2.9	113.1	2.9
Aug	119.6	3.2	112.2	2.9	110.7	2.9	112.5	2.9
Sep	118.5	3.1	110.3	2.9	110.4	2.9	111.9	2.9
Oct	117.1	3.1	110.5	2.9	108.7	2.8	112.6	2.9
Nov	116.4	3.1	108.6	2.8	110.3	2.8		
Dec	115.9	3.1	108.9	2.8	109.2	2.8		

29. Initial Claims - Weekly Average

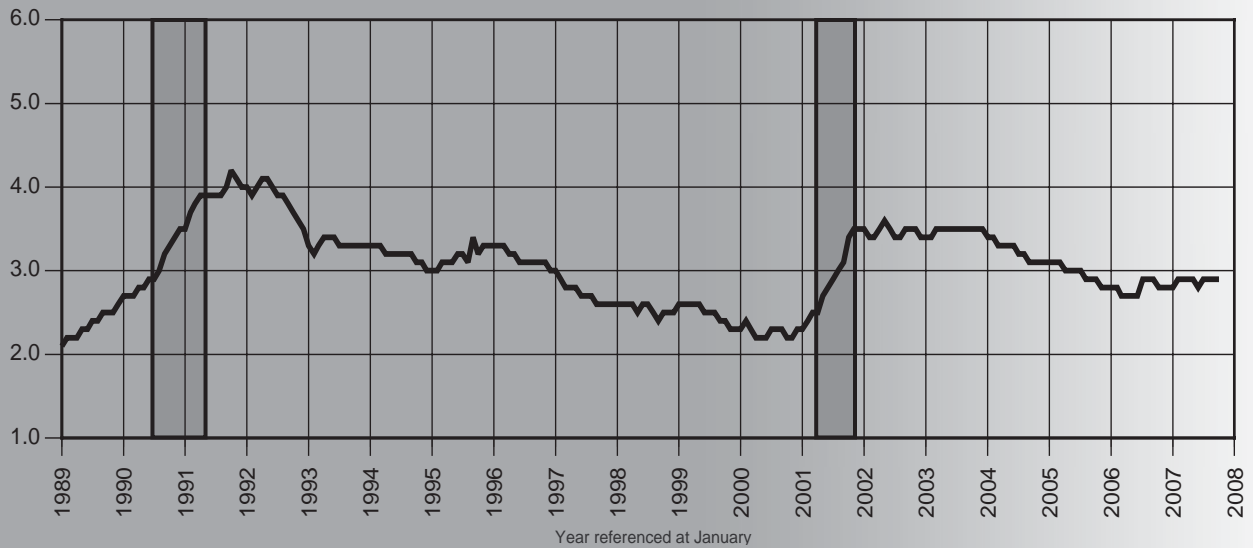
Date	2004		2005		2006		2007	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	15,582	11,318	14,797	10,840	13,034	9,450	13,850	10,098
Feb	11,226	11,073	10,123	10,328	9,451	9,708	10,515	10,838
Mar	8,951	10,436	9,390	11,048	7,927	9,533	8,609	10,241
Apr	10,589	10,430	9,334	9,260	10,564	10,510	11,080	10,920
May	7,959	10,192	8,020	10,323	7,638	10,002	8,087	10,679
Jun	12,942	11,002	12,260	10,373	12,675	10,576	12,320	10,320
Jul	9,703	10,008	9,826	10,285	10,521	10,829	10,299	10,478
Aug	8,853	10,822	8,231	10,079	8,617	10,561	8,600	10,719
Sep	8,332	10,677	7,885	10,085	7,736	10,015	8,138	10,577
Oct	8,690	10,376	9,212	10,857	8,535	9,956	9,136	10,717
Nov	10,683	10,661	9,881	10,065	10,883	11,111		
Dec	15,247	10,763	14,921	10,277	13,813	9,605		

30. Unemployment Insurance Exhaustions

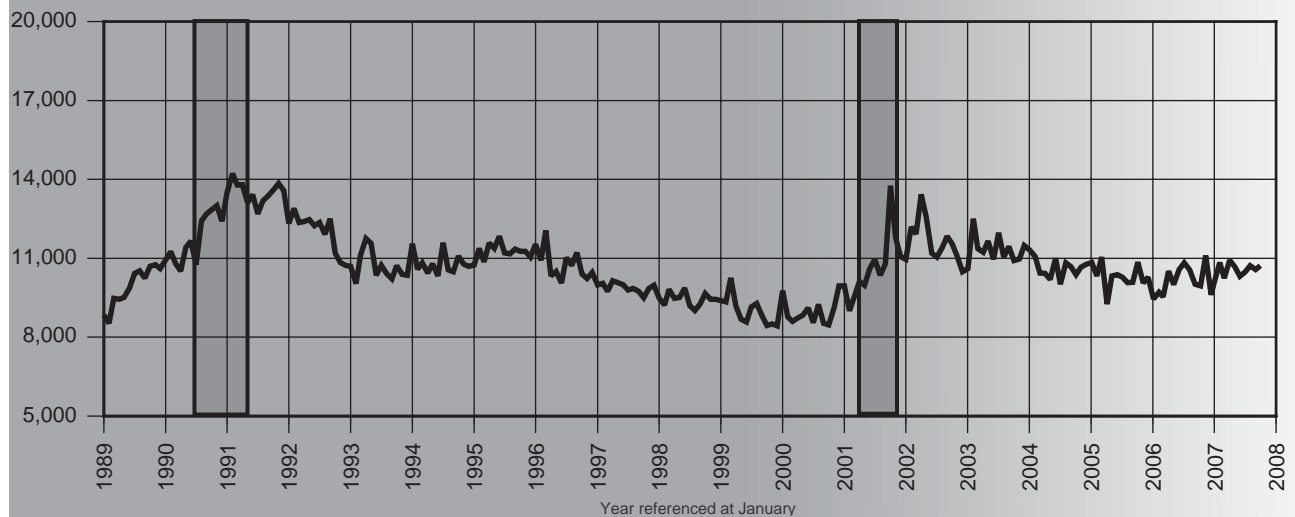
Date	2004	2005	2006	2007
	Unadj.	Unadj.	Unadj.	Unadj.
Jan	15,167	13,490	13,638	13,845
Feb	14,162	11,462	10,404	10,443
Mar	17,522	13,935	11,647	11,335
Apr	14,569	12,398	11,352	12,919
May	14,929	13,358	12,753	12,807
Jun	14,682	11,448	10,096	10,064
Jul	14,775	12,686	12,361	13,085
Aug	14,764	13,102	10,841	10,486
Sep	11,427	9,837	9,439	10,014
Oct	10,550	11,763	11,752	12,248
Nov	13,850	11,598	9,862	
Dec	12,015	11,072	10,409	

Indicator Series 28-30 Unemployment Insurance Claimants

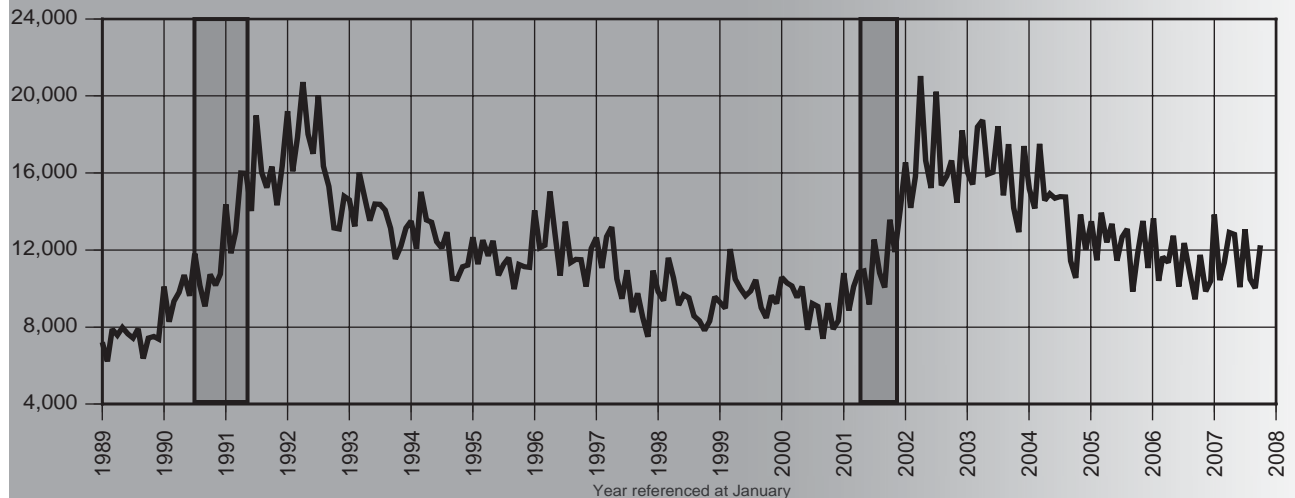
28. Insured Unemployment Rate (%)



29. Initial Claims - Weekly Average



30. Unemployment Insurance Exhaustions



Indicator Series 1 to 30

Annual Averages 1996 - 2006 (000)											
Indicator Series	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
1 Civilian Labor Force (000)	4,184.1	4,257.4	4,242.4	4,284.6	4,287.8	4,302.3	4,369.4	4,383.1	4,394.5	4,455.1	4,518.0
2 Resident Employment (000)	3,925.8	4,031.0	4,047.1	4,092.7	4,130.3	4,117.5	4,117.3	4,126.7	4,177.8	4,255.8	4,309.0
3 Resident Unemployment (000)	258.3	226.4	195.3	191.8	157.5	184.8	253.5	256.5	216.6	199.3	209.0
4 Labor Force Particip. Rate (%)	67.0	67.6	66.8	67.0	66.6	66.2	66.5	66.1	65.8	66.3	66.8
5 Employment/Pop. Rate (%)	62.8	64.0	63.7	64.0	64.1	66.3	62.6	66.2	62.6	63.3	63.7
6 Unemployment Rate (%)	6.2	5.3	4.6	4.5	3.7	4.3	5.8	5.9	4.9	4.5	4.6
7 Nonfarm Payroll Emp. (000)	3,638.9	3,724.5	3,801.3	3,901.1	3,994.5	3,997.2	3,983.9	3,978.8	3,999.1	4,039.1	4,075.0
8 Priv. Sec. Nonfarm Emp. (000)	3,068.3	3,154.3	3,229.6	3,323.5	3,405.7	3,394.6	3,370.4	3,356.9	3,365.7	3,397.5	3,426.1
9 Construction Emp. (000)	125.0	131.8	136.1	143.6	149.6	158.8	162.6	160.5	165.9	169.1	174.3
10 Manufacturing Emp. (000)	437.4	435.4	429.4	422.5	421.6	401.2	367.5	350.4	338.2	330.4	325.0
11 Trade, Transportation and Utilities Emp. (000)	823.5	834.6	847.6	873.7	899.0	890.7	881.4	876.2	874.7	877.3	875.6
12 Information Emp. (000)	117.5	122.5	118.9	123.0	126.9	126.4	113.2	102.0	98.0	97.1	98.9
13 Financial Activities Emp. (000)	231.2	238.2	248.7	260.8	266.9	269.8	276.7	276.2	276.9	279.7	280.6
14 Professional and Business Services Emp. (000)	489.3	522.4	554.0	579.1	598.5	592.5	581.1	578.2	584.5	592.5	602.1
15 Education and Health Services Emp. (000)	435.6	451.8	466.1	480.9	495.8	505.4	527.1	538.0	546.4	558.4	568.7
16 Leisure & Hospitality Emp. (000)	279.6	286.2	294.2	300.0	303.3	304.2	311.0	321.4	325.5	333.4	338.5
17 CPI-U for the US ('82-'84=100)	156.9	160.5	163.0	166.6	172.2	177.1	179.9	184.0	188.9	195.3	201.6
18 Mid-Atl. Consumer Conf. Index	60.1	89.1	108.6	108.6	125.1	95.8	84.0	68.7	80.4	80.3	87.0
19 Total Const. Contracts (\$Mil.)	594.0	697.6	746.0	800.6	911.7	954.2	952.2	984.0	932.4	1,200.3	1,138.9
20 Resid. Const. Contracts (\$Mil.)	193.8	218.8	284.1	309.4	319.9	323.8	327.2	369.8	412.0	504.1	472.6
21 Nonres. Const. Contracts (\$Mil.)	246.8	301.5	352.5	382.5	439.5	418.1	409.9	425.4	361.6	474.9	421.0
22 Total Dwelling Units (No.) - F	2,014	2,335	2,612	2,665	2,882	2,356	2,538	2,715	2,995	3,219	2,862
23 Single-Fam. Dwell. Units (No.) - F	1,738	1,956	2,122	2,094	2,105	1,792	1,865	1,820	1,870	1,856	1,428
24 Multi-Fam. Dwell. Units (No.) - F	186	276	374	424	598	347	435	580	728	976	1,035
25 Tot. New Vehicle Regis. (No.)	44,430	44,797	45,884	50,990	55,301	54,624	53,865	53,584	53,510	51,784	50,022
26 New Passenger Car Regis. (No.)	29,246	28,748	29,047	31,201	33,120	31,667	30,183	28,149	26,631	26,199	26,325
27 New Lt. Truck/Van Regis. (No.)	15,184	16,049	16,837	19,790	22,182	22,957	23,683	25,435	26,879	25,591	23,697
28 Wks. Claimed Wkly. Avg. (000)	108.5	95.3	90.2	90.8	84.3	108.4	132.4	130.9	122.6	112.9	107.9
Insured Unemp. Rate (%)	3.2	2.8	2.6	2.5	2.3	2.9	3.5	3.5	3.2	3.0	2.8
29 Initial Claims Wkly. Avg. (No.)	10,805	9,911	9,454	9,003	9,056	10,637	11,595	11,331	10,730	10,323	10,116
30 Exhaustions (No.)	12,246	10,497	9,360	9,757	9,138	11,136	16,686	16,317	14,034	12,179	11,213

Notes: See page S-32 for data sources. Data shown using latest available benchmarks. For Dwelling Unit data, "F" = Final.
Monthly revisions to Series 19-21 are published by special contract with McGraw-Hill Construction; reprinting is prohibited by law.

Employment Data

New Jersey Nonfarm Payroll Employment (000)

(seasonally adjusted)

NAICS Industry	2006			2007									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Total Nonfarm (1)*	4,083.8	4,081.5	4,085.5	4,090.8	4,085.0	4,089.4	4,087.3	4,093.2	4,095.5	4,100.5	4,100.1	4,106.3	4,107.7
Total Private Sector*	3,431.6	3,429.9	3,433.7	3,439.0	3,432.4	3,436.3	3,434.2	3,440.5	3,441.8	3,446.1	3,446.1	3,451.6	3,451.8
Goods Producing*	497.0	494.9	495.5	496.8	493.8	494.8	494.1	492.6	491.7	492.7	491.4	491.5	491.0
Natural Resources and Mining**	1.9	1.9	1.9	1.8	1.6	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8
Construction	173.1	172.5	172.9	173.9	171.6	173.4	173.8	173.2	172.3	171.9	171.9	172.3	172.5
Manufacturing*	322.0	320.5	320.7	321.1	320.6	319.7	318.6	317.6	317.6	319.0	317.7	317.4	316.7
Durable Goods	143.1	141.8	142.0	141.9	142.2	141.2	140.5	140.2	140.4	140.8	140.2	140.2	139.5
Non-Durable Goods	178.9	178.7	178.7	179.2	178.4	178.5	178.1	177.4	177.2	178.2	177.5	177.2	177.2
Service-Providing*	3,586.8	3,586.6	3,590.0	3,594.0	3,591.2	3,594.6	3,593.2	3,600.6	3,603.8	3,607.8	3,608.7	3,614.8	3,616.7
Private Service-Providing*	2,934.6	2,935.0	2,938.2	2,942.2	2,938.6	2,941.5	2,940.1	2,947.9	2,950.1	2,953.4	2,954.7	2,960.1	2,960.8
Trade, Transportation, & Utilities*	873.4	875.2	875.5	876.7	874.1	874.7	872.9	876.2	875.8	876.4	876.5	876.8	875.6
Wholesale Trade	230.1	230.2	230.2	230.0	230.1	229.5	229.7	230.3	230.8	231.3	231.1	231.2	231.2
Retail Trade	467.9	469.3	468.6	469.5	467.5	469.4	469.4	471.8	471.4	472.1	472.0	472.5	471.7
Trans., Warehousing, and Util.	175.4	175.7	176.7	177.2	176.5	175.8	173.8	174.1	173.6	173.0	173.4	173.1	172.7
Information	100.6	99.3	99.7	99.4	98.9	98.9	98.6	98.3	98.1	98.4	98.6	98.3	98.6
Financial Activities*	281.7	281.8	282.3	282.5	282.5	282.7	282.7	283.3	282.6	283.6	283.0	282.2	281.7
Finance and Insurance	220.9	220.9	221.2	221.2	221.3	221.4	221.4	221.8	221.2	221.8	221.2	220.7	220.4
Real Estate/Rental & Leasing	60.8	60.9	61.1	61.3	61.2	61.3	61.3	61.5	61.4	61.8	61.8	61.5	61.3
Prof. and Business Services*	606.8	607.3	607.4	608.3	607.1	606.6	608.2	610.5	613.0	613.8	614.3	616.7	619.1
Prof., Sci., & Tech. Svcs.	279.3	280.0	280.4	281.9	282.5	282.5	282.6	283.2	284.0	285.5	285.6	285.9	287.0
Mngmt. of Companies and Enterprises	67.1	67.1	67.3	67.0	67.5	67.4	68.2	68.2	68.2	68.3	68.5	68.8	69.1
Adm/Support, Waste Mgt/ Remed. Svcs.	260.4	260.2	259.7	259.4	257.1	256.7	257.4	259.1	260.8	260.0	260.2	262.0	263.0
Educational and Health Services*	573.4	573.7	574.4	574.1	575.3	576.4	576.4	578.9	578.2	579.3	580.4	582.9	583.9
Educational Services	87.6	87.6	87.3	87.9	87.4	87.6	87.7	88.4	87.9	88.2	88.8	89.0	88.7
Health Care and Social Assistance	485.8	486.1	487.1	486.2	487.9	488.8	488.7	490.5	490.3	491.1	491.6	493.9	495.2
Leisure and Hospitality*	338.5	337.4	338.4	339.9	339.2	339.8	338.8	338.1	339.5	339.6	339.0	340.7	339.5
Arts, Entertainment, and Recreation	50.8	50.0	49.8	49.6	50.0	49.8	49.7	49.9	50.8	51.2	51.1	51.2	51.0
Accommodation and Food Services	287.7	287.4	288.6	290.3	289.2	290.0	289.1	288.2	288.7	288.4	287.9	289.5	288.5
Other Services (2)	160.2	160.3	160.5	161.3	161.5	162.4	162.5	162.6	162.9	162.3	162.9	162.5	162.4
Total Government*	652.2	651.6	651.8	651.8	652.6	653.1	653.1	652.7	653.7	654.4	654.0	654.7	655.9
Federal Government	60.0	59.7	59.6	59.8	59.8	59.9	60.4	60.5	60.4	60.5	60.4	60.0	60.3
State Government (3)	154.3	154.1	154.1	155.8	155.4	154.8	155.3	154.1	154.7	154.1	153.8	154.3	154.4
Local Government	437.9	437.8	438.1	436.2	437.4	438.4	437.4	438.1	438.6	439.8	439.8	440.4	441.2

Notes:

1. Nonfarm payroll employment includes civilians on nonfarm establishment payrolls who worked or received pay for any part of the pay period including the 12th of the month. It excludes proprietors, self-employed, unpaid family members and domestics in private households. All data are revised to March 2004 benchmarks. Individual series may not add to sector or supersector totals because not all sector/supersector components are published.
2. "Other Services" include: Repair and maintenance; Personal and laundry services; Religious, grantmaking, civic, professional and similar organizations.
3. The total number of state employees reported under this heading is determined on the basis of a definition developed by the US Bureau of Labor Statistics which is standardized throughout the nation. The definition includes both full- and part-time workers in the executive departments, the legislature, and the judiciary, as well as all employees of authorities, commissions, the state universities and colleges, and other agencies not included on the central payroll.
4. This sub-category of state government employment is limited to full-time employees of the executive departments, the legislature and the judiciary. The figures are based on the central payroll and are provided by the Department of Treasury.

Employment Data

New Jersey Nonfarm Payroll Employment (000)

(not seasonally adjusted)

NAICS Industry	2006	2007											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Total Nonfarm (1)	4103.1	4112.6	4122.8	4022.2	4017.2	4046.7	4077.0	4112.1	4159.9	4120.8	4101.0	4104.1	4127.1
Total Private Sector	3443.1	3448.8	3459.8	3371.3	3355.2	3382.9	3412.4	3450.1	3497.0	3491.9	3484.5	3467.1	3463.3
Goods Producing	502.6	500.1	498.7	482.8	476.9	482.6	490.5	494.8	500.1	499.3	499.4	498.9	496.6
Natural Resources and Mining	1.9	1.9	1.9	1.8	1.6	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8
Construction	177.9	176.0	174.5	162.8	157.2	162.6	171.0	175.3	178.0	178.9	179.8	178.7	177.3
Construction of Buildings	43.6	43.2	43.0	41.6	40.6	40.9	41.9	42.4	43.2	42.9	43.3	42.9	43.1
Residential Building Construction	29.4	29.2	29.1	28.1	27.4	27.4	27.4	27.4	27.7	27.8	28.0	27.6	27.9
Heavy and Civil Engineering	18.6	18.0	17.6	15.1	14.3	15.2	17.1	18.1	18.3	18.7	18.7	18.6	18.5
Specialty Trade Contractors	115.7	114.8	113.9	106.1	102.3	106.5	112.0	114.8	116.5	117.3	117.8	117.2	115.7
Building Equipment Contractors	55.3	55.4	55.0	53.3	52.6	53.7	54.5	55.0	55.6	56.2	56.4	56.1	55.3
Manufacturing	322.8	322.2	322.3	318.2	318.1	318.3	317.8	317.7	320.3	318.6	317.8	318.4	317.5
Durable Goods	143.1	142.2	142.7	140.8	141.4	141.1	140.7	140.5	141.8	140.5	139.8	140.1	139.5
Fabricated Metal Product	26.6	27.0	26.9	26.3	25.9	25.5	25.0	25.1	25.3	24.6	24.7	24.7	24.8
Machinery Manufacturing	17.1	16.9	16.9	16.8	16.7	16.7	16.7	16.8	16.9	17.1	16.7	16.9	16.8
Computer and Electronic Products	31.2	31.2	31.4	30.8	30.6	30.3	29.9	30.0	30.5	30.3	30.0	29.7	29.6
Navigation, Measuring, Electromedical and Control Instruments	15.7	15.9	16.0	15.7	15.7	15.7	15.7	15.8	16.0	16.0	16.0	15.8	15.8
Transportation Equipment Mfg.	6.9	6.9	6.9	6.5	6.5	6.4	6.4	6.4	6.5	6.5	6.6	6.7	6.6
Miscellaneous Mfg.	21.0	20.8	21.0	20.6	21.0	21.0	20.8	20.7	21.1	21.1	21.0	21.2	20.7
Non-Durable Goods	179.7	180.0	179.6	177.4	176.7	177.2	177.1	177.2	178.5	178.1	178.0	178.3	178.0
Food Manufacturing	30.8	31.3	31.2	30.2	29.9	29.7	29.8	29.8	29.8	30.0	30.0	30.0	30.4
Paper Manufacturing	14.0	14.2	14.0	14.3	14.3	14.2	14.0	14.2	14.0	13.9	13.8	13.7	13.3
Printing and Related Support	23.4	23.3	23.3	22.9	23.1	23.2	23.0	22.6	22.9	23.2	23.4	23.6	23.8
Chemical Manufacturing	70.2	70.4	70.3	70.2	70.1	71.0	70.3	70.6	71.3	71.2	71.5	71.4	70.8
Basic Chemical Mfg.	8.6	8.7	8.8	8.7	8.7	8.8	8.8	9.0	9.2	9.1	9.0	9.0	8.9
Pharmaceutical & Medicine	40.3	40.3	40.4	40.3	40.2	40.8	40.3	40.7	41.2	41.0	41.1	41.1	40.7
Plastics and Rubber Products	19.8	19.9	19.8	19.3	19.0	19.1	18.9	18.7	18.9	18.7	18.4	18.8	18.6
Service-Providing	3600.5	3612.5	3624.1	3539.4	3540.3	3564.1	3586.5	3617.3	3659.8	3621.5	3601.6	3605.2	3630.5
Private Service-Providing	2940.5	2948.7	2961.1	2888.5	2878.3	2900.3	2921.9	2955.3	2996.9	2992.6	2985.1	2968.2	2966.7
Trade, Transportation, and Utilities	877.2	891.4	903.8	869.9	859.7	862.8	864.6	873.2	882.0	874.3	871.6	873.9	879.3
Wholesale Trade	230.2	230.2	230.9	228.6	228.7	228.8	229.8	230.5	231.8	232.0	231.7	231.3	231.3
Wholesalers, Durable Goods	115.7	115.7	116.0	115.4	115.1	115.2	115.6	115.9	116.3	116.3	115.8	115.8	115.4
Professional and Commercial Equipment	30.8	31.0	31.1	31.1	31.0	30.8	31.0	30.8	30.9	31.0	30.8	30.8	31.0
Electrical & Electronic Goods	15.7	15.5	15.6	15.8	15.8	15.6	15.7	15.9	15.8	15.8	15.8	15.9	15.9
Grocery and Related Products	29.2	29.2	29.0	29.2	29.2	29.1	29.3	29.6	29.8	29.7	29.6	29.6	29.5
Wholesale Electronic Markets, Agents & Brokers	31.5	31.8	32.2	31.5	31.6	31.6	31.4	31.6	31.9	32.0	32.3	32.2	32.3

See notes on page S-23. Shaded rows on pp. 24-27 indicate employment at the NAICS supersector level.

Employment Data

New Jersey Nonfarm Payroll Employment (000)

(not seasonally adjusted)

NAICS Industry	2006			2007									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Retail Trade	468.5	481.9	492.6	466.3	456.3	458.9	461.2	467.6	474.4	473.5	472.4	467.9	472.3
Motor Vehicle & Parts Dealers	47.3	47.2	47.4	46.9	47.1	47.2	47.5	47.8	47.8	47.8	47.7	47.9	47.4
Automobile Dealers	34.9	34.8	34.6	34.4	34.6	34.7	34.8	35.0	35.1	35.0	34.9	35.1	35.1
Furniture and Home													
Furnishing Stores	20.6	21.5	21.7	21.3	21.0	21.0	20.6	20.5	20.6	20.4	20.3	20.5	20.9
Electronic & Appliance Stores	16.5	16.8	17.3	17.1	17.1	16.9	16.6	16.7	16.5	16.4	16.6	16.5	16.8
Building Material & Supplies	37.4	37.4	37.2	36.2	35.8	36.6	38.1	39.3	39.7	38.9	38.5	37.8	38.0
Food and Beverage Stores	109.8	110.9	112.1	110.9	110.3	110.6	109.5	110.7	112.9	112.8	113.2	111.6	112.1
Health & Personal Care Stores	37.7	37.9	38.6	38.1	37.6	37.7	37.4	37.6	38.0	38.0	38.2	38.1	38.6
Gasoline Stations	14.7	14.8	15.0	14.9	14.9	14.8	14.6	14.9	15.0	14.8	14.6	14.6	14.5
Clothing and Clothing													
Accessories Stores	57.7	61.5	64.3	58.0	54.8	55.5	56.0	57.1	58.5	59.2	59.4	58.5	58.4
Clothing Stores	46.1	49.7	52.7	46.9	44.1	44.6	44.8	45.6	47.0	47.7	47.7	46.8	46.3
Sporting Goods, Hobby, Book, and Music Stores	23.3	24.8	25.8	21.8	20.6	20.8	20.5	20.6	20.8	20.6	20.4	20.6	21.2
General Merchandise Stores	66.7	71.9	75.7	66.6	64.0	64.3	64.1	65.3	66.3	66.7	65.9	65.2	66.3
Department Stores	54.1	59.0	62.3	54.2	51.8	52.0	51.8	52.8	53.5	54.0	53.4	52.8	53.6
Other General Merchandise Stores	12.6	12.9	13.4	12.4	12.2	12.3	12.3	12.5	12.8	12.7	12.5	12.4	12.7
Transportation, Warehousing and Utilities	178.5	179.3	180.3	175.0	174.7	175.1	173.6	175.1	175.8	168.8	167.5	174.7	175.7
Utilities	13.9	13.8	13.9	13.8	13.8	13.8	14.0	14.1	14.3	14.4	14.4	14.2	14.2
Electric Power Generation, Transmission & Distribution	8.0	8.0	8.0	7.9	7.9	7.9	8.0	8.2	8.2	8.3	8.3	8.2	8.3
Natural Gas Distribution	3.8	3.8	3.8	3.8	3.8	3.8	3.8	3.9	4.0	4.0	4.0	3.9	3.9
Transportation & Warehousing	164.6	165.5	166.4	161.2	160.9	161.3	159.6	161.0	161.5	154.4	153.1	160.5	161.5
Air Transportation	17.2	17.1	17.1	17.3	17.3	17.7	17.9	17.9	18.1	18.0	18.0	17.9	17.6
Truck Transportation	41.0	41.2	41.2	39.9	39.7	39.8	40.2	40.5	40.9	40.7	40.7	40.9	40.9
General Freight Trucking	30.5	30.6	30.5	29.9	29.9	29.8	29.9	30.1	30.4	29.9	29.7	29.8	29.5
Transit & Ground Passenger Transportation	30.6	30.3	31.1	30.0	29.9	30.1	29.6	30.2	30.0	23.2	21.7	29.3	29.7
Support Activities for Transportation	22.1	22.3	22.0	21.7	21.9	21.8	21.5	21.5	21.6	21.9	21.9	22.0	22.5
Couriers and Messengers	24.1	24.4	24.7	24.2	24.0	23.7	23.8	23.8	24.0	23.9	23.4	23.5	23.7
Warehousing and Storage	25.8	26.0	25.8	25.5	25.3	25.4	24.5	24.7	24.5	24.2	24.0	24.3	24.4
Information	100.5	99.7	100.0	98.7	98.1	98.9	98.1	98.4	98.8	98.6	98.9	98.3	98.5
Publishing Industries (Except Internet)	30.4	30.0	30.1	29.4	29.3	29.3	29.0	29.0	29.0	29.0	28.9	28.8	28.9
Telecommunications	39.7	39.6	39.2	38.9	38.4	38.3	37.7	37.5	37.5	37.3	37.3	37.0	37.1
Wired Telecommunications Carriers	23.6	23.4	23.0	22.4	22.1	22.1	21.8	21.6	21.6	21.3	21.3	21.1	21.1
Internet Service Providers, Web Search Portals, and Data Processing Services	15.5	15.6	15.8	15.4	15.4	15.3	15.2	15.2	15.3	15.3	15.3	15.2	15.1
Financial Activities	281.2	281.6	282.9	281.1	280.7	281.0	281.5	282.8	284.9	286.2	285.3	281.8	281.2
Finance and Insurance	220.5	221.0	221.9	221.0	220.7	220.8	220.8	221.2	222.3	222.9	222.1	219.9	220.0
Credit Intermediation and Related Activities	82.5	82.9	82.6	82.2	81.9	82.0	81.7	81.8	82.4	82.5	82.1	81.5	81.6
Depository Credit Intermediation	50.8	51.0	50.9	50.6	50.3	50.5	50.4	50.7	51.4	51.8	51.6	51.1	51.2
Nondepository Credit Intermediation	23.8	24.0	23.8	23.6	23.4	23.1	23.1	23.3	23.4	23.2	23.1	22.9	22.8

See notes on page S-23. Shaded rows on pp. 24-27 indicate employment at the NAICS supersector level.

Employment Data

New Jersey Nonfarm Payroll Employment (000)

(not seasonally adjusted)

	2006			2007									
NAICS Industry	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Securities, Commodity Contracts, and Other Financial Investments & Rel. Activities	51.6	51.7	52.1	52.3	52.5	52.7	53.1	53.2	53.2	53.2	53.1	52.9	52.8
Securities and Commodity Contracts Intermediation and Brokerage	39.5	39.6	39.9	40.0	40.2	40.4	40.7	41.0	41.3	41.3	41.3	41.2	41.0
Insurance Carriers and Related Activities	84.4	84.3	84.4	83.6	83.5	83.8	83.6	83.7	83.8	84.0	83.9	83.6	83.5
Insurance Carriers	54.2	54.0	53.9	53.2	53.1	53.3	53.1	53.1	53.1	53.3	53.4	53.1	53.0
Agencies, Brokerages, and Other Insurance Rel. Activities	30.2	30.3	30.5	30.4	30.4	30.5	30.5	30.6	30.7	30.7	30.5	30.5	30.5
Real Estate and Rental/Leasing	60.7	60.6	61.0	60.1	60.0	60.2	60.7	61.6	62.6	63.3	63.2	61.9	61.2
Real Estate	41.9	41.9	42.2	41.8	41.9	42.1	42.5	43.0	43.7	44.4	44.3	43.2	42.8
Rental and Leasing Services	17.7	17.6	17.6	17.7	17.5	17.6	17.7	18.1	18.4	18.5	18.4	18.2	18.2
Professional and Business Services	609.9	610.3	608.7	592.1	591.8	599.9	608.4	612.3	620.7	620.5	623.2	622.4	622.3
Professional, Scientific, and Technical Services	278.5	280.6	281.7	280.1	281.3	282.7	284.0	282.0	285.4	286.0	286.4	284.7	286.2
Legal Services	42.2	42.3	42.5	42.3	42.1	42.2	42.2	42.1	43.1	43.2	43.1	42.9	43.2
Accounting, Tax Preparation, Bookkeeping, & Payroll Svcs.	31.7	31.8	32.7	33.5	34.5	34.4	34.3	31.3	31.7	31.7	31.6	31.7	31.9
Architectural, Engineering, and Related Services	43.8	43.8	44.2	44.0	43.7	43.9	44.5	44.8	45.5	45.7	45.8	44.7	44.6
Computer Systems Design and Related Services	56.1	56.1	56.8	55.7	55.9	56.0	55.9	55.9	55.8	56.1	56.1	56.0	56.0
Management, Scientific, and Technical Consulting Services	34.3	34.4	34.5	34.0	34.2	34.4	34.5	34.6	35.0	35.5	35.6	35.6	35.8
Scientific Research and Development Services	29.8	29.8	29.6	29.2	29.1	29.2	29.2	29.3	29.8	29.9	29.8	29.5	29.5
Advertising and Rel. Services	16.9	17.1	17.2	17.1	17.3	17.7	18.0	18.1	18.4	18.4	18.3	18.2	18.4
Management of Companies and Enterprises	66.8	67.1	67.6	67.0	67.1	67.4	67.7	68.0	68.6	68.5	68.7	69.0	68.8
Administrative and Support and Waste Management and Remediation Services	264.6	262.6	259.4	245.0	243.4	249.8	256.7	262.3	266.7	266.0	268.1	268.7	267.3
Employment Services	100.6	101.0	101.0	93.6	92.4	94.4	94.5	96.2	98.5	97.8	100.2	100.7	99.9
Business Support Services	16.2	16.3	16.7	16.3	16.3	16.2	16.1	16.2	16.0	15.9	16.0	15.8	15.9
Investigation and Security Services	27.8	27.7	27.7	27.2	27.3	27.5	27.7	27.9	28.1	28.0	28.2	28.4	28.3
Services to Buildings and Dwellings	70.2	68.6	65.3	58.3	58.5	61.1	69.8	72.7	74.3	74.1	73.2	72.6	71.8
Educational and Health Services	575.0	577.1	577.7	571.9	574.6	578.1	578.3	581.8	581.3	575.9	572.7	578.8	585.5
Educational Services	89.5	90.5	89.8	85.9	88.4	89.6	89.6	90.9	88.1	84.2	82.0	86.8	90.6
Elementary and Secondary Schools	39.5	40.3	40.2	39.3	39.7	39.6	39.8	40.1	39.9	36.8	35.2	38.7	39.9
Colleges, Universities, and Professional Schools	28.2	28.4	27.8	24.8	26.7	27.4	27.4	27.4	25.2	24.2	23.6	26.2	27.8
Health Care and Social Assistance	485.5	486.6	487.9	486.0	486.2	488.5	488.7	490.9	493.2	491.7	490.7	492.0	494.9
Ambulatory Health Care Services	175.6	176.0	176.3	175.2	175.6	176.3	176.4	177.5	178.5	178.0	178.1	177.9	179.1
Offices of Physicians	66.7	67.0	67.2	66.5	66.6	67.0	67.0	67.5	67.9	67.9	67.8	67.5	68.0
Offices of Dentists	27.0	27.2	27.3	27.4	27.4	27.3	27.4	27.7	27.9	27.8	27.8	27.8	27.8
Home Health Care Services	28.5	28.6	27.5	27.4	27.5	27.4	27.4	27.6	27.9	27.6	27.7	27.5	27.7

See notes on page S-23. Shaded rows on pp. 24-27 indicate employment at the NAICS supersector level.

Employment Data

New Jersey Nonfarm Payroll Employment (000)

(not seasonally adjusted)

NAICS Industry	2006			2007									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Hospitals	154.6	154.9	155.1	154.5	154.2	154.7	154.6	154.6	155.6	156.1	155.8	155.6	155.8
Nursing and Residential Care Facilities	81.9	82.0	82.4	82.4	82.6	83.0	83.3	83.7	83.9	83.9	84.1	84.0	84.3
Nursing Care Facilities for the Elderly	46.7	46.9	46.9	47.1	47.0	47.3	47.5	47.5	47.4	47.4	47.3	47.2	47.3
Community Care Facilities	18.7	18.8	19.0	19.1	19.1	19.3	19.4	19.5	19.6	19.7	19.8	19.7	19.7
Social Assistance	73.4	73.7	74.1	73.9	73.8	74.5	74.4	75.1	75.2	73.7	72.7	74.5	75.7
Child Day Care Services	36.4	36.8	37.0	36.7	36.7	37.2	37.2	37.6	37.5	35.3	34.7	36.2	37.2
Leisure and Hospitality	336.9	328.6	327.5	315.8	314.3	319.1	329.0	343.5	363.8	371.5	368.4	351.3	337.9
Arts, Entertainment, and Recreation	49.8	45.6	43.7	39.7	40.0	41.9	47.2	51.7	60.3	66.1	64.7	54.1	50.0
Amusement, Gambling, and Recreation Industries	39.3	35.3	34.3	31.2	31.2	32.9	37.4	41.2	49.4	55.4	54.1	44.0	40.0
Accommodation and Food Services	287.1	283.0	283.8	276.1	274.3	277.2	281.8	291.8	303.5	305.4	303.7	297.2	287.9
Accommodation	69.8	66.5	66.0	64.2	63.5	63.5	64.4	66.7	69.4	73.3	73.1	68.1	65.3
Casino Hotels	41.6	39.5	39.4	38.7	38.0	38.0	38.3	39.0	40.1	41.6	41.7	40.1	38.6
Food Services and Drinking Places	217.3	216.5	217.8	211.9	210.8	213.7	217.4	225.1	234.1	232.1	230.6	229.1	222.6
Full-Service Restaurants	96.8	96.0	96.5	94.4	93.5	94.9	96.4	99.9	104.1	104.4	104.2	100.0	96.7
Limited-Service Eating Places	80.5	80.2	80.5	79.4	79.4	80.5	82.8	85.8	89.3	91.1	90.9	87.6	84.8
Special Food Services	30.1	30.4	30.8	28.4	28.1	28.4	28.2	28.9	29.3	25.1	24.2	31.0	31.2
Drinking Places (Alcoholic Beverages)	9.9	9.9	10.0	9.7	9.8	9.9	10.0	10.5	11.4	11.5	11.3	10.5	9.9
Other Services	159.8	160.0	160.5	159.0	159.1	160.5	162.0	163.3	165.4	165.6	165.0	161.7	162.0
Repair and Maintenance	36.5	36.4	36.4	36.2	36.2	36.6	36.7	36.9	37.1	36.9	36.7	36.6	36.7
Automotive Repair and Maintenance	26.6	26.5	26.5	26.4	26.4	26.8	26.8	26.9	27.0	26.9	26.7	26.7	26.7
Personal and Laundry Services	48.2	48.1	48.2	47.4	47.5	48.0	48.5	49.1	49.5	49.1	49.1	48.9	48.8
Personal Care Services	28.3	28.3	28.4	28.2	28.2	28.6	29.0	29.2	29.4	29.1	29.0	29.0	28.9
Religious, Grantmaking, Civic, Professional, and Similar Organizations	75.1	75.5	75.9	75.4	75.4	75.9	76.8	77.3	78.8	79.6	79.2	76.2	76.5
Government	660.0	663.8	663.0	650.9	662.0	663.8	664.6	662.0	662.9	628.9	616.5	637.0	663.8
Federal Government	59.8	59.6	60.2	59.6	59.4	59.4	60.0	60.2	60.6	61.0	61.0	60.2	60.1
Department of Defense	13.3	13.1	13.3	13.2	13.2	13.2	13.2	13.3	13.6	13.8	13.8	13.4	13.4
U.S. Postal Service	29.2	29.1	29.8	29.3	29.2	29.2	29.4	29.5	29.5	29.4	29.3	29.1	29.2
Other Federal Government	17.3	17.4	17.1	17.1	17.0	17.0	17.4	17.4	17.5	17.8	17.9	17.7	17.5
State Government (3)	157.6	157.8	156.7	151.9	158.0	157.7	158.3	154.8	150.9	149.5	148.6	153.0	157.7
State Government Education	52.4	52.9	51.9	47.0	52.8	52.6	53.0	49.4	45.0	43.8	43.1	47.9	52.7
State Government Hospitals	11.9	11.8	11.8	12.0	11.9	11.9	11.9	11.9	11.9	12.0	12.0	12.0	12.1
Other State Government	93.3	93.1	93.0	92.9	93.3	93.2	93.4	93.5	94.0	93.7	93.5	93.1	92.9
Exec./Leg./Judicial (4)	79.6	79.5	79.7	79.6	79.7	79.7	79.8	79.7	79.8	79.5	79.1	78.9	79.0
Local Government	442.6	446.4	446.1	439.4	444.6	446.7	446.3	447.0	451.4	418.4	406.9	423.8	446.0
Local Government Education	271.5	276.1	275.9	271.2	276.5	277.9	276.5	275.9	274.0	229.9	220.7	249.0	274.4
Other Local Government	171.1	170.3	170.2	168.2	168.1	168.8	169.8	171.1	177.4	188.5	186.2	174.8	171.6

See notes on page S-23. Shaded rows on pp. 24-27 indicate employment at the NAICS supersector level.

Hours and Earnings Data

Production/Nonsupervisory Workers in New Jersey

NAICS Industry	2006			2007									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Average Weekly Hours of Production / Non-supervisory Workers¹													
Manufacturing (production)	41.8	41.9	42.0	41.6	41.1	41.1	41.0	41.1	41.8	41.3	41.0	41.1	41.1
Durable Goods	41.7	41.7	41.8	41.7	40.9	41.7	41.8	41.5	42.0	41.6	41.3	41.4	41.6
Fabricated Metal	40.8	40.6	40.4	40.6	39.7	40.9	40.3	40.1	39.7	39.8	41.1	41.2	40.8
Machinery Manufacturing	41.9	42.2	42.5	42.4	41.8	42.3	42.4	42.5	41.8	42.5	41.8	42.4	41.8
Computer and Electr. Prod.	42.5	42.2	41.9	42.1	42.1	42.3	41.9	41.6	42.3	41.6	41.2	41.7	41.8
Misc. Manufacturing	38.6	38.8	39.6	39.6	39.9	39.7	39.3	38.8	39.4	39.2	39.7	39.4	39.8
Nondurable Goods	41.8	42.1	42.1	41.5	41.2	40.7	40.4	40.7	41.6	41.1	40.7	40.8	40.7
Food Manufacturing	42.4	42.4	42.7	42.3	41.6	41.3	41.1	41.6	42.3	41.6	41.1	42.0	41.4
Paper Manufacturing	41.6	41.4	41.7	41.3	40.9	41.6	42.7	43.1	43.5	42.9	42.2	41.6	40.9
Printing & Related Support	40.3	40.4	39.6	39.4	38.9	39.0	39.1	40.0	40.1	39.8	39.5	40.2	40.3
Chemical Manufacturing	41.3	41.4	40.9	40.8	40.8	40.4	41.0	40.8	40.4	40.7	41.3	40.6	41.7
Plastics and Rubber Prods.	41.9	42.1	42.2	42.1	41.8	41.6	41.3	42.0	41.9	42.3	41.6	41.9	42.3
Information⁴	36.0	35.4	35.1	35.6	36.0	35.8	35.9	35.7	35.9	35.8	36.0	35.9	35.1
Average Hourly Gross Dollar Earnings²													
Manufacturing (production)	16.67	16.73	17.08	16.81	16.77	16.83	17.01	17.13	17.00	17.16	17.28	17.26	17.45
Durable Goods	18.32	18.43	18.58	18.57	18.66	18.62	18.77	18.86	18.92	19.10	19.19	19.27	19.36
Fabricated Metal	16.49	16.46	16.63	16.71	16.57	16.54	16.59	16.70	16.47	16.75	16.41	16.76	16.80
Machinery Manufacturing	16.83	16.92	17.03	17.04	17.13	17.06	16.85	17.10	17.29	17.26	17.25	17.37	17.48
Computer and Electr. Prod.	24.26	24.49	24.79	25.00	25.30	25.41	25.58	25.82	25.93	26.13	26.24	26.41	26.53
Misc. Manufacturing	15.43	15.39	15.47	15.43	15.33	15.34	15.24	15.75	15.54	15.43	15.53	15.50	15.40
Nondurable Goods	15.41	15.44	15.93	15.45	15.32	15.42	15.60	15.73	15.49	15.59	15.74	15.63	15.86
Food Manufacturing	13.83	13.53	13.68	13.56	13.34	13.26	13.19	13.25	13.30	13.40	13.32	13.27	13.81
Paper Manufacturing	15.45	15.42	15.59	15.44	15.20	15.48	15.61	15.86	15.74	15.57	15.59	15.82	15.75
Printing & Related Support	15.43	16.44	16.54	16.41	16.27	16.37	15.96	16.06	16.02	15.93	15.82	15.75	16.26
Chemical Manufacturing	21.84	21.55	21.78	21.68	21.53	21.32	20.98	21.41	21.97	22.23	21.91	21.86	22.08
Plastics and Rubber Prods.	15.43	15.50	15.57	15.49	15.35	15.23	15.38	15.22	15.04	15.13	15.33	15.27	15.38
Information⁴	32.34	32.40	33.20	32.82	32.52	33.35	33.19	33.76	32.89	31.12	30.02	30.35	30.16
Average Weekly Gross Dollar Earnings³													
Manufacturing (production)	696.81	700.99	717.36	699.30	689.25	691.71	697.41	704.04	710.60	708.71	708.48	709.39	717.20
Durable Goods	763.94	768.53	776.64	774.37	763.19	776.45	784.59	782.69	794.64	794.56	792.55	797.78	805.38
Fabricated Metal	672.79	668.28	671.85	678.43	657.83	676.49	668.58	669.67	653.86	666.65	674.45	690.51	685.44
Machinery Manufacturing	705.18	714.02	723.78	722.50	716.03	721.64	714.44	726.75	722.72	733.55	721.05	736.49	730.66
Computer and Electr. Prod.	1,031.05	1,033.48	1,038.70	1,052.50	1,065.13	1,074.84	1,071.80	1,074.11	1,096.84	1,087.01	1,081.09	1,101.30	1,108.95
Misc. Manufacturing	595.60	597.13	612.61	611.03	611.67	609.00	598.93	611.10	612.28	604.86	616.54	610.70	612.92
Nondurable Goods	644.14	650.02	670.65	641.18	631.18	627.59	630.24	640.21	644.38	640.75	640.62	637.70	645.50
Food Manufacturing	586.39	573.67	584.14	573.59	554.94	547.64	542.11	551.20	562.59	557.44	547.45	557.34	571.73
Paper Manufacturing	642.72	638.39	650.10	637.67	621.68	643.97	666.55	683.57	684.69	667.95	657.90	658.11	644.18
Printing & Related Support	621.83	664.18	654.98	646.55	632.90	638.43	624.04	642.40	642.40	634.01	624.89	633.15	655.28
Chemical Manufacturing	901.99	892.17	890.80	884.54	878.42	861.33	860.18	873.53	887.59	904.76	904.88	887.52	920.74
Plastics and Rubber Prods.	646.52	652.55	657.05	652.13	641.63	633.57	635.19	639.24	630.18	640.00	637.73	639.81	650.57
Information⁴	1,164.24	1,146.96	1,165.32	1,168.39	1,170.72	1,193.93	1,191.52	1,205.23	1,180.75	1,114.10	1,080.72	1,089.57	1,058.62

(1) Average hours worked or paid are affected by labor turnover, changes in overtime hours and part-time employment.

(2) Hourly earnings include paid holidays, vacation and sick leave. They are affected by changes in workforce composition and in wage rates.

(3) Weekly earnings are affected by premium pay, shift differentials, piecework and incentive payments, length of workweek and other factors.

(4) Non-supervisory workers. The Information Supersector includes the Publishing Industries, Telecommunications, and Internet Service Providers.

Comparative Trends

US and New Jersey Civilian Labor Force Trends 1981-2007 (000)

Date	Labor Force		Employment		Unemployment Volume		Unemployment Rate (%)	
	U S	N J	U S	N J	U S	N J	U S	N J
Annual Averages 1981-2006								
1981	108,670	3,611.2	100,397	3,314.4	8,273	269.8	7.6	7.5
1982	110,204	3,629.2	99,526	3,314.5	10,678	314.7	9.7	8.7
1983	111,550	3,688.8	100,834	3,392.6	10,717	296.2	9.6	8.0
1984	113,544	3,795.1	105,005	3,560.9	8,539	234.2	7.5	6.2
1985	115,461	3,839.5	107,150	3,624.4	8,312	215.1	7.2	5.6
1986	117,834	3,903.5	109,597	3,706.5	8,237	197.0	7.0	5.0
1987	119,865	3,959.8	112,440	3,798.5	7,425	161.3	6.2	4.1
1988	121,669	3,973.5	114,968	3,821.8	6,701	151.6	5.5	3.8
1989	123,869	4,000.0	117,342	3,835.3	6,528	164.7	5.3	4.1
1990	125,840	4,072.5	118,793	3,865.0	7,047	207.5	5.6	5.1
1991	126,346	4,050.4	117,718	3,776.6	8,628	273.7	6.8	6.8
1992	128,105	4,051.9	118,492	3,709.5	9,613	342.4	7.5	8.4
1993	129,200	4,034.6	120,259	3,727.3	8,940	307.3	6.9	7.6
1994	131,056	4,067.5	123,060	3,790.0	7,996	277.5	6.1	6.8
1995	132,304	4,111.8	124,900	3,846.3	7,404	265.5	5.6	6.5
1996	133,943	4,184.1	126,708	3,925.8	7,236	258.3	5.4	6.2
1997	136,297	4,257.4	129,558	4,031.0	6,739	226.4	4.9	5.3
1998	137,673	4,242.4	131,463	4,047.1	6,210	195.3	4.5	4.6
1999	139,368	4,284.6	133,488	4,092.7	5,880	191.8	4.2	4.5
2000	142,583	4,287.8	136,891	4,130.3	5,692	157.5	4.0	3.7
2001	143,734	4,302.3	136,933	4,117.5	6,801	184.8	4.7	4.3
2002	144,863	4,369.4	136,485	4,117.3	8,378	253.5	5.8	5.8
2003	146,510	4,383.1	137,736	4,126.7	8,774	256.5	6.0	5.9
2004	147,401	4,394.5	139,252	4,177.8	8,149	216.6	5.5	4.9
2005	149,320	4,455.1	141,730	4,255.8	7,591	199.3	5.1	4.5
2006	151,428	4,518.0	144,427	4,309.0	7,001	209.0	4.6	4.6
Monthly Data 2006-2007 (Seasonally Adjusted) *								
2006								
Jan	150,122	4,498.4	143,009	4,284.7	7,023	213.7	4.7	4.8
Feb	150,477	4,500.7	143,319	4,288.8	7,158	211.9	4.8	4.7
Mar	150,689	4,507.6	143,680	4,297.0	7,009	210.5	4.7	4.7
Apr	150,862	4,511.4	143,763	4,296.6	7,098	214.8	4.7	4.8
May	151,051	4,510.4	144,045	4,299.0	7,006	211.4	4.6	4.7
Jun	151,370	4,515.9	144,386	4,304.7	6,984	211.1	4.6	4.7
Jul	151,558	4,524.6	144,330	4,311.4	7,228	213.2	4.8	4.7
Aug	151,734	4,530.4	144,618	4,316.2	7,116	214.2	4.7	4.7
Sep	151,818	4,527.7	144,906	4,317.4	6,912	210.3	4.6	4.6
Oct	152,052	4,526.8	145,337	4,325.5	6,715	201.3	4.4	4.4
Nov	152,449	4,530.7	145,623	4,330.5	6,826	200.2	4.5	4.4
Dec	152,775	4,531.9	145,926	4,336.4	6,849	195.5	4.5	4.3
2007								
Jan	152,974	4,528.6	145,957	4,337.4	7,017	191.2	4.6	4.2
Feb	152,784	4,520.9	145,919	4,334.1	6,865	186.9	4.5	4.1
Mar	152,979	4,499.5	146,254	4,305.6	6,724	193.9	4.4	4.3
Apr	152,587	4,488.9	145,786	4,294.3	6,801	194.5	4.5	4.3
May	152,762	4,468.5	145,943	4,278.1	6,819	190.4	4.5	4.3
Jun	153,072	4,499.9	146,140	4,306.1	6,933	193.9	4.5	4.3
Jul	153,231	4,478.9	146,110	4,274.2	7,121	204.7	4.6	4.6
Aug	152,891	4,475.4	145,794	4,282.3	7,097	193.1	4.6	4.3
Sep	153,464	4,513.0	146,257	4,318.2	7,207	194.8	4.7	4.3
Oct	153,253	4,500.2	146,007	4,314.3	7,245	185.8	4.7	4.1
Nov								
Dec								

* New Jersey monthly data are based on a different estimating procedure. Monthly data have been revised to incorporate updated seasonal adjustment factors which reflect the 2006 experience.

Unemployment Insurance Program

Characteristics of New Jersey's Unemployed (000)

	October 2007	September 2007	October 2006	Percent Change From Month Ago	Year Ago
Total Insured Unemployed *	93.0	93.7	90.2	-0.8	3.0
Total Insured Unemployed	110.0	107.4	106.7	2.4	3.1
By Gender					
Male	60.0	60.2	58.1	-0.4	3.2
Female	49.5	49.5	48.2	-0.1	2.6
By Race*					
White	66.1	67.0	64.2	-1.4	3.0
Black	23.2	23.1	23.0	0.6	1.1
Asian	3.1	3.0	3.1	3.0	-1.5
Other*	1.0	1.0	1.0	1.2	2.0
Chose Not To Answer*	14.3	14.3	13.7	-0.1	4.5
By Ethnicity*					
Hispanic	21.3	21.6	20.6	-1.6	3.6
Not Hispanic	80.4	80.9	78.9	-0.5	2.0
Chose Not To Answer*	7.9	7.9	7.4	0.4	6.4
By Age of Claimant					
Under 25 years	10.2	10.1	9.8	1.2	3.9
25 through 34 years	25.4	25.5	24.2	-0.5	4.8
35 through 44 years	26.7	26.6	27.2	0.4	-1.6
45 through 54 years	25.7	25.7	24.7	0.2	4.0
55 through 64 years	15.9	15.9	14.9	0.0	6.6
65 years and over	6.0	6.3	6.0	-4.5	0.0
By Duration of Unemployment					
1 to 2 weeks	17.8	18.7	16.9	-4.5	5.6
3 to 4 weeks	13.3	13.3	12.8	0.2	4.1
5 through 14 weeks	46.3	46.0	45.9	0.7	0.9
15 weeks and over	32.0	32.6	31.1	-1.7	3.0
By Industry					
Goods Producing	21.8	22.0	21.5	-0.8	1.4
Construction	12.9	13.1	12.7	-1.6	2.1
Manufacturing	8.5	8.4	8.5	0.4	-0.6
Service Providing	86.0	87.1	83.2	-1.3	3.3
Trade, Transportation & Utilities	24.0	24.2	22.9	-1.1	4.6
Wholesale Trade	5.8	5.9	5.8	-1.1	0.1
Retail Trade	12.7	12.6	11.7	1.0	8.4
Transportation & Warehousing	5.4	5.7	5.3	-5.6	1.8
Financial Activities	7.3	7.1	5.7	2.0	28.4
Professional & Business Services	19.1	19.2	17.9	-0.4	6.4
Educational and Health Services	11.7	11.6	12.7	1.0	-7.4
Leisure and Hospitality	10.2	11.1	10.0	-7.9	2.5
Other Services	2.6	2.7	2.6	-2.6	-1.2
Government	1.7	1.8	1.8	-6.3	-7.4

Notes: Totals may not add due to seasonal adjustment, rounding and differences in the availability of data.

* Seasonally adjusted

Statistical Section Notes

Adjustment of Data

Seasonal Adjustment. All tables/charts, unless otherwise specified, contain data that are seasonally adjusted using the X-12 ARIMA (Auto-Regressive Integrated Moving Average) method of seasonal adjustment developed by Statistics Canada.

The X-12 procedure was used in a "two-step" process. One set of factors was generated for benchmarked estimates, based on absolute or universe counts of employment determined through Unemployment Insurance records. These factors were used to seasonally adjust historical, universe-based data through September 2006. A second set of factors was generated using the record of sample-based estimates, and applied to reprojected sample-based estimates for the last quarter of 2006 and sample-based estimates developed month by month in 2007.

Trading Day Option. Among other aspects, standard CES methodology incorporates the effect of 4 weeks versus 5 weeks between the monthly surveys for both the sample-based and universe-based factors. This year, the X-12 ARIMA feature that accounts for this "trading day" effect has been turned off during seasonal adjustment processing. Given the limited history of NAICS sample-based data, X-12 ARIMA may not detect these effects accurately. In subsequent years as more sample-based data become available, BLS plans to reintroduce this feature.

Annual Revision and Internet Access

Annual revisions of the data series in *Economic Indicators* normally incorporate:

- (1) the latest benchmark — 2006 for the Resident Labor Force Indicators (Series 1-6) and 2006 for Establishment Employment Indicators (Series 7-16).
- (2) new seasonal adjustment factors, which usually affect at least five years of seasonally adjusted data, or the period from January 2002 forward.

Internet Access: Available on the Labor Planning & Analysis (LPA) Web site, <http://www.nj.gov/labor/lra>, are:

- (1) the current month's *Economic Indicators* issue. **NOTE:** McGraw-Hill's monthly construction contract data (Series 19-21) ARE PROHIBITED BY LAW FROM ELECTRONIC DISTRIBUTION and, therefore, are not available via the LPA Web site.
- (2) historical series when available, January 1976 to December 2006. This includes the latest annual revisions to unadjusted nonfarm data (January 2005 to December 2006) and seasonal adjustment revisions (January 2002 to December 2006). Because revisions can affect various multi-year periods of original and seasonally adjusted data, it would be incorrect to generate a historic time series for *Economic Indicators* data by tying together series from old issues. For example, seasonally adjusted data from January 2003 to December 2007 are subject to change during the next annual revision cycle.

General Notes

Annual Averages. On p. S-22 are the annual averages of the data series for recent years to be used as a benchmark for evaluating current monthly data.

Charts. Unless otherwise noted, all graphs were developed with seasonally adjusted data.

Moving Averages. Series where the monthly data vary erratically have been plotted with moving averages (thick line) and nonaveraged data (thin line) superimposed.

Scales. The scale of each series is determined by the volume and trend of the data series. Caution should be exercised in making comparisons among charts with different scales.

Shaded Columns. Shaded areas indicate periods of general national contraction as identified by the National Bureau of Economic Research (NBER). The July 1990-March 1991 and the March 2001-November 2001 national recessions are shown in the graphs for Series 1-30.

Tables. Revised data are indicated by an "R" after the entry.

Statistical Section Notes (cont.)

Data Sources for Economic Time Series 1-30

No.	Title	Data Source
1	Civilian Labor Force	NJ Department of Labor and Workforce Development, Division of Labor Market and Demographic Research
2	Resident Employment	
3	Unemployment	
4	Labor Force Participation Rate	
5	Employment/Population Ratio	
6	Unemployment Rate	
7	Nonfarm Payroll Employment	
8	Private Sector Nonfarm Payroll Employment	
9	Construction Payroll Employment	
10	Manufacturing Payroll Employment	
11	Trade, Transportation and Utilities Payroll Employment	
12	Information Payroll Employment	
13	Financial Activities Payroll Employment	
14	Professional and Business Services Payroll Employment	
15	Education and Health Services Payroll Employment	
16	Leisure & Hospitality Payroll Employment	
17	CPI for All Urban Consumers (CPI-U)	US Bureau of Labor Statistics
18	Consumer Confidence Index for Middle Atlantic Region	The Conference Board
19	Total Construction Contracts Awarded	McGraw-Hill Construction
20	Residential Construction Contracts Awarded	
21	Nonresidential Construction Contracts Awarded	
22	Total Private Dwelling Units Auth. by Bldg. Permits	US Bureau of the Census, Manufacturing and Construction Division
23	Priv. Single-Fam. Dwelling Units Auth. by Bldg. Permits	
24	Priv. Multi-Fam. Dwelling Units Auth. by Bldg. Permits	
25	Total New Vehicle Registrations	R.L. Polk and Company
26	New Passenger Car Registrations	
27	New Light Truck/Van Registrations	
28	Weeks Claimed & Insured Unemployment Rate	NJ Department of Labor and Workforce Development, Division of Program Planning, Analysis & Evaluation
29	Initial Claims - Weekly Average	
30	Unemployment Insurance Exhaustions	

Notes on Economic Time Series 1-30

- 1-6 **Resident Labor Force Indicators** are produced using a modeling procedure based on regression techniques, that allows for the construction of error ranges. This procedure includes data variables from the NJ Department of Labor & Workforce Development's monthly Current Employment Statistics (CES) survey, unemployment insurance claims data and responses from the US Bureau of Labor Statistics' Current Population Survey (CPS) of 1,500 households in New Jersey. A new method was introduced effective with January 2005 estimates. Data are available monthly back to 1976.
- Beginning with 1990, data incorporate 2000 census-based population controls as well as improved estimates of immigration, emigration, births and deaths for the state and are not directly comparable to earlier figures.
- The **Labor Force Participation Rate** and the **Employment/Population Ratio** (Series 4 and 5) are expressed as percentages of the civilian noninstitutional population aged 16 years and over.
- 7-16 The **Establishment Employment Indicators** are generated from the monthly CES survey of employers on the number of persons who worked or received pay for any part of the pay period including the 12th of the month.
- Data reflect March 2006 benchmarks.

Statistical Section Notes (cont.)

Seasonally adjusted data for Series 7-16 have been revised back to January 2002. Not seasonally adjusted data have been revised back to 2005.

Private Sector Nonfarm Payroll Employment (Series 8) is computed by subtracting government employment from total nonfarm employment.

Standard errors have been computed to estimate the variance of total private sector employment and for all supersector series statewide, as well as for total private sector employment for Metropolitan Statistical Areas. More detailed information is available at www.nj.gov/labor/lra under "New Jersey's Economy." Please see the technical note on sample variance.

Due to the conversion of nonfarm employment from the Standard Industrial Classification (SIC) to North American Industry Classification System (NAICS), data before 1990 are not available at the supersector/sector level.

- 17 The **Consumer Price Index for All Urban Consumers (CPI-U)** is a measure of the average change over time in the prices paid by all urban consumers (excluding military personnel and persons in institutions) for a fixed market basket of consumer goods and services. The month-to-month change in the CPI is a measure of inflation. Beginning with January 2007, monthly data is reported out to three decimal points.

The **CPI-U** represents approximately 87% of the total population. The **US CPI-U** is the US City Average. The **US CPI-U** and **Metro Area CPI-U** (see definitions below) are not seasonally adjusted.

The CPI does not measure the relative cost of living between areas. There is no "New Jersey CPI." The division of New Jersey's 21 counties between two metropolitan areas for which CPIs are calculated is defined below.

Internet: US Bureau of Labor Statistics Web site may be accessed at <http://www.bls.gov/data/top20.htm> for all regional and national CPI data.

Metro Area definitions:

"**NY**" designates the *New York-Northern New Jersey - Long Island, NY-NJ-CT-PA area*. In New Jersey this includes Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union and Warren counties. In New York, it includes New York City (5 counties.), Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk and Westchester counties. In Connecticut, it includes Fairfield and New Haven counties, plus parts of Litchfield and Middlesex counties. In Pennsylvania, it includes Pike County. Data are published monthly.

"**PA**" designates the *Philadelphia-Wilmington-Atlantic City, PA-NJ-DE-MD area*. In New Jersey this includes Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem counties. In Pennsylvania, it includes Bucks, Chester, Delaware, Montgomery and Philadelphia counties. In Delaware, it includes New Castle County, and in Maryland, Cecil County. Data are published bi-monthly.

- 18 **Consumer Confidence Index (CCI), Middle Atlantic Region (US 1985=100)** is based on a representative, random sample of 750 (15%) of a total of 5,000 US households surveyed monthly by NFO Research for The Conference Board. The index represents consumers' perceptions of the present general economy, their own financial conditions as well as their short-term (six months) outlook. Economists use the CCI as a leading indicator for consumer spending. The Middle Atlantic Region consists of New Jersey, New York and Pennsylvania. Regional data are not seasonally adjusted.
- 19-21 **Construction Contracts** monthly data for current and prior year are subject to revision. Construction contracts unadjusted data revisions are published by special contract with The McGraw-Hill Construction. **PROHIBITED BY LAW ARE (1) REPRINTING AND (2) ELECTRONIC DISSEMINATION OF THE MONTHLY DATA.**

Statistical Section Notes (cont.)

Total Construction Contracts Awarded (Series 19) is the sum of not seasonally adjusted residential, nonresidential and nonbuilding construction contract awards. The nonbuilding series is not published in the *New Jersey Economic Indicators*; however, current month, prior-month, year-ago nonbuilding data as well as cumulative over-the-year change may be found in the **New Jersey's Economy by the Numbers** table. (These data are not included on the Internet version of the table.)

Beginning October 1993, dormitories and hotels were no longer categorized as residential (Series 20); they were included in nonresidential construction contract awards (Series 21).

- 22-24 The **Residential Building Permits Indicators** are compiled by the US Bureau of the Census, Manufacturing and Construction Division as of the thirteenth workday of the following month. Data are collected for all permit-issuing places in the state through a monthly survey of local construction officials. If data are not received for a particular place for that month, the data are imputed. The Census Bureau conducts an annual follow-up to obtain as much data as possible for places for which the data were imputed during the year; these data are then considered to be **FINAL MONTHLY FIGURES**. (Final statewide totals used to produce the annual averages on p. S-22 also include "undistributed" units.) Data beginning January 1998 contain revisions allocated back to prior months and are directly comparable to over-the-year changes shown on the **New Jersey's Economy by the Numbers** table.

Total Private Dwelling Units Authorized by Building Permits (Series 22) data are the sum of single-family, two-family, three-or-four family and five-or-more-family dwelling units. Public housing units are not included in the series and represent a tiny fraction of the total.

Private Multi-Family (5+ units) Authorized by Building Permits (Series 24) include all multi-family structures with five or more units, except those in public housing. Data do not exhibit a stable seasonal pattern and are, therefore, not appropriate for seasonal adjustment.

- 25-27 These series on **New Passenger Car & New Light Truck/Van Registrations** present data only on total new passenger cars and total light trucks/vans (in the gross vehicle weight class 0-10,000 lbs.) registered in New Jersey, regardless of the state in which the sales occur. Included are both domestically produced and imported vehicles. Excluded are all federal government registrations. Monthly data for current and prior-year are subject to revision.

Because of unemployment insurance (UI) coverage and other law changes affecting eligibility for benefits, data on unemployment insurance claims (Series 28-30) may not be directly comparable between years.

- 28 **Weeks Claimed (Weekly Average)** is computed by dividing the total number of weeks claimed (intrastate and interstate agent under the Regular State UI Program only) in the month by the number of weeks in the month.

The **Insured Unemployment Rate (IUR)** is the seasonally adjusted weekly average of weeks claimed (intrastate and interstate agent claims under the Regular State UI Program only), which is a proxy for a count of claimants, as a percent of employment covered by unemployment insurance.

- 29 The **Initial Claims Weekly Average** represents intrastate and interstate agent claims under the Regular State UI program only.

- 30 **Unemployment Insurance Exhaustions** are for the Regular State UI Program only.