

THE GOAL OF THIS REPORT IS TO GET AN “IDEA” OF WHAT LHR MEANS TO NEW JERSEY

Identify the types of industries and establishments that make up the leisure, hospitality and retail cluster based on a standard industry classification system

Describe any similarities and differences among its components with regard to such variables as employment, wage, occupation type, education, and demographic characteristics

Examine any present distinctions within the cluster and its components that give New Jersey a competitive advantage compared to neighboring states, regions or the nation, or show areas where New Jersey could improve to add to the state’s economy

Analyze the current state of the leisure, hospitality and retail cluster and provide an outlook for employment into the future



LEISURE, HOSPITALITY & RETAIL: Background

- Whether you are out for a meal, buying jeans or down the shore at a New Jersey casino or boardwalk, jobs in the Leisure, Hospitality & Retail (LHR) industry are all around you. While there are many entry-level jobs with entry-level hourly wages, many of those jobs can lead workers to a variety of long-term career paths to better paying jobs. In some LHR occupations, workers are paid mainly through tips, allowing workers in those occupations opportunities to earn well above the minimum wage. Hard work, people skills and the right attitude can take an employee a long way in LHR and advanced education is rarely required.
- New Jersey has a well-earned reputation as a place for great entertainment, vacations and shopping which is why the LHR industry continues to thrive throughout the state. The northern part of the state has a higher concentration of retail and hospitality jobs with its higher density of shopping malls and hotels in close proximity to New York City and large corporate centers. The southern part of the state has fewer large malls, although it does have shopping outlets, and tourism is strongly represented in its shore towns including Atlantic City.

LEISURE, HOSPITALITY & RETAIL

Industry Cluster: Description and Overview



STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND
WORKFORCE DEVELOPMENT



NEW JERSEY DEPARTMENT OF
LWD
LABOR AND WORKFORCE DEVELOPMENT
nj.gov/labor

What is the Leisure, Hospitality and Retail (LHR) Industry Cluster?

Composition of NAICS Codes

44-45 Retail Trade

- 441 Motor Vehicle and Parts Dealers
- 442 Furniture and Home Furnishings Stores
- 443 Electronics and Appliance Stores
- 444 Building Material & Garden Supply Stores
- 445 Food and Beverage Stores
- 446 Health and Personal Care Stores
- 447 Gasoline Stations
- 448 Clothing and Clothing Accessories Stores
- 451 Sporting Goods/Hobby/Book/Music Stores
- 452 General Merchandise Stores
- 453 Miscellaneous Store Retailers
- 454 Non-store Retailers

71 Arts, Entertainment & Recreation

- 711 Performing Arts and Spectator Sports
- 712 Museums, Parks and Historical Sites
- 713 Amusement, Gambling & Recreation Industries

72 Accommodations and Food Services

- 721 Accommodations
- 722 Food Services and Drinking Places





Highlights of the LHR Industry Cluster

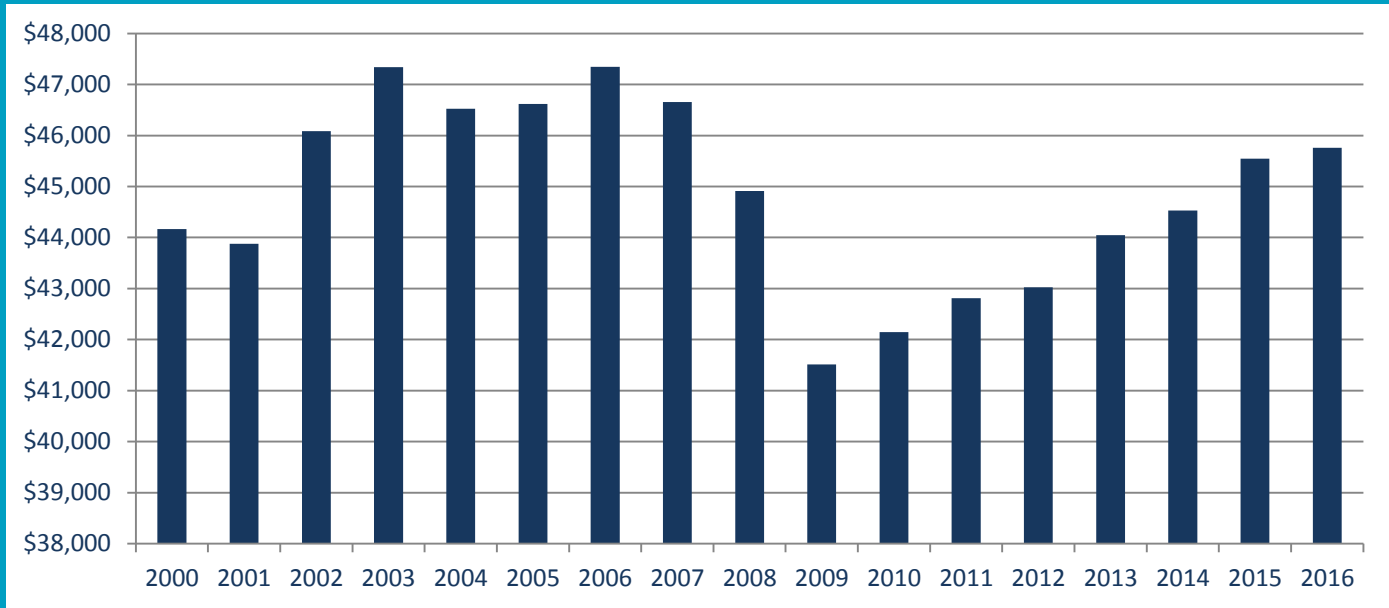


- The latest data shows that:
 - Leisure, hospitality and retail trade (LHR) employment totaled 826,776 in 2016, or nearly one-quarter (24.4%) of all private sector workers in the state. In comparison, the cluster represented 26.0 percent of the nation's private sector employment in 2016.
 - LHR represented \$45.8 billion or 9.0 percent of the state's real Gross Domestic Product in 2016.
 - New Jersey LHR employers paid over \$24.3 billion in total wages during 2016, or 11.5 percent of the state total. In addition, LHR businesses accounted for 20.8 percent of all units in the statewide total private sector in 2016.
 - Many of the businesses within LHR are involved in New Jersey's travel and tourism and directly support 321,231 jobs in 2016.

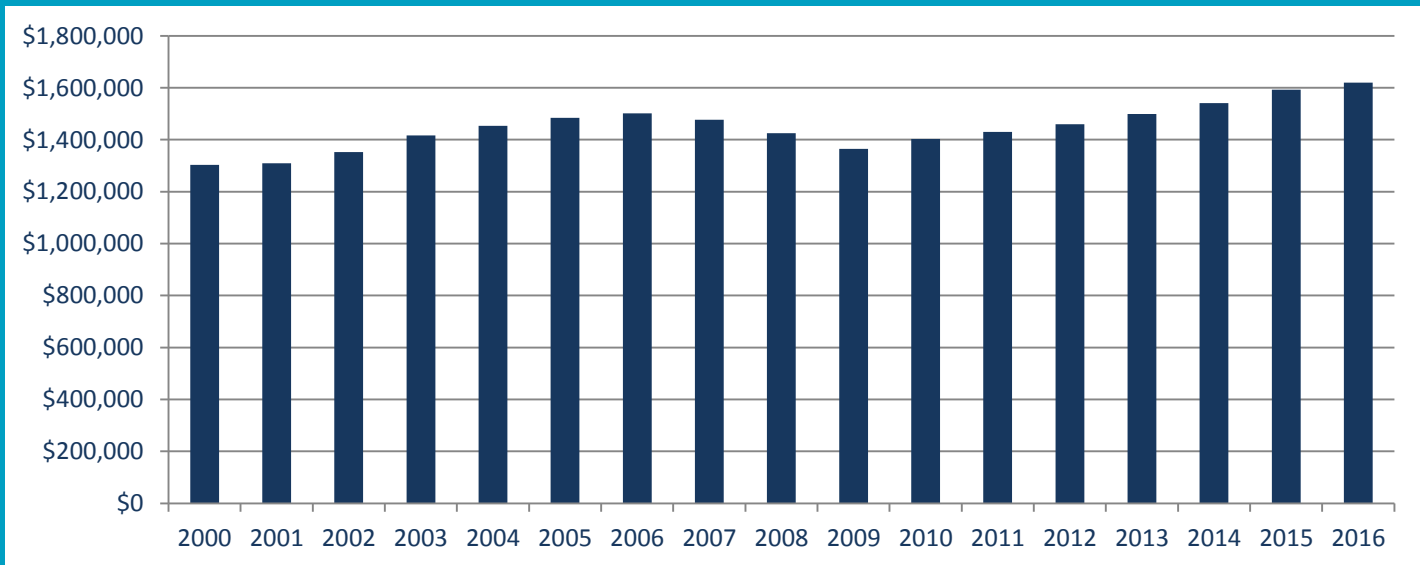
Leisure, Hospitality & Retail Real GDP: 2000 - 2016

(millions of chained 2009 dollars): NJ vs. US

The real gross domestic product (GDP) in the US has returned to its pre-recession levels of 2006 while NJ is gradually improving since its 2009 low but still is below its 2006 level.



NJ



US

Source:
Bureau of Economic Analysis
Prepared by: New Jersey
Department of Labor and
Workforce Development,
September 2017

LHR By Industry



➤ The 2016 average annual wage for New Jersey's LHR cluster was \$29,348 or less than half the state average for all private sector workers (\$62,424).

➤ In comparison, the annual average wage in the nation's LHR cluster was \$26,405 in 2016 or nearly 50 percent (49.3%) of the national average for all private sector workers (\$53,515).

New Jersey's Leisure, Hospitality & Retail Trade Cluster (2016)			
Industry Components	Employment	Establishments	Average Annual Wage (\$)
LHR Cluster	826,776	53,716	29,348
Retail Trade	459,116	30,395	33,241
Arts/Entertainment/Recreation	63,948	3,674	34,434
Accommodations	49,047	1,373	36,353
Food Services & Drinking Places	254,665	18,274	19,703
Private Sector Employment, NJ Total	3,382,841	258,569	62,424
Source: NJ Department of Labor and Workforce Development, Quarterly Census of Employment and Wages, 2016 Annual Average			

➤ Total wages paid in New Jersey's LHR industry cluster during 2016 accounted for just 11.5 percent of the private sector wages paid in the state.

➤ The LHR cluster's much lower average annual wage reflects the entry level, lower skill, seasonal and part-time nature of many of the occupations found within it.

LEISURE, HOSPITALITY & RETAIL

Detailed Industry Employment:

Current and Trend Analysis



STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND
WORKFORCE DEVELOPMENT

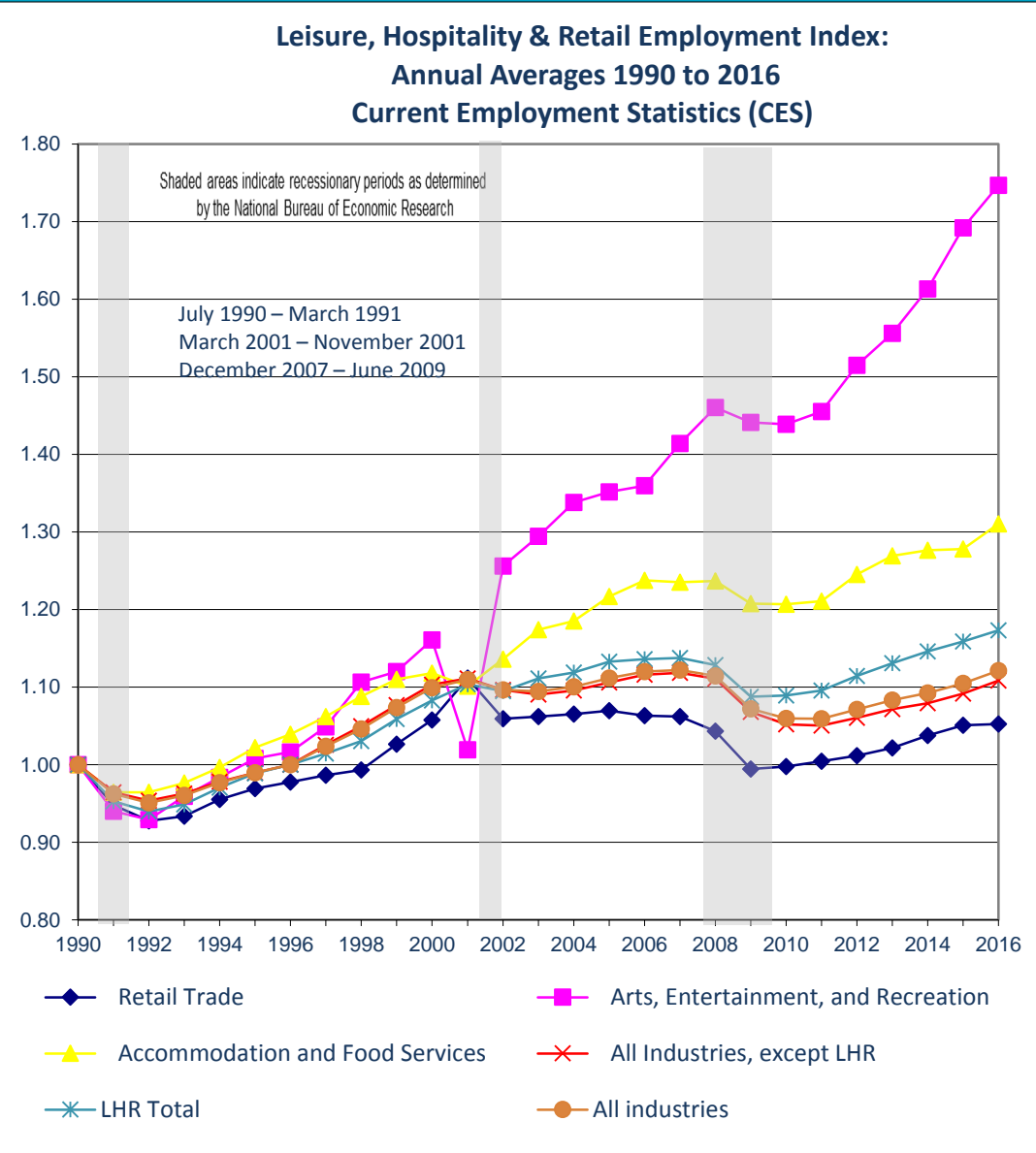


NEW JERSEY DEPARTMENT OF
LWD
LABOR AND WORKFORCE DEVELOPMENT
nj.gov/labor

Current Employment Statistics (CES): Description

- Preliminary monthly estimates are based on reports submitted by a sample of New Jersey employers
- The estimates are benchmarked each year based on more complete and accurate counts of data, which are obtained primarily from employer reports required by the State's unemployment insurance system
- The employment data are grouped by industry according to the 2012 North American Industry Classification System (NAICS)

NJ's LHR employment performed slightly below the private sector as a whole and excluding LHR from 1990-2002. Since then, the cluster has performed slightly better.



➤ From 1990 to 2016, LHR has added 122,800 new jobs in New Jersey or about 27.9 percent of the state's employment gain. However, its share of total employment increased only slightly during this period, from 19.5 percent in 1990 to 20.4 percent in 2016.

➤ Employment in Arts, Entertainment and Recreation has grown 74.7 percent over the last 26 years.

➤ The recession, consumer spending and online shopping has led Retail employment to be the laggard among LHR's major components.

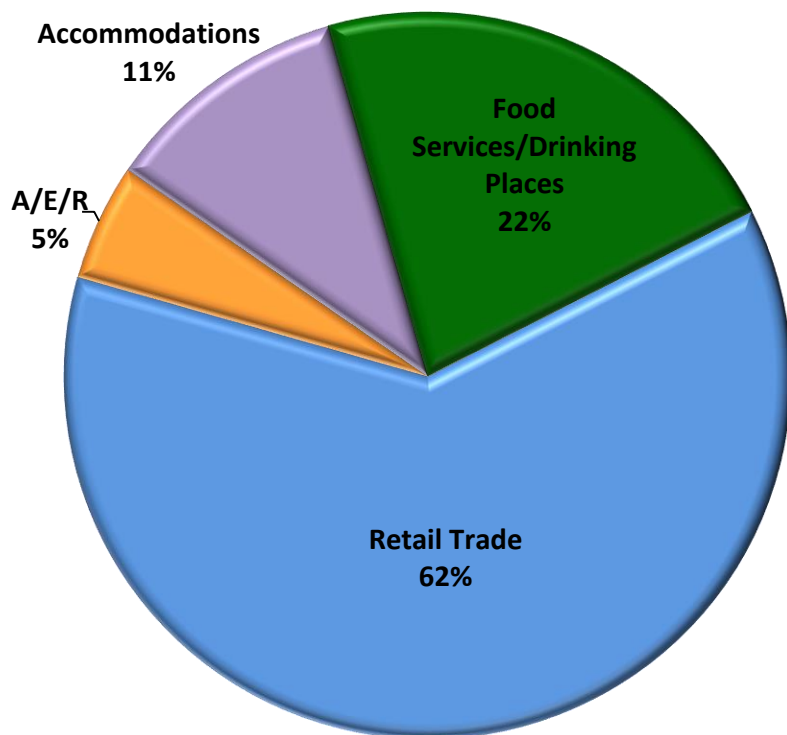
(For illustrative purposes: NAICS 721 & 722 combined)

Source: NJLWD, Current Employment Statistics
 Prepared by: New Jersey Department of Labor and Workforce Development, June 2017

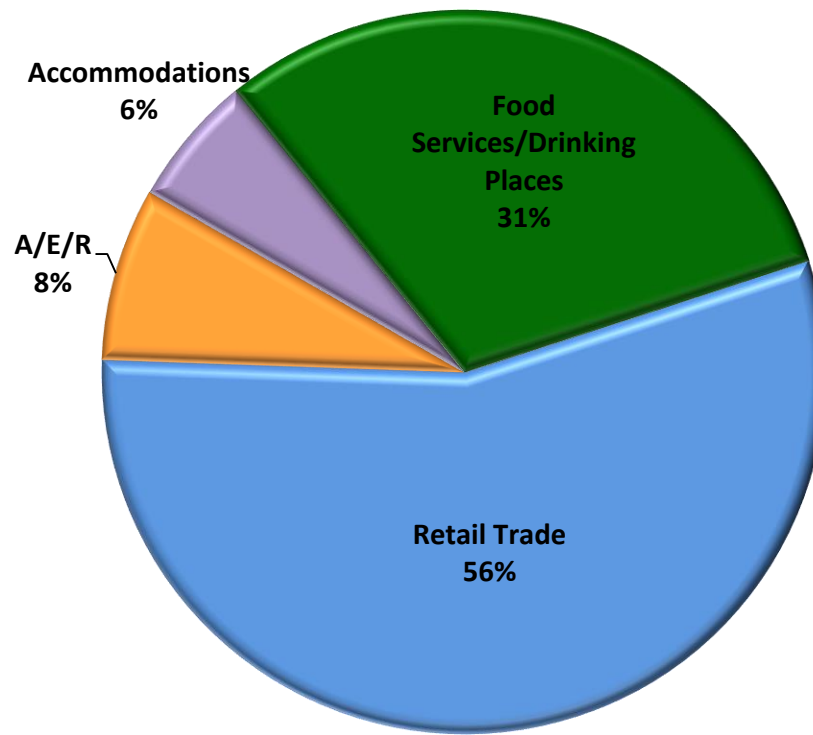
THE LANDSCAPE OF LEISURE, HOSPITALITY & RETAIL HAS CHANGED DRAMATICALLY OVER THE PAST 26 YEARS

Employment of Components as a Percentage of
Leisure, Hospitality & Retail
New Jersey, 1990 & 2016

1990



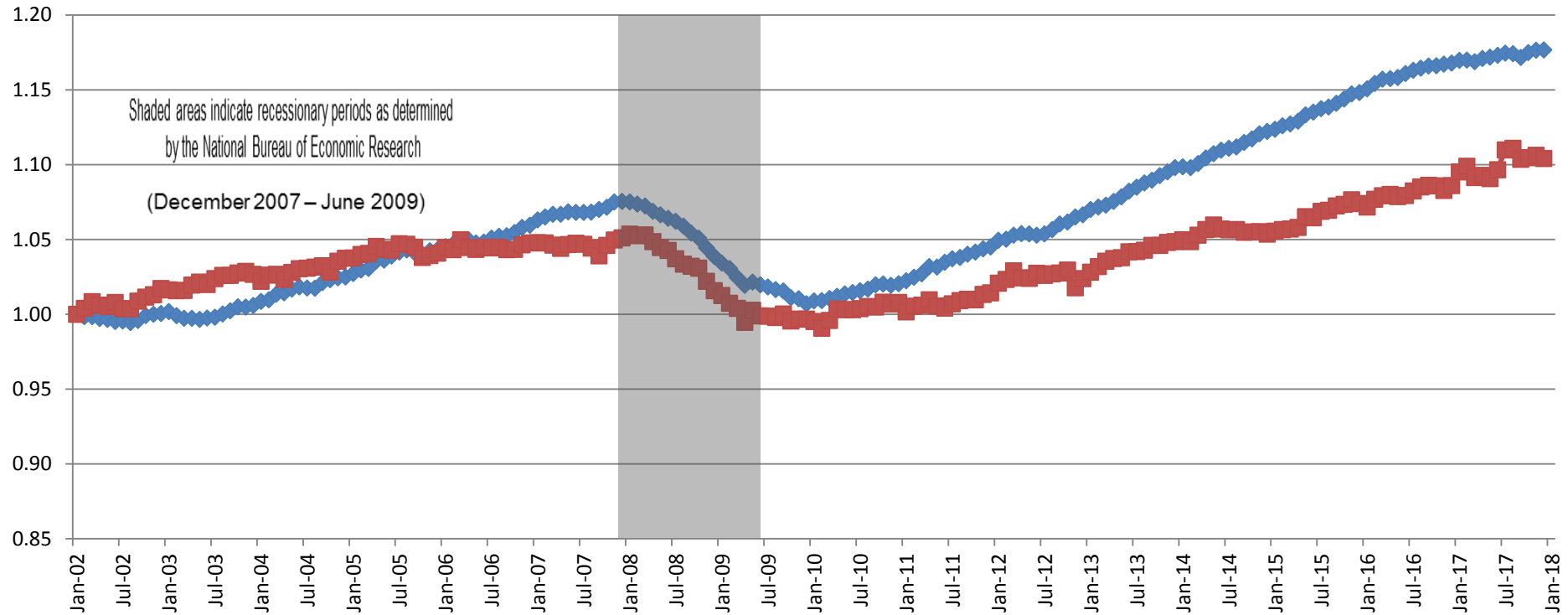
2016



From about 2002 to late 2005, employment growth in NJ's LHR industry cluster generally outperformed the nation.

NJ and US Leisure, Hospitality & Retail Industry Cluster Employment Index
January 2002 - December 2017
Seasonally Adjusted
Current Employment Statistics (CES)

—◆— US —■— NJ



➤ Since 2005, growth in the state's LHR cluster has lagged that of the nation. The worst national recession since the Great Depression deserves credit for most of the job losses in the LHR cluster. Businesses that were surviving in a growing economy with liberal credit for both consumers and businesses found the going tough when consumers severely cut back on discretionary spending and banks tightened lending standards.

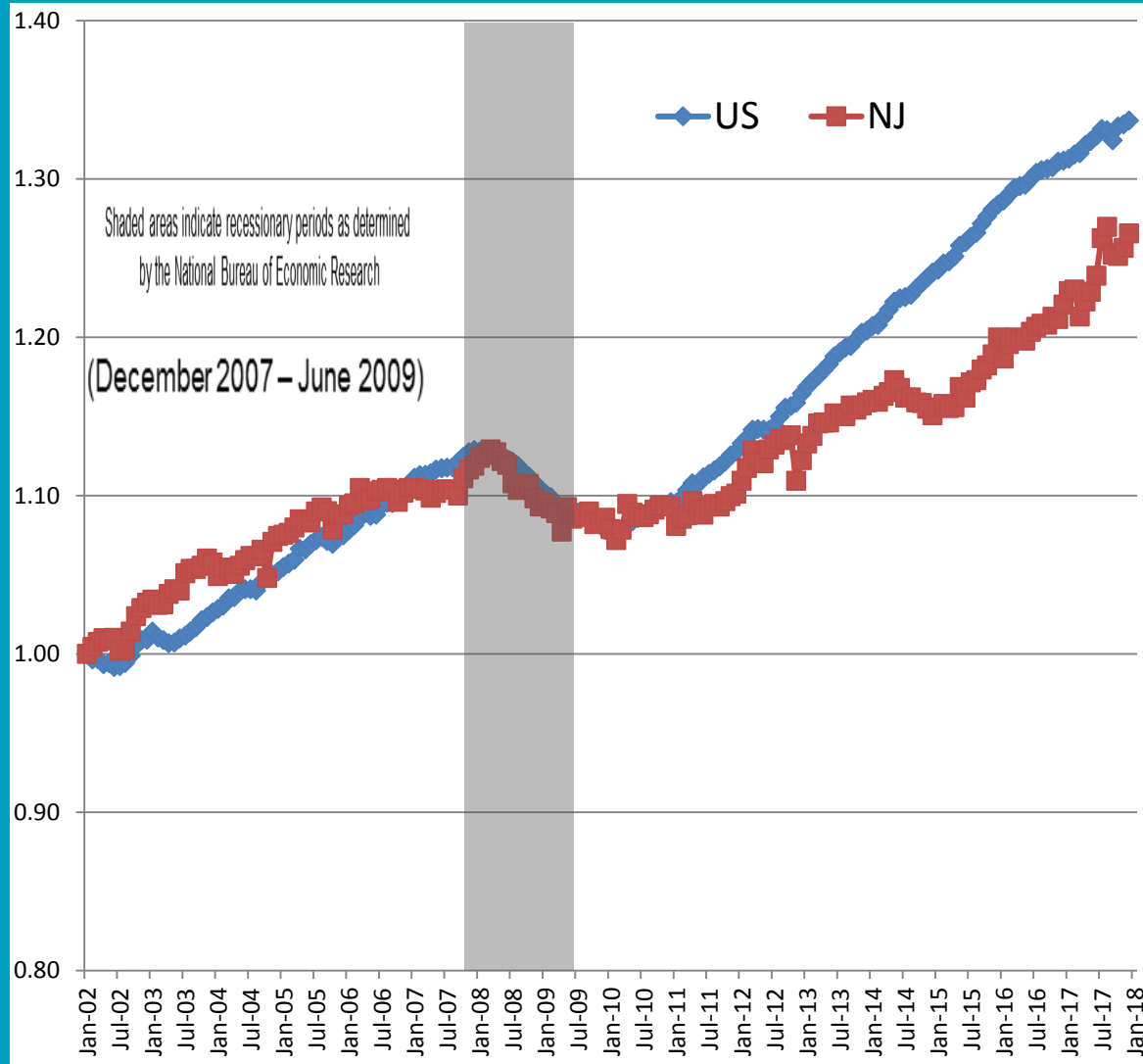
Source: NJLWD, Current Employment Statistics

Prepared by: New Jersey Department of Labor and Workforce Development, January 2018

NJ and US Employment Index Leisure & Hospitality

January 2002 – December 2017

Seasonally Adjusted Current Employment Statistics (CES)



From January 2002 until the fall of 2006, employment in leisure and hospitality fared better in the state than the U.S.

From the end of 2006 to the end of 2010, LHR job growth in NJ and the U.S. occurred at about the same pace.

Since then, leisure and hospitality employment in the U.S. has taken off separating itself from NJ's lackluster inconsistent performance which is mainly due to the downsizing and closing of several casino hotels in Atlantic City in recent years.

Source: NJLWD, Current Employment Statistics

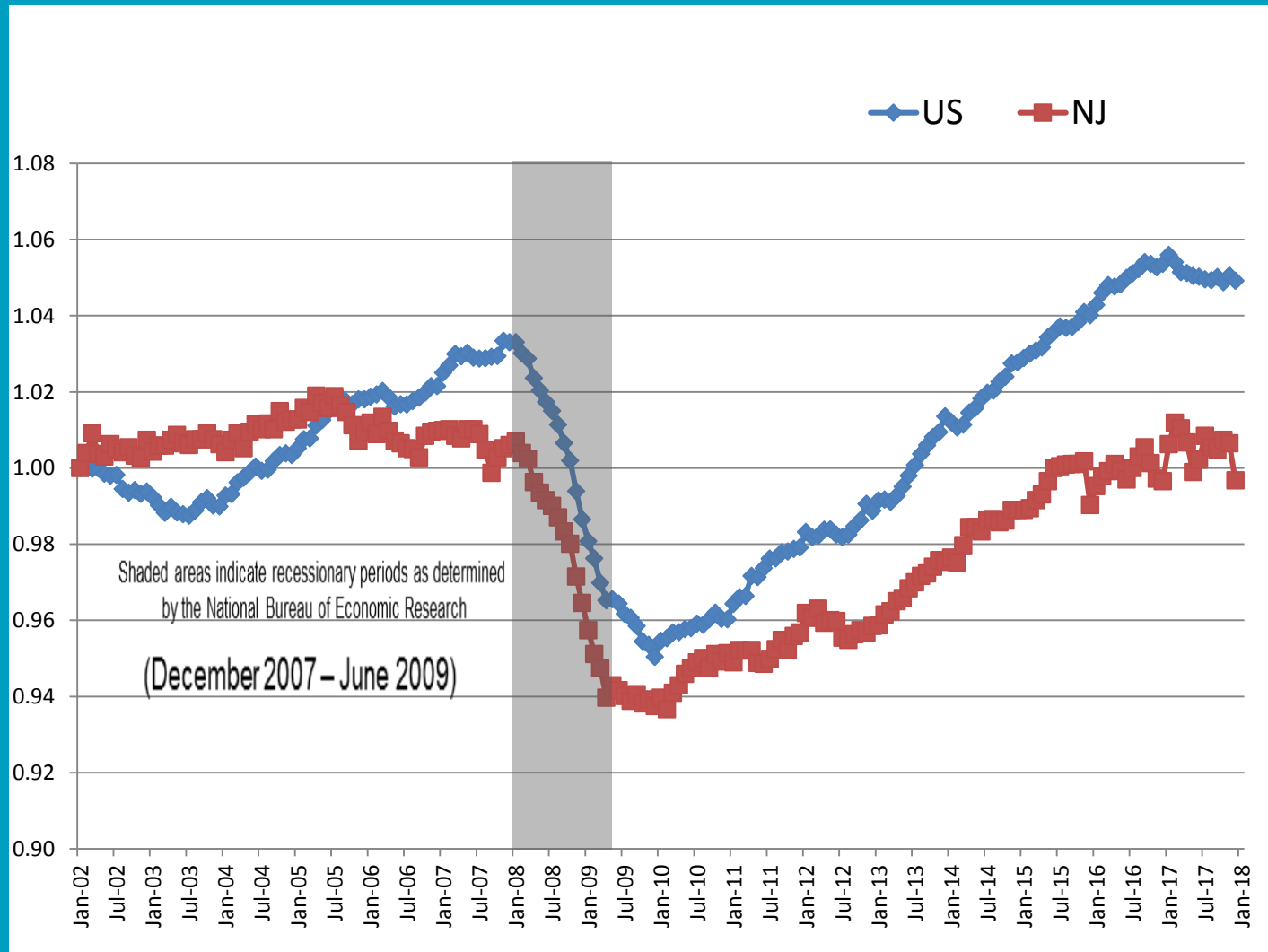
Prepared by: New Jersey Department of Labor and Workforce Development, January 2018

NJ and US Employment Index

Retail Trade

January 2002 – December 2017

Seasonally Adjusted Current Employment Statistics (CES)



From January 2002 until around September 2005, retail employment fared better in the state than the U.S.

Since then, the two have followed a similar trend. However, NJ's retail employment has remained below that of the nation.

Source: NJLWD, Current Employment Statistics

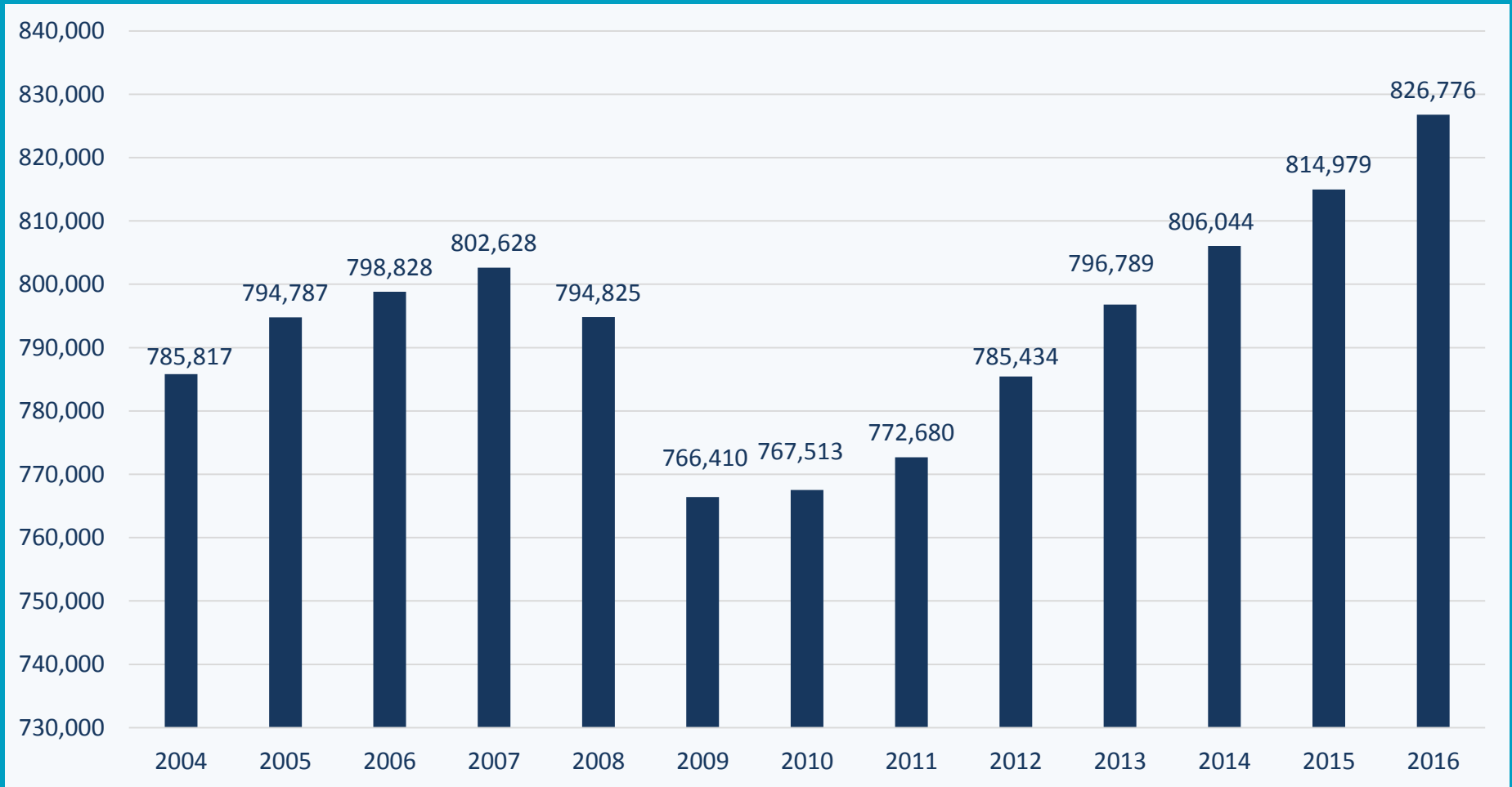
Prepared by: New Jersey Department of Labor and Workforce Development, January 2018

Quarterly Census of Employment and Wages (QCEW): Description

- Tabulations of employment and wage data for employers covered under the New Jersey Unemployment Compensation Law. QCEW is a program of the Bureau of Labor Statistics, U.S. Department of Labor
- Beginning with the release of 2001 annual and 2002 quarterly data, the program has switched to the North American Industry Classification System (NAICS) as the basis for the assignment and tabulation of economic data by industry
- NAICS uses a production-oriented approach to categorize economic units. Units with similar production processes are classified in the same industry. NAICS focuses on how products and services are created, as opposed to the SIC focus on what is produced. This approach yields significantly different industry groupings than those produced by the SIC approach



Leisure, Hospitality & Retail Quarterly Census of Employment & Wages Statewide Employment: Annual Averages 2004 - 2016



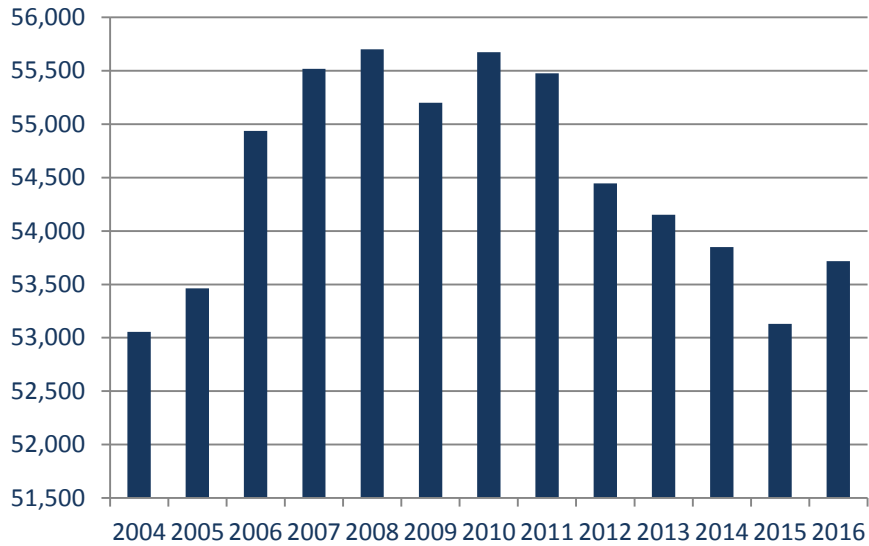
As illustrated above, New Jersey's LHR employment has shown steady improvement after being down in two consecutive years: '07-'08 and '08-'09... as a result of the recession.

Leisure, Hospitality & Retail

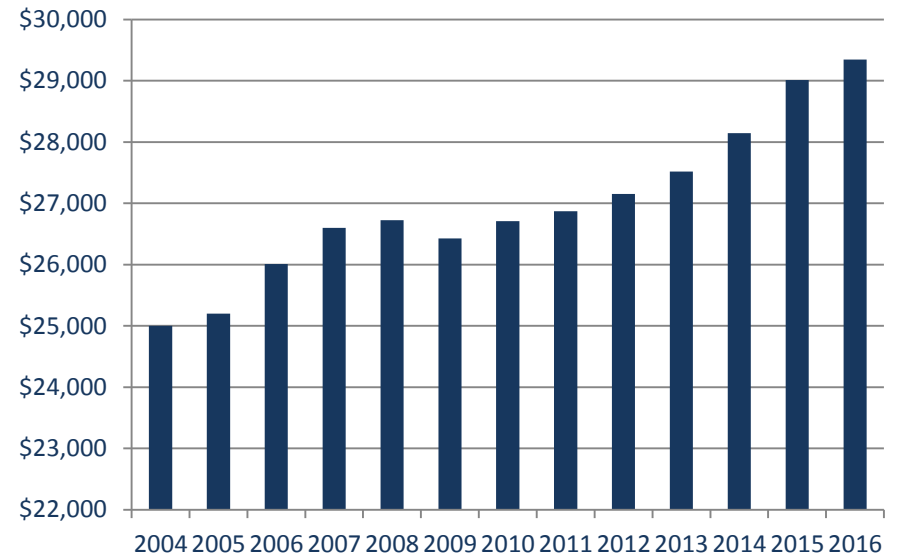
Quarterly Census of Employment & Wages

Establishments & Wages: Annual Averages, 2004 - 2016

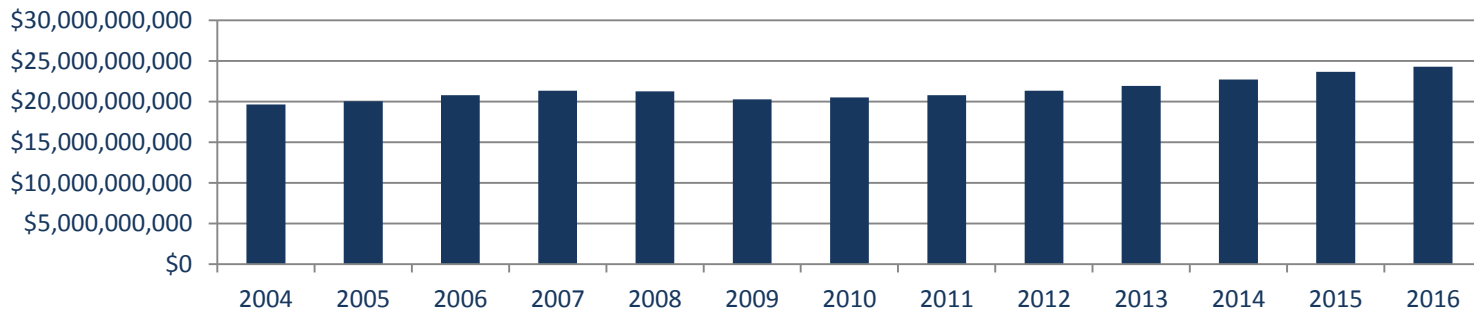
Establishments/Units



Annual Wages

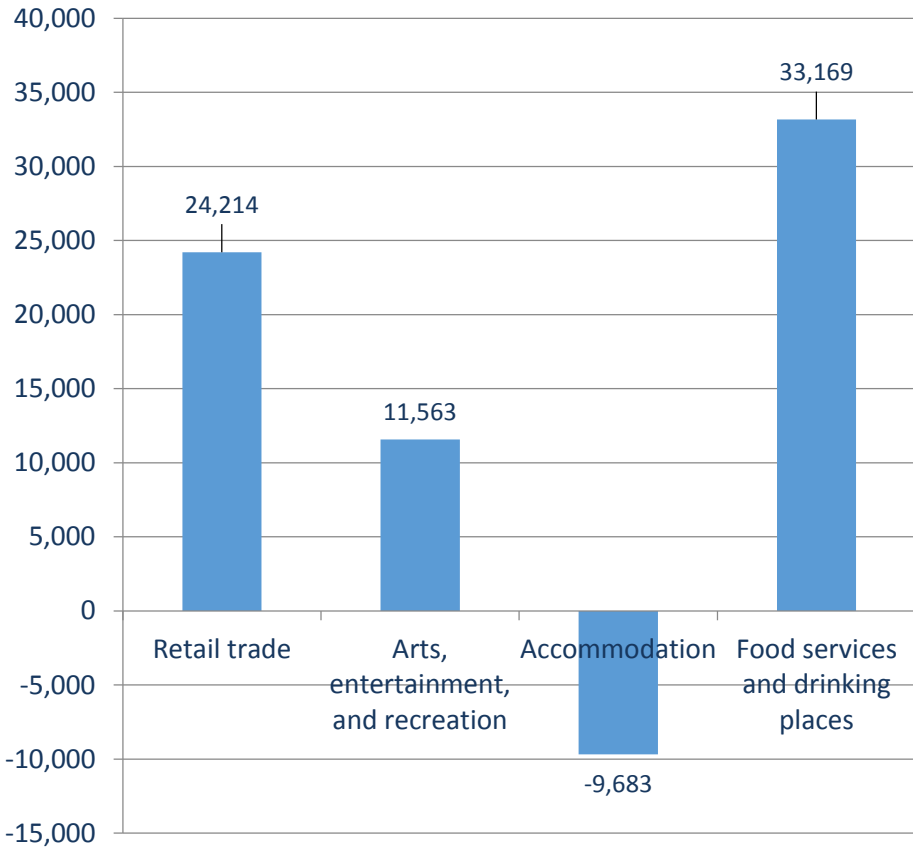


Total Wages



More Recent Analysis: 2010 - 2016

NJ LHR Employment Change: 2010 to 2016



- Retail trade job levels added over 24,200 while employment in Accommodations fell over 9,600. For retail in particular, NJ is an inviting marketplace given its population density (highest in the nation) and per capita income (second highest).
- In Accommodations, 12,478 of the losses occurred within Atlantic City's casino hotels due to neighboring competition resulting in a rash of casino closings.
- The other two of the cluster's four primary components (Food Services/Drinking Places and Arts/Entertainment/Recreation) also added jobs during this six-year period. Full-service restaurants accounted for almost half (47.8%) of Food Services/Drinking Places' employment, while Fitness & Recreational Sports Centers created more than four in 10 new jobs (43.4%) in the A/E/R industry subsector.



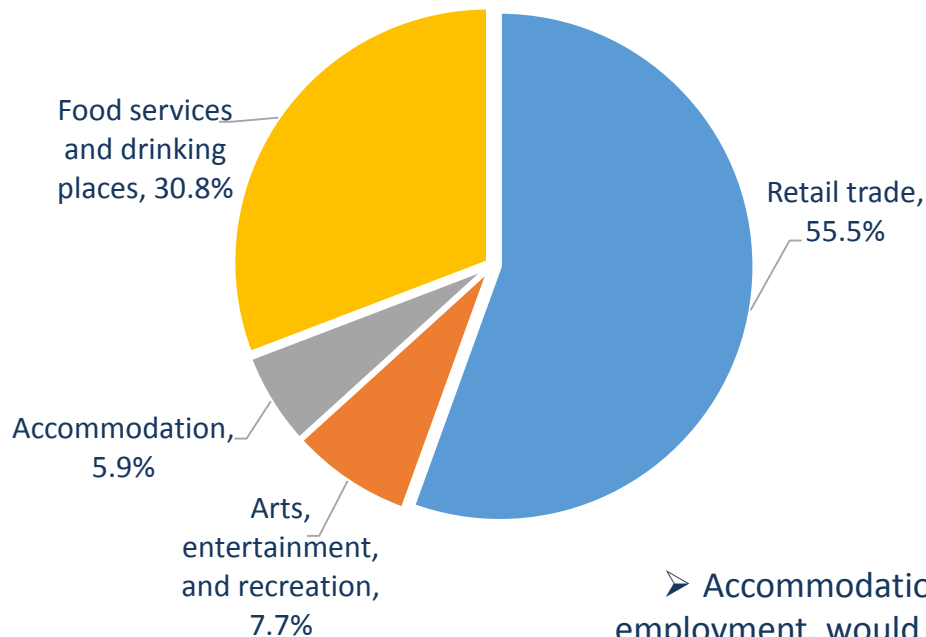
Breaking the four primary components into their 17, three-digit NAICS industries and comparing the state's percent change in employment to the nation's from 2010-to-2016 yields the table below:

NAICS	Industry	2010 - 2016	
		Percent Change	
		NJ	US
447	Gasoline stations	26.2	12.6
454	Non-store retailers	39.2	30.1
711	Performing arts and spectator sports	29.2	23.8
452	General merchandise stores	12.7	7.5
713	Amusements, gambling, and recreation	21.6	16.6
446	Health and personal care stores	5.6	7.1
441	Motor vehicle and parts dealers	18.5	21.2
445	Food and beverage stores	5.0	9.5
444	Building material and garden supply stores	6.8	11.3
442	Furniture and home furnishings stores	1.3	7.4
722	Food services and drinking places	15.0	21.6
448	Clothing and clothing accessories stores	-11.5	-2.7
451	Sporting goods, hobby, book and music stores	-6.8	2.1
443	Electronics and appliance stores	-7.2	3.2
453	Miscellaneous store retailers	-4.4	7.1
712	Museums, historical sites, zoos, and parks	0.1	23.8
721	Accommodation	-16.5	11.2

- Four NJ LHR industries posted losses while the nation's rose from 2010 to 2016: NAICS 443; 451; 453 and 721.
- The state LHR industry that posted the largest difference in employment gain, percentage-wise, than the nation was Gasoline Stations (+26.2% vs. +12.6%) due to Wawa's ongoing expansion. NJ is one of two states (Oregon is the other) without self-service thus creating extra jobs.
- The most significant loss (-9,683 jobs) in NJ occurred in accommodations due to the number of Atlantic City casino closings. Nationally, this industry *added* 7,911 jobs.
- The fastest-growing industry within LHR in the US was non-store retailers. The significant gain could be partly attributed to an increase in online shopping.

2016 Percentage of employment: Four primary components

**NJ LHR Employment
by Major Industry Components
2016 Annual Averages**



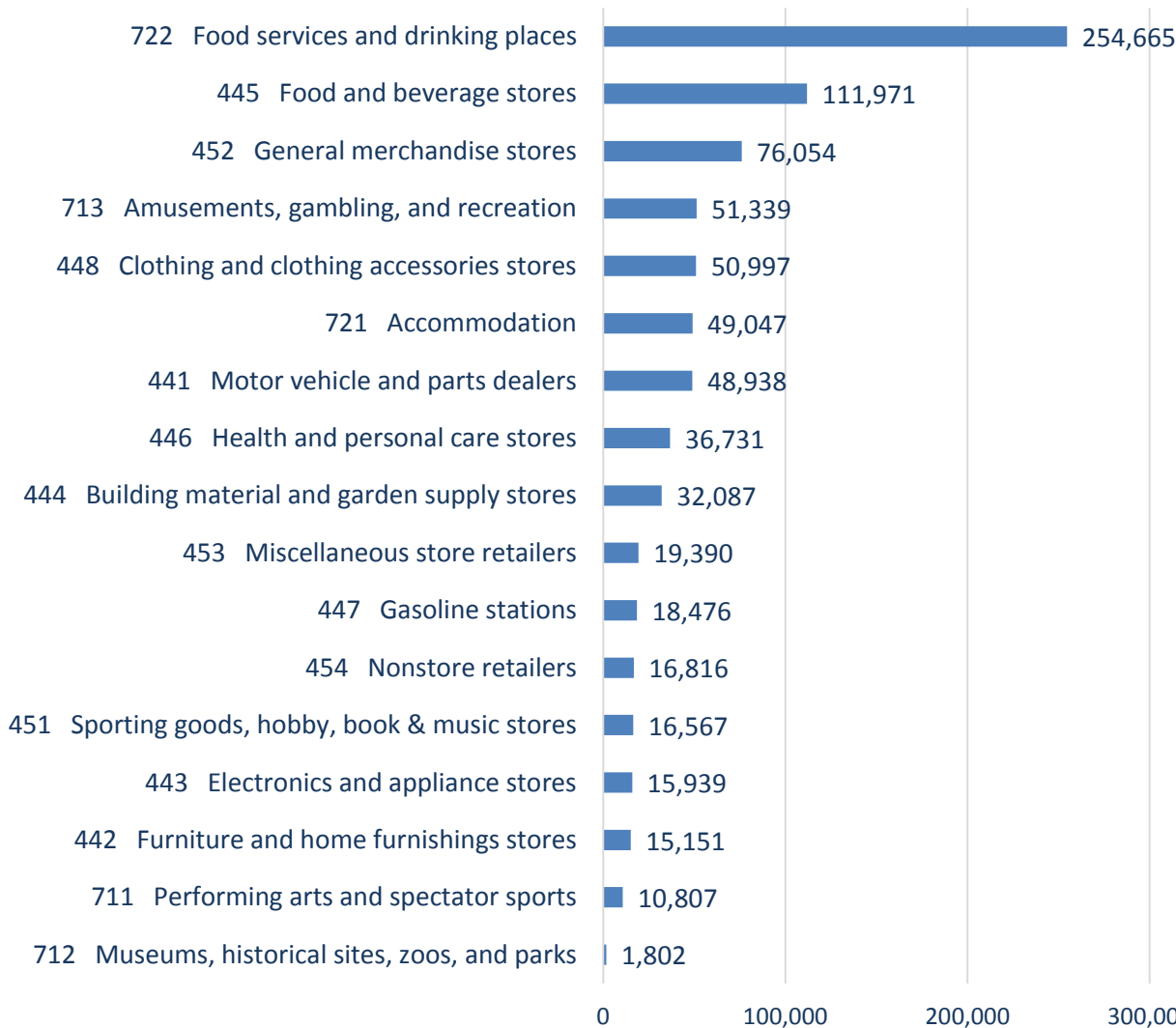
- In terms of employment, the Retail Trade and Food Services/Drinking Places components combined accounted for more than four of every five jobs (86.3%) in the LHR cluster in 2016.
- Most of the businesses in the LHR cluster are familiar to even the most casual observer. Retail Trade, which represented 55.5 percent of the cluster's employment in 2016, has one of every four jobs (24.4%) in Food and Beverage Stores.
- Food Services/Drinking Places, which accounted for 30.8 percent of the cluster's employment in 2016, is dominated by restaurants and other eating places, which represent over three quarters (84.3%) of its employment.
- Accommodations, which represents just 5.9 percent of the cluster's employment, would be an even smaller portion were it not for the existence of legalized gambling in Atlantic City. The city's hotel casinos employed an average of 21,158 in 2016.



“Food” plays a significant role in the LHR industry cluster



NJ LHR 2016 Employment by 3-digit NAICS



- “Restaurants” are the primary component of the top-ranked “Food Services/Drinking Places” and “Food Stores” is a distant but still significant second place.
- Of the 17 three-digit industries within the LHR cluster, these two accounted for over 44 percent of all the jobs.
- Food Services/Drinking Places accounted for 30.8 percent of the cluster’s total employment in 2016 with another 13.5 percent in Food Stores.

Digestion of Food data



- Within the *Food Services/Drinking Places* industry, the new group (NAICS 7225, which now combines full- and limited-service) restaurants and other eating places dominates with 85.1 percent of the establishments, 84.3 percent of the employment and 81.3 percent of the total wages paid in 2016.
- Despite a *decrease* in the number of drinking places (NAICS 7224, -223 units) from 2010 to 2016, staffing levels *increased* by 373 (or 4.1%) accounting for 6.0 percent of establishments, 3.7 percent of employment and 3.4 percent of total wages in 2016.
- The 2016 annual average wage of those employed in *Food Services/Drinking Places* was \$19,703, which was just 31.6 percent of the state's private sector average wage (\$62,424) and 67.1 percent of the LHR cluster's average wage (\$29,348).



Aperitivo - Appetizers		Cenas - Dinners		Mariscos - Seafood	
NACHOS	\$6.50	PEREZ COMBINACION #1, skirt steak, chile relleno	\$12.95	CAMARONES EMPANISADOS	\$10.50
QUESO FUNDIDO	\$4.50	Ch-chese enchilada with rice and beans	\$11.95	CAMARONES A LA DIABLA	\$11.95
CHILE CON QUESO	\$4.50	COMBINACION #2, steak burrito, chicken natcha	\$11.95	chirrips, hot and spicy served with rice & salad	\$11.95
QUESADILLA CINCRONIZADA	\$2.95	Ch-natcha	\$10.95	CAMARONES A LA VERACRUZANA	\$11.95
GUACAMOLE	\$3.95	chese quesadilla & guacamole taco	\$10.95	served with rice and salad	
Burritos		CARNE ASADA, skirt steak with rice,	\$11.95	CAMARONES A LA PLANCHA	\$11.95
ASADA (steak)	\$5.25	beans and salad	\$9.95	served with rice and salad	
POLLO (chicken)	\$5.25	BISTEC A LA MEXICANA, steak mixed	\$9.95	CAMARONES AL MOJO DE AJO	\$11.95
PASTOR (marinated pork)	\$5.25	with peppers, tomatoes & homemade red sauce	\$9.95	served with rice and salad	
VEGETABLE BURRITO	\$4.95	BISTEC RANCHERO, steak served with	\$9.95	ENSALADA DE CAMARON	\$10.95
SUIZO	\$6.25	rice, onion, and tomato	\$9.95	shrimp salad	\$11.95
(salsa cream or guacamole - \$1.00 extra)		LOMO DE RES, rib-eye steak served with	\$10.95	FAJITAS DE CAMARON	\$11.95
Tostadas		homemade mild sauce	\$10.95	shrimp fajitas served with onion, bell pepper,	\$11.95
STEAK, MARINATED PORK, CHICKEN,	\$2.25	orzo en mole, chicken in mild sauce	\$9.50	tomato, rice & beans	\$11.95
or GROUND BEEF		servido with rice and beans	\$9.95	CALEDO DE CAMARON,	\$10.95
Tacos		FAJITAS DE CARNE ASADA, steak fajitas with	\$9.95	shrimp soup	\$10.95
STEAK, CHICKEN, PASTOR,	\$1.95	bell peppers, onion, tomatoes, mild or hot	\$9.95	HUACHINANGO	Market Price
CHORIZO	\$2.25	FAJITAS DE POLLO, chicken fajitas with	\$9.95	red sauce served with rice and salad	
(salsa servida \$0.25 extra)		bell peppers, onion, tomatoes, mild or hot	\$9.95	FILETE DE PESCADO	\$8.95
GOAT TACOS	\$2.45	QUESADILLAS DINNER, corn or flour tortillas	\$6.90	breaded fish fillet served with rice and salad	
GORDITAS, choice of steak, pork,	\$2.95	with cheese, with meat \$1.00 extra	\$6.90	SHRIMP COCKTAIL	\$7.95
steak or chicken	\$4.25	FILAUTAS DINNER, with rice and beans	\$7.95	chilantro, onion, avocado & tomato	\$7.95
steak with beans, lettuce, tomato, guacamole, sour cream & cheese	\$4.25	MILANESA DINNER, sirloin tip steak breaded	\$8.95	lettuce, tomato, onion & avocado	\$2.50
CHILE RELLENO, sweet stuffed peppers	\$2.45	with rice and beans	\$8.95	<i>Ask for the Soup of the Day</i>	
with cheese	\$2.45	ENCHILADAS VERDES, ROJA Y DE MOLE,	\$8.50	BEEF, CHICKEN, POZOLE	\$6.95
served with lettuce, tomato and cheese		with choice of meat	\$8.50	<i>Side Orders</i>	
		with cheese	\$7.95	RICE AND BEANS	\$3.75
		3 TACO DINNER, served with rice & beans	\$7.50	RICE	\$2.00
		CHIMICHANGA DINNER	\$8.50	BEANS	\$2.00
		with choice of meat	\$8.50		
		TACO SALAD, choice of meat, served with lettuce,	\$7.95		
		beans, tomato, avocado, sour cream, ch-			

Inside Food and Beverage Stores...



- In the Food and Beverage Stores' industry, supermarkets and other grocery stores (except convenience stores) accounted for over seven of every ten (70.9%) jobs, 73.3 percent of the total wages paid and more than one third (35.6%) of the establishments.



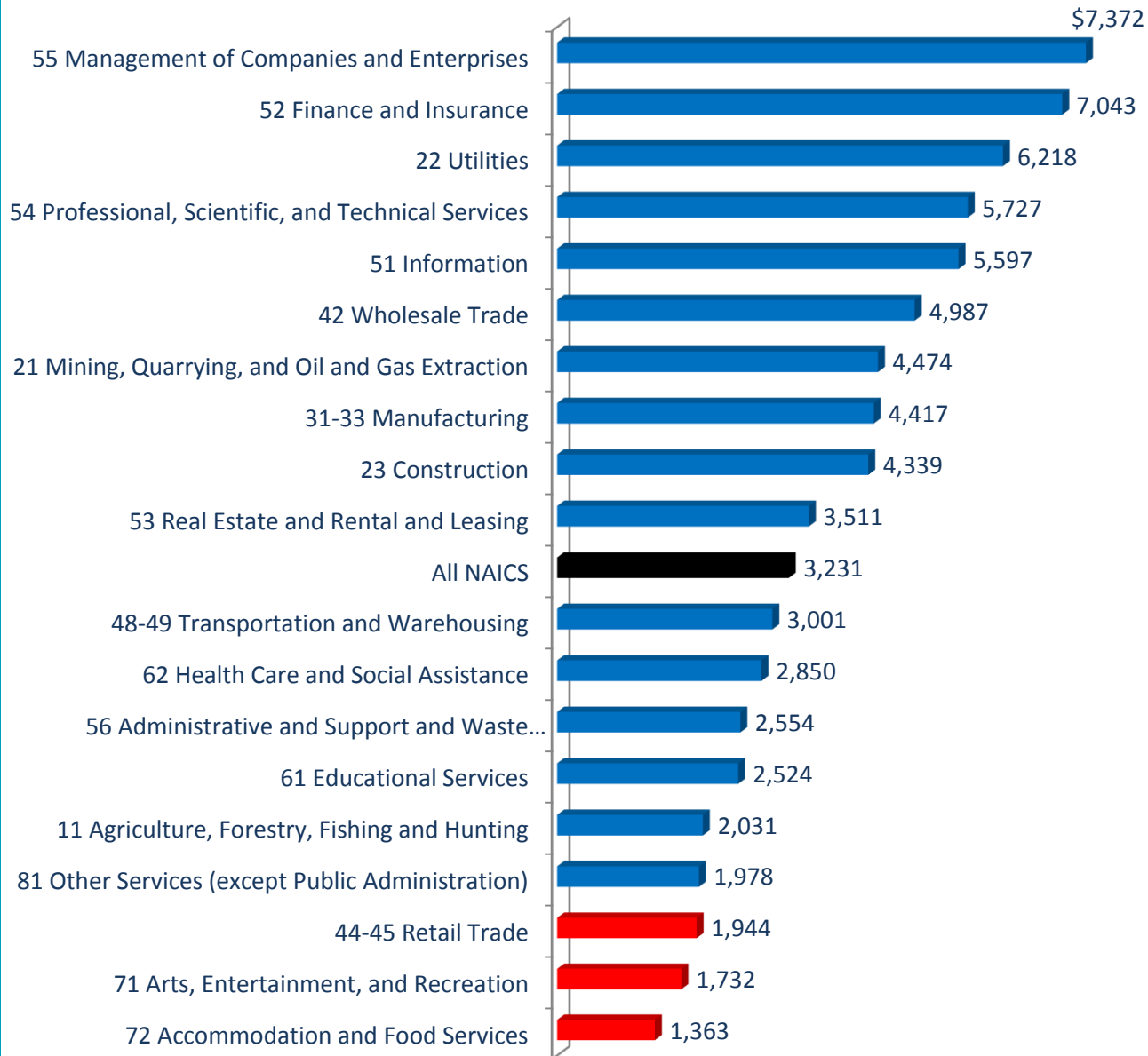
- Convenience Stores and Beer, Wine & Liquor Stores round out the top three accounting for about 11.3 and 9.4 percent of the Food & Beverage Stores' employment total, respectively.
 - The 2016 average annual wage of those employed in the Food and Beverage Stores industry was \$25,945, which was 88.4 percent of the LHR cluster's average wage (\$29,348) but just 41.6 percent of the state's private sector average wage (\$62,424). Supermarkets and Other Grocery Stores, the largest segment of Food and Beverage Stores, posted a 2016 annual average wage of \$26,812.

LOCAL EMPLOYMENT DYNAMICS (LED)

- The LED Program at the Census Bureau, together with its state partners (including the New Jersey Department of Labor and Workforce Development), provides new information - the Quarterly Workforce Indicators (QWI) - on Local Employment Dynamics that is: local at the county and sub county level - so that decisions can be made in the right context.
- Information on Employment for workers in different industries and different age and sex groups - so that you know where the jobs are - together with earnings - so you know what people are getting paid.
- Also provides dynamic information on the rapidly changing economy - with information on where jobs are being created and destroyed, how much turnover there is in each industry together with long-term trends.



Greatest average monthly earnings for new hires: (Two-Digit NAICS: 2016Q1 to 2016Q4, averaged)



➤ Due to the lower-paying nature of the jobs within the industry cluster, the bottom-ranked (17th, 18th and last) of all 19 industries are leisure, hospitality and retail-related.

➤ The annual wage for Accommodations may actually be *lower* were it not for the hotel casino industry's greater proportion of higher paying jobs compared to similar non-gaming establishments.

Per LED Extraction tool:
Average monthly earnings of newly stable employees in statewide private firms (i.e., full-quarter employees who were new hires with a firm in the previous quarter).

Source: QWI Explorer application,
U.S. Census Bureau,
Local Employment Dynamics
January 2018

Lowest Average Monthly Earnings (3-digit NAICS):

- Based on three-digit Local Employment Dynamics (LED) data from the US Census Bureau, **ten of the 24 lowest (red) of all industries** by average monthly wages fall within the Leisure, Hospitality and Retail industry cluster. Two other industries (**purple**) are considered “tourism-related”.
- Additionally, the lowest paid of these LHR industry subsectors, “Food Services & Drinking Places”, is the one that has been growing the most and is projected to grow the most.

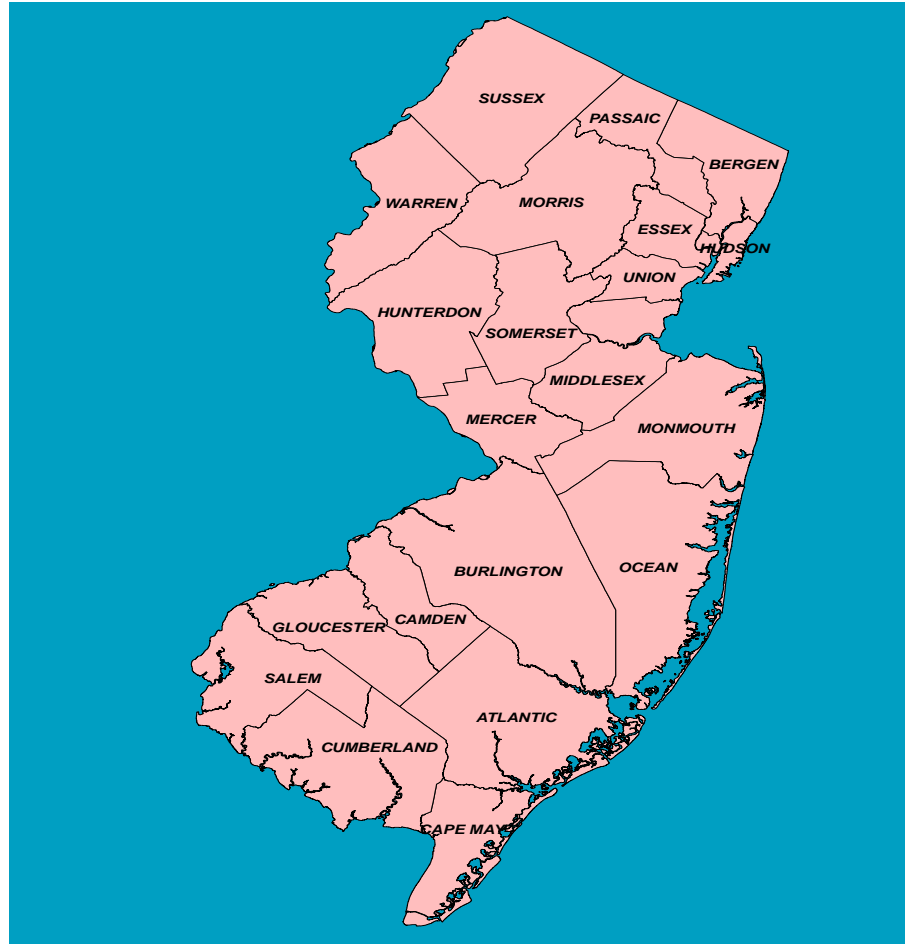
Per LED extraction tool: 2015Q4 to 2016Q3 (\$) averaged, Average monthly earnings of employees with stable jobs (i.e., worked with the same firm throughout the quarter).

NJ Private Firms Only

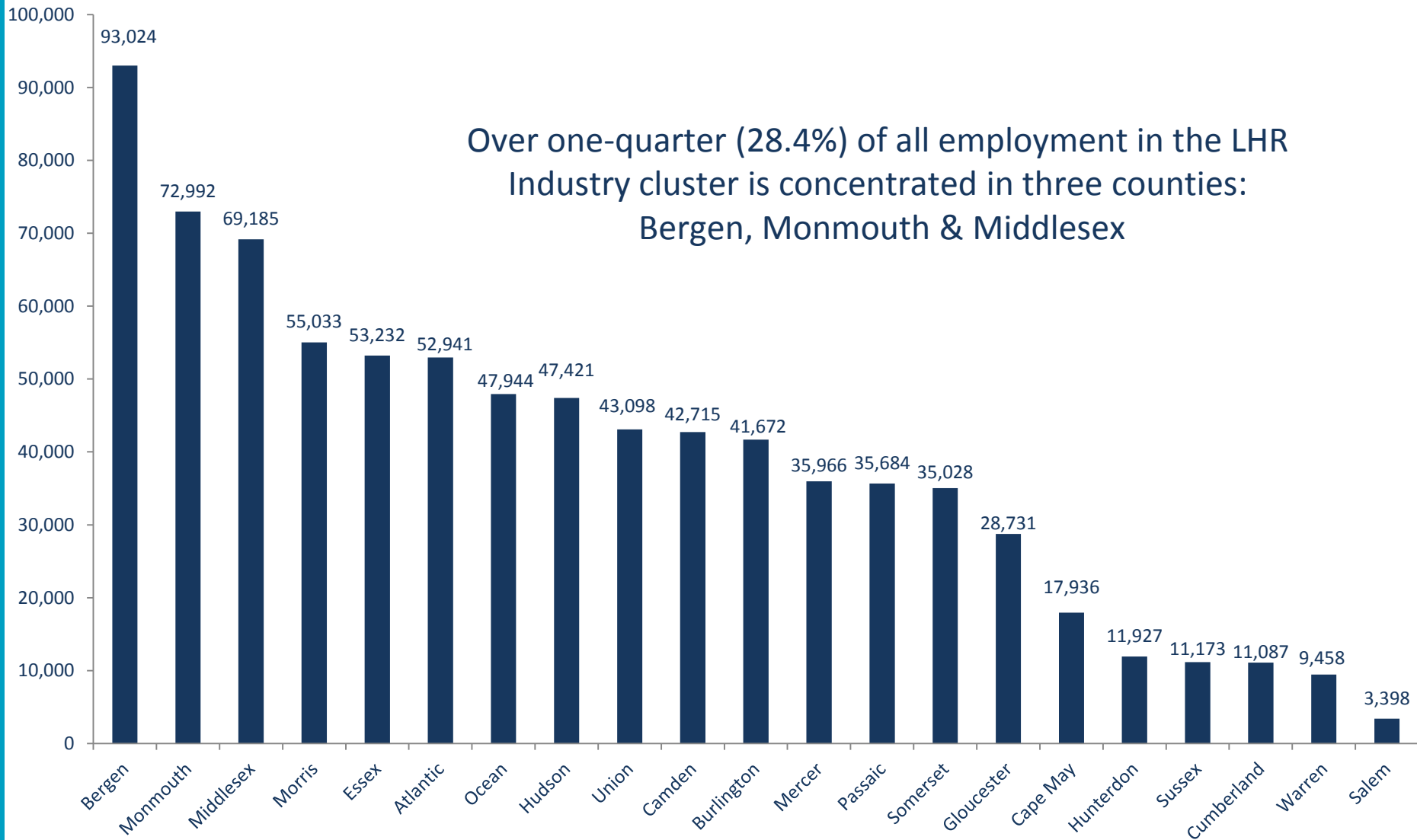
Source: QWI Explorer/LED application
U.S. Census Bureau,
Local Employment Dynamics, October 2017

NAICS code	All NAICS Subsectors	\$5,446
491	Postal Service	1,714
722	Food Services and Drinking Places	1,753
713	Amusement, Gambling, and Recreation Industries	1,987
452	General Merchandise Stores	1,990
447	Gasoline Stations	2,093
812	Personal and Laundry Services	2,139
712	Museums, Historical Sites, and Similar Institutions	2,322
445	Food and Beverage Stores	2,363
448	Clothing and Clothing Accessories Stores	2,422
624	Social Assistance	2,427
525	Funds, Trusts, and Other Financial Vehicles	2,433
113	Forestry and Logging	2,435
485	Transit and Ground Passenger Transportation	2,465
814	Private Households	2,539
451	Sporting Goods, Hobby, Musical Instrument, and Book Stores	2,593
115	Support Activities for Agriculture and Forestry	2,596
453	Miscellaneous Store Retailers	2,604
512	Motion Picture and Sound Recording Industries	2,630
112	Animal Production and Aquaculture	2,818
487	Scenic and Sightseeing Transportation	2,840
111	Crop Production	2,896
623	Nursing and Residential Care Facilities	3,002
315	Apparel Manufacturing	3,147
721	Accommodations	3,213

County-wide LHR data: A view at a more local level



2016 Annual Average QCEW (LHR) Employment by County



2016 Quarterly Census of Employment & Wages (QCEW)

Leisure, Hospitality & Retail (LHR) by Percentage of Total Employment

County	Units	Average Annual		Total Wages	LHR % of Total	
		Employment	Wages		Units	Employment
Cape May	1,619	17,936	\$24,620	\$441,591,665	43.0%	55.2%
Atlantic	1,937	52,941	29,058	1,538,361,605	31.1	50.6
Sussex	727	11,173	24,070	268,930,089	22.0	35.4
Ocean	3,042	47,944	24,474	1,173,376,522	24.4	35.1
Warren	641	9,458	23,817	225,261,508	24.3	33.5
Gloucester	1,451	28,731	26,483	760,876,184	24.0	33.2
Monmouth	4,655	72,992	25,339	1,849,563,747	24.0	32.6
Hunterdon	829	11,927	27,706	330,446,113	21.3	30.0
Passaic	2,872	35,684	27,757	990,473,966	23.9	25.9
Camden	2,710	42,715	27,004	1,153,468,915	23.6	24.8
Statewide	53,716	826,776	29,348	24,264,253,752	20.8	24.4
Burlington	2,358	41,672	26,946	1,122,889,567	22.6	23.8
Bergen	6,178	93,024	32,597	3,032,321,234	19.4	23.3
Cumberland	760	11,087	22,644	251,053,049	25.9	23.1
Union	3,128	43,098	27,795	1,197,920,498	22.6	23.0
Hudson	3,517	47,421	31,657	1,501,224,602	24.5	22.2
Morris	3,239	55,033	39,110	2,152,364,229	19.7	21.4
Somerset	1,918	35,028	33,053	1,157,765,118	19.7	20.9
Mercer	2,183	35,966	25,836	929,232,231	20.4	20.5
Salem	268	3,398	20,834	70,794,440	23.4	20.2
Essex	4,279	53,232	29,704	1,581,200,542	21.8	19.9
Middlesex	4,257	69,185	28,692	1,985,062,048	19.9	19.1

Due primarily to their tourism-based economies, over one-half of Cape May (55.2%) and Atlantic (50.6%) counties' 2016 total private employment is concentrated in the LHR cluster while the state's is almost one-quarter (24.4%).

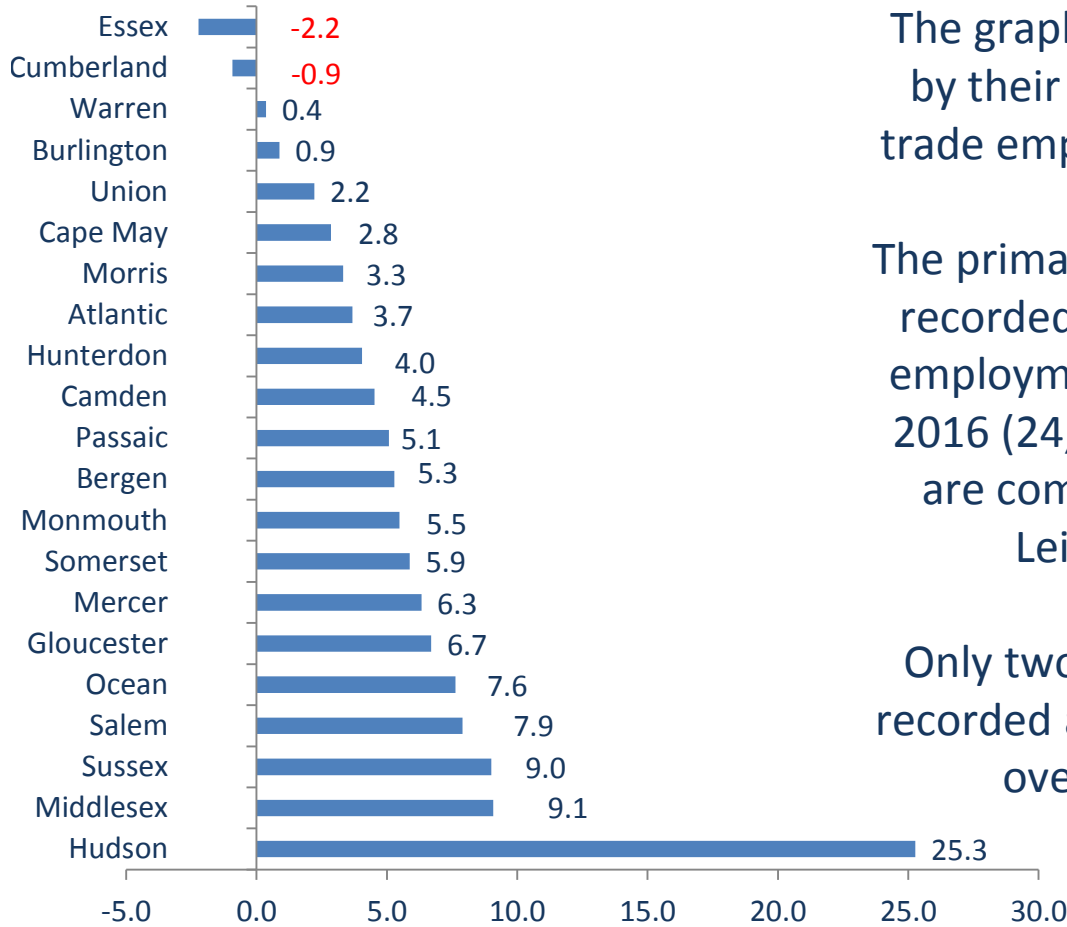
Four counties had annual average wages over \$30,000 while the state averaged \$29,348 in LHR:

Morris - \$39,110
 Somerset - \$33,053
 Bergen - \$32,597
 Hudson - \$31,657

Source: NJLWD, Quarterly Census of Employment & Wages, Annual Averages
 Prepared by: New Jersey Department of Labor and Workforce Development,
 October 2017

Retail Employment

Gains/Losses: 2010 - 2016 by County (Percent)



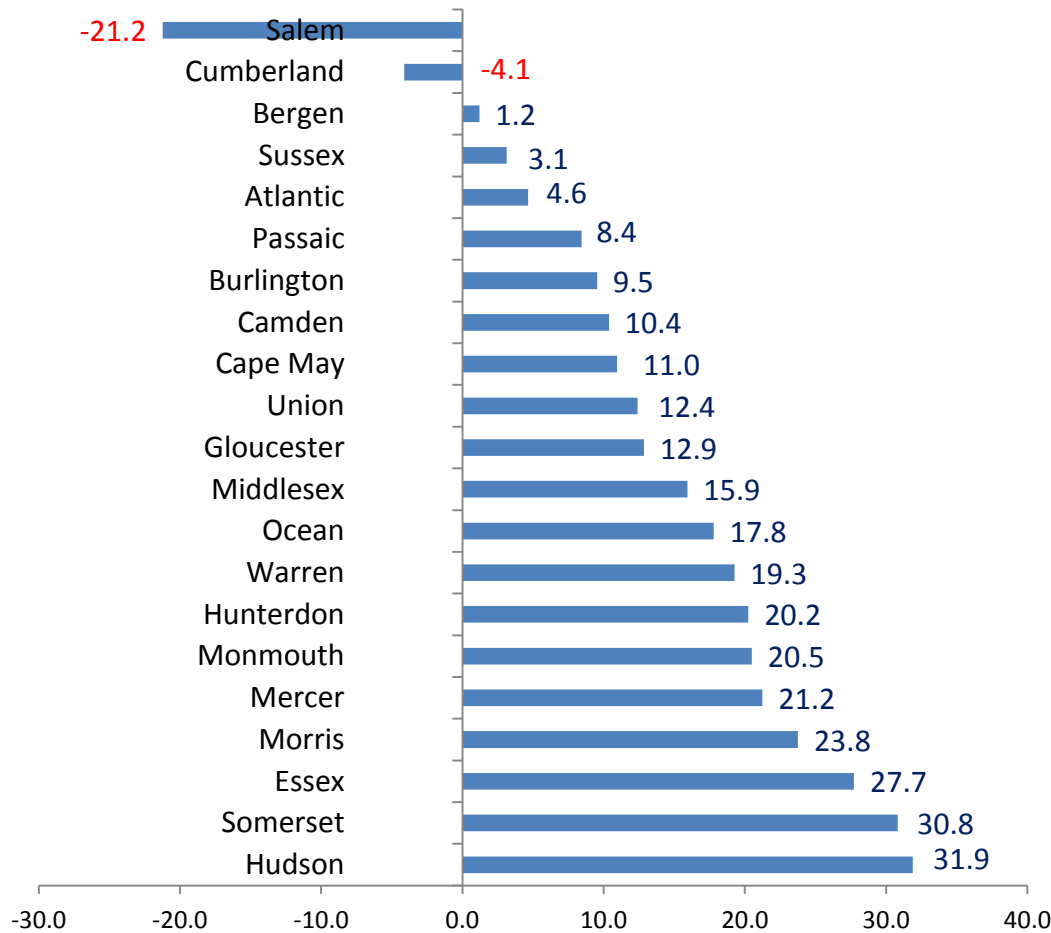
The graph ranks the state's counties by their percent rise/drop in retail trade employment from 2010 - 2016.

The primary component, Retail Trade, recorded the LHR cluster's greatest employment increase from 2010-to-2016 (24,214) if NAICS 721 and 722 are combined to form NAICS 72 - Leisure and Hospitality.

Only two of the state's 21 counties recorded a drop in retail employment over this six-year period.



Food Service and Drinking Places Employment Gains/Losses: 2010 - 2016 by County (Percent)

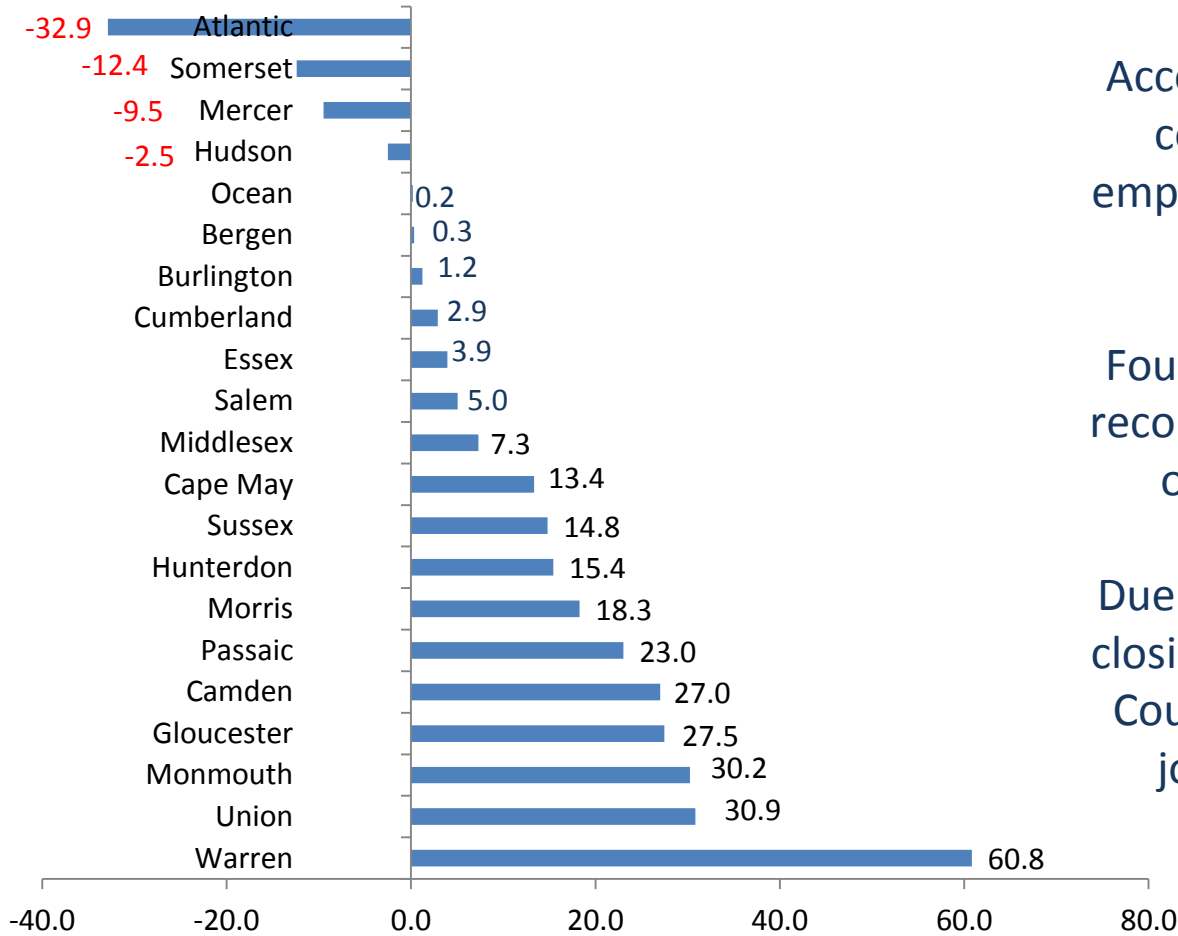


Food Services/Drinking Places was the LHR component with the greatest employment gain from 2010-to-2016 (24,659). Only two of the state's 21 counties recorded a drop in employment over this six-year period.

The last national recession had some impact on consumer discretionary spending which impacted statewide employment in Food Services/Drinking Places. This industry constantly added to its annual payrolls since at least 2004 *except for the 2008 to 2009 period.*

In general, this industry also experiences a high degree of business openings and closings regardless of the economic conditions.

Accommodations Employment Gains/Losses: 2010 - 2016 by County (Percent)



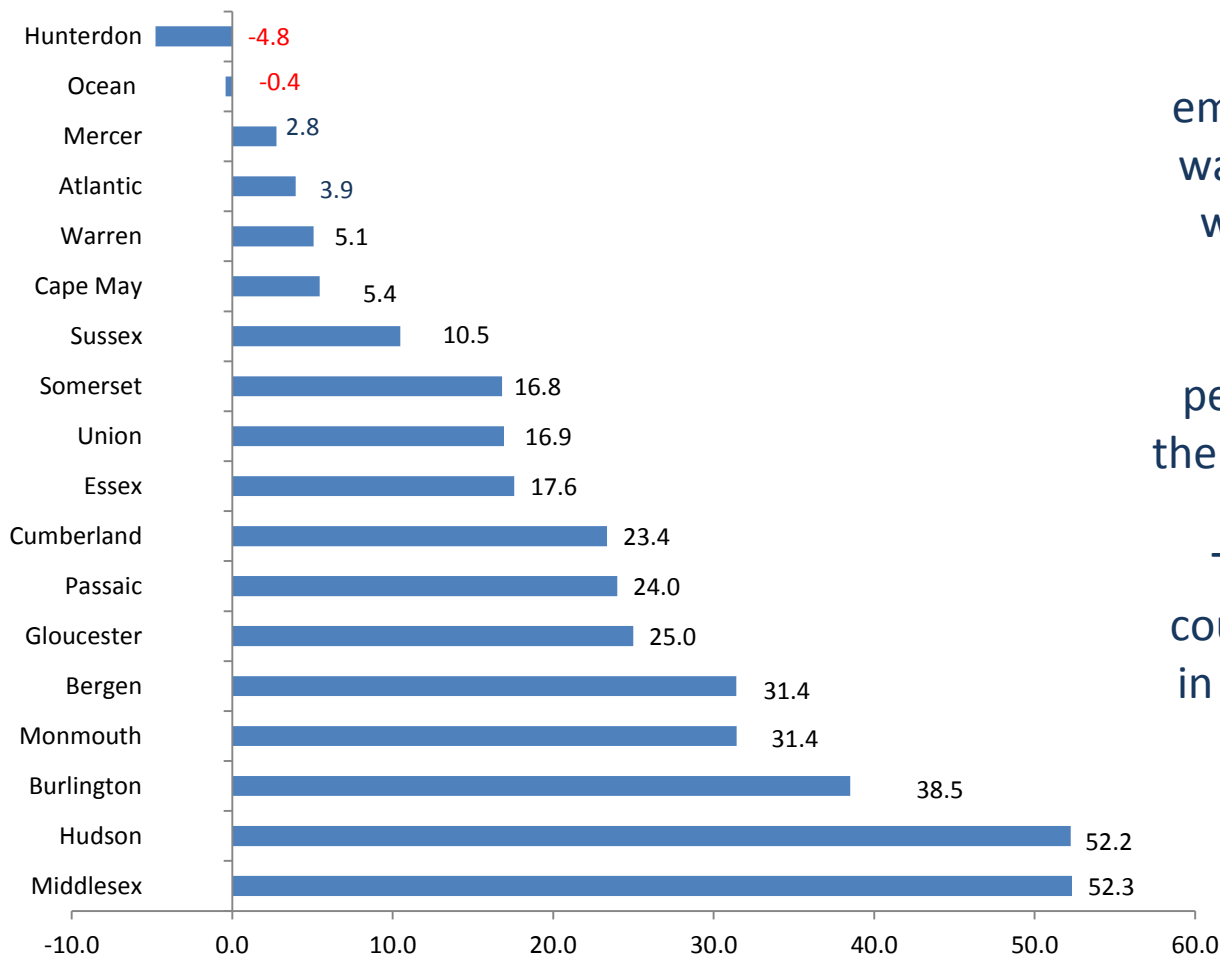
Accommodations was the LHR component with the only employment loss from 2010-to-2016 (-9,683).

Four of the state's 21 counties recorded a drop in employment over this six-year period.

Due to the rash of hotel/casino closings in Atlantic City, Atlantic County experienced the most job loss during that time.



Arts, Entertainment & Recreation (NAICS 71) Employment Gains/Losses: 2010 - 2016 by County (Percent)



Due to its smaller employment base, A/E/R was the LHR component with the least job gain from 2010-to-2016 (11,563). However, percentagewise, it grew the fastest at 22.1 percent.

Two of the state's 21 counties recorded a drop in employment over this six-year period.

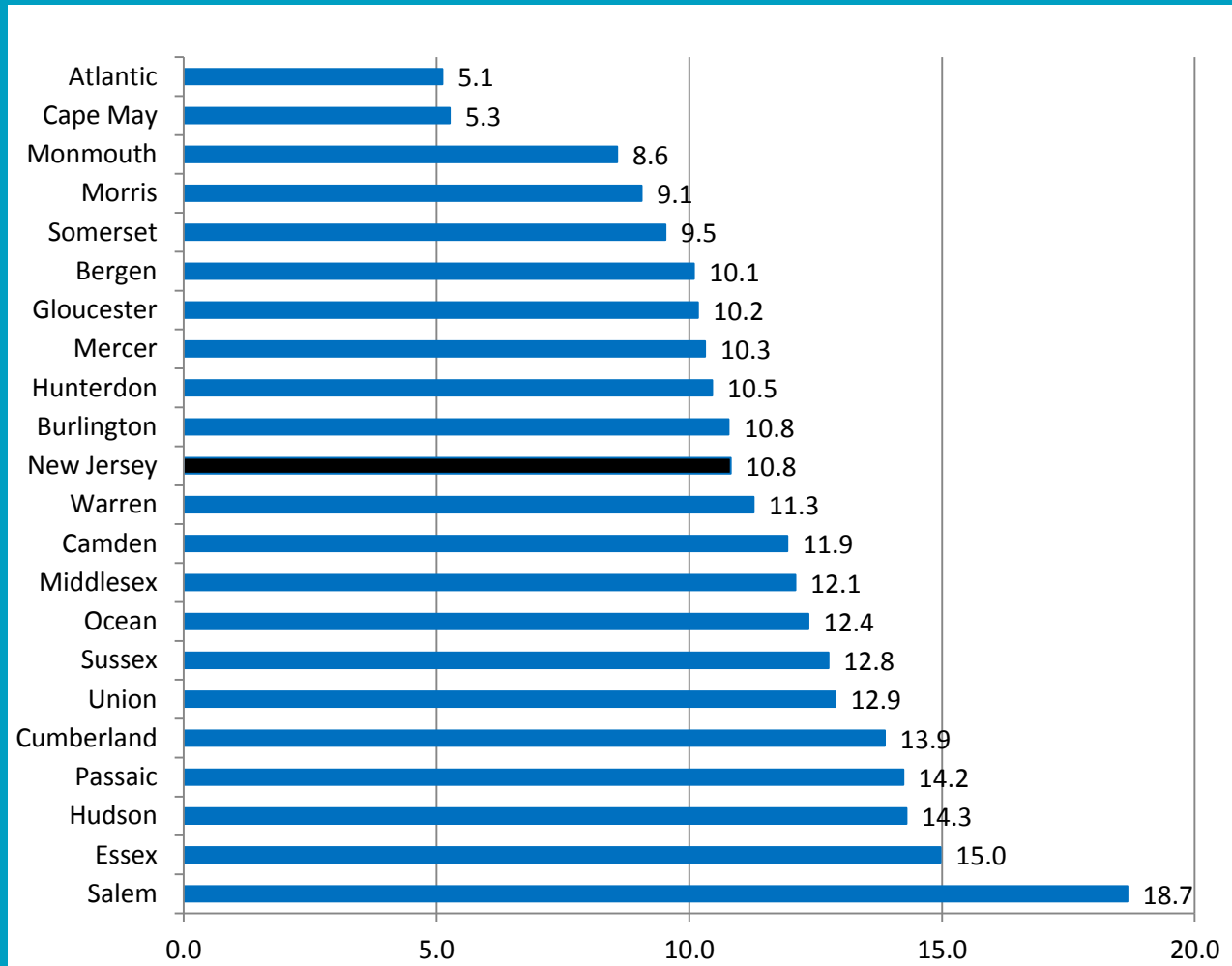
LHR Employment & Population: 2016

Number of County Residents Per LHR Job

➤ While it is generally true that the distribution of Retail Trade employment across the state's 21 counties is likely to correlate to their resident population count, adding Leisure & Hospitality to the mix can in some cases take the distribution of the cluster's employment by county in a different direction.

➤ In addition to the distribution of LHR employment by county, it also may be useful to rank the state's counties by number of residents per LHR job. The lower the number, the greater the concentration of LHR jobs per capita. For example, in top-ranked Atlantic County, there was one LHR job for every 5.1 county residents in 2016.

➤ The most notable examples are the tourism dependent counties of Atlantic and Cape May, which rank one and two in number of LHR jobs on a per capita basis.

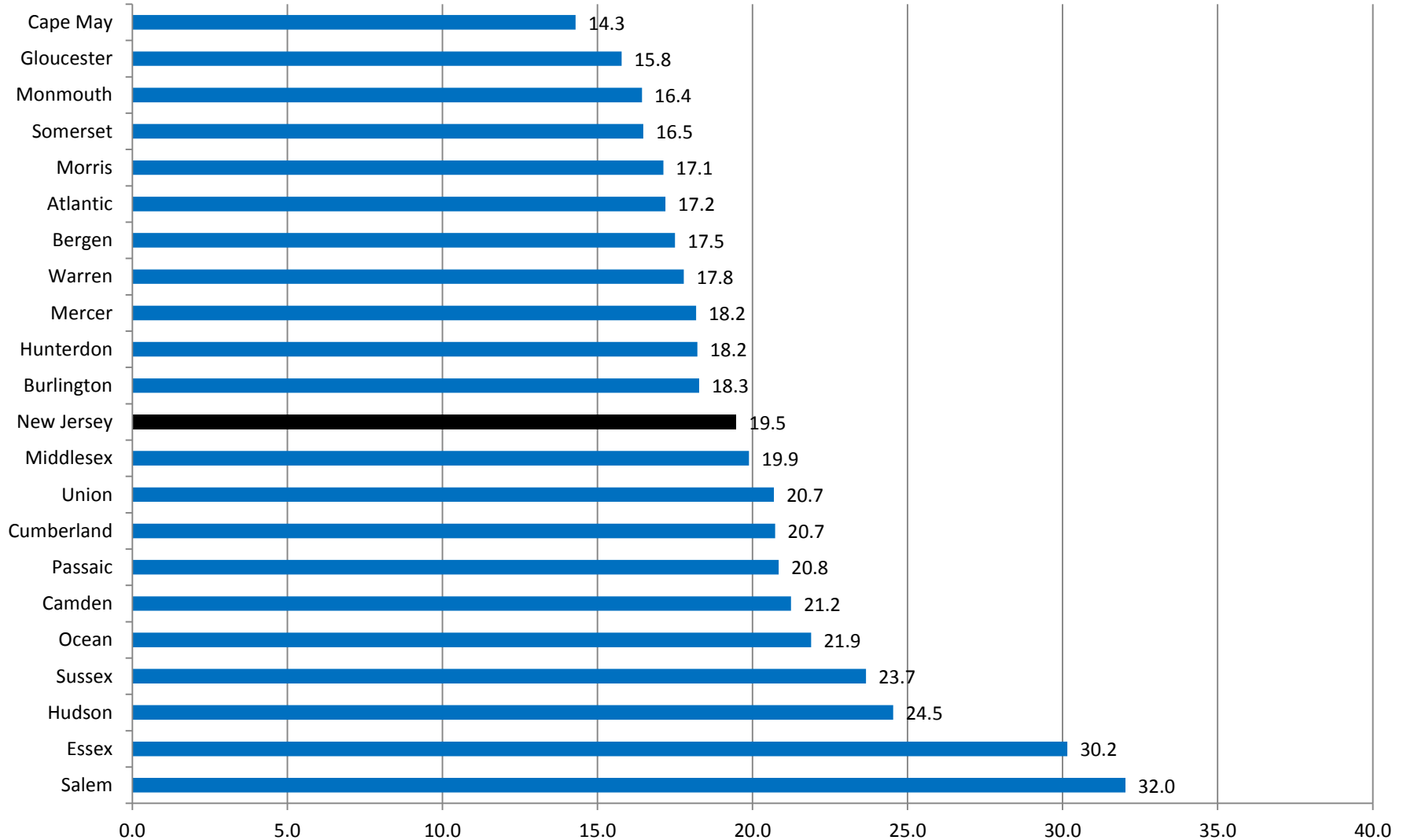


Source: NJLWD, US Census Bureau, 2016 Population Estimates, Quarterly Census of Employment & Wages, Annual Averages

Prepared by: New Jersey Department of Labor & Workforce Development, October 2017

NAICS 44-45 Employment & Population: 2016

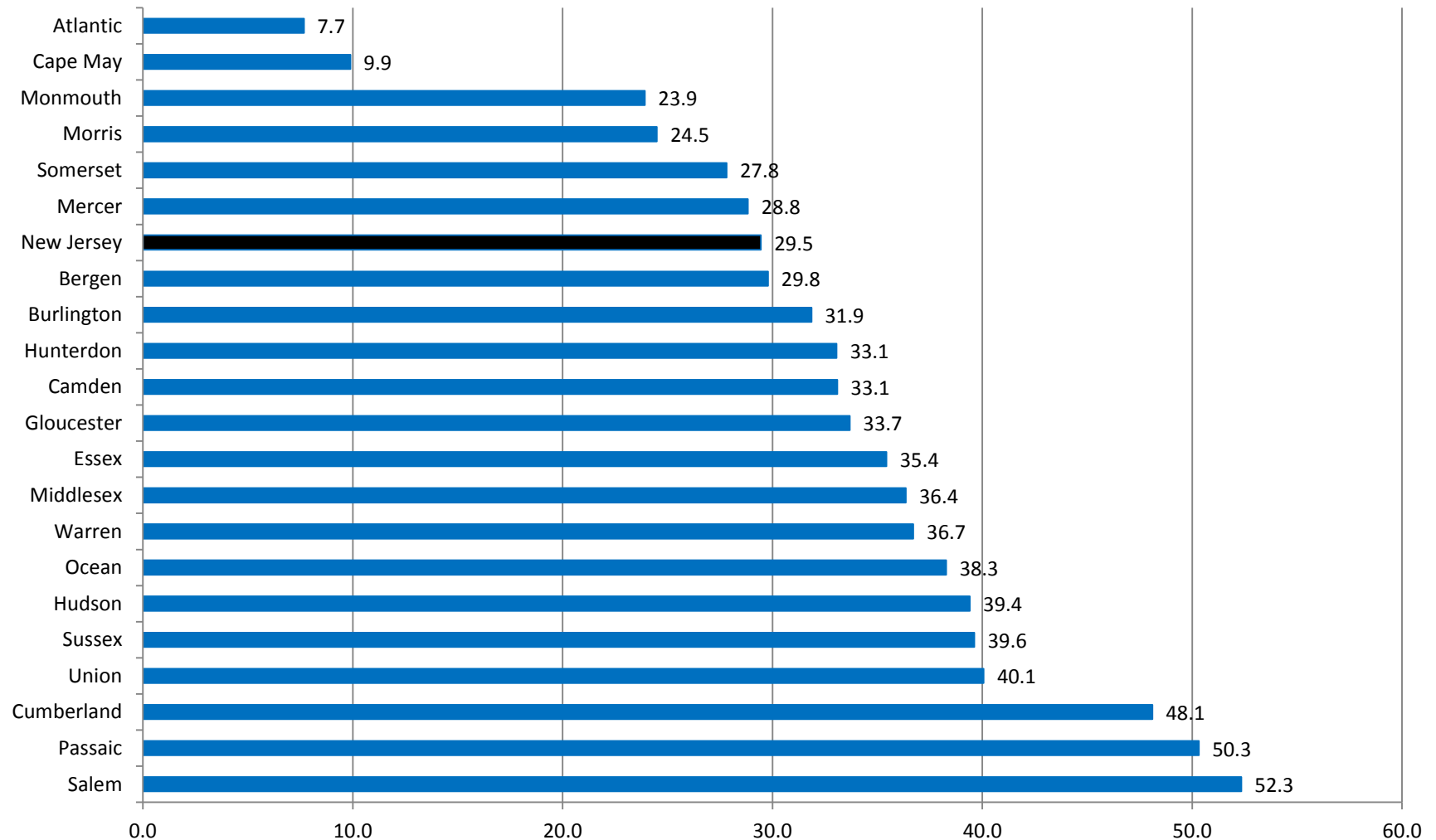
Number of County Residents Per Retail Job



Source: NJLWD, US Census Bureau, 2016 Population Estimates, Quarterly Census of Employment & Wages, Annual Averages,
Prepared by: New Jersey Department of Labor and Workforce Development, October 2017

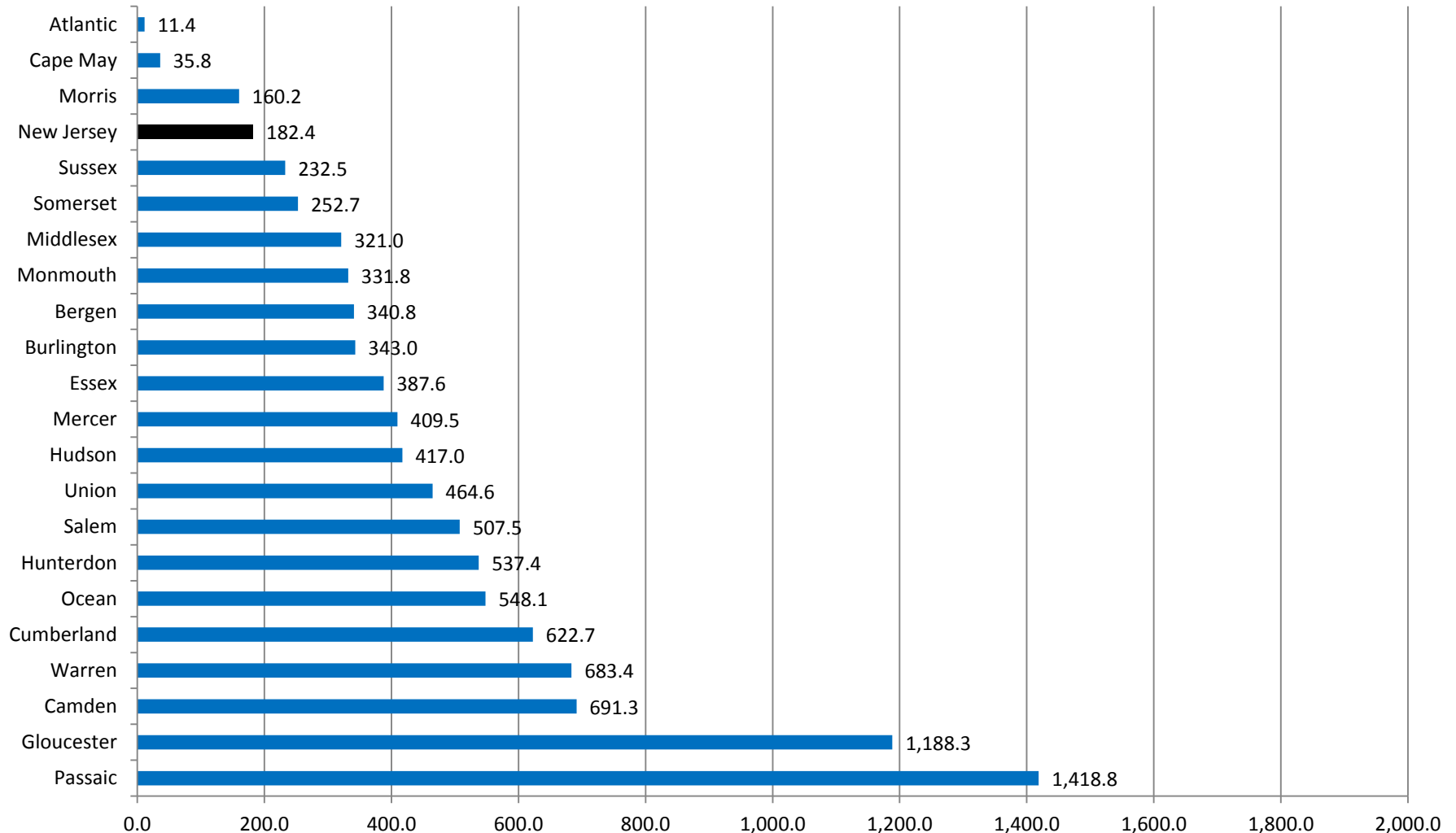
NAICS 72 Employment & Population: 2016

Number of Residents Per Accommodation & Food Services Job



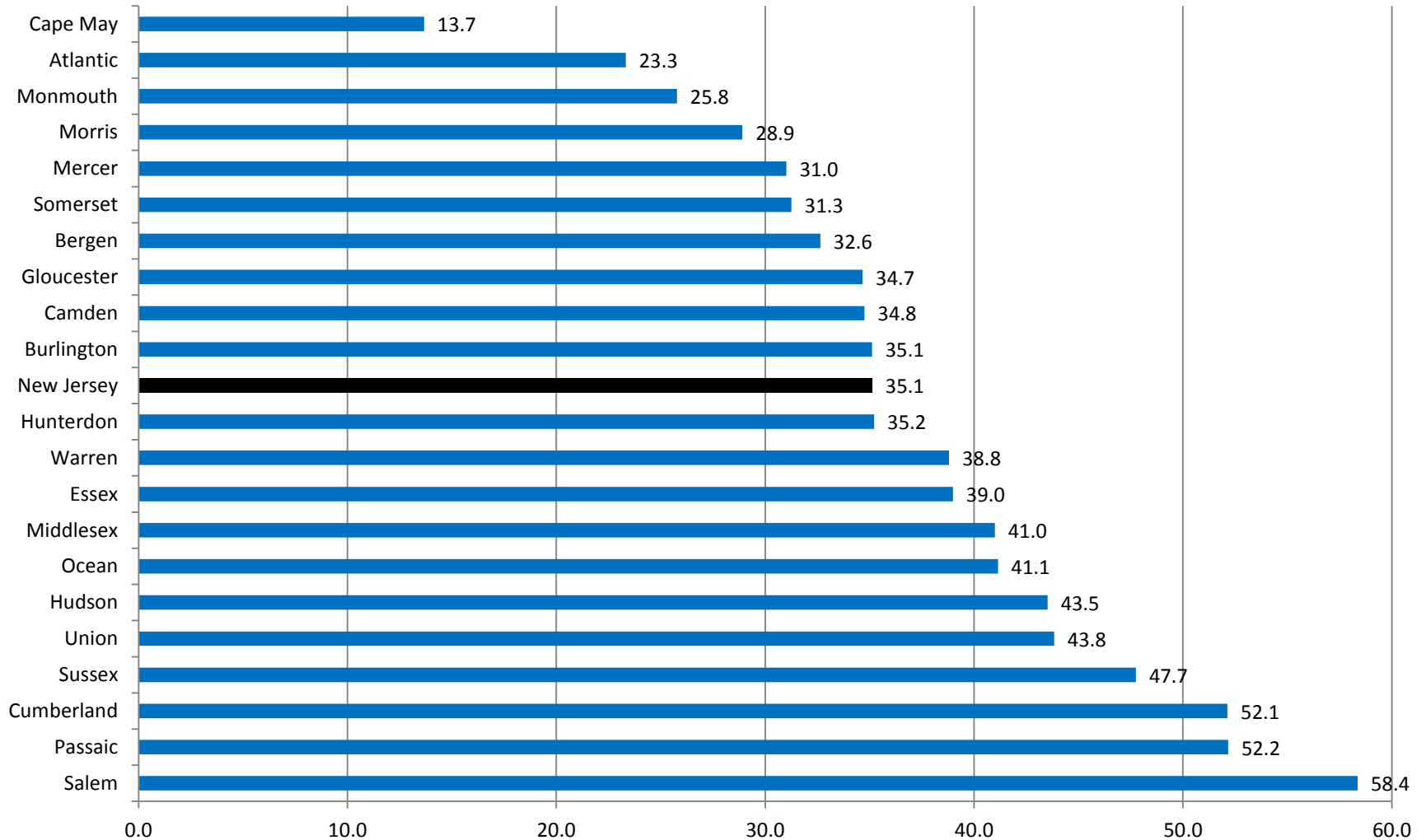
NAICS 721 Employment & Population: 2016

Number of County Residents Per Accommodations Job



NAICS 722 Employment & Population: 2016

Number of County Residents Per Food Services & Drinking Places Job



<u>All</u> <u>Employers'</u> <u>Rank</u>		<u>NJ</u> <u>2017</u> <u>Employment</u>
1	Wakefern Food Corp. (Shop-Rite)	40,000
2	Wal-Mart Stores	20,567
6	The Home Depot	13,936
10	Wawa	10,586
12	CVS Health	9,500
13	Caesar's Entertainment	9,181
14	ACME Markets	9,087
19	The Stop & Shop Supermarket Co.	7,670
20	Target Corp.	7,280
21	Macy's	7,200
22	Lowe's Companies Inc.	6,453
25	Borgata Hotel Casino & Spa	6,018
26	Bed, Bath & Beyond	6,000
29	Aramark	5,700
32	Costco Wholesale	5,108
35	Rite Aid	5,000
37	Toys "R" Us	4,887
41	Six Flags Great Adventure & Wild Safari	4,000
43	Quik Check	3,800
44	Wegman's	3,672

Top Employers in LHR

- According to New Jersey Business magazine's 45th Annual Top 100 Employers in 2017, these 20 leisure, hospitality and retail trade employers are among the state's largest. 7-Eleven and Best Buy are tied at 46th with 3,500 jobs.
- Overall, these 20 employers account for one of every four to five jobs (22.5%) in the state's LHR industry cluster.



Source: New Jersey Business magazine, August 2017 edition, 45th Annual Top 100 Employers in New Jersey

LEISURE, HOSPITALITY & RETAIL

Tourism Data



STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND
WORKFORCE DEVELOPMENT



NEW JERSEY DEPARTMENT OF
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TOURISM DATA FROM OXFORD ECONOMICS

Key results

- In 2016, the tourism industry directly supported 321,231 jobs in New Jersey and sustained 517,559 jobs including indirect and induced impacts.
- Including all impacts, the industry accounts for 9.8% of total employment or nearly 1-in-10 jobs in New Jersey.
- The tourism sector generated \$38.2 billion of state GDP in 2016, representing 6.5% of the entire state economy.
- Including indirect and induced impacts, tourism in New Jersey generated \$4.9 billion in state and local tax revenues.
- **Without the tourism industry, New Jersey households would each need pay \$1,525 in order to maintain the current level of state and local government services.**



Tourism employment by county

Direct Tourism Employment

County	2011	2012	2013	2014	2015	2016	Percent Change
New Jersey	312,369	318,560	320,238	315,952	317,378	321,231	1.2%
Atlantic County	59,610	60,668	58,350	52,300	47,996	48,131	0.3%
Bergen County	24,504	23,938	24,118	23,951	24,637	24,462	-0.7%
Burlington County	14,236	14,692	14,865	15,026	15,088	15,263	1.2%
Camden County	8,100	8,053	8,100	8,329	8,845	9,015	1.9%
Cape May County	24,714	25,102	25,140	25,490	25,825	26,151	1.3%
Cumberland County	3,141	3,210	3,146	3,107	3,261	3,304	1.3%
Essex County	20,943	20,996	21,092	21,286	22,193	22,361	0.8%
Gloucester County	4,412	4,506	4,510	4,757	4,885	4,969	1.7%
Hudson County	16,872	16,965	17,148	17,648	18,314	18,496	1.0%
Hunterdon County	2,718	2,762	2,798	2,840	2,822	2,865	1.5%
Mercer County	11,206	11,292	11,858	12,421	12,437	12,883	3.6%
Middlesex County	20,243	21,499	21,977	22,137	22,650	22,703	0.2%
Monmouth County	19,574	20,431	21,282	21,165	21,667	22,106	2.0%
Morris County	20,076	20,295	21,582	21,351	21,497	21,992	2.3%
Ocean County	24,716	25,979	25,737	25,666	26,119	26,636	2.0%
Passaic County	5,371	5,302	5,358	5,335	5,614	5,787	3.1%
Salem County	1,529	1,572	1,525	1,549	1,560	1,575	1.0%
Somerset County	10,977	11,298	11,485	10,909	10,918	11,040	1.1%
Sussex County	6,111	6,194	6,204	6,017	6,155	6,277	2.0%
Union County	11,718	12,163	12,328	13,045	13,231	13,496	2.0%
Warren County	1,599	1,644	1,636	1,623	1,666	1,720	3.2%



Tourism spending by county

Tourism Direct Sales							
(Millions of dollars)							
County	2011	2012	2013	2014	2015	2016	Percent Change
New Jersey	\$36,753	\$37,890	\$38,523	\$39,780	\$40,721	\$41,881	2.8%
Atlantic County	\$7,806	\$7,567	\$7,319	\$7,072	\$6,689	\$6,856	2.5%
Bergen County	\$2,516	\$2,594	\$2,680	\$2,797	\$2,904	\$2,894	-0.3%
Burlington County	\$1,209	\$1,292	\$1,325	\$1,418	\$1,457	\$1,484	1.9%
Camden County	\$681	\$704	\$721	\$777	\$819	\$844	3.1%
Cape May County	\$5,182	\$5,395	\$5,519	\$5,781	\$5,975	\$6,271	5.0%
Cumberland County	\$296	\$317	\$318	\$319	\$343	\$351	2.5%
Essex County	\$2,887	\$2,958	\$3,106	\$3,290	\$3,420	\$3,521	3.0%
Gloucester County	\$343	\$346	\$362	\$416	\$434	\$456	5.0%
Hudson County	\$1,613	\$1,684	\$1,762	\$1,864	\$2,002	\$2,032	1.5%
Hunterdon County	\$274	\$282	\$288	\$305	\$310	\$317	2.3%
Mercer County	\$1,071	\$1,114	\$1,154	\$1,200	\$1,242	\$1,311	5.5%
Middlesex County	\$1,843	\$1,984	\$2,070	\$2,177	\$2,297	\$2,316	0.8%
Monmouth County	\$1,977	\$2,105	\$2,208	\$2,266	\$2,362	\$2,441	3.3%
Morris County	\$1,750	\$1,814	\$1,931	\$1,997	\$2,064	\$2,131	3.3%
Ocean County	\$4,017	\$4,291	\$4,191	\$4,353	\$4,537	\$4,679	3.1%
Passaic County	\$469	\$481	\$493	\$516	\$561	\$593	5.7%
Salem County	\$163	\$179	\$176	\$194	\$198	\$201	1.6%
Somerset County	\$1,005	\$1,046	\$1,093	\$1,110	\$1,123	\$1,145	2.0%
Sussex County	\$442	\$461	\$487	\$493	\$510	\$522	2.4%
Union County	\$1,065	\$1,120	\$1,167	\$1,280	\$1,316	\$1,352	2.7%
Warren County	\$145	\$153	\$153	\$154	\$158	\$163	3.7%



Tourism spending by county

Tourism Direct Sales							
(Millions of dollars)							
County	Lodging	Food & beverage	Retail	Recreation	Transport	2nd homes	Total
2016							
New Jersey	11,471.2	10,448.2	7,775.3	5,167.0	7,019.1	4,273.1	41,880.8
Atlantic County	3,741.4	1,270.3	982.9	371.7	489.7	418.8	6,855.9
Bergen County	466.6	869.4	559.8	408.7	589.5	27.3	2,894.0
Burlington County	207.3	411.3	332.6	188.2	345.0	15.1	1,484.4
Camden County	96.1	230.9	172.2	140.7	204.1	10.5	844.0
Cape May County	2,489.1	1,415.3	1,234.7	711.2	420.7	2,065.6	6,271.0
Cumberland County	43.5	92.2	80.8	38.1	96.9	14.4	351.4
Essex County	343.3	614.4	380.8	281.8	1,900.6	18.2	3,520.9
Gloucester County	46.1	149.1	81.0	61.0	118.6	8.7	455.7
Hudson County	432.1	625.2	421.7	283.4	269.7	14.0	2,032.2
Hunterdon County	36.8	81.4	66.6	51.5	81.3	7.6	317.5
Mercer County	218.4	390.9	277.4	185.2	238.6	13.2	1,310.5
Middlesex County	347.7	704.1	499.8	299.3	465.0	13.7	2,315.9
Monmouth County	495.3	640.9	451.3	545.6	307.7	279.9	2,440.9
Morris County	447.9	591.6	394.0	357.9	340.0	29.5	2,131.4
Ocean County	1,383.4	1,147.5	997.5	642.7	507.7	1,228.1	4,678.8
Passaic County	80.2	211.0	118.7	86.0	97.0	28.7	593.0
Salem County	21.6	43.0	48.3	17.9	70.0	2.9	200.8
Somerset County	217.1	355.6	246.8	193.7	131.9	10.3	1,145.1
Sussex County	127.7	150.9	110.4	86.6	46.5	51.1	522.1
Union County	207.6	413.2	284.9	193.9	252.2	7.2	1,351.8
Warren County	21.9	40.1	32.9	22.0	46.4	8.4	163.4



LEISURE, HOSPITALITY & RETAIL

Detailed Industry Occupational Analysis



STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND
WORKFORCE DEVELOPMENT



NEW JERSEY DEPARTMENT OF
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New Jersey Resident 2016 Workforce Characteristics: Occupations All Industries in NJ vs. LHR

➤ The cluster had a higher proportion in only **four** out of 18 occupational categories due to the defined nature of the industry components' type of work.

➤ For example, “Food preparation & service” is mainly in Food Services/Drinking Places (*component of Leisure & Hospitality*) while “Sales/Marketing” has a significant job presence in *Retail Trade*.

<u>Characteristic By Occupation</u>	All Percent	LHR Percent
Management/Business/Financial	17.3%	9.7%
Scientist/Engineer	6.2%	1.1%
Community/Social services	1.5%	0.0%
Legal services	1.3%	0.1%
Education/Training/Library worker	6.7%	0.5%
Arts/Entertainment	2.1%	2.3%
Health care	8.1%	2.1%
Protective	2.2%	1.2%
Food preparation & service	4.8%	22.4%
Cleaning/Maintenance	3.5%	2.9%
Personal Care	3.2%	3.3%
Sales/Marketing	10.8%	31.6%
Administrative support	12.7%	12.0%
Farming/Fishing/Forestry	0.2%	0.0%
Construction/Extraction	4.3%	0.2%
Installation/Repair	2.6%	2.1%
Production	3.9%	2.0%
Transportation/Material moving	6.8%	6.4%
Military/Never worked	1.4%	N/A

<u>LHR Occupations</u>	<u>2016 Employment</u>	<u>Share of Industry</u>	<u>Minimum Education Requirements</u>
Total ALL Occupations in LHR	828,700	100.0%	
Top 20 Occupations in LHR	596,110	71.9	
Retail Salespersons	125,740	15.2	Less than high school
Cashiers	90,140	10.9	Less than high school
Waiters and Waitresses	59,180	7.1	Less than high school
Stock Clerks and Order Fillers	50,780	6.1	Less than high school
Combined Food Preparation and Serving Workers, Including Fast Food	47,160	5.7	Less than high school
First-Line Supervisors of Retail Sales Workers	29,090	3.5	High school diploma or equivalent
Food Preparation Workers	28,540	3.4	Less than high school
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	28,290	3.4	Less than high school
Cooks, Restaurant	20,330	2.5	High school diploma or equivalent
First-Line Supervisors of Food Preparation and Serving Workers	16,690	2.0	Less than high school
Bartenders	14,060	1.7	Less than high school
Customer Service Representatives	11,040	1.3	High school diploma or equivalent
Laborers and Freight, Stock, and Material Movers, Hand	10,530	1.3	Less than high school
Dining Room and Cafeteria Attendants and Bartender Helpers	10,460	1.3	Less than high school
Dishwashers	9,770	1.2	Less than high school
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	9,460	1.1	Less than high school
Cooks, Fast Food	9,080	1.1	Less than high school
Maids and Housekeeping Cleaners	9,030	1.1	Less than high school
Light Truck or Delivery Services Drivers	8,430	1.0	Less than high school
Fitness Trainers and Aerobics Instructors	8,310	1.0	High school diploma or equivalent

➤ Sixteen of the top 20 occupations within LHR require the minimum education of “less than high school”

Source: NJLWD, Occupational Employment Statistics Survey, May 2016

Prepared by: New Jersey Department of Labor and Workforce Development, September 2017

Wages by Occupation



- As might be expected, the cluster's largest occupational category, *retail salesperson*, pays wages that vary by type of industry sector. Retail salespersons within the arts, entertainment and recreation segment had the highest annual wage in 2016 (\$28,038) followed closely by retail trade (\$27,468).
- *Retail salespersons* tended to receive the lowest wages in establishments involved with accommodations and food services (\$25,894).
- Wages paid to *cashiers*, the cluster's second largest group, tended to fall within a range between the three industry sectors (NAICS 44-45, 71 & 72) that for a full-time, year-round employee would usually amount to, \$21,555 - \$24,051, annually.
- To the extent that tip income is reported accurately, *waiters/waitresses* (3rd largest occupation) do somewhat better with a full-time, year-round worker earning wages in the \$25,082 (NAICS 72) - \$26,065 (NAICS 71) range.

Wages by Occupation



- An occupation with a significant presence in LHR is *stock clerks/order fillers*, the fourth largest. The pay varied narrowly between two of its segments: 44-45 Retail Trade (\$12.07/hr. and \$25,106/yr.) and 72 Accommodation and Food Services (\$12.41/hr. and \$25,803/yr.).
- Wages paid to *combined food preparation and serving workers*, the cluster's fifth largest, generally paid in the \$10.04 to \$11.54 per hour range (\$20,890 - \$24,009, annual). The lower wages were similar to cashiers mainly due to entry-level, part-time, lower skill and education requirements.
- On the upper end of the pay scale, LHR occupations that pay an average of \$100,000 or more per year mostly include managers of all types as well as *chief executives, pharmacists, and software developers*.

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Demographic Characteristics of the Industry Cluster Workforce



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New Jersey Resident Workforce Demographic Characteristics

All Industries in NJ vs. LHR: 2016

Age & Race

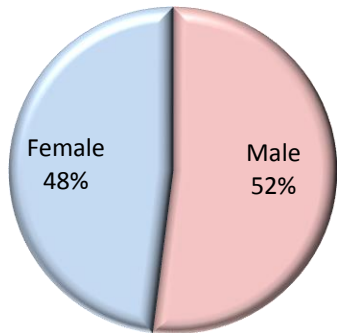
➤ The LHR industry cluster is characterized by a large number of seasonal and part-time jobs and by workers who are younger than the average for all industries. Nearly one-half (48.8%) of all workers in the cluster are under 35 years old compared with nearly one-third (32.3%) for all industries.

➤ Many businesses in the cluster increase hiring during the summer, often employing high school-age and college-age workers. Some segments of the industry cluster are heavily reliant on immigrant and guest workers such as boardwalk and amusement establishments.

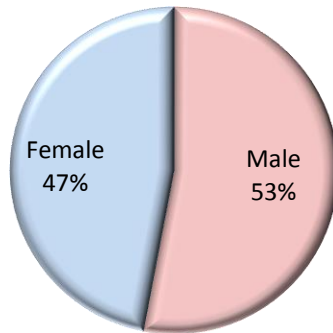
<u>By Age</u>	<u>All</u>	<u>LHR</u>
Less than 25	12.0%	27.1%
25-34	20.3%	21.7%
35-44	20.8%	15.6%
45-54	23.1%	16.4%
55-64	17.8%	14.0%
65 & over	6.2%	5.2%
<u>By Race</u>		
White	69.3%	68.3%
Black	12.8%	12.9%
American Indian/Alaska Native	0.2%	0.2%
Asian	9.8%	8.6%
Native Hawaiian/Pacific Islander	0.0%	0.1%
Some Other Races	5.9%	7.7%
Two or more races	1.9%	2.2%

Gender and ethnic profile of New Jersey residents within leisure, hospitality & retail work force

LHR

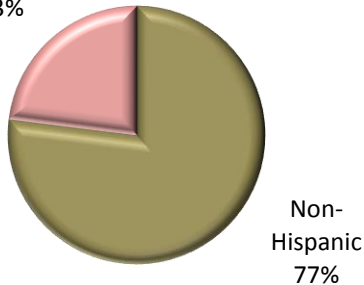


All Industries



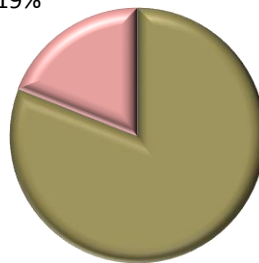
Females and males in the LHR workforce are nearly identical

Hispanic
23%



LHR

Hispanic
19%



Non-Hispanic
81%

All Industries

The workforce has a more Hispanic composition than average

New Jersey Resident Workforce Characteristics

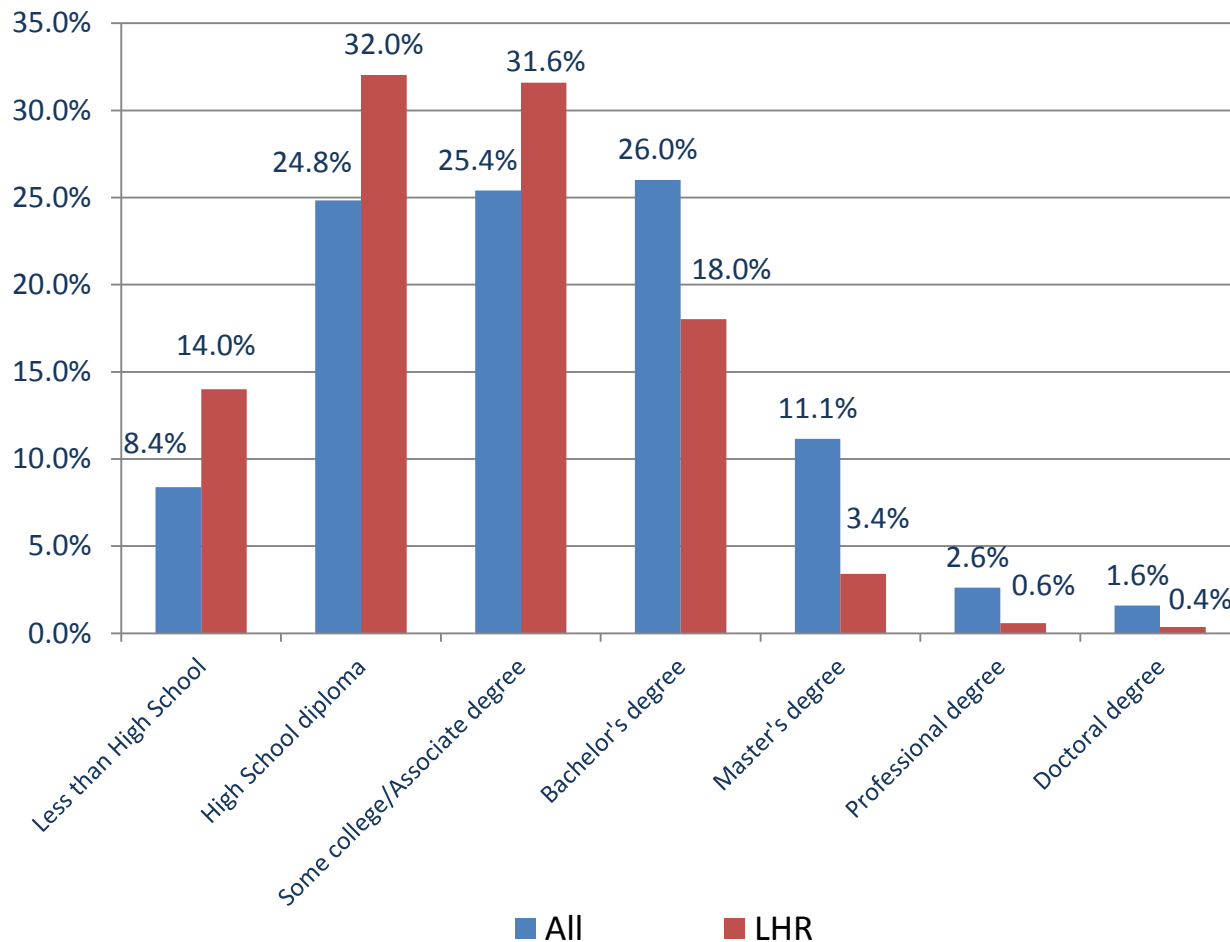
All Industries in NJ vs. LHR: 2016 Earnings

➤ The LHR cluster had a significantly higher proportion than “All industries” in the lowest dollar range in *Personal Earnings*: “Less than \$25,000”.

➤ This is the result of the low paying nature of the occupations in leisure, hospitality and retail industries.

<u>By Personal Earnings</u>	<u>All</u>	<u>LHR</u>
Less than \$25,000	32.6%	57.1%
\$25,000-\$50,000	23.8%	23.6%
\$50,000-\$75,000	17.1%	10.1%
\$75,000-\$100,000	9.7%	3.7%
\$100,000-\$150,000	9.8%	3.3%
\$150,000-\$200,000	3.1%	1.0%
\$200,000 & more	4.0%	1.3%

New Jersey Resident Workforce Characteristics All Industries vs. LHR: 2016 Educational Attainment



- A greater proportion of LHR workers have achieved a lower level of education than workers overall due to its lower skilled, entry-level positions with a higher turnover rate.
- The 2016 American Community Survey states nearly 1/2 (44.0%) of the workers in this industry cluster do not have any formal education beyond high school compared with about 1/3 (33.2%) for employees in all industries statewide.



LEISURE, HOSPITALITY & RETAIL

Outlook and Projections



STATE OF NEW JERSEY
DEPARTMENT OF LABOR AND
WORKFORCE DEVELOPMENT



NEW JERSEY DEPARTMENT OF
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➤ As for the outlook by occupation, the top four, and overall, 11 (in red) of the top 14 occupations in the state with the greatest number of projected average annual job openings are LHR-related. The typical minimum requirements for these occupations are no work experience, short-term on-the-job training and no college degree.

➤ The eleven occupations account for 24.3% (or 31,752) of all average annual job openings that New Jersey is expected to add through 2024. (25,675 replacements & 6,077 through growth)

Occupation	Employment		Change 2014-2024		Average Annual Job Openings		
	2014 Actual	2024 Projected	Number	Percent	Total	Growth	Replacement
Total, All Occupations	4,214,086	4,489,399	275,313	6.5	130,621	31,712	98,909
Retail Salespersons	139,236	147,415	8,179	5.9	5,644	818	4,826
Cashiers	96,945	100,914	3,969	4.1	4,522	397	4,125
Laborers and Freight, Stock, and Material Movers, Hand	83,850	95,354	11,504	13.7	3,646	1,150	2,496
Waiters and Waitresses	57,824	62,467	4,643	8.0	3,246	464	2,782
Registered Nurses	81,371	92,129	10,758	13.2	2,996	1,076	1,920
Combined Food Preparation and Serving Workers, Including Fast Food	58,367	67,856	9,489	16.3	2,835	949	1,886
Stock Clerks and Order Fillers	63,743	68,221	4,478	7.0	2,471	448	2,023
Home Health Aides	35,180	51,000	15,820	45.0	2,377	1,582	795
Customer Service Representatives	66,032	71,549	5,517	8.4	2,178	552	1,626
Nursing Assistants	54,555	62,835	8,280	15.2	2,060	828	1,232
Receptionists and Information Clerks	52,083	58,100	6,017	11.6	2,006	602	1,404
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	72,269	75,845	3,576	4.9	1,793	358	1,435
Office Clerks, General	79,074	79,866	792	1.0	1,784	79	1,705
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	22,734	25,339	2,605	11.5	1,627	260	1,367

Source: NJLWD, Current Employment Statistics, Industry & Occupational Employment Projections , 2014-2024

New Jersey, 2014 - 2024

Projected Employment Change by Industry

<u>Industry Title (Two-Digit NAICS)</u>	Change: 2014-2024				
	2014	2024	Percent		
	<u>Jobs</u>	<u>Jobs</u>	<u>Number</u>	<u>Annual</u>	<u>Total</u>
Total Nonfarm	3,967,500	4,228,350	260,850	0.6	6.6
Healthcare and Social Assistance	547,100	642,700	95,600	1.6	17.5
Professional, Scientific & Technical Services	290,500	330,300	39,800	1.3	13.7
Administrative and Support and Waste Management and Remediation Services	267,200	299,550	32,350	1.1	12.1
Retail Trade	455,000	481,300	26,300	0.6	5.8
Accommodation and Food Services	297,700	323,750	26,050	0.8	8.8
Construction	141,600	162,900	21,300	1.4	15.0
Transportation and Warehousing	155,200	171,700	16,500	1.0	10.6
Educational Services	97,000	110,650	13,650	1.3	14.1
Arts, Entertainment, and Recreation	59,200	71,450	12,250	1.9	20.7
Wholesale Trade	214,500	226,700	12,200	0.6	5.7
Other Services (except Government)	167,800	177,850	10,050	0.6	6.0
Management of Companies & Enterprises	79,700	89,400	9,700	1.2	12.2
Real Estate and Rental and Leasing	54,500	57,600	3,100	0.6	5.7
Utilities	13,700	14,550	850	0.6	6.2
Finance and Insurance	192,100	187,350	-4,750	-0.2	-2.5
Information	75,100	66,300	-8,800	-1.2	-11.7
Manufacturing	238,800	217,400	-21,400	-0.9	-9.0
Government	619,400	595,550	-23,850	-0.4	-3.9

Note: Total nonfarm employment excludes self-employed and unpaid family workers.

➤ Based on official employment projections for New Jersey's industries prepared by the Department of Labor and Workforce Development, payrolls in LHR (in blue) are projected to grow by 64,600 from 2014-to-2024.

➤ The cluster's rate of job growth is faster than that projected for the state overall (8.0%, LHR vs. 6.6%, all industries).

Source: NJLWD, Current Employment Statistics, Industry & Occupational Employment Projections, 2014-2024

NOTE: Employment data are rounded to the nearest hundred. Percentages and percent changes are based on unrounded data.

Prepared by: New Jersey Department of Labor and Workforce Development, Workforce Research & Analytics

NAICS Industry Code	Industry Title	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate
44-45	Retail Trade	455,000	481,300	26,300	0.6
441	Motor Vehicle and Parts Dealers	46,700	51,200	4,500	0.9
444	Building Material & Garden Supply Stores	31,600	34,850	3,250	1.0
445	Food and Beverage Stores	113,300	121,100	7,800	0.7
446	Health and Personal Care Stores	35,100	36,800	1,700	0.5
448	Clothing and Clothing Accessories Stores	53,900	51,450	-2,450	-0.5
451	Sporting Goods, Hobby, Book & Music Stores	17,500	16,100	-1,400	-0.8
452	General Merchandise Stores	75,200	82,650	7,450	0.9
459	Retail Trade, All Other	81,700	87,200	5,500	0.7

➤ Food and Beverage stores are expected to lead Retail Trade through 2024 (+7,800 jobs) with General Merchandise Stores close behind at 7,450.

➤ Clothing and Clothing Accessories Stores and Sporting Goods, Hobby, Book & Music Stores are the only industries projected to decline.

Source: NJLWD Current Employment Statistics, Industry & Occupational Employment Projections, 2014-2024

NOTE: Employment data are rounded to the nearest hundred. Percentages and percent changes are based on unrounded data.

Prepared by: New Jersey Department of Labor and Workforce Development, Workforce Research & Analytics

NAICS Industry Code	Industry Title	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate
71 & 72	Leisure and Hospitality	356,900	395,200	38,300	1.0
710000	Arts, Entertainment and Recreation	59,200	71,450	12,250	1.9
713000	Amusement, Gambling & Recreation Industries	47,600	58,150	10,550	2.0
719000	Arts, Entertainment, and Recreation, All Others	11,600	13,300	1,700	1.4
720000	Accommodation and Food Services	297,700	323,750	26,050	0.8
721000	Accommodations	53,300	48,350	-4,950	-1.0
721120	Casino Hotels	25,700	20,000	-5,700	-2.5
721190	Accommodations except Casino Hotels	27,600	28,350	750	0.3
722000	Food Services and Drinking Places	244,400	275,400	31,000	1.2
722300	Special Food Services	29,000	31,750	2,750	0.9
722400	Drinking Places (Alcoholic Beverages)	9,600	10,000	400	0.4
722500	Restaurants	205,800	233,650	27,850	1.3
722511	Full-Service Restaurants	116,600	137,550	20,950	1.7
722513	Limited-Service Eating Places	89,200	96,100	6,900	0.7

- Continuing the trend, food services & drinking places is projected to increase the most in Leisure & Hospitality through 2024.
- Accommodations is the only industry projected to decline due to continued casino downsizing.

Source: NJLWD Current Employment Statistics, Industry & Occupational Employment Projections, 2014-2024

NOTE: Employment data are rounded to the nearest hundred. Percentages and percent changes are based on unrounded data.

Prepared by: New Jersey Department of Labor and Workforce Development, Workforce Research & Analytics

Outlook



- The Foods Services/Drinking Places component is projected to create the second highest number of new jobs in the state (31,000) from 2014-to-2024. This 12.7 percent increase is more than the state's projected rate (6.6%). Ambulatory Health Care Services is projected to grow the most with an estimated 58,200 jobs or a significant 26.6 percent rate.
- The cluster's largest component, Retail Trade with 56 percent of employment, is projected to grow by 26,300 jobs or 5.8 percent during this 10-year period, while Arts/Entertainment/Recreation is projected to add 12,250 new jobs for a 20.7 percent advance.



Southern Region Industry Projections: Retail Trade

<u>County</u>	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Atlantic	16,100	16,650	550	0.3	3.4	Stable
Burlington	25,050	28,600	3,550	1.3	14.1	Growing
Camden	23,650	24,450	800	0.3	3.4	Stable
Cape May	6,750	7,250	500	0.7	7.2	Growing
Cumberland	7,400	8,350	950	1.2	12.7	Growing
Gloucester	17,800	18,800	1,000	0.5	5.6	Growing
Salem	1,950	2,150	200	1.0	10.4	Growing



Southern Region Industry Projections: Accommodations & Food Services

<u>County</u>	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Atlantic	40,850	41,750	900	0.2	2.2	Stable
Burlington	13,800	14,750	950	0.7	6.8	Growing
Camden	14,650	16,150	1,500	1.0	10.1	Growing
Cape May	9,200	9,350	150	0.2	1.7	Stable
Cumberland	3,150	3,350	200	0.7	6.8	Growing
Gloucester	8,550	9,150	600	0.7	7.0	Growing
Salem	1,350	1,500	200	1.3	14.2	Growing



Central Region Industry Projections: Retail Trade

<u>County</u>	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Mercer	19,650	21,450	1,800	0.9	9.2	Growing
Middlesex	42,100	42,100	-50	0.0	-0.1	Declining
Monmouth	38,900	40,500	1,600	0.4	4.1	Stable
Ocean	27,450	28,650	1,200	0.4	4.4	Stable



Central Region Industry Projections: Accommodations & Food Services

<u>County</u>	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Mercer	12,200	14,500	2,250	1.7	18.6	Growing
Middlesex	22,750	23,600	850	0.4	3.8	Stable
Monmouth	24,300	27,600	3,300	1.3	13.6	Growing
Ocean	14,700	16,950	2,250	1.4	15.3	Growing



Northern Region Industry Projections: Retail Trade

<u>County</u>	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Bergen	54,650	54,950	300	0.1	0.6	Stable
Essex	27,650	28,700	1,050	0.4	3.8	Stable
Hudson	24,550	26,450	1,900	0.7	7.7	Growing
Hunterdon	6,900	7,200	250	0.4	4.0	Stable
Morris	29,650	31,700	2,050	0.7	6.9	Growing
Passaic	25,050	24,850	-200	-0.1	-0.8	Declining
Somerset	20,650	25,050	4,400	1.9	21.3	Growing
Sussex	6,150	6,550	400	0.6	6.3	Growing
Union	26,750	30,600	3,850	1.4	14.4	Growing
Warren	6,150	6,400	250	0.4	3.7	Stable



Northern Region Industry Projections: Accommodations & Food Services Trade

<u>County</u>	2014 Estimated Employment	2024 Projected Employment	Numeric Change	Annual Growth Rate (%)	Total Percent Change	Outlook
Bergen	31,250	33,450	2,200	0.7	7.0	Growing
Essex	21,800	22,900	1,100	0.5	5.0	Stable
Hudson	15,600	17,500	1,900	1.2	12.3	Growing
Hunterdon	3,600	4,050	450	1.2	12.3	Growing
Morris	19,650	21,850	2,200	1.1	11.3	Growing
Passaic	9,850	11,350	1,500	1.4	15.2	Growing
Somerset	11,000	13,050	2,050	1.7	18.8	Growing
Sussex	3,600	3,850	250	0.7	7.0	Growing
Union	13,150	14,200	1,050	0.8	8.1	Growing
Warren	2,700	2,850	150	0.6	6.0	Growing



Outlook



- Along with other service sectors such as the hospitality industry, retail is a critical point of entry, or “gateway,” into the labor force and provides workers with foundational skills in customer service, punctuality, and responsibility.



- The retail industry offers substantial employment opportunities. Part-time and temporary work is plentiful across a range of employers, from small, independent retailers to national and multinational retail chains. Solid store experience can lead to an array of retail management and store support career ladders.
- A college degree can afford direct entry into management training programs and regional/corporate level career paths.

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