

Regional Focus: North Jersey

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

North Jersey Payrolls Continue to Expand

Over the last year from September 2012 to September 2013, total nonfarm employment in the 8-county Northern Region increased by 24,800 jobs to reach a non-seasonally adjusted level of 1,873,000. This gain marks the third consecutive yearly increase for employment over the September-to-September period and was the largest since 1994 (+32,200). Prior to 2011, employment in the region suffered three consecutive years of decreasing payrolls. The region's 1.3 percent increase in jobholding from September to September was slightly less than the statewide employment gain of 1.6 percent.

Construction experienced the most significant job growth over the year (+6,600 or +10.8%) reaching a level of 67,800 jobs in September 2013. The region's 10.8 percent job gain in construction is the largest September to September increase since 1990 (earliest data available) and far outpaces the average annual change of -5.3 percent experienced over the previous five years (2007 to 2011). Leisure and hospitality also experienced a significant gain in employment (+6,400 or +4.5%). The majority of those jobs (+5,400) were in accommodation and food services. Other industries that experienced job growth during the period were educational and health services (+5,500 or +1.9%), trade transportation and utilities (+4,400 or +1.1%) and financial activities (+1,000 or +0.7%). Industries that declined from the same month a year ago were: information (-500 or -1.3%), manufacturing (-300 or -0.2%) and professional business services (-300 or -0.1%).

Newark-Union Labor Area the Regional Job Growth Leader

Over the year, employment advanced in both of the region's labor areas. With an increase of 13,900 jobs or 1.4 percent, the Newark-Union Labor Area led the region's job gains. Payrolls in the Bergen-Hudson-Passaic (BHP) Labor Area were up by 10,900 jobs or 1.2 percent since September 2012 reaching 887,000 in September 2013.

The Northern Region, which is made up of two of the state's largest labor areas, accounts for nearly half of all statewide employment (47.1%). The Newark-Union and BHP labor areas rank second and third, respectively, behind only the Edison Labor Area (Central Region, 1,019,200 jobs in September 2013).

In the BHP Labor Area, trade, transportation and utilities (T/T/U, +3,900 or +1.9%) and educational and health services (+3,400 or +2.4%)

Change in Nonfarm Employment September 2012 - September 2013 (not seasonally adjusted)

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	24,800	1.3	62,000	1.6
Private Sector	23,900	1.5	53,700	1.6
Construction	6,600	10.8	9,500	7.1
Manufacturing	-300	-0.2	4,200	1.7
Trade, Trans. & Utilities	4,400	1.1	12,400	1.5
Information	-500	-1.3	-3,000	-3.9
Financial Activities	1,000	0.7	2,100	0.8
Prof. & Business Svcs.	-300	-0.1	900	0.1
Ed. & Health Svcs.	5,500	1.9	20,100	3.2
Leisure & Hospitality	6,400	4.5	8,500	2.3
Other Services	1,100	1.4	-1,000	-0.6
Government	900	0.3	8,300	1.4

Source: NJLWD, Current Employment Statistics



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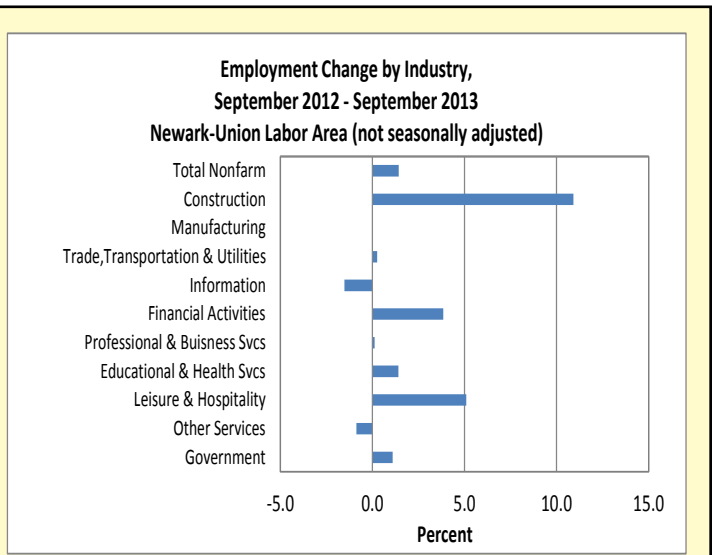
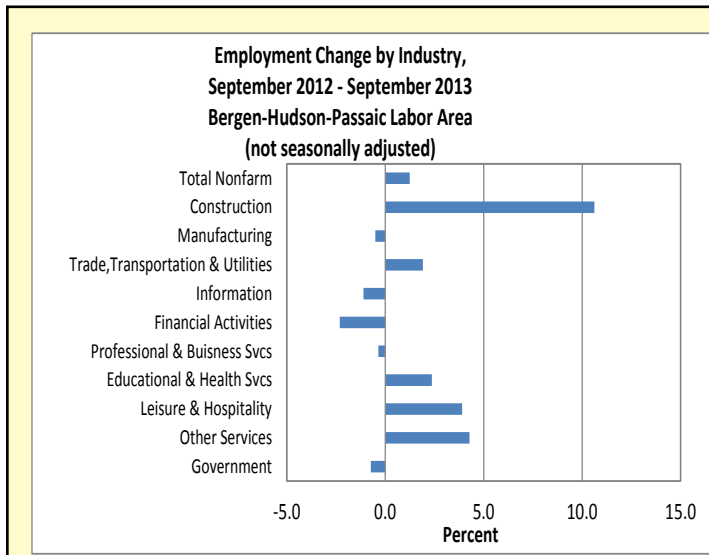
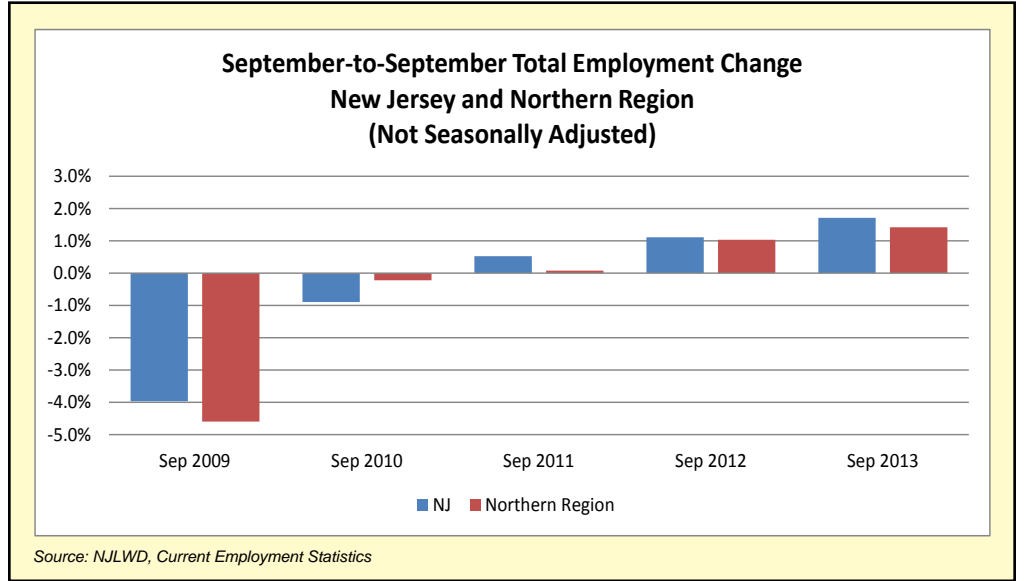
experienced the largest job gains. However, construction posted the highest percentage gain (+10.6%). The rebuilding efforts following Superstorm Sandy helped to contribute to a 2,900 increase in construction jobs. The largest reduction in employment occurred in financial activities (-1,600 or -2.3%). The BHP Labor Area also posted minor employment losses in government (-800 jobs), professional and business services (-500), manufacturing (-300) and information (-200).

In the Newark-Union Labor Area, which consists of Morris, Essex, Union, Sussex and Hunterdon counties, the largest payroll increases were recorded in leisure and hospitality (+3,800 or 5.1%). With numerous development projects in the city of Newark and the expansion project at Montclair State University, construction posted strong gains in employment (+3,700 or +10.9%).

Significant gains were also seen in financial activities (+2,600 or +3.9%) and educational and health services (+2,100 or +1.4%). The only two industries to experience minor employment losses were other services (-400) and information (-300).

Total Nonfarm Employment (unadjusted September data, employment in thousands)						
	2008	2009	2010	2011	2012	2013
New Jersey	4,036.3	3,877.6	3,841.6	3,862.6	3,912.0	3,974.0
Northern Region	1,911.9	1,824.8	1,823.5	1,828.8	18,48.2	1,873.0
Bergen-Hudson-Passaic Labor Area (Bergen, Hudson and Passaic counties)	889.2	854.4	860.9	865.8	876.1	887.0
Newark-Union Labor Area (Essex, Hunterdon, Morris, Sussex and Union counties)	1,022.7	970.4	962.6	963	972.1	986.0

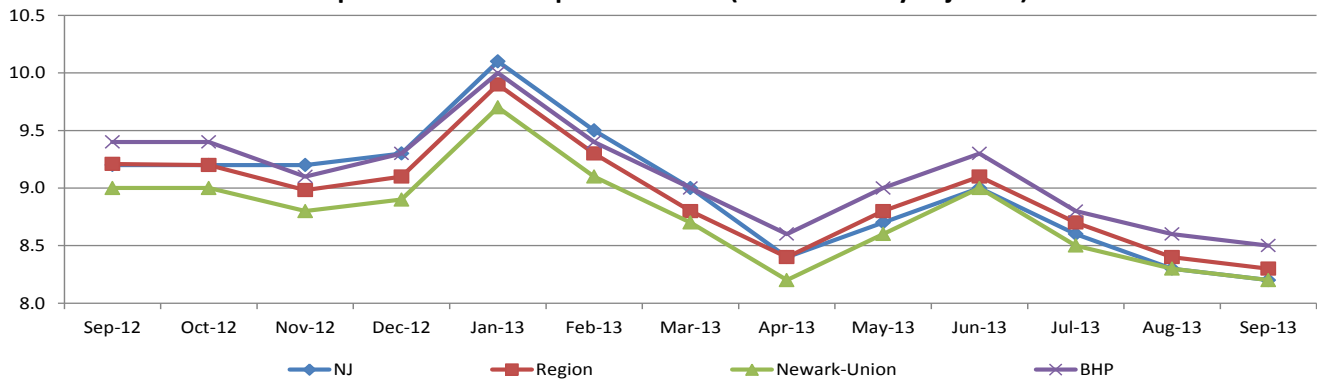
Source: NJLWD, Current Employment Statistics



Source: NJLWD, Current Employment Statistics

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

**Unemployment Rates, New Jersey and Northern Region
 September 2012 - September 2013 (not seasonally adjusted)**



Source: NJLWD, Local Area Unemployment Statistics (LAUS)

- In September 2013, the non-seasonally adjusted unemployment rate for the Northern Region (8.3%) was slightly above the statewide rate (8.2%). Over the year, the region's unemployment rate varied from a high of 9.9 percent in January 2013 to a low of 8.3 percent in September 2013. This marks the fourth consecutive yearly decrease of the unemployment rate in the region over the September-to-September period. The September 2013 regional rate of 8.3 percent was 1.2 percentage points below the September 2009 rate of 9.5 percent. The 0.9 percent decrease from September 2012 to September 2013 far out paces the average (-0.1%) decrease of the previous three years.
- In the Newark-Union Labor Area the unemployment rate by county ranged from a high of 10.1 percent in Essex County, to a low of 5.8 percent in Hunterdon County. In the BHP Labor Area the unemployment rate by county ranged from a high of 9.7 percent in Passaic County, to a low of 7.2 percent in Bergen County.

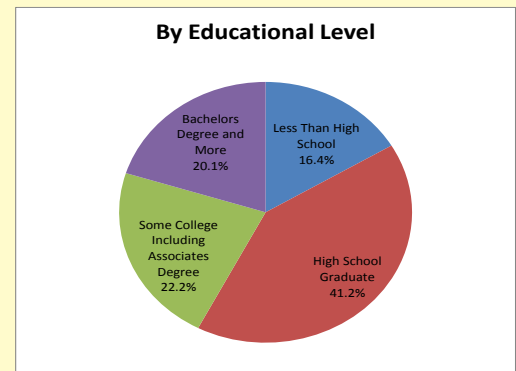
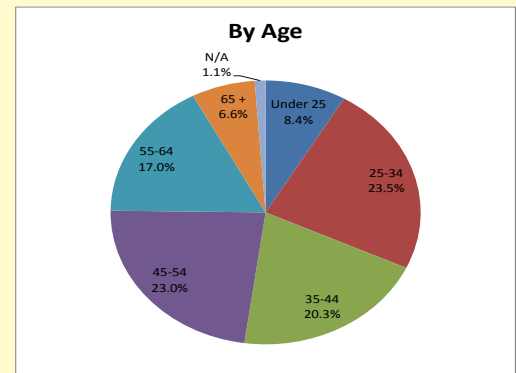
More detailed data from the Local Area Unemployment Statistics (LAUS) program can be found at:
http://lwd.dol.state.nj.us/labor/lpa/employ/uirate/lfest_index.html

CHARACTERISTICS OF NEW JERSEY'S INSURED UNEMPLOYED NORTHERN REGION, THIRD QUARTER 2013

CLAIMANTS BY OCCUPATIONAL GROUP

	Number	Percent
Management	11,865	8.5
Business and Financial	5,416	3.9
Professional and Related	18,199	13.0
Services	23,646	16.9
Sales and Related	11,218	8.0
Office and Administrative Support	23,326	16.7
Farming, Fishing and Forestry	312	0.2
Construction and Extraction	8,094	5.8
Installation, Maintenance and Repair	4,421	3.2
Production	13,893	9.9
Transportation and Material Moving	18,386	13.2
Military	777	0.6

- The majority of the Northern Region's residents who claimed unemployment insurance benefits during the third quarter of 2013 were previously employed in the services (16.9%) and office and administrative support (16.7%) occupational groups.
- The construction and extraction and installation, maintenance and repair occupational groups posted the sharpest declines (-20.2% and -19.2%, respectively) in the number of claimants from the same quarter a year ago.



¹N/A: No information provided by claimant
 Source: NJLWD, Characteristics of UI Claimants

REGIONAL INCOME, POVERTY AND HEALTH INSURANCE COVERAGE: 2012

Income, Poverty and Health Insurance Coverage, New Jersey and the Northern Region: 2012			
	Median Household Income (dollars)	Percent Persons below poverty level	Health Insurance Coverage: Percent Uninsured
New Jersey	\$69,667	10.8%	12.7%
Northern Region			
Bergen County	\$82,729	8.1%	12.0%
Essex County	\$51,009	17.5%	16.9%
Hudson County	\$57,539	16.6%	21.3%
Hunterdon County	\$105,186	4.4%	5.7%
Morris County	\$95,294	4.3%	8.9%
Passaic County	\$59,050	15.6%	18.6%
Sussex County	\$86,625	6.2%	9.2%
Union County	\$65,876	10.9%	15.8%
Warren County	\$71,086	5.6%	10.0%
<i>Source: U.S. Census Bureau, 2012 American Community Survey 1-Year Estimates</i>			

- According to figures from the American Community Survey (ACS) for 2012, five out of the nine counties in the Northern Region had a higher median household income than the state (\$69,667). With a median household income of \$105,186, Hunterdon County led the region as well as the state. Morris, Sussex, Bergen and Warren counties also had a higher median household income compared to the state in 2012.
- Four of the top five New Jersey counties ranked by median household income were in the Northern Region: Hunterdon, Morris, Sussex and Bergen ranked 1, 3, 4 and 5, respectively.
- Median household income was below the statewide level in four of the counties in the Northern Region: Essex County (\$51,009), Hudson County (\$57,539), Passaic County (\$59,050) and Union County (\$65,876).
- The northern counties of Morris (4.3%), Hunterdon (4.4%) and Warren (5.6%) counties had the lowest proportions of persons living below the poverty threshold statewide.
- Among the Northern Region's nine counties, Hunterdon had the lowest percentage of residents without health insurance (5.7%) in 2012, followed by Morris (8.9%) and Sussex (9.2%). At the other end of the spectrum, the uninsured rates were 21.3 percent in Hudson, 18.6 percent in Passaic and 16.9 percent in Essex.

More detailed data from the American Community Survey (ACS) program can be found at: http://lwd.dol.state.nj.us/labor/lpa/acs/acs_index.html

REGIONAL JOB OUTLOOK JULY 2013 - SEPTEMBER 2013

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

JOB LISTINGS BY COUNTY	
County	Listings
Bergen	18,794
Morris	17,556
Essex	14,770
Hudson	13,548
Union	8,498
Passaic	5,386
Hunterdon	2,020
Warren	1,263
Sussex	1,156

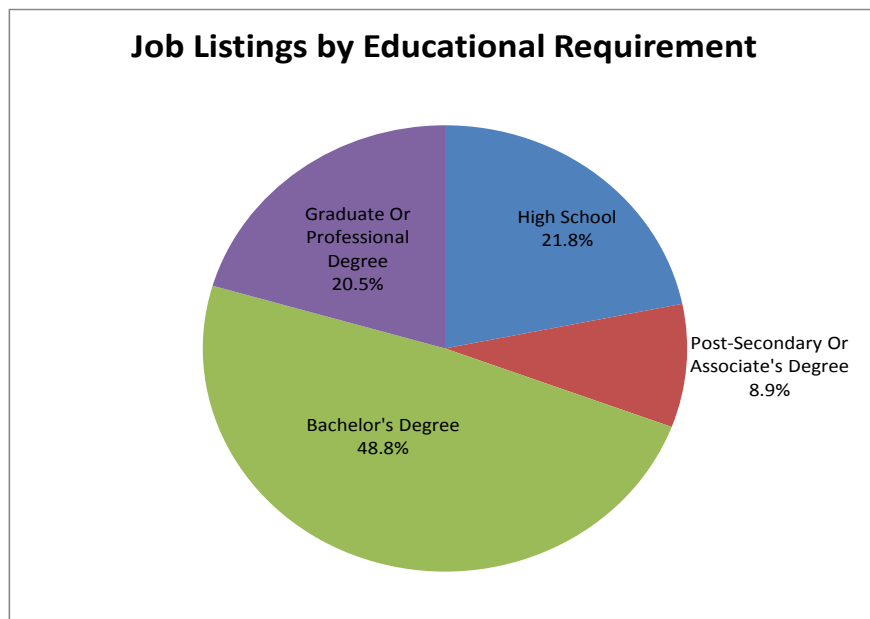
In the Northern Region during the most recent quarter employers in the professional, scientific and technical services, educational services, hospitals, food service and drinking places, insurance carriers and credit intermediation industries exhibited the most occupational demand based on online job listing activity. Concentrated in Bergen, Morris, Essex and Hudson counties, employers indicated they were interested in filling positions for retail salespersons, software developers, sales representatives, supervisors of retail salespersons, and registered nurses. Skills that were actively sought by employers included sales, accounting, mathematics and technology-related Oracle, SQL and JAVA.

OCCUPATIONS WITH THE MOST LISTINGS	
Occupation	Listings
Retail Salespersons	3,143
Software Developers, Applications	2,535
Sales Reps., Wholesale And Manufacturing, Except Technical And Scientific Products	2,086
First-Line Supervisors Of Retail Sales Workers	2,041
Registered Nurses	2,024
Computer Systems Analysts	1,886
Medical And Health Services Managers	1,639
Customer Service Representatives	1,473
Managers, All Other	1,411
Computer User Support Specialists	1,241
Heavy And Tractor-Trailer Truck Drivers	1,217
Sales Managers	1,172
Management Analysts	1,069
Computer Programmers	1,054
Marketing Managers	1,037

INDUSTRIES WITH THE MOST JOB LISTINGS	
Industry	Listings
Professional, Scientific, And Technical Services	5,783
Educational Services	4,157
Hospitals	3,586
Food Services And Drinking Places	3,204
Insurance Carriers And Related Activities	3,101
Credit Intermediation And Related Activities	3,003
Chemical Manufacturing	2,855
Ambulatory Health Care Services	2,140
General Merchandise Stores	1,311
Securities, Commodity Contracts, And Other Financial Investments And Related Activities	1,109
Administrative And Support Services	1,046
Accommodation	1,017
Nursing And Residential Care Facilities	826
Social Assistance	826
Clothing And Clothing Accessories Stores	718

TOP SKILLS IN DEMAND	
Skill	Listings
Sales	4,786
Accounting	3,827
SQL	3,191
Oracle	2,920
Scheduling	2,778
Mathematics	2,632
JAVA	2,360
Merchandising	2,169
Business Development	2,132
Repair	2,121
Product Sale and Delivery	2,082
SAP	1,920
Business Process	1,910
Business Analysis	1,676
Validation	1,607

EMPLOYERS WITH SIGNIFICANT ONLINE JOB LISTING ACTIVITY	
Hackensack University Medical Center	
Sears	
Kpmg	
Macy's	
Novartis	
JP Morgan Chase Company	
Celgene Corporation	
Prudential	
Bank of America	
Atlantic Health	
Barnabas Health	
Pizza Hut	
Toys"R"Us, Inc	
Merck & Company	
TD Bank	



Source: Burning Glass Technologies, Labor Insight

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

Higher Education Continues to Support Construction Employment

Montclair State University (Essex County) broke ground on a \$121 million construction project in September. The project, which includes a 107,500-sq. ft. Center of Environmental and Life Sciences and a 143,000-sq. ft. School of Business, is expected to take two years to complete and generate roughly 1,500 construction and support jobs. A large part of the funding will be provided through the state's Building Our Future Bond Act. The act provides \$750 million for projects to increase academic capacity at New Jersey's educational institutions.

This project is the latest example of construction projects underway at the state's colleges and universities which have been aiding payrolls in the industry. Major redevelopment projects are also underway in the Central Region at Princeton University (Mercer County) and in the Southern Region at Rowan University (Gloucester County).

Revitalization in Newark

In September the Panasonic Corporation of North America opened its new state-of-the-art headquarters in Newark bringing 800 jobs to the city. Panasonic plans to create an additional 200 new jobs over the next ten years. The 340,000-sq. ft. structure is reported to be the first new office building constructed in Newark in more than 20 years.

A ribbon-cutting ceremony was held for Teachers Village during September in the city's downtown district. The \$150 million project brought three charter schools, a day care center and about 200 apartments marketed towards teachers to the city's main intersection at Broad and Market streets. The eight building neighborhood also includes retail space. Planned tenants include a fitness center, floral shop, Provident Bank and several eateries. The project which received nearly \$40 million in tax credits from the state Economic Development Authority and \$60 million in federal New Markets tax credits is designed to help revitalize the business district.

Basketball legend Shaquille O'Neal and New Brunswick-based Boraie Development held a groundbreaking for a 23-story apartment complex in Newark. The 169-unit building is reported to be the first new high-rise apartment building in downtown Newark in 50 years. The \$61 million project was awarded \$23.8 million in Urban Transit Hub tax grants from the state Economic Development Authority. The project begins just a year after O'Neal came to Newark to open Cinplex 12, the city's only major movie theater.

In September, Joe's Crab Shack opened a 5,400-sq. ft. restaurant in Newark. The Newark location in the Courtyard Marriott hotel marks the fifth Joe's Crab shack to open in New Jersey in the past few years. The Southern-style seafood restaurant will employ 140 full-time workers.

Grocery Stores Open in North Jersey

Whole Foods recently signed a lease for a 29,000-sq. ft. store in downtown Newark which is expected to bring roughly 150 jobs to the city. The new store is an anchor for a redevelopment project at the Hahn & Company building which also includes residential and office space. Whole Foods is the second major grocery store to announce plans to come to Newark. ShopRite announced in May it will build a new 67,000-sq. ft. store.

Aldi opened a new store in Lodi in October. This is the discount supermarket chain's second store in Bergen County and its 29th store in New Jersey. Aldi expects to add six to eight stores per year in New Jersey and eastern Pennsylvania.

Super Supermarket opened in Paterson to anchor a \$35 million redevelopment project. The 30,000-sq. ft. building was built along the Passaic River in an area badly damaged by Hurricane Irene in 2011 and is designed to withstand the type of flooding brought by the storm. The first phase of this project also includes an Advance Auto Parts store and clock tower.

Biopharma Developments

In 2009, after pharmaceutical company Merck acquired Schering-Plough for \$41.1 billion, restructuring plans were announced which included relocating Merck's global headquarters from Whitehouse Station (Hunterdon County) to an existing Summit (Union County) facility. However, in October 2013, the company changed plans in an effort to achieve greater cost savings and operational synergies. As a result, while Merck's headquarters will remain in New Jersey, the company has decided to close the Summit site and instead consolidate operations into the former Schering-Plough's world headquarters located in Kenilworth (Union County).

Bayer Healthcare held a ribbon cutting for its new 94-acre U.S. headquarters located in Whippany (Morris County). This new location consolidates operations that had been spread out among sites in Montville, Morristown, and Wayne, N.J. and in Tarrytown, N.Y. In addition to bringing together approximately 2,400 employees, the company plans to create 500 new jobs at this location.