

# Regional Focus: North Jersey

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

## Employment Advances in Northern New Jersey

Total nonfarm employment in the eight-county Northern Region, consisting of the Bergen-Hudson-Passaic and Newark-Union labor areas, increased by 26,100 jobs since June 2012, to reach a non-seasonally adjusted level of 1,902,600 in June 2013. This marks the second consecutive yearly increase for employment over the June-to-June period. Prior to 2012, employment in the Northern Region experienced four consecutive years of decline. The region's 1.4 percent increase in jobholding from June 2012 to June 2013 was slightly less than the statewide employment increase of 1.6 percent.

Regional employment advanced from the same month a year ago in all but two industry sectors, manufacturing (-1,400 or -1.1%) and information (-900 or -2.3%). Leisure and hospitality experienced the most significant job growth (+7,500 or +5.2%). The region's 5.2 percent job gain in leisure and hospitality is the largest June-to-June increase recorded by Current Employment Statistics going back to 1990 (earliest data available) and far outpaces the average annual increase of 1.0 percent experienced over the past five years. Other industries that experienced employment gains during the period were educational and health services (+6,700 or +2.3%), trade, transportation and utilities (+5,400 or +1.3%), professional and business services (+3,900 or +1.3%), construction (+3,700 or +6.1%), and government (+1,300 or +0.5%).

## Newark-Union Labor Area the Regional Job Growth Leader

Over the year, employment advanced in both of the Northern Region's labor areas. The five-county Newark-Union Labor Area led the region with an increase of 14,400 jobs or 1.5 percent to total 1,000,900 nonfarm jobs in June 2013. Payrolls in the Bergen-Hudson-Passaic (BHP) Labor Area were up by 11,700 jobs or 1.3 percent over the same month a year ago reaching a level of 901,700 jobs in June 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 (47.0%). The Newark-Union and BHP labor areas rank second and third, respectively, by level of nonfarm employment, behind only the Edison Labor Area (Central Region, 1,044,100 jobs in June 2013).

In the Newark-Union Labor Area, leisure and hospitality (+5,000 or +6.5%) and construction (+3,000 or +9.0%) experienced the largest job gains. Although leisure and hospitality had the largest payroll increase, construc-



Change in Nonfarm Employment June 2012 - June 2013 (p) (not seasonally adjusted)				
	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	26,100	1.4	63,600	1.6
Private Sector	24,800	1.6	57,400	1.7
Construction	3,700	6.1	7,500	5.7
Manufacturing	-1,400	-1.1	-400	-0.2
Trade, Trans. & Utilities	5,400	1.3	8,100	1.0
Information	-900	-2.3	-4,300	-5.5
Financial Activities	400	0.3	1,800	0.7
Prof. & Business Svcs.	3,900	1.3	16,200	2.6
Ed. & Health Svcs.	6,700	2.3	22,200	3.6
Leisure & Hospitality	7,500	5.2	5,700	1.5
Other Services	-500	-0.6	600	0.4
Government	1,300	0.5	6,200	1.0

Source: NJLWD, Current Employment Statistics

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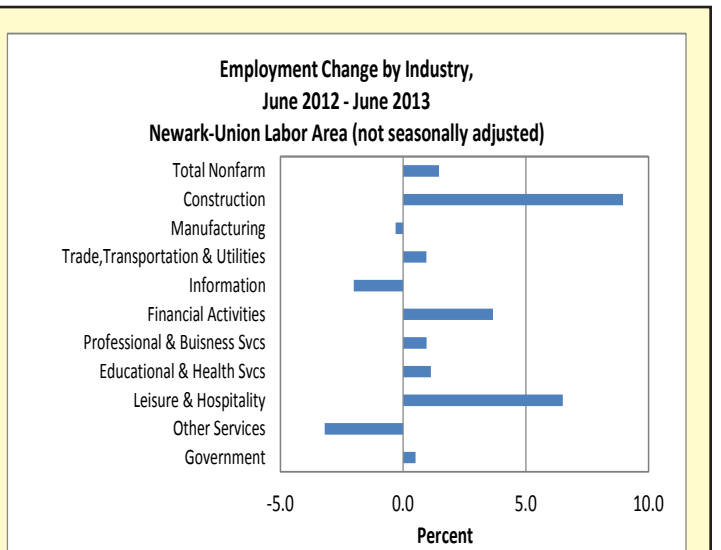
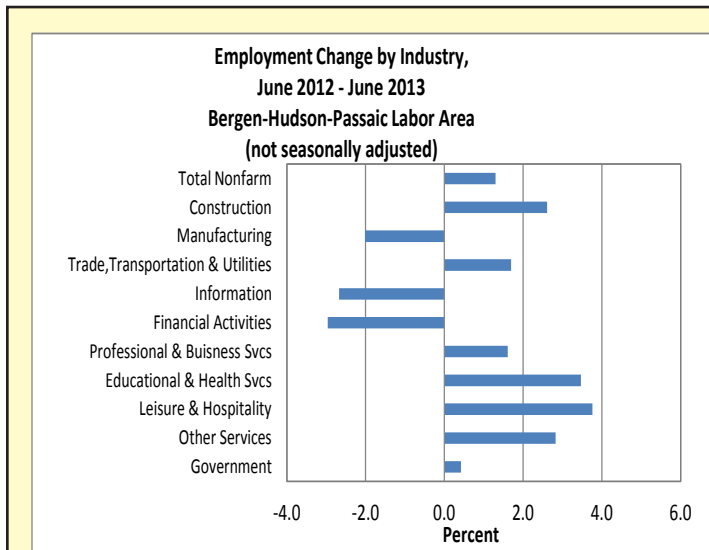
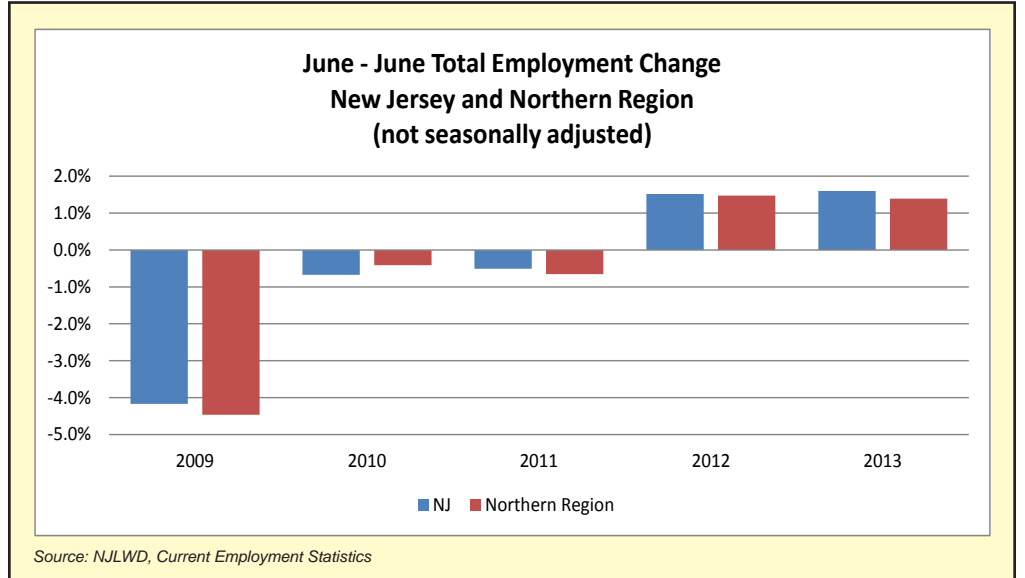


tion was the labor area's fastest growing sector. The rise in construction employment was aided by the rebuilding efforts following Superstorm Sandy and marks the first increase in employment in six years. Only three industry sectors shed employment in the Newark-Union Labor Area; the largest decline occurred in other services (-1,500 or -3.2%) followed by information (-400 or -2.0%) and manufacturing (-200 or -0.3%). The area's manufacturing payrolls could also be negatively impacted in the near future due to the planned closing of facilities in Morristown, Morris County (Colgate-Palmolive, -350 jobs) and Kenilworth, Union County (Merck, -113).

In the Bergen-Hudson-Passaic (BHP) Labor Area, the greatest employment gains occurred in the educational and health services (+5,000 or +3.5%), trade, transportation and utilities (+3,500 or +1.7%) and leisure and hospitality sectors (+2,500 or +3.8%). Financial activities experienced the largest decrease (-2,100 or -3.0%) in the BHP Labor Area, followed by manufacturing (-1,200 or -2.0%).

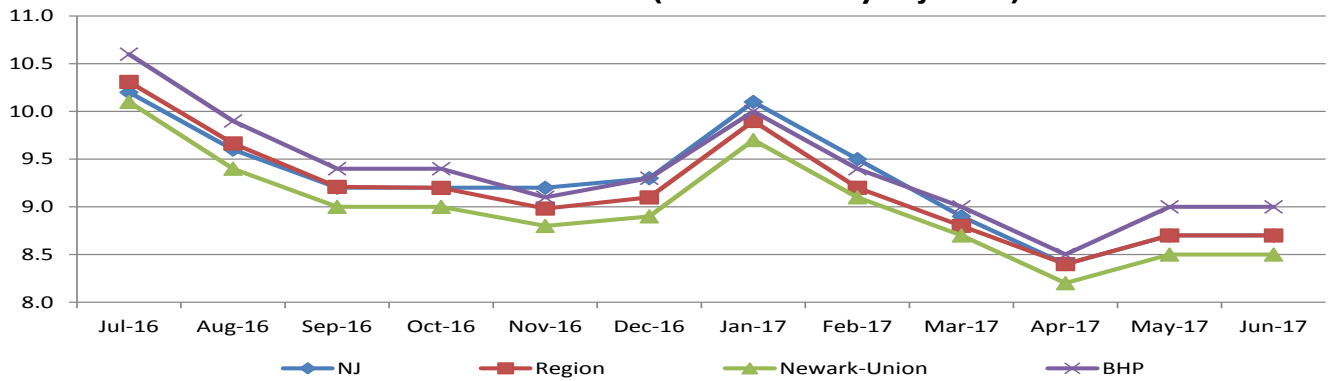
Total Nonfarm Employment (unadjusted June data, employment in thousands)						
	2008	2009	2010	2011	2012	2013
New Jersey	4,135.8	3,963.3	3,936.7	3,916.6	3,976.0	4,039.6
Northern Region	1,956.4	1,869.1	1,861.4	1,849.2	1,876.5	1,902.6
Bergen-Hudson-Passaic Labor Area (Bergen, Hudson and Passaic counties)	911.3	875.1	877.5	877.7	890.0	901.7
Newark-Union Labor Area (Essex, Hunterdon, Morris, Sussex and Union counties)	1,045.1	994.0	983.9	971.5	986.5	1,000.9

Source: NJLWD, Current Employment Statistics



Source: NJLWD, Current Employment Statistics

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



Source: NJLWD, Local Area Unemployment Statistics (LAUS)

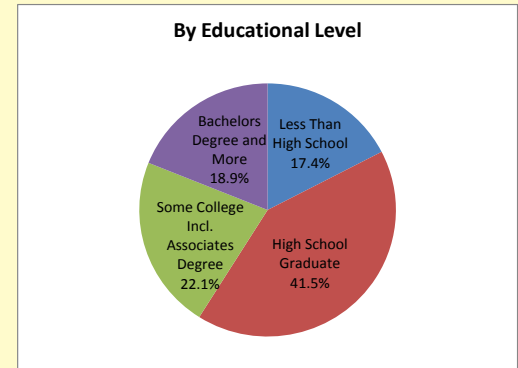
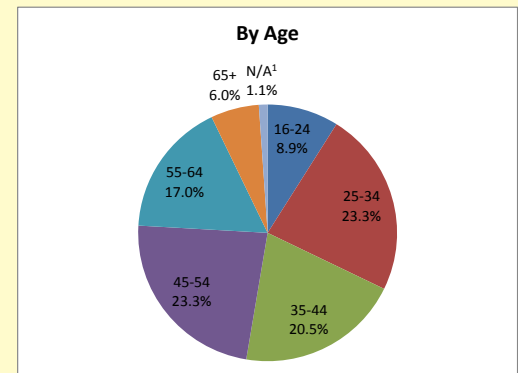
- In June 2013, the not seasonally adjusted unemployment rate for the Northern Region (9.1%) was 0.7 percentage point lower than the June 2012 rate (9.8%). Over the year, the region's unemployment rate ranged from a high of 10.3 percent in July 2012 to a low of 8.4 percent in April 2013. The June 2013 unadjusted unemployment rate for the region was equal to the statewide rate of 9.0 percent.
- The region's labor force accounts for nearly half of the state's labor force (46.2%). The number of labor force participants is slightly higher in the Newark-Union Labor Area (1,099,100 or 50.8% of the regional labor force) than in the Bergen-Hudson-Passaic Labor Area (1,063,400 or 49.2% of the regional labor force).

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

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

CLAIMANTS BY OCCUPATIONAL GROUP		
	Number	Percent
Management	12,196	8.6
Business and Financial	5,239	3.7
Professional and Related	15,406	10.9
Services	23,560	16.7
Sales and Related	11,644	8.2
Office and Administrative Support	24,111	17.0
Farming, Fishing and Forestry	345	0.2
Construction and Extraction	10,042	7.1
Installation, Maintenance and Repair	5,078	3.6
Production	14,948	10.6
Transportation and Material Moving	17,914	12.7
Military	763	0.5

- The majority of the Northern Region's residents who collected unemployment insurance benefits during the second quarter of 2013 were previously employed in office and administrative support (17.0%) and services (16.7%) occupational groups.
- More than half (58.9%) of the claimants in the region had no further education beyond high school.



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

## 2012 REGIONAL POPULATION ESTIMATES

Intercensal Population Estimates for New Jersey and the Northern Region: 2010 to 2012				
	Population		Change	
	2010	2012	Number	Percent
New Jersey	8,791,894	8,864,590	72,696	0.8%
Northern Region	4,239,658	4,285,939	46,281	1.1%
Bergen County	905,116	918,888	13,772	1.5%
Essex County	783,969	787,744	3,775	0.5%
Hudson County	634,266	652,302	18,036	2.8%
Hunterdon County	128,349	127,050	-1,299	-1.0%
Morris County	492,276	497,999	5,723	1.2%
Passaic County	501,226	502,885	1,659	0.3%
Sussex County	149,265	147,442	-1,823	-1.2%
Union County	536,499	543,976	7,477	1.4%
Warren County	108,692	107,653	-1,039	-1.0%
Source: U.S. Census Bureau, Population Division				

Intercensal population estimates reconcile the postcensal estimates (2000-based estimates, prepared prior to the 2010 Census) with the 2010 Census counts and provide a consistent time series of population estimates that reflect the most recent census results. Detailed intercensal population data can be found at: [http://lwd.dol.state.nj.us/labor/lpa/dmo-graph/est/est\\_index.html](http://lwd.dol.state.nj.us/labor/lpa/dmo-graph/est/est_index.html)

- In 2012 the nine-county Northern Region had an estimated 4.28 million residents and accounted for 48.4 percent of the state's total population. From 2010 to 2012 the region's population increased by 1.1 percent (or 46,281) compared to the state's increase of 0.8 percent. Bergen (population 918,888) was still the most populous county in New Jersey as of 2012, and Essex (787,744) ranked third.
- Following the statewide trend, the region's more urbanized counties accounted for all of the population growth, so far in this decade while rural counties experienced population declines. With a 2.8 percent population gain since the 2010 Census, Hudson was the fastest growing county in the region and the state; Bergen (+1.5%) ranked third statewide. The substantial population growth in Hudson County was a result of large natural increment and migration. The county's 11,700 increase from natural increment (surplus of births over deaths) was the largest in the state, and its 6,100 net migration (more in-migration from abroad and other counties than out-migration) was the second largest in the state (next to Bergen's 9,500).

- The region's rural counties were also the state's most rapid declining counties, Sussex (-1.2%), Hunterdon (-1.0%) and Warren (-1.0%). These three rural counties also had the largest numeric loss of population across the state.
- In 2012, NJ had six "majority-minority" counties (those counties where the white non-hispanic population was less than 50.0%) – including four in the northern region, Hudson, Essex, Passaic and Union. However, the share of minority population remained low in Sussex (11.8%) and Hunterdon (12.9%) counties, as of 2012.

## REGIONAL JOB OUTLOOK APRIL 2013 - JUNE 2013

The New Jersey Department of Labor and Workforce Development through its agreement with Burning Glass Technologies is able to provide the 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
Morris	12,491
Bergen	11,371
Essex	9,177
Hudson	8,780
Union	5,556
Passaic	3,060
Hunterdon	958
Warren	781
Sussex	706

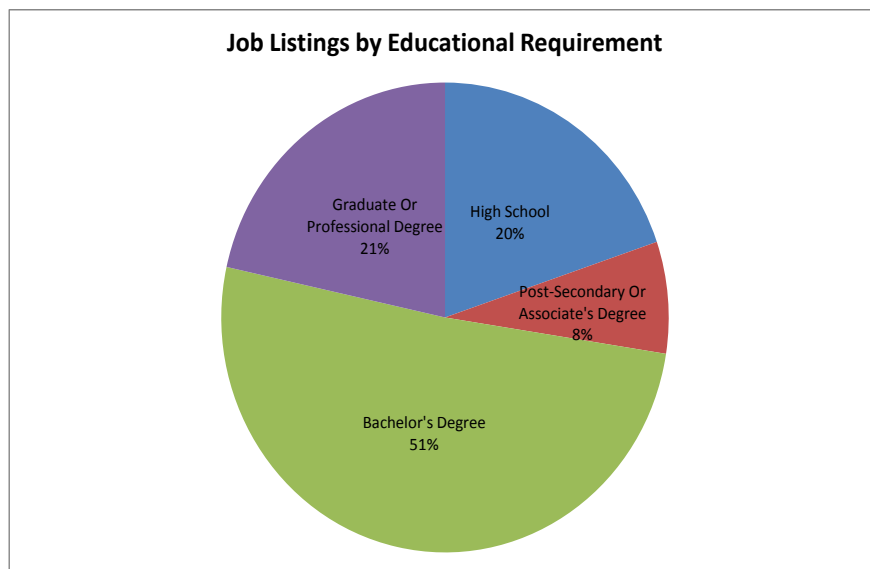
In the Northern Region during the most recent quarter employers in the professional, scientific and technical services, educational services, insurance carriers, chemical manufacturing, credit intermediation and hospitals industries exhibited the most occupational demand based on online job listing activity.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

OCCUPATIONS WITH THE MOST LISTINGS	
Occupation	Listings
Software Developers, Applications	2,749
Sales Reps, Wholesale & Mfg, Excl. Technical And Scientific Products	1,378
Retail Salespersons	1,331
Computer Systems Analysts	1,190
Registered Nurses	1,124
Managers, All Other	1,025
First-Line Supervisors Of Retail Sales Workers	1,006
Medical And Health Services Managers	989
Marketing Managers	888
Sales Managers	866
Customer Service Representatives	824
Management Analysts	767
Financial Analysts	702
Accountants	700
Computer User Support Specialists	626

INDUSTRIES WITH THE MOST JOB LISTINGS	
Industry	Listings
Professional, Scientific, And Technical Services	5,593
Educational Services	2,763
Insurance Carriers And Related Activities	2,552
Chemical Manufacturing	2,441
Credit Intermediation And Related Activities	1,813
Hospitals	1,569
Ambulatory Health Care Services	1,509
Administrative And Support Services	1,471
Food Services And Drinking Places	1,364
Securities, Commodity Contracts, And Other Financial Investments And Related Activities	897
Computer & Electronic Product Manufacturing	723
General Merchandise Stores	717
Accommodation	715
Electronics And Appliance Stores	457
Real Estate	419

TOP SKILLS IN DEMAND	
Skill	Listings
Accounting	3,391
Sales	3,227
Oracle	2,805
SQL	2,687
Scheduling	2,131
JAVA	2,003
Business Development	1,889
SAP	1,881
Business Process	1,840
Repair	1,674
Mathematics	1,570
Business Analysis	1,455
UNIX	1,399
Product Sale and Delivery	1,324
Data Management	1,306

EMPLOYERS WITH SIGNIFICANT ONLINE JOB LISTING ACTIVITY
Novartis
Automatic Data Processing Inc.
Celgene Corporation
Kpmg
Atlantic Health
Accenture
Barnabas Health
Prudential
Deloitte Development LLC
JP Morgan Chase Company
Sears
New Jersey Institute of Technology
Bayer Corporation
PNC Financial Services Group, Inc.
Merck & Company



Source: Burning Glass Technologies, Labor Insight

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

## Data Centers Grow in New Jersey

As technology advances at exponential rates and data capacity inevitably increases, so does the need for storage. As core applications that run businesses become more complex, demand increases for places to house their servers and other IT infrastructure. Housing data storage at an off site location also helps companies back up vital operations. Demand for colocation storage facilities or data centers that process these operations and provide the necessary storage is rapidly increasing here in Northern New Jersey.

Data centers are necessary for many different industries, both public and private. Given New Jersey's proximity to Manhattan, its cost-effective electric power and real estate rates compared to neighboring regions, and its availability of space to build large data center facilities, the northern part of the state is the perfect place to house the IT support applications of the world's most prominent financial district. With more than 40 data centers already located in the state, more than half are located in Hudson County alone.

Aside from the high concentration of financial services firms, hospitals and other companies in the healthcare industry as well as pharmaceutical companies are also packed into the northern portion of the state and are in need of data warehousing space and application services. The area has become a hotspot for data center growth over the last ten years, and according to QuoteColor (a colocation service broker and web hosting provider), has become the most "data dense" data center market in the entire United States.

From an employment standpoint, colocation data centers don't require many workers on site. However, with the Northern New Jersey area growing in popularity for its increasing density of data centers, the area could theoretically draw much more employment to the region in the years to come. With a fortified IT infrastructure and ample data storage facilities already in place and more being continually added, the region is a welcoming area for many more data-centric companies to land their operations. Some of the data centers currently under development in the region are re-purposing current industrial sites. In Secaucus, CoreSite (280,000-sq. ft) and Internap Network Services (101,600-sq.ft.) plan to redevelop data centers at existing structures. Server Farm Realty (67,000-sq.ft) plans to convert an existing building in Leonia into a data center. Some existing data centers plan to expand

capacity. For example, Telx (215,000-sq.ft.) is constructing a new building adjacent to their current Clifton location. FiberMedia (15,000-sq.ft.) is expanding a Secaucus data center and has acquired rights to lease additional space.

## New Grocery Stores Continue to Open in Newark

ShopRite recently signed a 20-year lease for a 67,000-sq.ft. supermarket and plans to break ground in the fall. The Springfield Avenue Marketplace location will be part of a new development featuring 150 apartments and stores. The new supermarket will be the largest in Newark and is expected to create 300 full and part time jobs. ShopRite will join Food Depot Supermarket which opened in February 2012 and was Newark's first supermarket to open in decades and Key Food which opened a store in December 2012.

## Port Authority Breaks Ground on New Harrison PATH Station

In August the Port Authority began a \$256 million project to replace the 77-year-old PATH station in Hudson County. The Harrison facility is a busy commuter stop between Newark and Jersey City that serves 7,000 commuters a day. Construction is expected to create more than 450 jobs, while generating some \$344 million in economic growth. Estimated completion of the project is 2017.

## David's Cookies Opens New Facility

In August, David's Cookies held a grand opening for the company's new 160,000-sq.ft. production facility. The company plans to consolidate its 350-plus employees from Longwood, FL and Fairfield, NJ at the new Cedar Grove facility.

## Special Events Generate Hotel Demand

Preparations for special events coming to the northern region such as the 2014 Superbowl and Grand Prix planned for the summer of 2014 is benefiting the construction sector. According to Lodging Econometrics, nearly 4,000 new hotel rooms are planned or under development throughout northern and central New Jersey. Hotels under construction in the Northern Region include a 154-room Residence Inn by Marriott (Secaucus) which is due to open before February. Infrastructure work underway to prepare for Formula One racing includes roadway improvements and additional parking garages.