

NJ Labor Market Views

issue #24

A Pre-Hurricane Sandy Portrait of New Jersey's Hardest Hit Areas *by Bureau of Labor Market Information Staff*



Thirteen months after Hurricane Irene struck New Jersey in August, 2011, Hurricane Sandy brought even greater and more widespread destruction to the Garden State than its predecessor. The infrastructure and economy of much of New Jersey felt the devastating impact of winds and surging waters as the center of Hurricane Sandy swept onshore October 29, 2012, north of Atlantic City. The hurricane resulted in dozens of deaths, knocked out power to more than 2.5 million homes and businesses and, according to preliminary estimates by the Federal Emergency Management Agency (FEMA), the storm damaged or destroyed more than 72,000 homes and businesses in New Jersey.

The preliminary estimate of recovery cost of the damage and destruction to homes, businesses, utilities and other structures in New Jersey is nearly \$37 billion. The near and longer term impacts on the state, its economy and labor markets, however, will take more time to come into focus.

Although a great deal of news coverage focused on the devastating impact of the storm on the barrier island shore communities and their homes, boardwalks and businesses, the effects from Hurricane Sandy were felt across the entire Garden State with all 21 counties declared eligible for disaster relief. Severe and widespread damage also occurred in counties like Bergen, Essex and Hudson, with very



different economies, labor markets and higher population densities than the shore resorts.

To provide some perspective on the impact of the "super storm," this edition of NJ Labor Market Views provides a brief look at pre-Sandy conditions

in New Jersey and in the ten counties that were hit the hardest by the storm. While the designation of a major disaster area was eventually extended to the entire state, the counties highlighted in this edition, Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, Somerset and Union were the hardest hit areas. These ten counties were the first in New Jersey to be designated as major disaster areas.

Labor Force Density

Some of New Jersey's most densely populated areas also were among the hardest-hit areas by damage from Hurricane Sandy. Of the

Hurricane Sandy - NJ Recovers

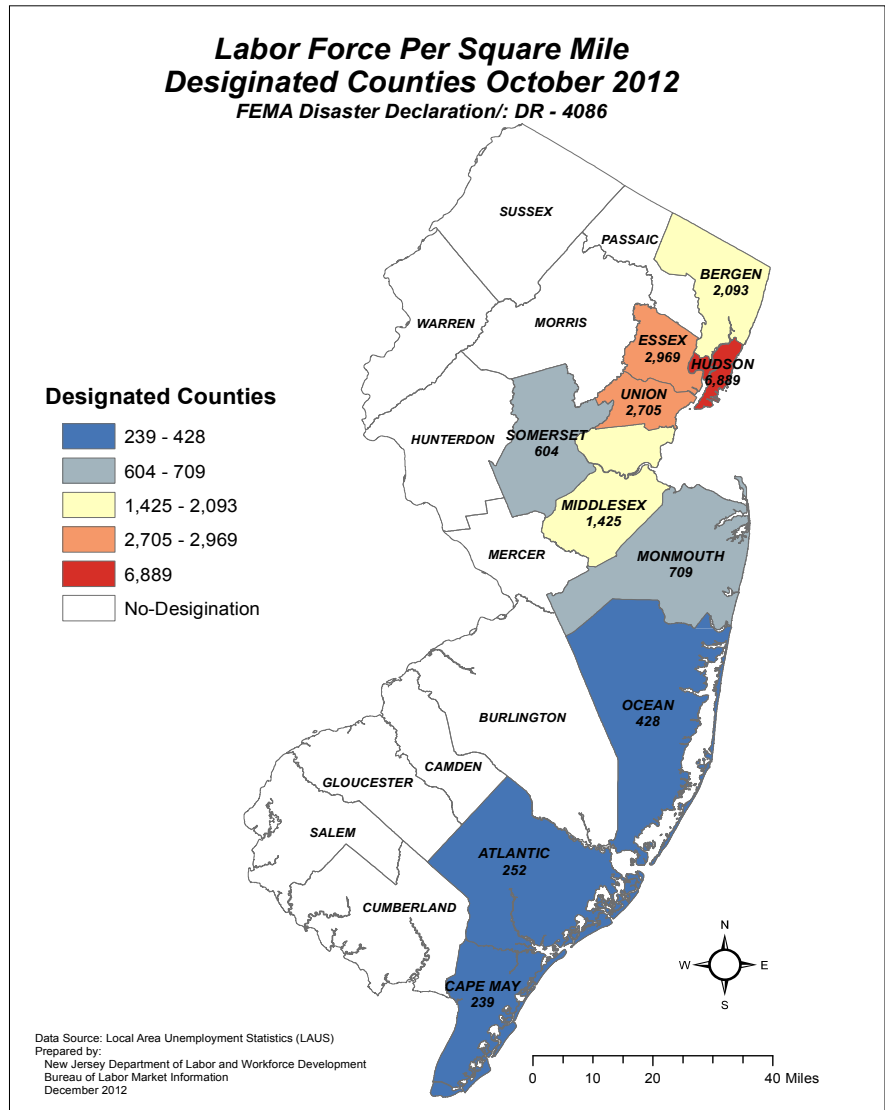
As New Jersey recovers from the devastation of Hurricane Sandy, special editions of NJ Labor Market Views will provide key insights into the impact of the storm, and areas and conditions it affected. The full series of NJ Labor Market Views is available by clicking [here](#). For information on the data in this issue contact Frank Ferdetta at: frank.ferdetta@dol.state.nj.us

Access to a wide range of assistance is available online at the Department of Labor and Workforce Development (LWD) "Hurricane Sandy Help Center for NJ Workers and Businesses." The site provides links to programs for people, workers and businesses seeking help after the storm and for people seeking to help those affected by Hurricane Sandy. The Help Center site can be reached through the LWD homepage: www.NJ.gov/labor.

*Scan to visit Labor
Planning and Analysis
online:*

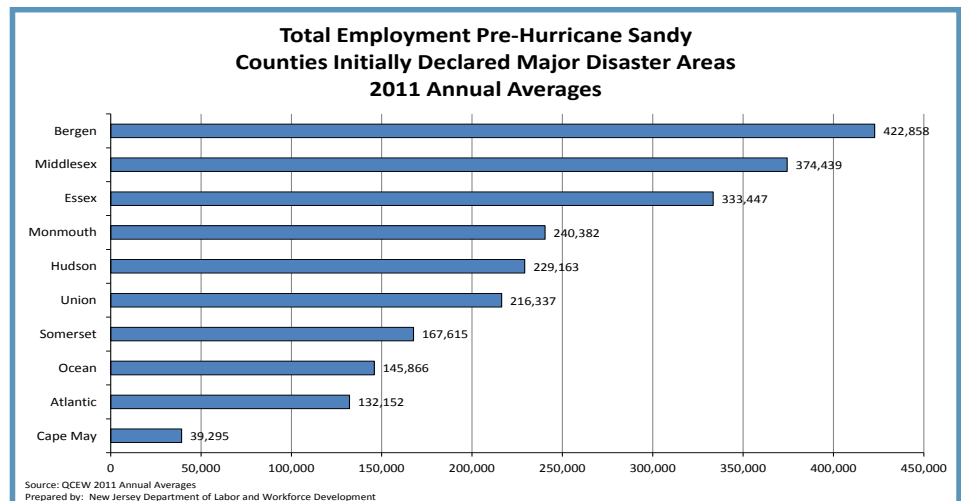


ten New Jersey counties highlighted here, seven are among the top ten counties statewide in terms of labor force density. All of these counties ranked among the top ten percent nationally in labor force density. The five New Jersey counties with the highest number of labor force participants per square mile during October 2012 also were among those hardest hit by Sandy. All of these counties are located in the northeastern part of the state. The counties of Hudson, Essex, Union, Bergen and Middlesex accounted for more than 41 percent of the state's labor force during October 2012. The number of labor force participants in the ten designated counties ranged from almost 488,000 in Bergen County to just over 60,000 in Cape May County while the unemployment rates ranged from 7.5 percent in Somerset County to 12.9 percent in Atlantic County.



Total Employment in Affected Counties

In 2011 (annual averages) the number of jobs in the ten hardest-hit counties totaled over 2.3 million jobs or 61.6 percent of statewide employment. The northeastern counties (Bergen, Hudson, Middlesex, Union and Essex) accounted for 69.5 percent of this employment while the shore counties (Atlantic, Cape May, Monmouth and Ocean) were respon-



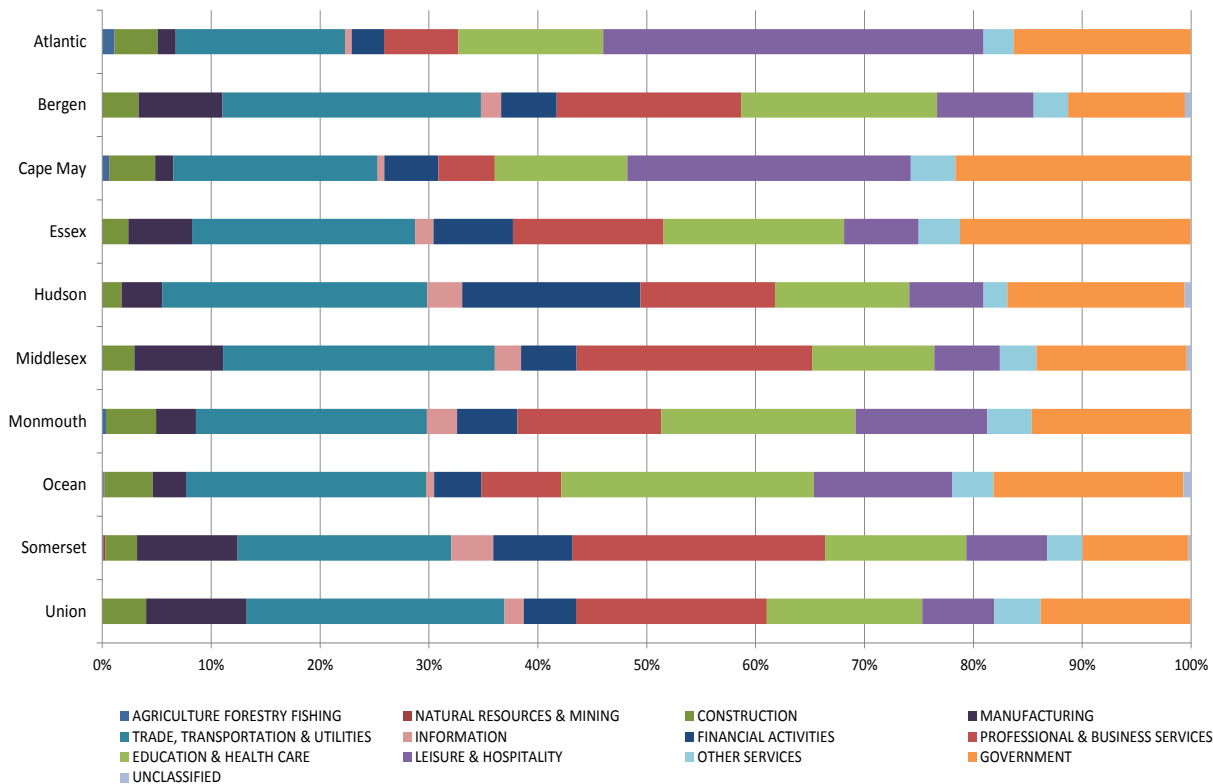
sible for just over 24 percent of affected employment.

Industry Employment in The Ten Counties

Before Hurricane Sandy hit, the private sector industry with the largest employment base in the ten designated counties was trade, transportation and utilities (TTU) with about 513,000 jobs in 2011 (annual average). Bergen County led the region with 100,000 jobs in TTU, with just over half the employment in the retail trade sector. TTU along with professional and business services (357,241 jobs), education and health services (353,491) and leisure and hos-

pitality (229,381) were responsible for 74 percent of the employment in these ten counties. Leisure and hospitality, which includes the state's tourism industries, accounted for 42 percent (46,156) of the jobholding in Atlantic County and one third of Cape May County's employment base (10,231 jobs). New Jersey's other shore counties, Monmouth and Ocean also had significant employment in this sector, 29,000 and 18,500 jobs, respectively. The information sector with payrolls of 49,023 was the smallest industry sector in the ten counties. Total government employment stood at just under 342,000 jobs in 2011 or 14.2 percent of total employment in the ten county area.

Percent Distribution of Total Employment Pre-Hurricane Sandy
Counties Initially Declared Major Disaster Areas
2011 Annual Averages



Source: QCEW 2011 Annual Averages
Prepared by: New Jersey Department of Labor and Workforce Development

Occupational Employment By Metropolitan Statistical Area

Data on occupations is not available at the county level. The charts to the right illustrate the employment levels of the top ten occupations in the five Metropolitan Statistical Areas (MSA) that were most directly affected by Hurricane Sandy. In general, these occupations tend to be relatively lower paying and are most often found in service-providing industries. For example, retail salespersons and cashiers rank in the top four occupations in all five MSAs. Registered nurses are generally the exception to this trend as they have higher education requirements and corresponding higher wages. They appear on all lists except the Ocean City MSA (Ocean County). The Atlantic City MSA (Atlantic County) is distinct among this group due to the casino and gaming industry in Atlantic City. Gaming dealers are the largest occupation in this area while gaming supervisors rank tenth. Because the gaming industry employs high numbers of security guards that occupation ranks eighth.

**Largest Occupations in Atlantic City MSA
(Atlantic County)**



**Largest Occupations in Bergen-Hudson-Passaic MSA
(Bergen, Hudson & Passaic Counties)**



**Largest Occupations in Ocean City MSA
(Cape May County)**



Largest Occupations in Edison MSA (Middlesex, Monmouth, Ocean and Somerset Counties)



Largest Occupations in Newark Union MSA (Essex, Hunterdon, Morris, Sussex and Union Counties)



Demographic, Housing and Employment of Residents in Designated Counties

The ten county initial disaster region had a 2010 population of 5,571,913 and accounted for over 63 percent of the statewide population (8,791,894) according to the U.S Census Bureau's 2010 Census. County population ranged from 905,116 in Bergen, the state's most populous county, to 97,265 in Cape May, the second least populated county in the state. Over 30 percent of the area's population was 62 years of age and over and 23.4 percent was under the age of 18 in 2010.

The ten designated counties had a total of 2,314,511 housing units according to the 2010 Census. The four shore counties of Atlantic, Cape May, Monmouth and Ocean combined for 761,418 housing units, of which 21.3 percent (161,665) were vacant. Of the vacant housing units in the shore counties 117,202 (or 72.0%) are seasonal units that are available for rent during the peak summer tourism season; the majority of the seasonal vacant units were in Cape May (48,814 units) and Ocean (42,056) counties. As a result, many of the area's resort municipalities see their populations swell during the summer months. For example it is estimated that

the population in Ocean City (Cape May County) increases in season to 44,595 from a year-round population of 11,701 and Ocean County's Long Beach Township's population increases from 3,051 to 20,785 during the peak tourism season as estimated by the New Jersey Department of Labor & Workforce Development. The Department also provides the New Jersey State Police (NJSP) with seasonal household population estimates on a yearly basis; the entire data set for the forty-nine resort municipalities can be found on the Internet in the NJSP Uniform Crime Report: <http://www.state.nj.us/njsp/info/ucr2010/>

The U.S. Census Bureau's Local Employment Dynamics program estimates that during 2010 there were

2,284,020 employed persons living in the major disaster areas. Of these, over 59 percent worked outside of their county of residence area. Hudson (71.2%), Somerset (69.4%) and Union (67.7%) counties exported the most residents to work in other areas. Atlantic (68.5%), Cape May (54.6%), Monmouth (44.3%) and Ocean (43.7%) counties had the highest percentages of residents who worked in their home counties. Detailed Local Employment Dynamics data for the ten designated counties can be found on the New Jersey Department of Labor & Workforce Development's internet site: http://lwd.dol.state.nj.us/labor/lpa/employ/led/localemploydynamics_index.html

Population, Housing Occupancy and Vacant Status by County and Municipality: 2010 Census of Population & Housing New Jersey and Ten Designated Counties											
Area Name	Total Population	Total Housing Units	Occupied Housing Unit	Vacant Housing Units							
				Total Vacant	For Rent	Rented, not occupied	For sale only	Sold, not occupied	For seasonal, occasional use	For migrant workers	Other vacant
New Jersey	8,791,894	3,553,562	3,214,360	339,202	92,118	4,578	39,260	8,145	134,903	156	60,042
Atlantic County	274,549	126,647	102,847	23,800	3,469	180	1,837	366	15,231	21	2,696
Bergen County	905,116	352,388	335,730	16,658	6,807	373	2,665	900	2,093	4	3,816
Cape May County	97,265	98,309	40,812	57,497	4,427	231	1,414	181	48,814	17	2,413
Essex County	783,969	312,954	283,712	29,242	16,537	656	3,259	620	924	1	7,245
Hudson County	634,266	270,335	246,437	23,898	11,918	509	3,785	468	1,343	27	5,848
Middlesex County	809,858	294,800	281,186	13,614	5,303	281	2,719	601	1,244	4	3,462
Monmouth County	630,380	258,410	233,983	24,427	5,271	318	2,838	739	11,101	13	4,147
Ocean County	576,567	278,052	221,111	56,941	4,822	318	4,565	841	42,056	4	4,335
Somerset County	323,444	123,127	117,759	5,368	1,775	139	1,038	271	730	4	1,411
Union County	536,499	199,489	188,118	11,371	5,000	179	2,054	448	541	5	3,144

Source: 2010 Census of Population and Housing, U.S. Bureau of the Census
 Prepared by: New Jersey Department of Labor & Workforce Development, Division of Labor Market & Demographic Research
 New Jersey State Data Center, December 2012

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