

Regional Focus: North Jersey

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

Employment Advances in Northern Region

From June 2013 to June 2014, total nonfarm employment in the Northern Region (Bergen-Hudson-Passaic and Newark-Union labor areas) increased by 22,200 jobs to reach a non-seasonally adjusted level of 1,911,500. This year marked the third consecutive year of June-to-June regional payroll advances after facing recessionary losses from 2008 to 2011. In comparison, the state's payrolls, which increased at a much slower rate than the region (+0.2% and +1.2% respectively), were up by 8,400 over the period.

Over-the-year, trade, transportation and utilities (T/T/U) which accounts for over twenty-five percent of the region's employment base was the regional job growth leader (+12,200 jobs or +3.0%). Retail trade accounted for 43 percent of the gain in the T/T/U sector (+5,400 jobs or +2.7%). The increase in retail trade was aided by retailer Hobby Lobby opening two new stores in the region (Totowa/Pohatcong). Transportation and warehousing also showed significant growth over the year (+4,700 jobs or 5.5%).

The professional and business services sector (+7,500 jobs or +2.4%) was the second fastest growing sector during the one year period. Administrative/support waste management/remediation services (+6,400 jobs or +4.9%) experienced the largest gain within the professional and business services sector. Other industries that experienced job growth over the year were leisure and hospitality (+6,200 jobs or +4.1%), educational and health services (+1,800 or +0.6%) and government (+1,000 or +0.4%). Manufacturing experienced the largest decrease in payrolls (-2,700 jobs or -2.2%).

Bergen-Hudson-Passaic Leads the Region in Job Growth

Total nonfarm employment in the Bergen-Hudson-Passaic (BHP) Labor Area increased by 11,700 or 1.3 percent to total 904,800 jobs in June 2014. This year marked

the labor area's fifth consecutive June-to-June payroll increase. In the Newark-Union Labor Area, jobholding was up by 10,500 or 1.1 percent since June 2013, reaching a level of 1,006,700 in June 2014. The Northern Region is made up of two of the state's largest labor areas and accounts for nearly half of all the statewide employment (47.5%).

In the BHP Labor Area, the trade, transportation and utilities (+5,100 jobs or +2.5%), professional and business services (+4,700 or +3.2%) and other services (+2,800 or +8%) sectors posted the largest payroll gains. Within T/T/U,



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Change in Nonfarm Employment June 2013 - June 2014p (not seasonally adjusted)

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	22,200	1.2	8,400	0.2
Private Sector	21,200	1.3	9,600	0.3
Construction	-2,100	-3.3	-9,800	-6.9
Manufacturing	-2,700	-2.2	-2,000	-0.8
Trade, Trans. & Utilities	12,200	3.0	11,200	1.3
Information	-1,700	-4.6	-3,000	-4
Financial Activities	-1,500	-1.1	-3,800	-1.5
Prof. & Business Svcs.	7,500	2.4	10,200	1.6
Ed. & Health Svcs.	1,800	0.6	7,600	1.2
Leisure & Hospitality	6,200	4.1	2,200	0.6
Other Services	1,500	1.8	-3,000	-1.8
Government	1,000	0.4	-1,200	-0.2

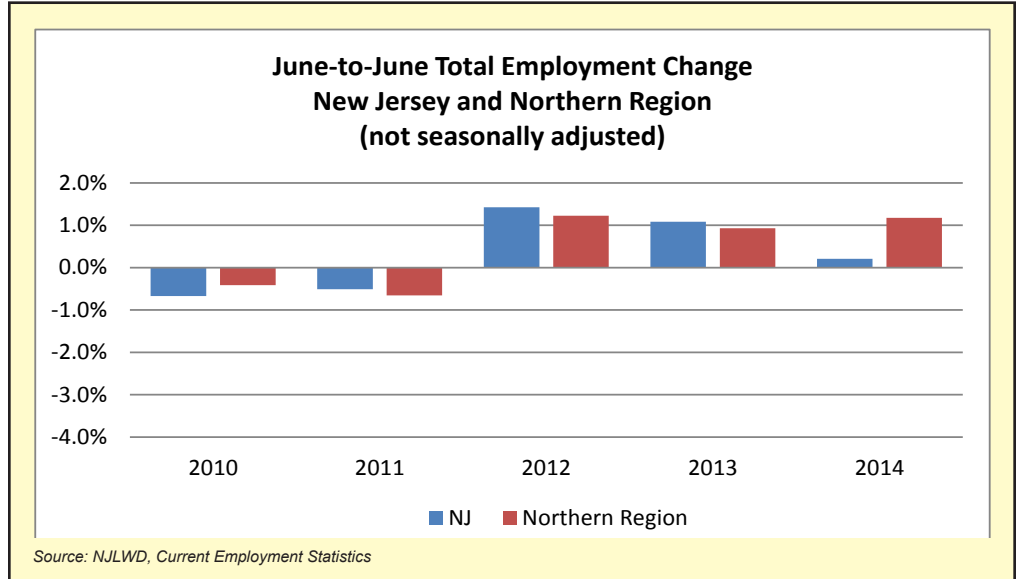
Source: NJLWD, Current Employment Statistics



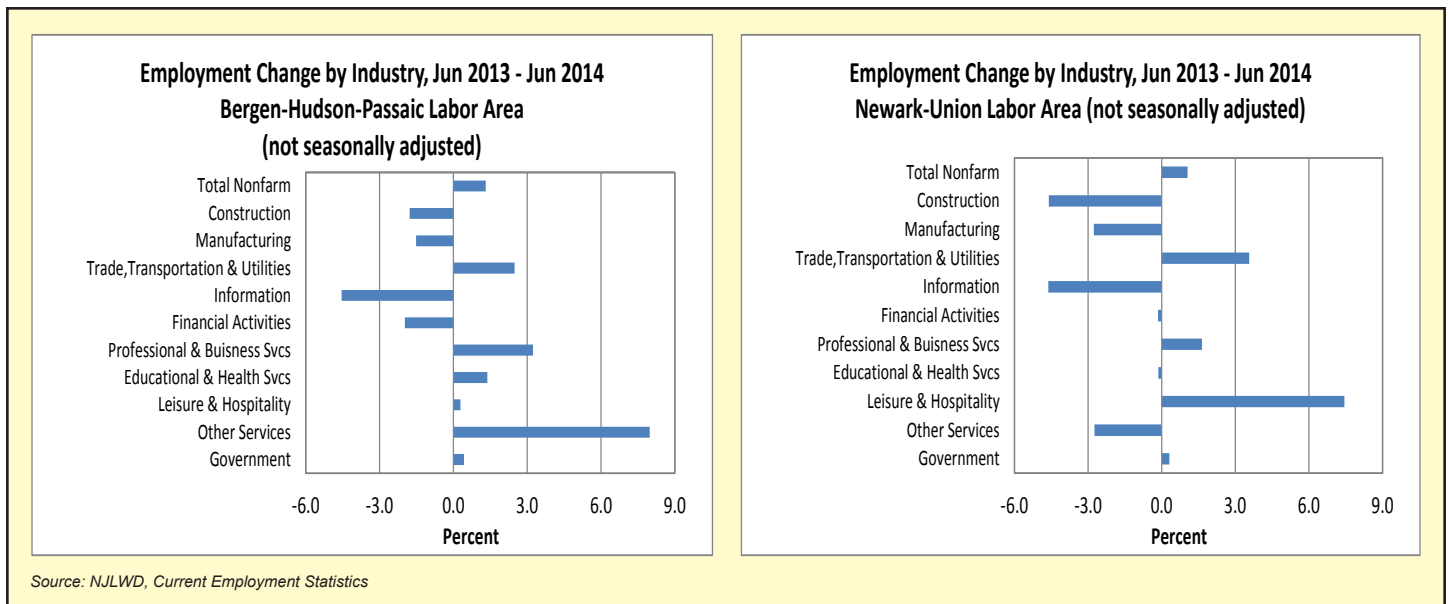
retail trade was up by 3,700 jobs or 3.6 percent. The administrative and support services industry (+4,100 jobs or +7.4%) experienced the largest gain within the professional and business services sector. Employment in educational and health services also experienced a notable gain (+2,000 jobs or +1.4%). Within educational and health services ambulatory health care services experienced the largest increase in jobholding (+1,300 jobs or +2.3%). Government (+500 jobs or +0.4%) and leisure and hospitality (+200 or +0.3%) also experienced payroll expansion. Industries that experienced over the year declines were: financial activities (-1,400 jobs or -2%), manufacturing (-900 or -1.5%), information (-800 or -4.5%), and construction (-500 or -1.8%). Securities, commodities and other finance (-1,300 or -6.2%) demonstrated the largest loss within the financial activities sector.

Total Nonfarm Employment (unadjusted June data, employment in thousands)						
	2009	2010	2011	2012	2013	2014
New Jersey	3,963.3	3,936.7	3,916.6	3,972.4	4,015.5	4,023.9
Northern Region	1,869.1	1,861.4	1,849.2	1,871.9	1,889.3	1,911.5
Bergen-Hudson-Passaic Labor Area (Bergen, Hudson and Passaic counties)	875.1	877.5	877.7	888.6	893.1	904.8
Newark-Union Labor Area (Essex, Hunterdon, Morris, Sussex and Union counties)	994.0	983.9	971.5	983.3	996.2	1,006.7

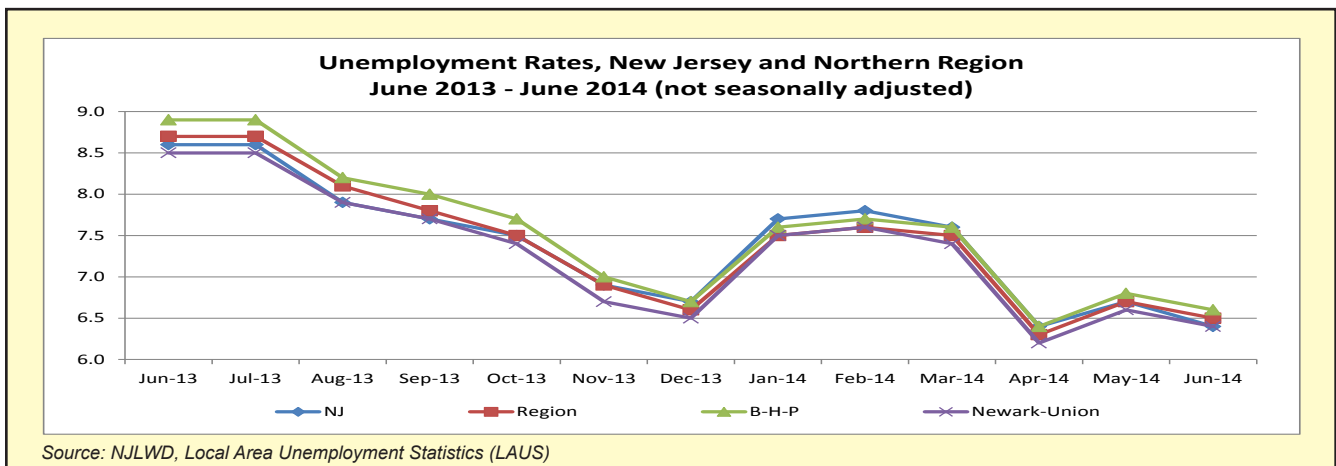
Source: NJLWD, Current Employment Statistics



In the Newark-Union Labor Area, trade, transportation and utilities (+7,100 jobs or +3.6%), leisure and hospitality (+6,000 or +7.4%) and professional and business services (+2,800 or +1.6%) experienced the largest staffing gains. Transportation and warehousing accounted for the majority of the gain within T/T/U (+3,700 jobs or +7.6%). Leisure and hospitality's payrolls advanced over the year on the strength of payroll increases in food services and drinking places (+2,200 jobs or +3.9%). Bayer HealthCare contributed to the increase in employment in professional business services with the opening of its new headquarters in Whippany (Hanover Township, Morris County). The new headquarters consolidates operations from multiple New Jersey locations and Tarrytown, NY. Government employment was also up since June 2013 (+500 jobs or +0.3%). Within the labor area manufacturing (-1,800 jobs or -2.8%), construction (-1,600 or -4.6%) and other services (-1,300 or -2.7%) led the declining sectors. Employment in information (-900 jobs or -4.6%), education and health services (-200 or -0.1%) and financial activities (-100 or -0.1%) was also down over the period.



LABOR FORCE DATA



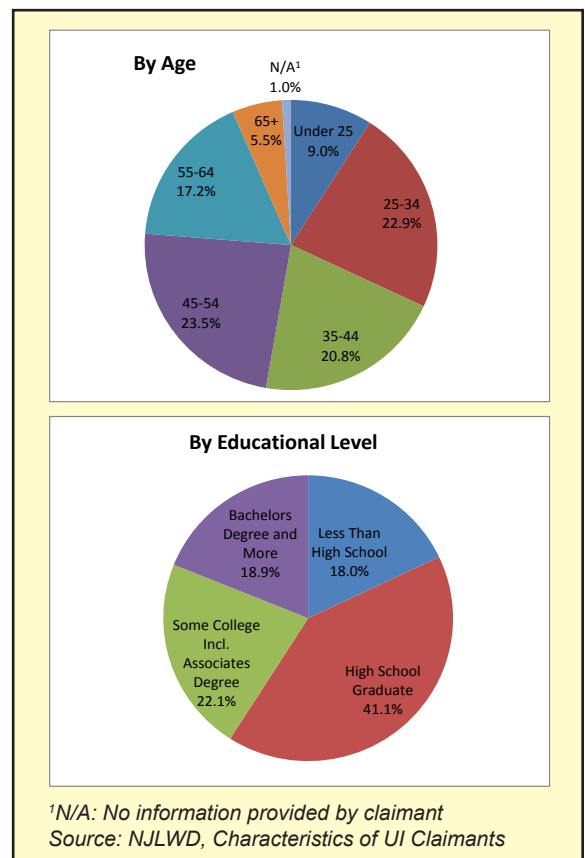
- In June 2014, the non-seasonally adjusted unemployment rate for the Northern Region (6.5%) was slightly higher than the statewide rate (6.4%). The region's June 2014 rate of 6.5 percent is 2.2 percentage points below the June 2013 rate of 8.7 percent. Although resident employment was up by 25,300 (+1.3%) the regional labor force was down by 22,700 (-1.1%) from June 2013. There were 48,000 (-26.1%) less unemployed Northern Region residents than in the same month a year ago.
- In the Newark-Union Labor Area the unemployment rate during June 2014 was 6.4 percent, down 2.1 percentage points from June 2013 (8.5%). In the area, unemployment rates ranged from a high of 7.6 percent in Essex County to a low of 4.9 percent in Hunterdon County. June 2014's 6.6 percent unemployment rate in the Bergen-Hudson-Passaic Labor Area was a 2.3 percentage point improvement over the same month a year ago (June 2013, 8.9%). By county, the area's unemployment rates for June 2014 were: Passaic County 7.8 percent, Hudson County 7.3 percent and Bergen County 5.6 percent.

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, SECOND QUARTER 2014

CLAIMANTS BY OCCUPATIONAL GROUP		
	Number	Percent
Management	7,465	8.1
Business and financial	3,674	4.0
Professional and related	10,024	10.8
Services	16,346	17.7
Sales and related	7,335	7.9
Office and administrative support	13,887	15.0
Farming, fishing and forestry	211	0.2
Construction and extraction	8,147	8.8
Installation, maintenance and repair	3,158	3.4
Production	9,006	9.7
Transportation and material moving	12,874	13.9
Military	381	0.4

- In the second quarter of 2014, nearly 46 percent of New Jersey's insured unemployed claiming continued benefits resided in the Northern Region. During the quarter there were 92,562 regional residents claiming benefits, an improvement of 48,921 (-34.6%) from the second quarter of 2013. In comparison, the number of claimants statewide declined at nearly the same rate (-34.3% or -106,162 clamants) from the same quarter a year ago.
- Essex County had the most claimants in the region during the quarter (19,643). The three-county Bergen (14,468)-Hudson (13,829)-Passaic (14,409) Labor Area was responsible for 30 percent of the region's claimants.



**Northern Region Counties,
 2012 - 2022 Projected Nonfarm Employment Change**

Change: 2012 - 2022

	2012 Jobs	2022 Jobs	Number	Percent	
				Total	Annual
New Jersey	3,890,800	4,197,250	306,450	7.9	0.8
Bergen	449,050	494,150	45,100	10.0	1.0
Essex	361,100	382,550	21,450	5.9	0.6
Hudson	246,900	265,600	18,700	7.6	0.7
Hunterdon	48,250	51,000	2,750	5.6	0.5
Morris	288,100	315,300	27,200	9.4	0.9
Passaic	178,750	191,900	13,150	7.4	0.7
Sussex	39,300	42,000	2,700	6.9	0.7
Union	232,050	252,100	20,050	8.6	0.8
Warren	36,550	39,200	2,650	7.3	0.7

Source: NJ Department of Labor & Workforce Development, Office of Research & Information

- According to the recently released industry projections, the nine-county Northern Region is projected to increase its nonfarm employment from 1,880,050 in 2012 to 2,033,800 in the year 2022; a gain of 153,750 or 8.2 percent. In comparison, New Jersey is projected to add 306,450 jobs or 7.9 percent.
- Bergen and Morris counties are expected to add the most jobs (+45,100 or +10% and +27,200 or +9.4%, respectively) in the region, from 2012 to 2022. At the other end of the spectrum, the three most rural counties in the region, Hunterdon, Sussex and Warren, are expected to each gain less than 3,000 jobs between 2012 and 2022.
- Healthcare and social services employers are expected to provide the most job growth in the state (+97,050 or 18.4%) during the 10-year

period; with the exception of Morris County, this industry is projected to lead employment expansion in every county in the northern region. Professional, scientific and technical services (+7,500 or 23.4%) is expected to be the job growth leader in Morris County. Bergen County is expected to add the most jobs in healthcare and social services (+16,550 or +22.8%) in the state.

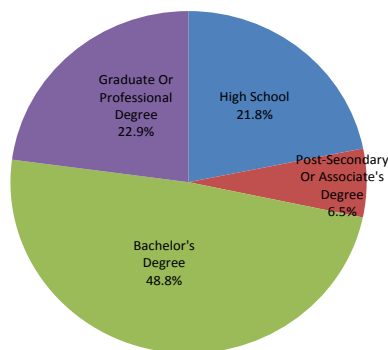
- The construction industry is expected to record the largest percentage gain in the region over the 10-year period. Hudson County (+39.2%) leads the state in projected growth partly on the strength of multi-family homebuilding, followed in the region by Union (+39%), Morris (+30.2) and Passaic (+30.2). The state is expected to increase at a rate of 39.0 percent.

**REGIONAL JOB OUTLOOK
 APRIL 2014 - JUNE 2014**

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	24,526
Morris	18,480
Essex	16,310
Hudson	15,737
Union	11,159
Passaic	6,788
Hunterdon	2,106
Sussex	1,740
Warren	1,629

Job Listings by Educational Requirement



In the Northern Region during the most recent quarter employers in the food services and drinking places, professional, scientific and technical services, educational services and ambulatory health care services exhibited the most occupational demand based on online job listings activity. Concentrated in Bergen, Morris, Essex and Hudson counties, employers indicated that they were interested in filling positions for tractor trailer drivers, software developers, retail salespersons, registered nurses and sales representatives. Skills that were actively sought by employers included sales, accounting, technology-related SQL, Oracle and JAVA, mathematics, scheduling, and collaboration.

Of the regional job listings in the second quarter for which educational requirements were provided, nearly half required a bachelor's degree.

OCCUPATIONS WITH THE MOST LISTINGS

Occupation	Listings
Heavy And Tractor-Trailer Truck Drivers	3,380
Software Developers, Applications	3,325
Retail Salespersons	3,196
Registered Nurses	3,071
Sales Reps, Wholesale & Mfg Excl.Scientific & Technical Products	2,440
First-Line Supervisors Of Retail Sales Workers	2,095
Customer Service Representatives	1,842
Clinical Psychologists	1,729
Marketing Managers	1,479
Computer Systems Analysts	1,473
Medical And Health Services Managers	1,332
Combined Food Prep & Serving Workers	1,248
General And Operations Managers	1,211
Supervisors Of Food Prep & Serving Workers	1,187
Secretaries And Admin Assistants	1,094

INDUSTRIES WITH THE MOST JOB LISTINGS

Industry	Listings
Food Services And Drinking Places	6,297
Professional, Scientific, And Technical Services	5,420
Educational Services	3,669
Ambulatory Health Care Services	3,476
Insurance Carriers And Related Activities	3,169
Credit Intermediation And Related Activities	3,029
Hospitals	2,824
Chemical Manufacturing	2,433
Social Assistance	2,157
Truck Transportation	2,148
General Merchandise Stores	1,792
Administrative And Support Services	1,444
Accommodation	1,073
Securities, Commodity Contracts, & Other Financial	1,068
Sporting Goods & Hobby Stores	1,060

TOP SKILLS IN DEMAND

Skill	Listings
Sales	5,099
Accounting	4,440
SQL	3,908
Oracle	3,466
Mathematics	3,371
Scheduling	3,084
Collaboration	2,769
Repair	2,719
JAVA	2,568
Merchandising	2,390
Business Development	2,363
SAP	2,236
Decision Making	2,138
Mental Health	2,122
Business Process	2,077

EMPLOYERS WITH SIGNIFICANT ONLINE JOB LISTING ACTIVITY

Toys"R"Us, Inc
Celgene Corporation
The Home Depot Incorporated
JP Morgan Chase Company
Prudential
Panera Bread
Sears
Domino's Pizza
Boston Market
Bank of America
Novartis
Automatic Data Processing Incorporated
Barnabas Health
Merck & Company
CRST International

Source: Burning Glass Technologies, Labor Insight

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

Logistics and Warehousing Expansions Planned for Region

Australian company the Goodman Group is set to redevelop a 143-acre site in Linden (Union County). The project includes five distribution warehouses totaling 2.8 million-sq.ft. Construction is scheduled to begin in 2015.

Wholesale plumbing supplier Ferguson Enterprises is taking over a majority of the Hartz, Secaucus (Hudson County) warehouse that Panasonic Corporation vacated in 2013. Ferguson will be leasing 450,000-sq.ft. of the 650,000-sq.ft. property located

at 100 Meadowland Parkway. They plan to use the warehouse as a one-stop shop for professional contractor customers. The facility is expected to open in January.

In May 2014, Jersey City's Employment and Training Program held a job fair for 500 positions available at Ahold e-Commerce Distribution Center. The online grocery service company is opening a 350,000-sq.ft. distribution center along Routes 1&9. The center supplies products for the online grocery service *Peapod by Stop and Shop*. Available full and part-time positions included openings for drivers, shipping and receiving and supervisors.

\$325 Million Expansion Project at Jersey City Global Container Terminal

In June, Global Container Terminals in Jersey City (Hudson County) held a grand opening for the completion of a \$325 million expansion project designed to increase safety, efficiency, environmental friendliness and cargo volume. The project expanded the facility from about 100 acres to 170 acres. Now the first semi-automated terminal at the Port of New York and New Jersey, technology implemented at the expanded section will be able to process about 1.1 million containers per year according to the company. Prior to the expansion the facility was capable of processing less than 500,000 containers per year. The expansion was funded by the Port Authority, a federal grant and the Global Terminal owner.

Mixed-Use Development Planned for Former Honeywell Site

The Rockefeller Group announced in June their plan to redevelop the former Honeywell headquarters in Morris Township (Morris County) into a mixed-use development that will include office space and townhomes. Rockefeller's plan includes 900,000-sq.ft. of commercial office and lab space and 235 townhomes being constructed in conjunction with Hovnanian Homes. There will also be about 15 acres preserved for open space in the development. Honeywell is leaving the 147-acre site to open a new headquarters in nearby Morris Plains.

New Retailers Enter Northern Market

The discount grocer Price Right, ShopRite's lower-prices sister store, opened its first location in New Jersey in Garfield City (Bergen County) in July. The new 41,000-sq.ft. store fills the space of a former A&P location that has been vacant for more than a year. Price Rite hired a reported 100 full and part-time workers to staff the new supermarket.

Hobby Lobby expanded its New Jersey presence by opening three stores over the Fourth of July weekend. In the northern part of the state, stores opened along Route 46 in Totowa Borough (Passaic County) and along Route 22 in Pohatcong (Warren County). In the central region, a store opened in Howell Township (Monmouth County). Hobby Lobby is an Oklahoma-based national retail chain that carries crafts and home decor items.

Hotel Expansion Provides Area with Job Opportunities

Construction of Hoboken-based developer Harrison Hotel 1's Element Hotel in Harrison (Hudson County) is nearly complete. The grand opening is planned for mid-

August 2014. The 138-room hotel is located within close proximity to various modes of transportation (Newark Liberty International Airport, Newark Penn Station, Path stations, major highways, etc.), as well as a variety of sports and cultural events, which are factors that have been helping drive demand for new hotel development in the region.

Also in the region, a Hilton hotel and conference center is planned for Paterson (Passaic County). Ground-breaking on the 145-room hotel is scheduled for October, and a 2016 opening is anticipated.

Jersey City's 'Wall Street West' Financial Hub Continues to Grow

Recently financial firms committed to expanding operations in Jersey City (Hudson County). Enticed by a skilled workforce and a new economic incentive program, JP Morgan Chase Bank has decided to remain in the city. Along with the over 2,600 existing jobs the financial institution is expanding its presence resulting in the creation of 1,000 additional employment opportunities. Likewise, the Canadian financial firm RBC Capital Markets, the corporate and investment banking arm of Royal Bank of Canada, is expected to move forward with their proposed capital investment project of \$17.2 million that includes creating about 900 jobs.

Food Manufacturer Coming to Morris County

Fratelli Beretta U.S.A., Inc., a family-owned meat processing company recently purchased a 12-acre parcel of vacant land at the International Trade Center in Mount Olive (Morris County). The company is constructing a 180,000-sq.ft. food processing facility. When completed, this project is expected to provide many new job opportunities.

NNJ's Talented Workforce Continues to Attract Pharmaceutical Companies

Pernix Therapeutics Holdings Inc., a specialty pharmaceutical company, leased space in Morristown (Morris County). The company relocated its operations, along with about a dozen senior-level executives, from Houston, Texas to this new company headquarters. The company's reasons for choosing this location included the region's strong pharmaceutical industry talent pool, nearby rail access and ample space to accommodate the company's growing plans. Likewise, L'Oreal USA's research institute recently announced that they will move their Chicago operations into the company's innovation hub in Clark (Union County) by the end of June 2014 to take advantage of local company and industry resources.