

Mar-12-18 Annual Employment Revisions Show More Job Growth in 2017 Unemployment Rate at 4.7 Percent in January



Archives



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TRENTON, March 12, 2018 – Revised data released by the U.S. Bureau of Labor Statistics (BLS) indicate the New Jersey labor market grew at a solid pace in 2017, expanding by 43,400 jobs. Additionally, preliminary estimates for January 2018 show the trend continuing in New Jersey's job market, with a monthly total nonfarm job gain of 13,000, while the state's unemployment rate held steady at 4.7 percent.

BENCHMARK REVISIONS FOR 2017

The BLS's benchmark process – a required annual review and adjustment of previously released employment data – updates monthly, sample-based survey estimates to full counts of employment, primarily derived from records of the unemployment insurance tax system. The results of the latest annual benchmarking adjustment process, which is conducted by BLS each year at this time for every state, show an increase in 2017 employment. After benchmark revisions, the over-the-year (Dec. 2016 – Dec. 2017) change in total nonfarm jobs was revised to a gain of 43,400, up from a previously reported gain of 22,900.

The revised data show that over the December 2016 – December 2017 period, five of nine major private industry sectors of the New Jersey economy added jobs. Job gains were recorded in education and health services (+20,300), trade, transportation, and utilities (+15,300), leisure and hospitality (+8,500), manufacturing (+3,200), and other services (+2,000). Sectors that recorded job losses over the year were construction (-2,800), information (-2,600), and professional and business services (-1,000). The financial activities sector was unchanged. Government employment was higher by 500 jobs.

New Jersey's unemployment rate was also revised as part of the benchmark process, with the annual average unemployment rate for 2017 revised to 4.6 percent, down from an annual average of 5.0 percent in 2016.

JANUARY 2018 ESTIMATES

Preliminary nonfarm wage and salary estimates for January show an increase in total nonfarm farm employment by 13,000 jobs over the previous month, reaching a seasonally adjusted level of 4,159,800. The majority of the gain was recorded in the private sector of the state's economy (+11,100). The state's unemployment rate remained unchanged at 4.7 percent.

Industry sectors that recorded over-the-month job growth for January included: professional and business services (+5,800), trade, transportation, and utilities (+4,100), construction (+1,800), financial activities (+1,000), information (+500), and education and health services (+500). Leisure and hospitality recorded a job loss (-2,600), while employment in the manufacturing and other services sectors was unchanged. Government employment was higher by 1,900 from the prior month.

Preliminary BLS data for February will be released on March 22nd.

[PRESS TABLES](#)

Technical Notes: Estimates of industry employment and unemployment levels are arrived at through the use of two different monthly surveys.

Industry employment data are derived through the Current Employment Statistics (CES) survey, a monthly survey of approximately 4,000 business establishments conducted by the U.S. Bureau of Labor Statistics (BLS) of the U.S. Department of Labor, which provides estimates of employment, hours, and earnings data broken down by industry for the nation as a whole, all states and most major metropolitan areas (often referred to as the “establishment” survey).

Resident employment and unemployment data are mainly derived from the New Jersey portion of the national Current Population Survey (CPS), a household survey conducted each month by the U.S. Census Bureau under contract with BLS, which provides input to the Local Area Unemployment Statistics (LAUS) program (often referred to as the “household” survey).

Both industry and household estimates are revised each month based on additional information from updated survey reports compiled by the BLS. In addition, these estimates are benchmarked (revised) annually based on actual counts from New Jersey’s Unemployment Compensation Law administrative records and more complete data from all New Jersey employers.

Effective with the release of January 2018 estimates, the Current Employment Statistics (CES) program has converted to concurrent seasonal adjustment, which uses all available estimates, including those for the current month, in developing seasonal factors. Previously, the CES program developed seasonal factors once a year during the annual benchmark process. For more information on concurrent seasonal adjustment in the CES State and Area program, see www.bls.gov/sae/saeconcurrent.htm.