

Regional Focus: South Jersey

Data and analysis for the Atlantic City, Camden, Ocean City, and Vineland/Millville/Bridgeton labor areas

Casino Industry Shift Affects Regional Jobholding

The Southern Region's total nonfarm payrolls settled at an estimated not seasonally adjusted level of 766,400 in June 2014, a drop of 1,800 or 0.2 percent from June 2013. In comparison, the state's staffing levels increased by 0.2 percent (+8,400 jobs) during the same one year period reaching 4,023,900 in June 2014.

Regional employment advanced in just two industry sectors since last June: professional and business services (+2,400 jobs or +2.6%) and trade, transportation and utilities or T/T/U (+2,200 or +1.4%). Leisure and hospitality experienced the most significant job loss (-5,700 or -4.9%); the troubled casino hotel industry was a main factor. Other industry sectors that declined during the period were: financial activities (-700, -1.9%); educational and health services (-500 or -0.4%); construction (-400 or -1.4%); other services (-300 or -1.0%); government (-200 or -0.2%) and manufacturing (-100, -0.2%).

Statewide, T/T/U added the most jobs over-the-year (+11,200 jobs or +1.3%) with all three components boosting payrolls: retail trade (+7,500 jobs, primarily in the food and beverage stores industry), transportation, warehousing and utilities (+1,900) and wholesale trade (+1,800). Professional and business services jobholding was up (+10,200 jobs or +1.6%); approximately one-third (+3,300 jobs) of the gain was in employment services. Educational and health services also experienced a significant increase (+7,600 jobs or 1.2%). Despite a sizeable jobholding loss in the southern region, leisure and hospitality gained employment at the statewide level (+2,200 or +0.6%). The sector with the greatest payroll reduction since June 2013 was construction (-9,800 jobs, -6.8%).

Payrolls Rise in Cape May and Cumberland Counties

In the region since June 2013, employment in the Ocean City (Cape May County; +2,400 jobs or +4.7%) and Vineland/Millville/Bridgeton (Cumberland County; +900 or +1.5%) labor areas increased while payrolls in the Atlantic City (Atlantic County; -3,600 or -2.6%) and Camden (Burlington, Camden and Gloucester counties; -1,500 or -0.3%) labor areas were down.

In the Ocean City Labor Area, employment reached an estimated 53,300, on the strength of the private service-providing sectors (+2,200 jobs or 5.2%). Jobholding in T/T/U experienced the most growth (+500 jobs, +5.5%).

Employment in the Vineland/Millville/Bridgeton Labor Area reached 59,200 in June 2014. The professional and



Regional Focus is a quarterly publication of the New Jersey Department of Labor Division of Labor Market and Demographic Research. For questions regarding the material in this publication contact Michael Dugan at (609)633-6425 or email michael.dugan@dol.state.nj.us

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

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	-1,800	-0.2	8,400	0.2
Private Sector	-1,600	-0.2	9,600	0.3
Construction ¹	-400	-1.4	-9,800	-6.8
Manufacturing ¹	-100	-0.2	-2,000	-0.8
Trade, Trans. & Utilities	2,200	1.4	11,200	1.3
Information ¹	-200	-2.6	-3,000	-4.0
Financial Activities ¹	-700	-1.9	-3,800	-1.5
Prof. & Business Svcs. ¹	2,400	2.6	10,200	1.6
Ed. & Health Svcs.	-500	-0.4	7,600	1.2
Leisure & Hospitality	-5,700	-4.9	2,200	0.6
Other Services ¹	-300	-1.0	-3,000	-1.8
Government	-200	-0.2	-1,200	-0.2

Source: NJLWD, Current Employment Statistics

¹Employment does not include data for Cape May County



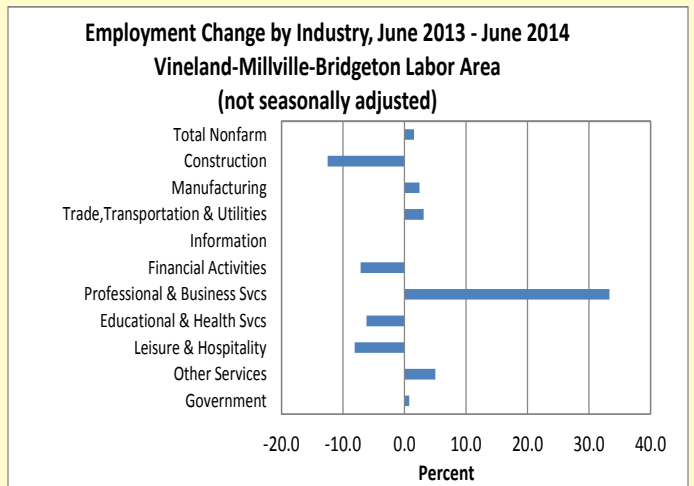
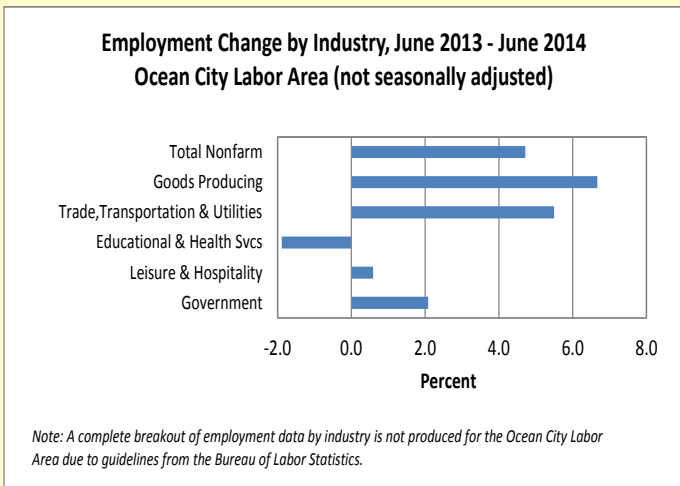
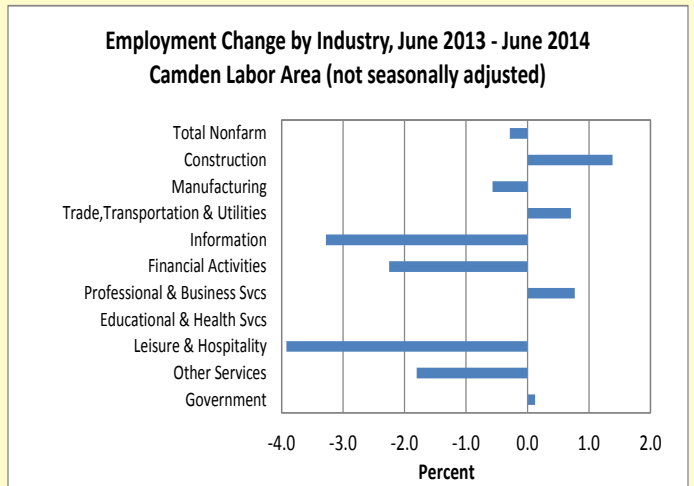
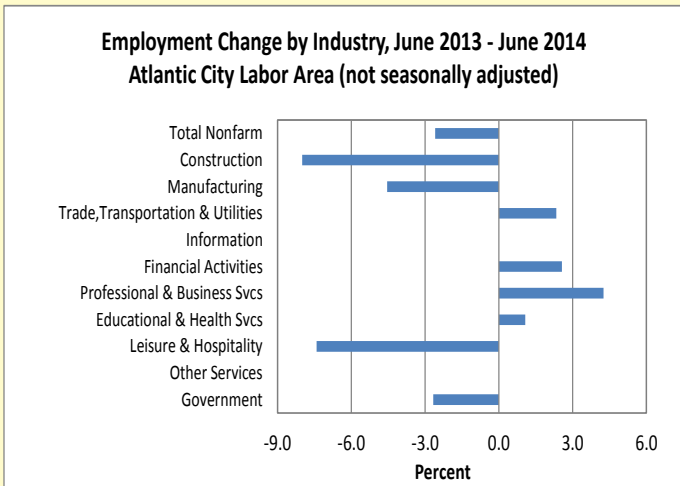
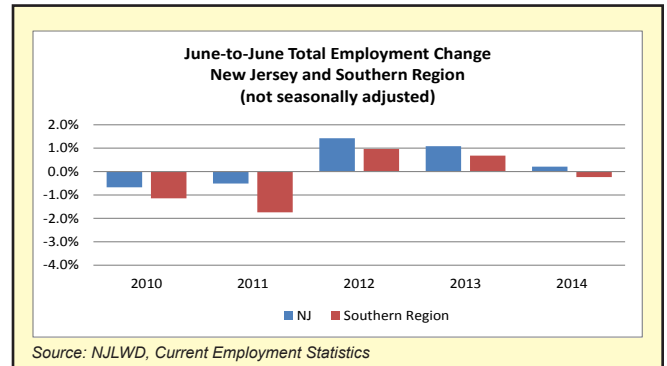
business services sector grew by one-third since June 2013 (+1,400 jobs). Educational and health services shed the most jobs (-600 jobs or -6.2%). The construction (-12.5%) and leisure and hospitality sectors (-8.1%) each declined by 300.

With the concentration of casinos in the north-east region of the country, an industry correction has begun to match market demand which brought down payrolls. As a result, the June 2014 estimated employment level for casino hotels has dropped to 28,600 from its 2013 level of 31,400 (-8.9%). That loss, coupled with others in accommodations (-4,000 jobs or -12.0%), caused leisure and hospitality to shed 3,700 positions in the county. Other significant losses occurred in government (-600, -2.7%) and construction (-400, -8.0%). The remaining industries throughout the area experienced smaller reductions or stayed unchanged since June 2013.

The Camden Labor Area's payrolls in trade, transportation and utilities (+800 jobs, +0.7%), professional and business services (+600, +0.8%) and construction (+300, +1.4%) were up over the year while leisure and hospitality led the contracting industry sectors (-1,800, -3.9%).

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
Southern Region	778.0	769.1	755.7	763.0	768.2	766.4
Atlantic City Labor Area (Atlantic County)	142.5	142.2	139.3	141.7	139.1	135.5
Camden Labor Area (Burlington, Camden, Gloucester counties)	523.8	516.3	508.0	511.8	519.9	518.4
Ocean City Labor Area (Cape May County)	50.8	50.8	49.9	50.8	50.9	53.3
Vineland-Millville-Bridgeton Labor Area (Cumberland County)	60.9	59.8	58.5	58.7	58.3	59.2

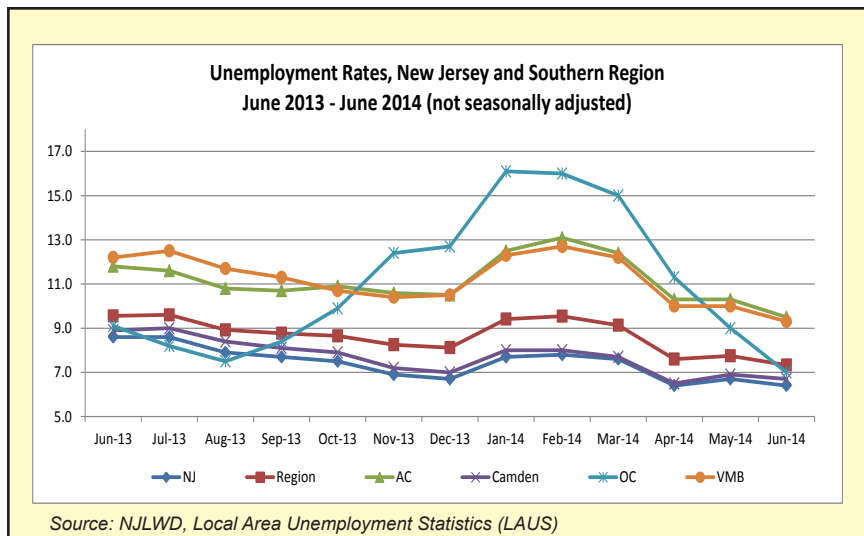
Source: NJLWD, Current Employment Statistics



Source: NJLWD, Current Employment Statistics

LABOR FORCE DATA

- From June 2013 to June 2014, the not seasonally adjusted unemployment rate for the southern region improved by 2.3 percentage points dropping from 9.6 percent in June 2013 to 7.3 percent in June 2014. In comparison, the state rate improved by 2.2 percentage points declining from 8.6 percent to 6.4 percent.
- Regionally, the June 2014 labor force settled at 913,900 after being reduced by 21,500 (or -2.3%) since the same month one year ago. In comparison, New Jersey's labor force was reduced at a lesser rate (-1.4% or -63,500).
- Ocean City (Cape May County) was the region's only labor area to experience an increase in its labor force over the year (+700). Resident employment increased by 2,000, the largest increase in the region, due primarily to the county's highly seasonal economy. The area saw an improvement in its unemployment rate (-2.1 percentage points) going from 9.1 percent (June 2013) to 7.0 percent in June 2014.
- The Camden Labor Area had the lowest June 2014 not seasonally adjusted unemployment rate in the region (6.7%) while the Atlantic City Labor Area had the highest rate (9.5%). Both the Camden and Atlantic City labor areas saw improvement over their 2013 June rates (2.2 and 2.3 percentage points, respectively).

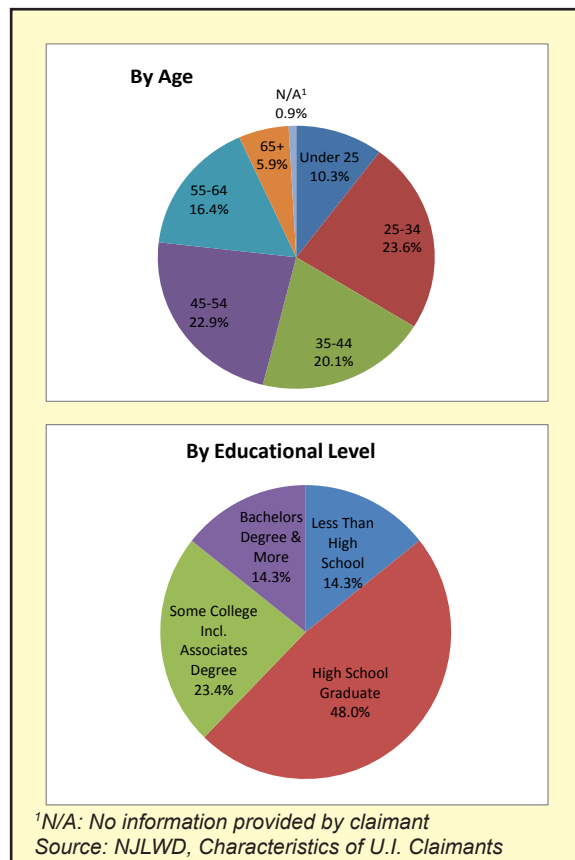


More detailed data from the Local Area Unemployment Statistics (LAUS) program can be found at: http://lwd.dol.state.nj.us/labor/lpa/employ/uirate/lfest_index.html

CHARACTERISTICS OF NEW JERSEY'S INSURED UNEMPLOYED SOUTHERN REGION, SECOND QUARTER 2014

CLAIMANTS BY OCCUPATIONAL GROUP		
	Number	Percent
Management	3,594	6.7
Business and financial	1,904	3.5
Professional and related	5,044	9.4
Services	13,018	24.3
Sales and related	4,233	7.9
Office and administrative support	6,907	12.9
Farming, fishing and forestry	406	0.8
Construction and extraction	5,733	10.7
Installation, maintenance and repair	2,087	3.9
Production	4,127	7.7
Transportation and material moving	6,266	11.7
Military	295	0.5

- From April 2014 to June 2014, over 53,600 claimants residing in the southern region accounted for over one-quarter (26.4%) of the people claiming unemployment benefits throughout New Jersey. Continued claims are down by 33 percent (26,350) from the same period last year. In comparison, the number of New Jersey's claimants was reduced by 34.3 percent or 106,160 over the same period.
- The Southern Region's leisure and hospitality sector accounted for 19.6 percent of its claimants (versus 12.0% for the state) with Atlantic County accounting for half (50.1%) of the regional claimants previously employed in the industry.



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

**Southern 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
Atlantic	138,000	141,850	3,850	2.8	0.3
Burlington	204,200	217,900	13,700	6.7	0.6
Camden	202,450	213,700	11,250	5.6	0.5
Cape May	41,050	42,400	1,350	3.3	0.3
Cumberland	57,300	60,150	2,850	4.9	0.5
Gloucester	101,100	107,800	6,700	6.7	0.6
Salem	21,300	22,400	1,100	5.2	0.5

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

County's employment growth is expected to be concentrated in the following industries: administrative support and waste management and remediation services (+3,000 jobs), finance and insurance (+1,550), retail trade and professional, scientific, and technical services (+1,450 jobs each).

- All seven southern region counties are projected to have double digit growth in the construction industry. Overall, the region's construction sector is expected to grow by 6,700 jobs or 23.7 percent. Camden County will be the job growth leader with 1,900 new construction jobs anticipated over the ten-year period.

- According to the recently released industry projections, the seven-county southern region is projected to increase its nonfarm employment from 765,400 in 2012 to 806,200 in 2022, a gain of 40,800 or 5.3 percent. In comparison, New Jersey's payrolls are projected to increase by 7.9 percent or 306,400 jobs.
- One out of every three new jobs in the state is expected to be in the healthcare and social assistance sector over the next ten years. However, in the southern region, over 50 percent of the total increase is expected to come from this sector.
- Among the counties in the region, Burlington is projected to add the most jobs. Burlington

**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 the following labor market information aggregated from online employer job listings during the quarter. This data provides valuable insight regarding current 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.

During the second quarter of 2014, southern region employers in food services and drinking places, hospitals, repair and maintenance, ambulatory health care services, educational services and general merchandise stores exhibited the most industry demand based on online job listing activity.

Concentrated in Camden and Burlington counties, employers indicated they were interested in filling positions for retail salespersons, first-line supervisors of retail sales workers, registered nurses, heavy and tractor trailer truck drivers, sales representatives and customer service representatives. Skills that were actively sought by area employers included repair, physical demand, sales, scheduling, merchandising, mathematics and sales management.

JOB LISTINGS BY COUNTY	
County	Listings
Camden	9,483
Burlington	8,125
Atlantic	4,435
Gloucester	3,763
Cumberland	1,389
Cape May	1,253
Salem	734

INDUSTRIES WITH THE MOST JOB LISTINGS	
Industry	Listings
Food Services And Drinking Places	2,214
Hospitals	1,394
Repair And Maintenance	1,358
Ambulatory Health Care Services	1,223
Educational Services	1,007
General Merchandise Stores	872
Credit Intermediation And Related Activities	865
Professional, Scientific, And Technical Services	815
Social Assistance	809
Insurance Carriers And Related Activities	628
Nursing And Residential Care Facilities	624
Accommodation	593

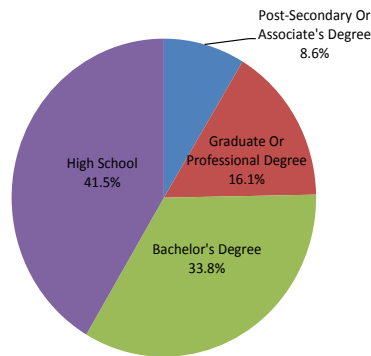
TOP SKILLS IN DEMAND

Skill	Listings
Repair	2,071
Physical Demand	1,973
Sales	1,794
Scheduling	1,708
Merchandising	1,535
Mathematics	1,302
Sales Management	1,182
Business Development	1,040
Cleaning	1,039
Purchasing	937
Product Sale and Delivery	870
Patient Care	847

EMPLOYERS WITH SIGNIFICANT JOB LISTING ACTIVITY

Tires Plus
Our Lady Of Lourdes Health System
Sears
AMC Theatres
Cooper University Hospital
Applebee's Neighborhood Grill & Bar
The Home Depot Incorporated
Atlanticare
Genesis Healthcare Corporation
Caesar's Entertainment
Virtua Health
HCR ManorCare

Job Listings by Educational Requirement



Of the regional job listings in the first quarter for which educational requirements were provided, the vast majority required a bachelor's degree or a high school diploma.

OCCUPATIONS WITH THE MOST LISTINGS

Occupation	Listings
Retail Salespersons	1,351
First-Line Supervisors Of Retail Sales Workers	1,320
Registered Nurses	1,186
Heavy And Tractor-Trailer Truck Drivers	976
Sales Reps, Wholesale & Mfg, Excl. Tech & Scientific Products	850
Customer Service Representatives	716
First-Line Supervisors Of Food Prep & Serving Workers	521
Software Developers, Applications	430
Laborers & Freight, Stock, & Material Movers, Hand	408
Automotive Service Technicians And Mechanics	388
Clinical Psychologists	380
Combined Food Prep & Serving Workers, Incl. Fast Food	375

Source: Burning Glass Technologies, Labor Insight

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

Challenges for Atlantic City's Gaming Industry

Atlantic City's casino industry continues to face intensified regional competition from nearby Mid-Atlantic states New York, Pennsylvania, Delaware and Maryland. There has been continued expansion in the region affecting Atlantic City's core markets; in the Mid-Atlantic region alone, 24 casinos have sprung up in the last decade including a dozen in Pennsylvania. Many of the new casinos are within a few hours' drive of one segment of Atlantic City's primary customer base, "the day tripper", particularly in central and northern New Jersey. In addition, the effects of the great recession on casino patrons' disposable income also took its toll. Amidst this saturation of the casino market, customer visits declined resulting in drops in gaming revenue and the state's gaming

industry began to downsize. Some analysts believe Atlantic City can support only six or seven casinos.

The dominos began to fall in January 2014 as the Atlantic Club Casino/Hotel closed after being purchased basically for its customer and gaming inventory by Tropicana Entertainment and Caesars Entertainment in a bankruptcy sale resulting in the elimination of 1,600 hotel/casino positions. No plans have been announced for the 801 room hotel. In early June, the Revel Entertainment Group, owners of the Revel Casino/Hotel, announced that if a buyer could not be found for the financially struggling casino it may be forced to close by September forcing layoffs of its 3,100 member workforce. Later that month, Caesars Entertainment Corporation announced that it is closing one of its four Atlantic City properties, the Show-

boat Hotel and Casino, on August 31st resulting in the loss of 2,100 jobs. Recent reports indicate that Caesars may be willing to sell the Showboat if a suitable buyer is found. The buyer would need a casino operator license to keep both the casino and hotel open. In July, Trump Entertainment Resorts made public its plans to close the Trump Plaza Hotel/Casino in September (-1,150 jobs). These four potential casino closures would represent about twenty-five percent of Atlantic City's casino employment.

Camden County Economic Developments

Construction has begun on the new Gloucester Township Premium Outlets between the Black Horse Pike and Route 42. The project is expected to have 415,000-sq.ft. of retail space and create about 800 full- and part-time permanent jobs as well as 250 temporary construction jobs.

The National Basketball Association's Philadelphia 76ers will build a new practice facility on four acres next to Campbell's Field on Camden's waterfront. In return for moving from Philadelphia to Camden, the 76ers received a 10-year, \$82 million Grow New Jersey tax credit from the state's Economic Development Authority. That \$82-million tax credit is contingent upon the team guaranteeing a minimum of 250 jobs over that ten-year period. In addition to the state-of-the-art practice facility, the structure will house the basketball and business operations. The franchise hopes to begin construction of the complex in October 2014 and move into it in 2016.

PriceRite will expand its presence in New Jersey by starting work on its newest supermarket location, scheduled to open at the former Pathmark along Mt. Ephraim Avenue in Camden this fall. The PriceRite of Camden will bring more than 80 full- and part-time jobs to the community.

Burlington County Business Briefs

Grainger Incorporated, a distributor of industrial supplies, equipment, tools and materials plans to build a 1.3 million-sq.ft. distribution center on 96 acres the company purchased in Bordentown Township. The new facility will reportedly be the largest commercial warehouse in the state. A 2016 opening is scheduled. Grainger expects to employ more than 400 at the facility but the number of jobs could rise to as high as 750 in three to five years.

New Century, a Westampton trucking firm, closed in June 2014 after filing for bankruptcy resulting in the termination of 1,500 workers. However, several trucking firms are looking to hire the laid-off drivers from New Century. For example, Minnesota-based Greentree Logistics with locations in the Northeast and Midwest is expanding and looking to hire 80 of the former drivers.

After being offered incentives to stay in New Jersey by re-building a warehouse that was destroyed by fire in September 2013, Deitz & Watson recently decided to relocate its Delanco (Burlington County) distribution center to Tacony, PA where its company headquarters is located.

Restructuring at Sun National Bank

Due to a comprehensive restructuring, Sun National Bank will reduce its full-time workforce by 242 jobs and its branch count from 51 to about 35 by the end of the year. Absorbing some of the job loss, Cape May Court House-based Sturdy Savings Bank announced it is buying all six of Sun's branches in Cape May County and another in Somers Point (Atlantic County). They (Sturdy) intend to offer employment to about 30 of the employees from those branches.

Sun National Bank plans to focus business operations in northern and central New Jersey. The bank is also getting away from the residential retail mortgage business and shifting its headquarters from Vineland (Cumberland County) to Mount Laurel (Burlington County) where the bank already had relocated its executive offices.

Manufacturing Briefs

Holtec International, an energy firm based in Evesham (Camden County), plans to construct a 600,000-sq.ft. manufacturing facility at the Port of Camden's Broadway Terminal. The company plans to manufacture nuclear power equipment at the facility which could employ up to 400 workers. This project is being funded in part by a \$260 million incentive from the state's Economic Development Authority.

Bridor USA, a bread manufacturer, is expanding its Vineland location by nearly 50,000-sq.ft. The maker of par-baked and frozen bread products for grocery stores, restaurants and hotels may add up to 98 new jobs with its \$34 million expansion.

Due to the vast supply of sand best suited for glass making, South Jersey had long been a major glass manufacturing region. The oldest manufacturer of glass containers still operating in the United States recently announced it was closing. The Ardagh Group (formerly known as Anchor Glass) stated it will close its glass-making facility in the city of Salem (Salem County). The plant will shut down in mid-October 2014 with 290 employees expected to be affected. Some of the county's manufacturing jobs loss could be offset by an expansion project underway at J.E.Berkowitz, an architectural glass manufacturer located in Pedricktown. The company is adding 53,000-sq.ft. to their existing facility and expects to add staff.