

Regional Focus: Central Jersey

Data and analysis for the Edison and Trenton-Ewing labor areas

Regional Employment Trends Upward in March

Over the year March 2011-March 2012, the five-county Central Region of New Jersey saw an increase in unadjusted nonfarm employment of 10,100 or 0.8 percent. Although this gain in the region's payrolls is welcome news, the region lagged the state where employment increased by 1.1 percent over the year. Educational and health services (+4,600) and professional and business services (+3,100) were the region's job growth leaders over the period. Manufacturing (-2,600) recorded the largest payroll decline.

Employment increased in both of the Central Region's labor areas over the year. The largest payroll gain occurred in the four-county Edison Labor Area where employment increased by 6,600 jobs or 0.7 percent. With a net increase of 3,100 jobs each, educational and health services and professional and business services were Edison's leaders in job creation over the period. The Edison Labor Area is the region's largest labor area accounting for 80.0 percent of jobholding in March 2012.

Educational and Health Services Leads Job Creation

In the Edison Labor Area, the large employment gain in educational and health services was due primarily to a 3,800 jobs increase in health care and social assistance. Included in this gain were 1,800 jobs in ambulatory health care and a 500 jobs increase in hospital employment.

On the negative side, manufacturing (-2,500), construction (-1,300), trade, transportation and utilities (-1,000), government (-400) and information (-300) saw job declines in the labor area over the year. Specialty trade contractors experienced a large 11.9 percent job loss, signifying that the demand for new homebuilding continues to lag.

Employment in the Trenton-Ewing Labor Area (Mercer County) increased by 3,500 jobs or 1.4 percent over the year. Payroll gains occurred in the trade, transportation and

utilities (+1,600), education and health services (+1,500), government (+1,300) and financial activities (+400) sectors. In educational and health services, health care and social assistance contributed 700 jobs to the increase. The hospital sub-sector accounted for 300 of the employment gain. The bulk of this increase may be attributed to new hires at the recently opened Capital Health hospital in Hopewell Township whose completion brought a net increase of jobs to the area. This move shifted jobs from a hospital in Trenton to the much larger and modern facility in Hopewell.

Change in Nonfarm Employment
March 2011 - March 2012
(not seasonally adjusted)

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	10,100	0.8	41,400	1.1
Private Sector	9,200	0.9	37,100	1.2
Construction	-1,600	-4.3	-1,200	-1.0
Manufacturing	-2,600	-3.8	-4,000	-1.6
Trade, Trans. & Utilities	600	0.2	9,200	1.1
Information	-500	-1.7	-6,700	-8.9
Financial Activities	1,100	1.5	3,700	1.5
Prof. & Business Svcs.	3,100	1.5	2,300	0.4
Ed. & Health Svcs.	4,600	2.4	22,400	3.7
Leisure & Hospitality	2,100	2.4	4,900	1.6
Other Services	2,400	4.7	6,500	4.1
Government	900	0.4	4,300	0.7

Source: NJLWD, Current Employment Statistics



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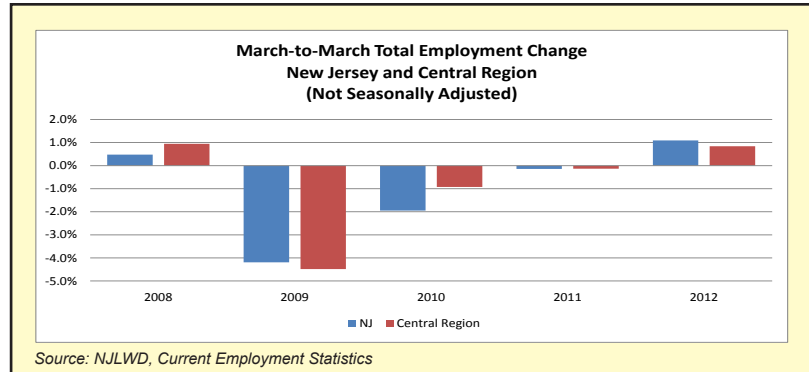
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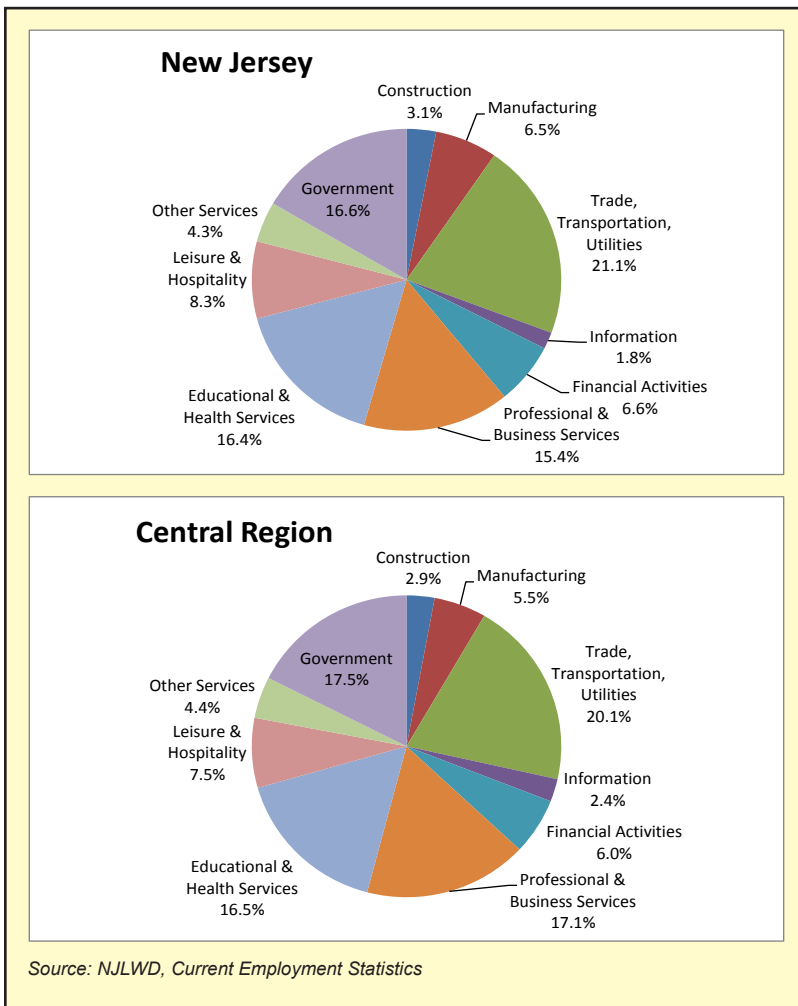
Leisure and hospitality (-700) shed the most jobs in the Trenton-Ewing Labor Area over the year with losses concentrated in accommodation and food services. Other sectors experiencing job declines in the area over the year were: construction (-300), information (-200) and manufacturing (-100). Employment levels in both professional and business services and other services remained flat.

Total Nonfarm Employment (unadjusted March data, employment in thousands)						
	2007	2008	2009	2010	2011	2012
New Jersey	4,024.6	4,043.9	3,874.3	3,798.8	3,793.4	3,834.8
Central Region	1,259.4	1,271.3	1,214.3	1,203.1	1,201.5	1,211.6
Edison Labor Area (Mercer, Middlesex, Monmouth, Ocean counties)	1,022.7	1,029.9	976.7	965.8	962.9	969.5
Trenton-Ewing Labor Area (Mercer County)	236.7	241.4	237.6	237.3	238.6	242.1

Source: NJLWD, Current Employment Statistics



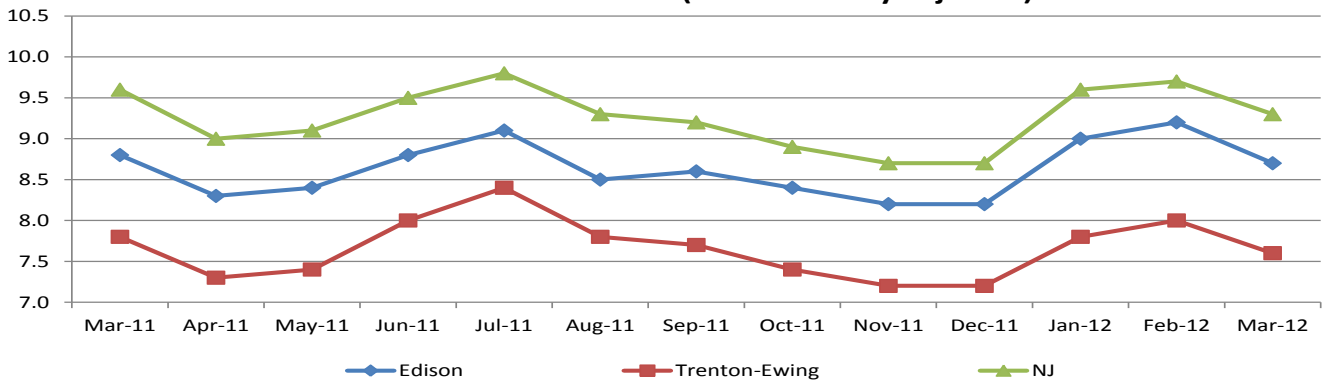
EMPLOYMENT BY INDUSTRY, MARCH 2012 (NOT SEASONALLY ADJUSTED)



- As in the state, trade, transportation and utilities accounted for the largest number of jobs (243,700) in the Central Region during the first quarter of 2012. The wholesale trade component accounts for a larger proportion of total employment in the region than in the state (5.2% vs. 4.4%, respectively) due to the significant warehouse market in Middlesex and Mercer counties.
- Government accounts for the second largest number of jobs statewide (635,300) as well as in the Central Region (212,400). The Central Region includes the Trenton-Ewing Labor Area (Mercer County), the capital county, where government represents 28.7 percent of payrolls.
- Professional and business services which provided 207,600 jobs in the region during the first quarter, was the third largest employment segment. With an employment level of 199,400, educational and health services ranks fourth due to the presence of numerous private educational institutions such as Princeton University, Monmouth University, several college preparatory schools, and many large hospitals and health services companies.

More detailed data from the Current Employment Statistics (CES) program can be found at: http://lwd.dol.state.nj.us/labor/lpa/employ/ces/ces_index.html

**Unemployment Rates, New Jersey and Central Region
 March 2011 - March 2012 (not seasonally adjusted)**



Source: NJLWD, Local Area Unemployment Statistics (LAUS)

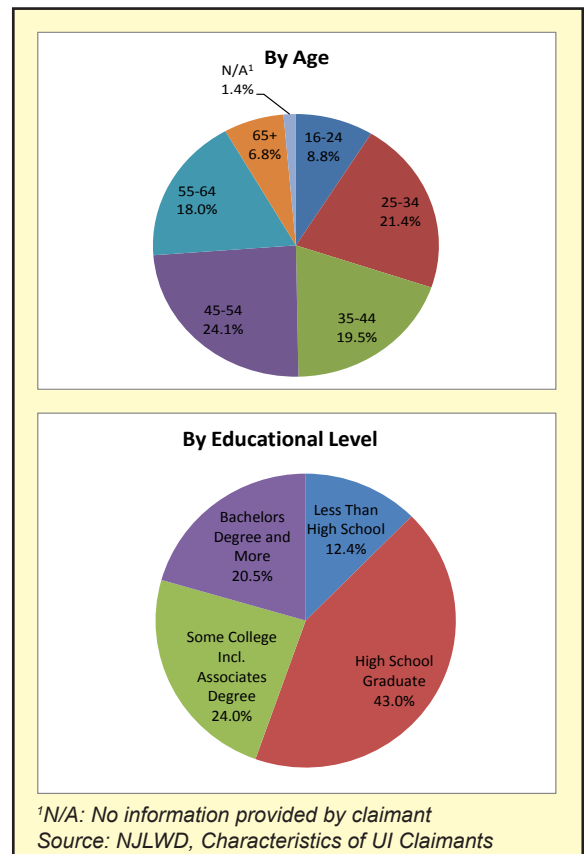
- At 8.6 percent in March 2012, the unadjusted unemployment rate in the Central Region was below the state's rate of 9.3 percent. The region's unemployment rate for March 2012 was lower by one percentage point from the the same month a year ago. Statewide, the rate declined by 0.3 percentage point over the same period.
- The unemployment rate in the Edison Labor Area (8.7%) and the Trenton-Ewing Labor area (7.6%) continue to trend below the statewide rate of 9.3 percent in March 2012. Over the year Edison's rate ranged from a low of 8.2 percent in November and December 2011 to a high of 9.2 in February 2012. Trenton-Ewing's rate ranged from a low of 7.2 percent for November and December 2011 to a high of 8.4 percent in July 2011.
- While the labor force expanded slightly in each of the region's labor areas over the period, the rise in the Trenton-Ewing Labor Area was the fastest (+0.9%).

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
 CENTRAL REGION
 FIRST QUARTER 2012**

CLAIMANTS BY OCCUPATIONAL GROUP		
	NUMBER	PERCENT
Management	10,832	9.8
Business and Financial	3,630	3.3
Professional and Related	14,120	12.8
Services	17,691	16.0
Sales and Related	9,167	8.3
Office and Administrative Support	18,337	16.6
Farming, Fishing and Forestry	349	0.3
Construction and Extraction	10,216	9.2
Installation, Maintenance and Repair	4,452	4.0
Production	8,940	8.1
Transportation and Material Moving	12,078	10.9
Military	651	0.6

- Residents of the Central Region who claimed unemployment benefits during the first quarter of 2012 were most likely to be previously employed in the office and administrative support or services occupational groups.
- Nearly half (48.9%) of claimants in the Central Region were age 45 and over.



Assisting Jobseekers in Central Jersey

Some consequences of the recent recession are a large supply of labor seeking employment opportunities and an increase in claims for unemployment benefits. Historically, the New Jersey Department of Labor and Workforce Development in conjunction with the federal government has provided employment services throughout the state. However, the increased scope of unemployed residents required greater efforts to assist job seekers in finding gainful employment.

In addition to unemployment insurance benefits, unemployed New Jerseyans have access to an array of services offered by the state and county One-Stop Career Centers and Workforce Investment Boards. Government has stepped up efforts to attract jobs by encouraging businesses to keep operating in the state.

Among the services offered at the One-Stop Centers and Workforce Investment Boards are:

- Positive recruitments in which employers visit the OneStop to interview pre-screened job applicants.
- Seminars on economic trends, including relevant labor market information suitable for career development planning.
- Hands-on job searches utilizing online tools such as Real-time Jobs in Demand, Jobs4Jersey and My Skills My Future.

However, obstacles to employment created by the recent recession still persist. For example, the decline in demand for new homebuilding has negatively impacted construction employment. Within the region, this decline has been particularly felt in the Edison Labor Area where total permitting activity in Ocean County once led the state on the strength of single-family homebuilding. As the economy improves the job market will also improve.

New Hospitals, New Opportunities

The Central Region is home to two of the newest hospitals in the Garden State. In November 2011, Capital Health opened a 223-bed hospital in Hopewell and the Princeton HealthCare's new hospital and 171-acre medical campus will officially open in May 2012. Each of these new hospitals are replacing older medical centers. As new technologies emerge in the medical field, it is often more cost effective to construct new facilities that incorporate the space needs of new state-of-the-art equipment and digital technology rather than renovate existing structures.

Biopharma Expanding in the Region

Central New Jersey has been experiencing a flurry of positive economic development activities. The region's talented workforce and strong association with research and development organizations, including universities and medical hubs, are among the top reasons life science companies are attracted, expanding and investing in the area. Notable projects include:

- California-based Allergan, maker of specialty drugs and devices, leased space in Bridgewater (Somerset County), and expects to add nearly 400 jobs.
- Biopharmaceutical company Ipsen established its new North American headquarters in Basking Ridge (Somerset County) and plans to create approximately 100 new jobs.
- Novo Nordisk is expanding its NJ presence with plans for a new headquarters in Plainsboro (Middlesex County). The company will be expanding its workforce by hiring about 100 new employees.

Residential Building Permits Year-to-Date (Jan to Mar)				
	Total		Single-Family	
	2011	2012	2011	2012
New Jersey	2,696	3,354	1,543	1,473
Central Region	707	924	584	600
Source: U.S. Census Bureau				

More detailed building permit data can be found at: http://lwd.dol.state.nj.us/labor/lpa/industry/bp/bp_index.html

- The number of residential housing units authorized in the Central Region during the first quarter of 2012 totaled 924, an increase of 30.7 percent or 217 units from the same period a year ago.
- Ocean County lead the state for single-family permitting activity (232 units authorized) during the first quarter. The number of single-family residential units authorized in Ocean County year-to-date accounts for 15.6 percent of statewide single-family permits and 38.7 percent of the region's single-family permits. However, multi-family units dominate statewide planned homebuilding. Single-family units account for 43.9 percent of New Jersey's permitting activity.