

# Regional Focus: North Jersey

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

## North Jersey Shows Growth in Employment

From March 2011 to March 2012, total nonfarm employment in the eight-county Northern Region increased by 15,300 jobs to reach a not seasonally adjusted level of 1,831,000. After two years of recessionary decline in 2009 and 2010, the region's jobholding spent the last two years slowly climbing back. However, the region's payrolls, up by 0.8 percent from the same month a year ago, compared to statewide employment which recorded a gain of 1.1 percent during the same period.

Over the year, payrolls advanced in both of the Northern Region's labor areas. Jobholding in the Newark-Union Labor Area advanced by 9,200 jobs or 1.0 percent to total 963,300 nonfarm jobs in March 2012. Covering a much smaller geographic area, but contributing significantly to the employment base in the northern portion of the state is the Bergen-Hudson-Passaic (BHP) Labor Area. The BHP Labor Area recorded an increase of 6,100 jobs or 0.7 percent from the same month a year ago to total 867,700 in March 2012. The Northern Region accounts for a significant proportion of statewide employment. Together, the two labor areas making up the northern part of the state account for 47.7 percent of the statewide jobholding.

## Job Gains Seen in Most Industry Sectors

Regional employment advanced in every sector except government (-7,100 or -2.5%) and information (-1,700 or -4.7%). Trade, transportation and utilities experienced the most significant job growth (+7,500 or +1.9%) followed by professional and business services (+5,400 or +1.8%). Retail trade accounted for most of the gain in the trade, transportation and utilities sector (+4,300). Other industries that experienced moderate growth during the period were leisure and hospitality (+2,800), financial activities (+2,400), and other services (+2,300).

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

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	15,300	0.8	41,400	1.1
Private Sector	22,400	1.5	37,100	1.2
Construction	1,100	2.1	-1,200	-1.0
Manufacturing	1,400	1.1	-4,000	-1.6
Trade, Trans. & Utilities	7,500	1.9	9,200	1.1
Information	-1,700	-4.7	-6,700	-8.9
Financial Activities	2,400	1.8	3,700	1.5
Prof. & Business Svcs.	5,400	1.8	2,300	0.4
Ed. & Health Svcs.	1,200	0.4	22,400	3.7
Leisure & Hospitality	2,800	2.2	4,900	1.6
Other Services	2,300	3.1	6,500	4.1
Government	-7,800	-2.5	4,300	0.7

Source: NJLWD, Current Employment Statistics

In the Bergen-Hudson-Passaic Labor Area, the largest job gains took place in trade, transportation and utilities (+3,300 or 1.7%) and manufacturing (+2,800 or 4.6%). The greatest loss occurred in government (-3,200 or -2.7%) where most of the contraction occurred in the local government component (-2,900). Information (-600 or -3.2%) and financial activities (-400 or -0.6%) shed a relatively small number of jobs. Payroll gains in the Newark-Union Labor Area, which consists of Morris, Essex, Union, Sussex and Hunterdon counties, were



*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 Valeriano at (609)984-5952 or email michael.valeriano@dol.state.nj.us*

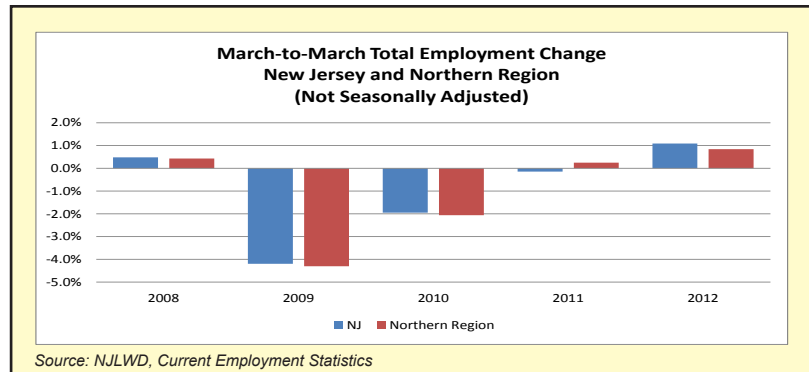
*To subscribe to this publication email njsdc@dol.state.nj.us with "regional focus" in the subject line.*



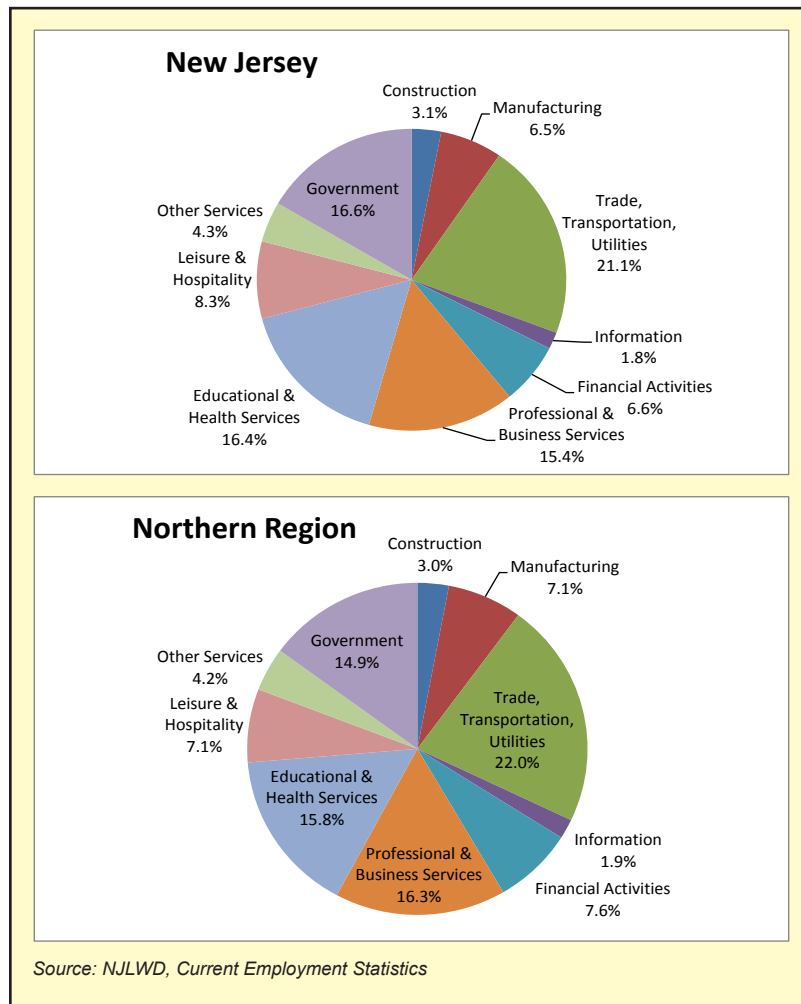
concentrated primarily in trade, transportation & utilities (+4,200 or 2.1%) and professional and business services (+3,600 or 2.2%). Again, government shed the most jobs (-3,900 or -2.4%) in the labor area followed by the only other industries to experience declines, manufacturing (-1,400 or -2.1%) and information (-1,100 or -6.2%).

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
Northern Region	1,924.1	1,932.4	1,849.3	1,811.2	1,815.7	1,831.0
Bergen-Hudson-Passaic Labor Area (Bergen, Hudson and Passaic counties)	899.7	899.4	867.0	856.0	861.6	867.7
Newark-Union Labor Area (Essex, Hunterdon, Morris, Sussex and Union counties)	1,024.4	1,033.0	982.3	955.2	954.1	963.3

Source: NJLWD, Current Employment Statistics



## EMPLOYMENT BY INDUSTRY, MARCH 2012 (NOT SEASONALLY ADJUSTED)

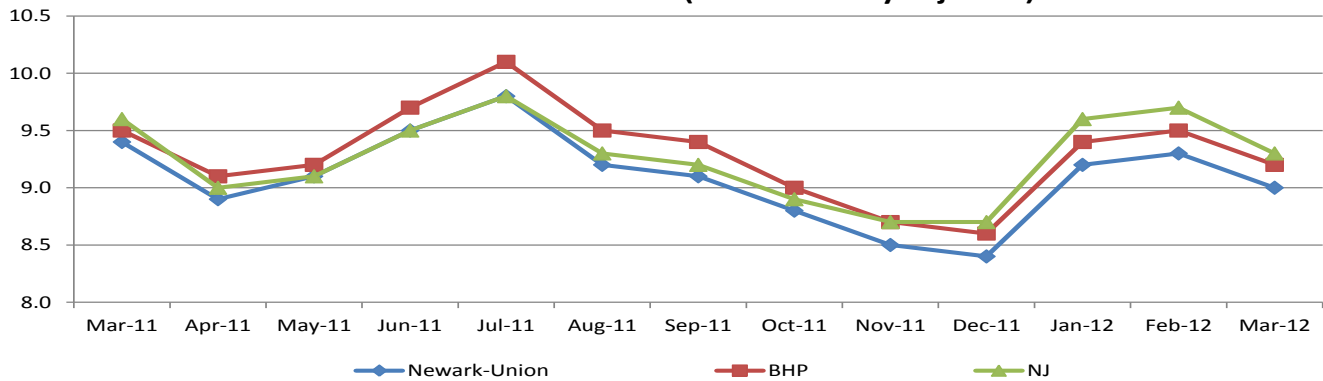


- The largest employment sector in both the Northern Region and the state in March 2012 was trade, transportation and utilities (22.0% and 21.1%, respectively). Due in part to the Port Newark Container Terminal located in region, northern payrolls account for 53.6 percent of the state's jobholding in wholesale trade, and 57.7 percent of statewide employment in transportation and warehousing.
- Also due to the presence of the Port, the Newark-Union Labor Area has a higher proportion of jobs in transportation and warehousing than the Bergen-Hudson-Passaic Labor Area (5.4% vs 4.3%, respectively). Newark-Union's jobholding in transportation and warehousing accounts for 33.6 percent of statewide payrolls in transportation and warehousing.
- Professional and business services and financial activities account for higher percentages of employment in the Northern Region than in the state (16.3% vs. 15.4% and 7.6% vs. 6.6%, respectively).

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](http://lwd.dol.state.nj.us/labor/lpa/employ/ces/ces_index.html)

## LABOR FORCE DATA

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



Source: NJLWD, Local Area Unemployment Statistics (LAUS)

- At 9.1 percent, the March 2012 not seasonally adjusted unemployment rate for the Northern Region was just below the state rate of 9.3 percent. Over the year, the region's unemployment rate ranged from a high of 9.9 percent in July 2011 to a low of 8.5 percent in December 2011.
- The region's labor force accounts for 46.4 percent of the state's labor force. The number of labor force participants in the region are nearly equally split between the Newark-Union (1,075,700 or 50.8% of regional labor force) and Bergen-Hudson-Passaic (1,041,200 or 49.2% of regional labor force) labor areas.

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/lfst\\_index.html](http://lwd.dol.state.nj.us/labor/lpa/employ/uirate/lfst_index.html)

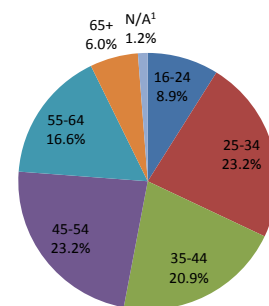
## CHARACTERISTICS OF NEW JERSEY'S INSURED UNEMPLOYED NORTHERN REGION FIRST QUARTER 2012

### CLAIMANTS BY OCCUPATIONAL GROUP

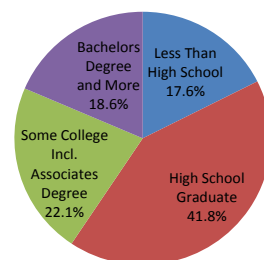
	NUMBER	PERCENT
Management	15,079	8.4
Business and Financial	5,193	2.9
Professional and Related	20,520	11.4
Services	29,531	16.4
Sales and Related	14,712	8.2
Office and Administrative Support	31,593	17.6
Farming, Fishing and Forestry	711	0.4
Construction and Extraction	14,519	8.1
Installation, Maintenance and Repair	6,386	3.5
Production	18,357	10.2
Transportation and Material Moving	22,002	12.2
Military	914	0.5

- The majority of residents claiming benefits for unemployment compensation during the first quarter of 2012 were previously employed in the office and administrative support and services occupational groups.
- Over half (59.4%) of claimants in the Northern Region had no further education beyond high school.

### By Age



### By Educational Level



<sup>1</sup>N/A: No information provided by claimant  
 Source: NJLWD, Characteristics of UI Claimants

## The Region's Transportation, Logistics and Distribution Operations Keep New Jersey Moving

Using an industry cluster approach when analyzing employment data helps illustrate the impact of related industries. One key cluster in New Jersey's economy is transportation, logistics and distribution, or TLD. This cluster, which includes wholesale trade and transportation and warehousing employment, is heavily concentrated in the northern region. In 2010 (latest data available), 52.2 percent of statewide jobholding in the cluster was in the northern region. With an employment level of 48,042, Bergen County had the highest number of TLD jobs in the state followed by Essex County (40,599).

Many of the TLD jobs in the state are related to the Port of New York and New Jersey shipping terminals located in Newark and Elizabeth. The Port of New York and New Jersey has long been a major economic engine for the region. A recent economic impact study conducted for the New York Shipping Association states that the Port supports 279,000 jobs and \$11.6 billion in personal income in the New York-New Jersey Region.

In 2011, the Port handled nearly 3.2 million containers, an increase in cargo volume of 6.0 percent from fiscal 2010. Figures from the U.S. Army Corps of Engineers, Waterborne Commerce Statistics Center for 2010 rank the Port third in the U.S. behind South Louisiana, LA and Houston, TX for tonnage of total trade, and second behind Houston, TX for tonnage of foreign imports.

Newark Liberty International Airport, also located within the region, served 33.3 million total passengers in 2011. The number of international passengers reached an all-time high of 11.6 million in 2011.

## Supermarket Developments

Wakefern Food Corp. broke ground on a new Elizabeth (Union County) distribution center in May 2012. At 524,000-sq.ft., the warehouse will increase storage capacity by more than fifty-eight percent and replace a smaller structure which dates to the 1950s. When completed in November 2013, the facility is expected to bring additional jobs to the city. The facility will serve as a distribution center for non-perishable food products to ShopRite supermarkets located in NJ, NY, PA, CT, DE and MD.

A Food Depot supermarket opened in Newark (Essex County) in February 2012. The 31,000-sq. ft. store created nearly 100 jobs and is the first new supermarket to open in the city in nearly 22 years.

## Health Care Services Expand in Bergen County

Groundbreaking for a major expansion and renovation at Hackensack University Medical Center (Hackensack) was held in May 2012. The project includes annexing the emergency center into specialty care areas and installing private treatment suites. Completion of the first phase of the project is projected for the end of 2013.

SJCH Pediatrics Subspecialties Center at Paramus recently opened in Paramus. The pediatrics center is staffed by St. Joseph's Regional Medical Center physicians and specializes in areas such as allergy and immunology, cardiology, child development, endocrinology and diabetes, gastroenterology, infectious disease, nephrology and dialysis, neurology, and pulmonology.

**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
Northern Region	1,312	1,768	445	451

Source: U.S. Census Bureau

- The number of residential building permits issued in the Northern Region during the first quarter of 2012 totaled 1,768, an increase of 456 or 34.8 percent from the same period a year ago. Although the region experienced significant growth in total permitting activity, planned building for single-family structures remained relatively unchanged.
- Hudson (462 units) and Union (401 units) counties led the state for permitting activity on the strength of planned multi-family homebuilding. The number of single-family permits issued in these counties account for just 3.2 percent and 12.5 percent of authorizations, respectively.

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