

Regional Focus: Central Jersey

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

Payrolls Remain Level in the Central Region

Total nonfarm employment in the five-county Central Region of New Jersey was virtually unchanged from June 2011 to June 2012 (+500 jobs), based on unadjusted data. Employment growth in the region lagged the state where jobholding was up by 1.4 percent from the same month a year ago.

Despite little overall job growth regionally since June 2011, some sectors did record significant payroll gains. With a net increase of 5,000 jobs, leisure and hospitality experienced the largest employment increase. This was followed by educational and health services (+4,100), other services (+1,900) and professional and business services (+700). These gains were overshadowed by employment losses in trade, transportation and utilities (-4,000), construction (-2,300), manufacturing (-2,300), government (-1,200), information (-900) and financial activities (-500). Within trade, transportation and utilities, retail employment was down by 4,400 jobs from the same month a year ago as wholesale trade and transportation, warehousing and utilities posted small employment gains (+200 jobs each)

Employment Up Slightly in Edison Labor Area

Employment increased in the Edison Labor Area by 600 jobs or 0.1 percent from June 2011 to June 2012. The Edison Labor Area added employment on the strength of a 5,000 jobs increase in leisure and hospitality. Other sectors to add jobs were educational and health services (+2,200), professional and business services (+2,000), and other services (+2,000). The gain in educational and health services stemmed primarily from a 3,000 increase in the health care and social assistance industry component. This might be a reflection of the opening of the University Medical Center of Princeton in Plainsboro (Middlesex County) during the second quarter of 2012.

Employment growth in the Edison Labor Area was offset by payroll losses in trade, transportation and utilities (-4,000), construction (-2,200), manufacturing (-2,100), government (-1,400), information (-600) and financial activities (-300). The labor area's losses in government were derived from a 2,100 decline in state government and a 1,000 job decline in federal government. The loss in jobholding at the federal government level could be primarily attributed to the winding down of Fort Monmouth in Monmouth County.

In the Trenton-Ewing Labor Area, employment was down



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

	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	500	0.0	54,500	1.4
Private Sector	1,700	0.2	49,200	1.5
Construction	-2,300	-5.5	-5,300	-3.9
Manufacturing	-2,300	-3.3	-5,000	-2.0
Trade, Trans. & Utilities	-4,000	-1.6	7,100	0.9
Information	-900	-3.0	-8,600	-11.1
Financial Activities	-500	-0.7	-700	-0.3
Prof. & Business Svcs.	700	0.3	9,900	1.6
Ed. & Health Svcs.	4,100	2.1	25,800	4.2
Leisure & Hospitality	5,000	4.7	18,300	5.0
Other Services	1,900	3.5	7,700	4.6
Government	-1,200	-0.6	5,300	0.8

Source: NJLWD, Current Employment Statistics

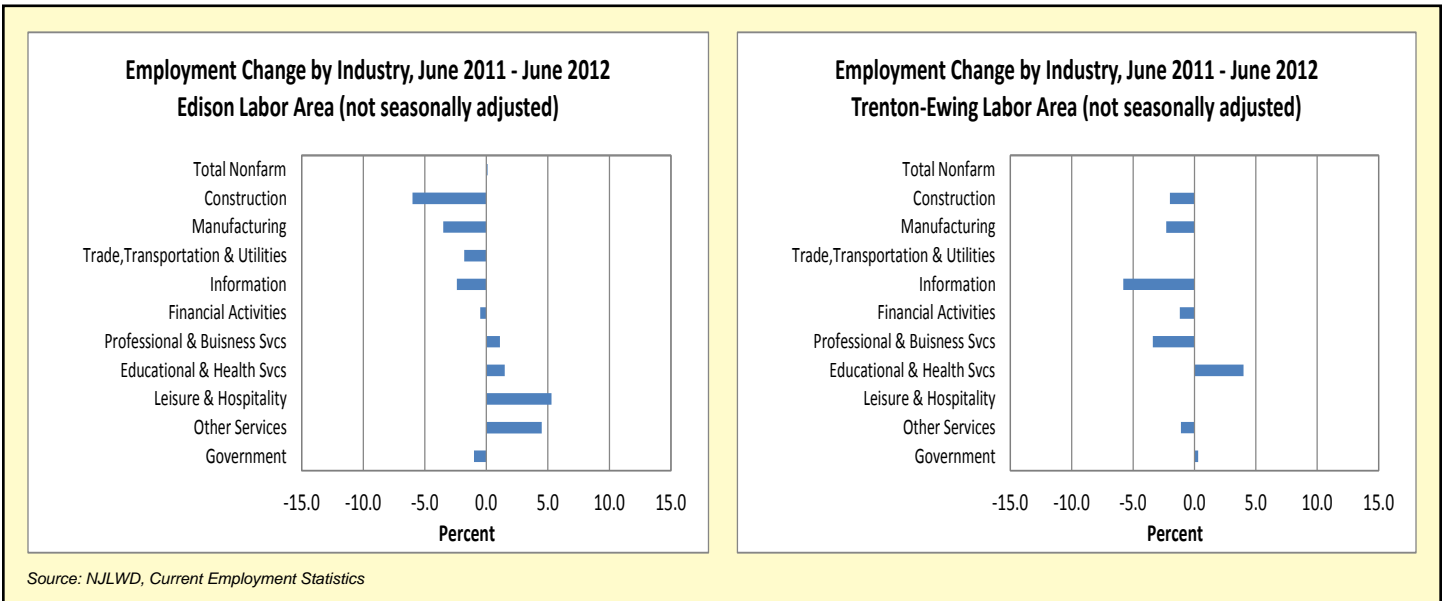
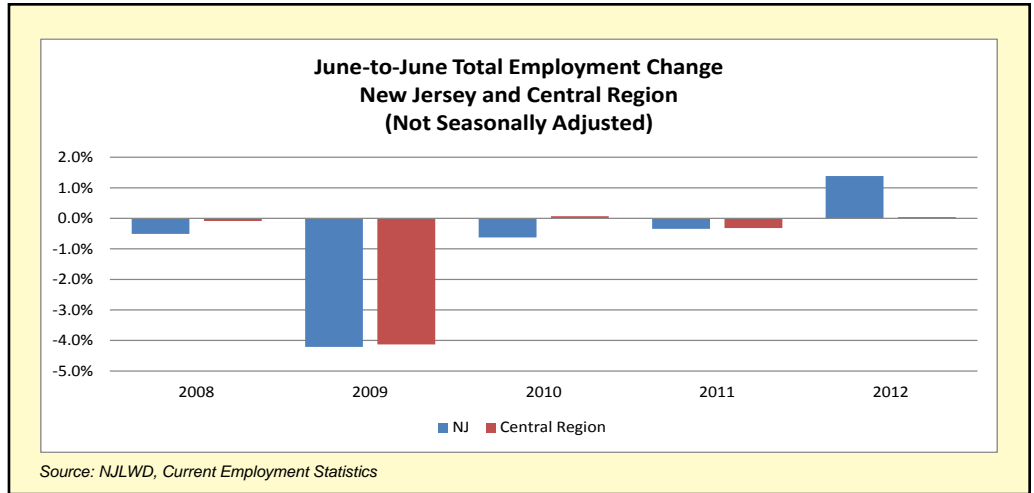


by 100 over the year. Professional and business services shed 1,300 jobs in the labor area while information (-300), manufacturing (-200), construction (-100) and other services (-100) posted minimal job loss.

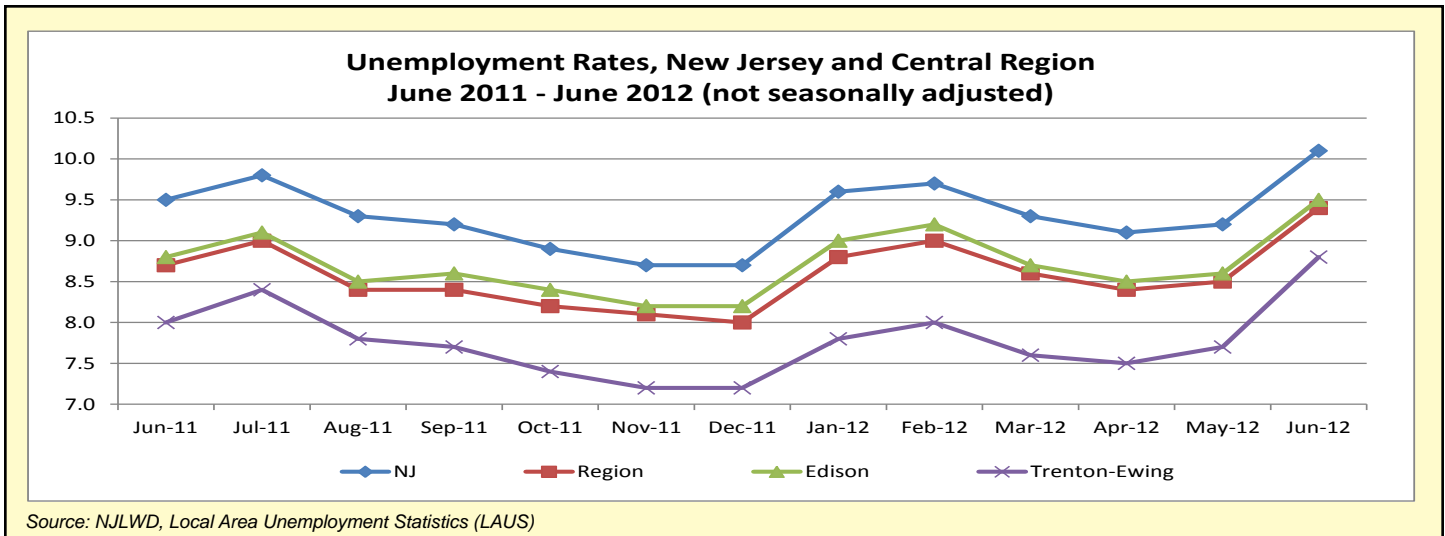
On a bright note, educational and health services posted a 1,900 employment gain on the strength of a 2,000 gain in the educational services industry component. Government, the largest employment sector in the labor area, added 200 jobs since June 2011.

Total Nonfarm Employment (unadjusted June data, employment in thousands)						
	2007	2008	2009	2010	2011	2012
New Jersey	4,159.6	4,138.3	3,964.0	3,939.2	3,925.7	3,980.2
Central Region	1,308.3	1,307.2	1,253.2	1,254.1	1,250.1	1,250.6
Edison Labor Area (Middlesex, Monmouth, Ocean, Somerset counties)	1,066.9	1,059.8	1,011.5	1,009.7	1,006.7	1,007.3
Trenton-Ewing Labor Area (Mercer County)	241.4	247.4	241.7	244.4	243.4	243.3

Source: NJLWD, Current Employment Statistics



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



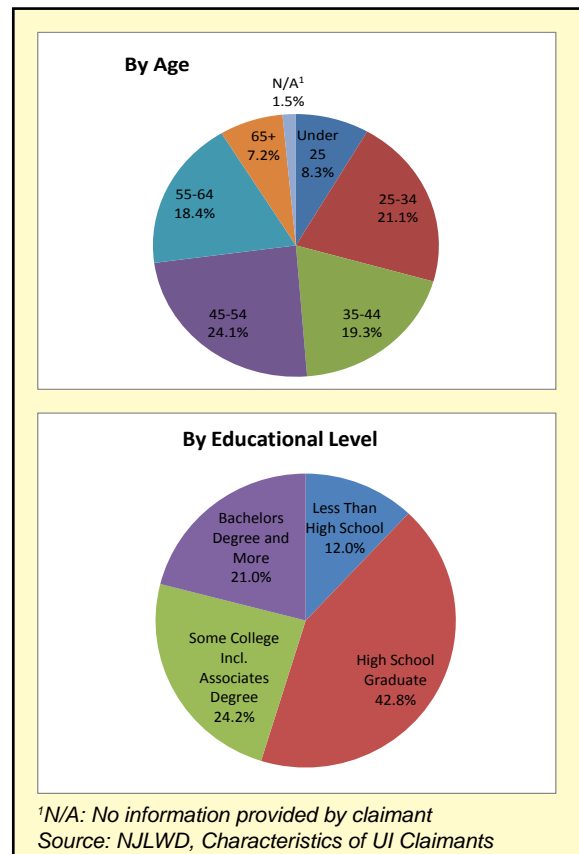
- In June 2012, the unadjusted unemployment rate for the Central Region was 9.4 percent, a rate 0.7 percentage point higher than the rate for the same month a year ago. In comparison, the statewide unemployment rate for June 2012 was 10.1 percent.
- The unemployment rates in the Central Region's labor areas trended lower than the rate statewide over the year. In June 2012, the unemployment rate in the Edison area was 9.5 percent and the rate for the Trenton-Ewing area was lower at 8.8 percent.
- The Edison Labor Area has the largest labor force in the state accounting for 26.6 percent of the labor force statewide.

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 SECOND QUARTER 2012

CLAIMANTS BY OCCUPATIONAL GROUP		
	Number	Percent
Management	10,095	9.9
Business and Financial	3,494	3.4
Professional and Related	13,460	13.2
Services	16,031	15.7
Sales and Related	8,465	8.3
Office and Administrative Support	17,239	16.9
Farming, Fishing and Forestry	254	0.2
Construction and Extraction	8,978	8.8
Installation, Maintenance and Repair	4,048	4.0
Production	7,892	7.7
Transportation and Material Moving	11,121	10.9
Military	599	0.6

- Claimants of unemployment insurance benefits in the Central Region were most likely to be previously employed in an office and administrative support occupation during the second quarter of 2012.
- Almost one quarter (24.1%) of the persons collecting unemployment benefits in the Central Region during the second quarter of 2012 were age 45-54.



The State of Solar in the Central Region

New Jersey is considered a leader in the number of solar energy installations, second only to California, in the United States. Therefore, it is not surprising to notice solar panels installed on buildings, former farmlands, brownfields and utility poles in the Central Region. This proliferation of solar installations throughout the state and the region is being driven by policies which capitalize on renewable energy as a jobs creator while providing "green" environmental benefits. With the emerging demand for solar panels and other solar-related items, it was not surprising that the industry was seen as a potential creator of high-paying manufacturing jobs throughout the nation. However, current demand has not resulted in the large numbers of manufacturing jobs.

Solar is a good fit for the Central Region where a large number of photovoltaic panels can be installed on homes, buildings, and other sites. The skills utilized in these projects are mainly those of existing construction tradespersons.

A large number of solar companies have had a presence in the region, including: World Water & Solar Technologies, Inc., Princeton (Mercer County); Advanced Systems Manufacturing, Princeton (Mercer County); Harter Industries, Matawan (Monmouth County); Aquaterm Industries, Inc, Lakewood (Ocean County); Sunlit Systems, Edison (Middlesex County); Petra Solar, South Plainfield (Middlesex County); and MX Solar USA, LLC, Somerset (Somerset County).

Meanwhile, solar farms have been springing up in farm fields and brownfields in the region. These projects have helped boost construction employment. Some examples are: PSE&G solar farm in Trenton, The Lawrenceville solar project in Lawrenceville, and McGraw Hill's solar farm in East Windsor. While the distribution and installation of solar panels fared better than the manufacturing of solar panels, both processes benefitted from government subsidies, including Solar Renewable Energy Certificates, or SRECs. SRECs are certificates which represent the clean energy benefits generated by a solar electric system. More information about SRECs and New Jersey's Clean Energy Program can be found online at <http://www.njcleanenergy.com>

Economic Developments

During the June 2011-June 2012 period, the economy of central New Jersey appeared to be stable with small jobs gains. Among the significant developments in the region are:

- A plan to revitalize the Suburban Plaza in Hamilton Township (Mercer County) was approved in June 2012. Subsequently Wal-Mart announced plans to open a store in the revitalized shopping center, bringing about 350 retail jobs to the area.
- Savient Pharma of East Brunswick (Middlesex County) announced that it will eliminate 35 percent of its workforce or about 60 jobs in September 2012.

Intercensal Population Estimates for New Jersey and the Central Region: 2010 to 2011				
	Population		Change	
	2010	2011	Number	Percent
New Jersey	8,791,894	8,821,155	29,261	0.3%
Central Region	2,706,762	2,716,562	9,800	0.4%

Source: U.S. Census Bureau, Population Division

Intercensal population estimates reconcile the postcensal estimates (2000-based estimates, prepared prior to the 2010 Census) with the 2010 Census counts and provide a consistent time series of population estimates that reflect the most recent census results. Detailed intercensal population data can be found at: http://lwd.dol.state.nj.us/labor/lpa/dmograph/est/est_index.html

- The estimated 2.7 million residents of the Central Region accounted for about 31 percent of the state's population in 2011 according to recently released U.S. Census Bureau intercensal population estimates. The 2011 estimate represented an over-the-year gain of 9,800 and was due entirely to a natural increment (births minus deaths) increase as more residents migrated out of the region than into it.
- All five counties within the region experienced a population gain from 2010 led by Middlesex and Ocean counties (+0.5% each). Middlesex continued to be the most populous county in the region during 2011 accounting for 30.0 percent total of population. Monmouth (23.2%) and Ocean (21.3%) counties ranked second and third, respectively. Middlesex County was the most densely populated at 2,636 persons per square mile while Ocean was the least densely populated (917 persons per square mile).