

Regional Focus: Central Jersey

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

Central Region Sees Two Years of Job Growth

Employment in the Central Region (Mercer, Middlesex, Monmouth, Ocean and Somerset counties) increased by 31,300 jobs or 2.5 percent over-the-year from December 2011 to December 2012. Jobholding in the region expanded at a faster pace than the increase of 1.7 percent posted statewide (+65,900 jobs). The movement in total private sector employment (2.9%) was also faster for the region than the state (1.8%). December payrolls in the Central Region reached a peak level of 1,292,900 in 2007 before facing three years of decline (-62,800 jobs through December 2010). Jobholding began to rebound in 2011 increasing by 39,900 through December 2012.

With a gain of 10,900 jobs or 5.1 percent, professional and business services led the region in jobs creation over the year. This also was true at the state level where professional and business services posted the leading employment gain of 20,200 or 3.3 percent from the same month a year ago. However, the region's fastest-growing sector on a percentage basis was information (+6.8%). Statewide, other services (+3.4%) was the fastest-growing employment sector.

Edison Labor Area Outpaces Region's Private Sector Job Gain

In the Edison Labor Area (Monmouth, Middlesex, Ocean & Somerset counties), total employment increased by 25,400 jobs on the strength of a 25,500 increase in the private sector. With an over-the-year increase of 3.0 percent in private sector jobholding, the labor area added jobs at a slightly faster pace than the region. Professional and business services led job growth in Edison with a gain of 10,400 jobs or 5.8 percent. Administrative support, waste management and remediation contributed 7,900 of the new jobs in this sector. Sectors which posted payroll gains included trade, transportation and utilities (+4,500), educational and health services (+3,600), leisure and hospitality (+2,400), and other services (+2,300).

An encouraging sign of positive economic advancement in the Edison Labor Area was 1,400 new jobs or an increase of 3.9 percent in the construction sector. Some of the payroll gain in construction could be attributed to reconstruction efforts related to Hurricane Sandy taking place in coastal communities in Monmouth and Ocean counties.

With a loss of 900 jobs or 1.5 percent, manufacturing had the greatest payroll decline in the Edison Labor Area over the year. Government was the only other declining sector, losing 100 jobs. The



Change in Nonfarm Employment December 2011 - December 2012 (not seasonally adjusted)				
	Region		State	
	Net	%	Net	%
Total Nonfarm Employment	31,300	2.5	65,900	1.7
Private Sector	30,200	2.9	57,800	1.8
Construction	1,200	2.9	-1,200	-0.9
Manufacturing	-600	-0.9	-300	-0.1
Trade, Trans. & Utilities	400	1.5	10,100	1.2
Information	200	6.8	-1,100	-1.4
Financial Activities	1,500	2.1	3,400	1.4
Prof. & Business Svcs.	10,900	5.1	20,200	3.3
Ed. & Health Svcs.	6,400	3.2	15,600	2.5
Leisure & Hospitality	2,200	2.4	5,700	1.7
Other Services	2,600	5.0	5,500	3.4
Government	1,100	0.5	8,100	1.3

Source: NJLWD, Current Employment Statistics

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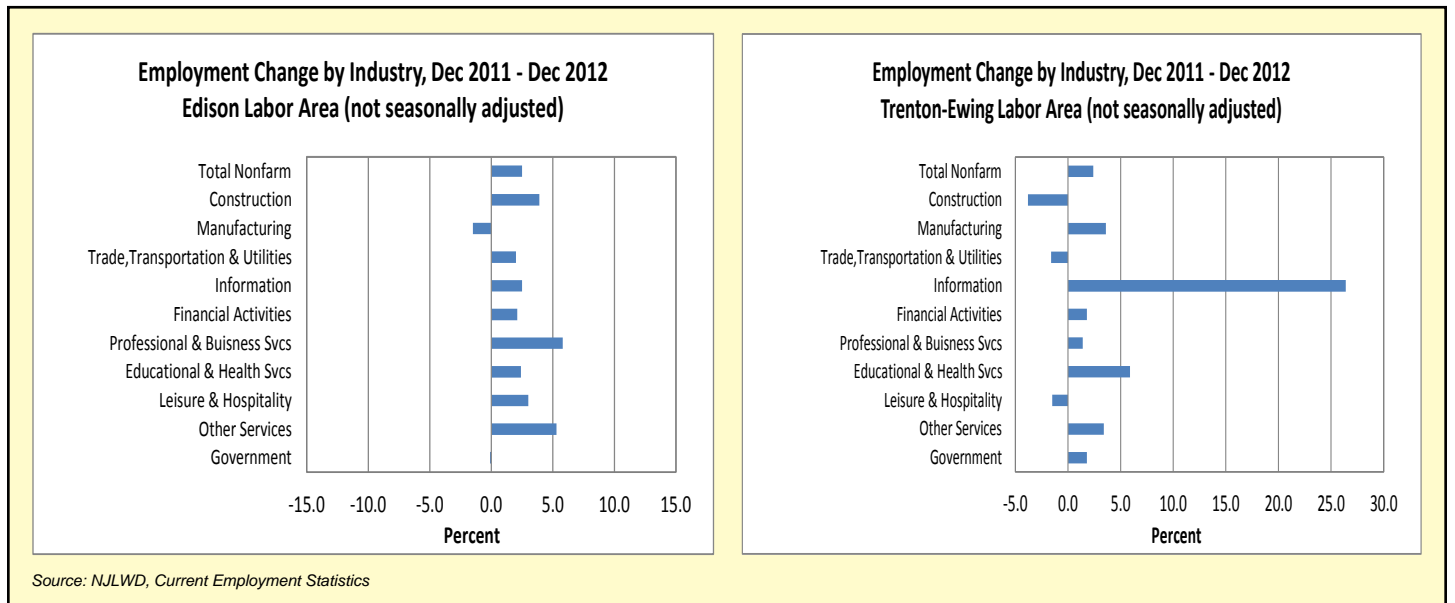
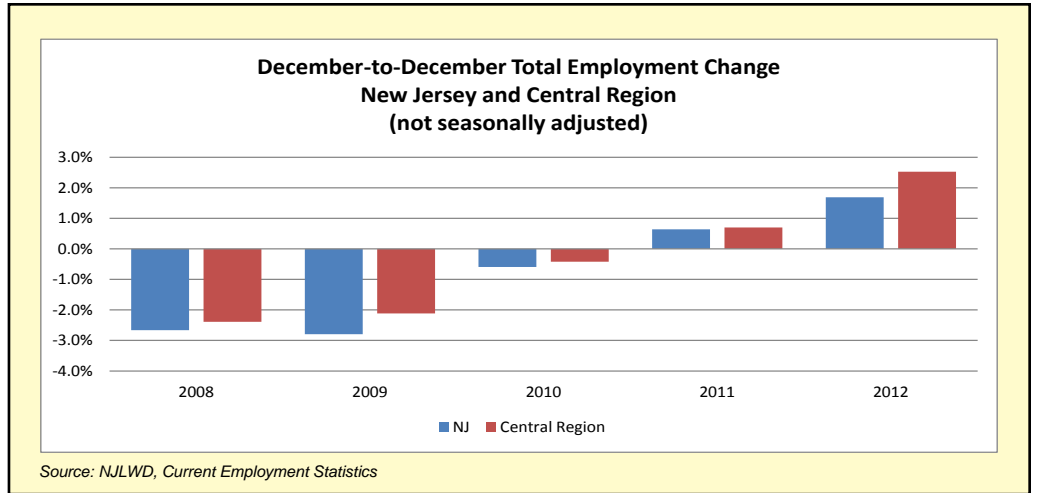
loss of government jobs resulted from declines at the local (-600) and federal (-400) levels.

Over the year ending December 2012, employment in the Trenton-Ewing Labor Area increased by 5,900 jobs or 2.4 percent. The area's job growth leader was educational and health services which recorded a payroll increase of 2,800 or 5.9 percent. The majority of this increase occurred in the educational services component. (+2,400 jobs). This industry includes businesses that provide educational consulting services and employment at private schools. The information sector also posted a notable over the year job gain (+1,400). Trade, transportation and utilities (-500 jobs) posted the largest decline due to losses in the retail trade (-400 jobs) and wholesale trade

(-100) components. Additionally in the labor area, financial activities shed 300 jobs while the construction and leisure and hospitality sectors were each down by 200 jobs from the same month a year ago.

Total Nonfarm Employment (unadjusted December data, employment in thousands)						
	2007	2008	2009	2010	2011	2012
New Jersey	4,125.2	4,015.3	3,903.1	3,879.9	3,904.7	3,970.6
Central Region	1,292.9	1,262.0	1,235.3	1,230.1	1,238.7	1,270.0
Edison Labor Area (Middlesex, Monmouth, Ocean, Somerset counties)	1,049.7	1,018.6	993.6	989.0	996.8	1,022.2
Trenton-Ewing Labor Area (Mercer County)	243.2	243.4	241.7	241.1	241.9	247.8

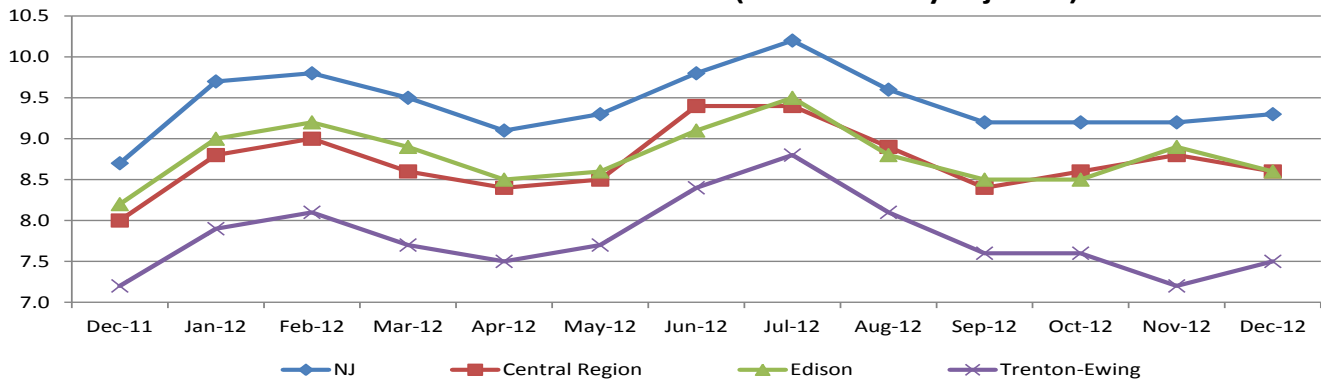
Source: NJLWD, Current Employment Statistics



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

LABOR FORCE DATA

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



Source: NJLWD, Local Area Unemployment Statistics (LAUS)

- The not seasonally adjusted unemployment rate in New Jersey's Central Region was 8.6 percent in December 2012, a rate 0.6 percentage point higher than the same month a year ago. In comparison, the unemployment rate statewide was 9.3 percent in December 2012.
- During December 2012, the unemployment rate in the Trenton-Ewing Labor Area (7.6%) was 1.1 percentage points lower than the rate in the Edison Labor Area (8.7%).
- Among the state's labor areas, the Edison Labor Area has the largest labor force accounting for 26.9 percent of the labor force statewide. The area's labor force increased by 2.7 percent from December 2011 to December 2012.

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, FOURTH QUARTER 2012

CLAIMANTS BY OCCUPATIONAL GROUP

	Number	Percent
Management	10,190	9.5
Business and Financial	3,419	3.2
Professional and Related	13,678	12.7
Services	18,113	16.9
Sales and Related	8,531	8.0
Office and Administrative Support	17,747	16.5
Farming, Fishing and Forestry	265	0.2
Construction and Extraction	8,419	7.8
Installation, Maintenance and Repair	4,533	4.2
Production	9,824	9.2
Transportation and Material Moving	11,881	11.1
Military	541	0.5

CLAIMANTS BY COUNTY

	Number	Percent
Mercer	11,005	10.3
Middlesex	32,542	30.3
Monmouth	27,714	25.8
Ocean	26,920	25.1
Somerset	9,116	8.5

Source: NJLWD, Characteristics of UI Claimants

- During the fourth quarter of 2012, residents filing for unemployment insurance who were previously employed in the services occupational group (health care support, protective service, food services, etc) represented the largest group of unemployment benefit claimants (18,113) in the Central Region. This group accounted for 16.9 percent of the 107,297 total claimants in the region.
- Claimants who were previously employed in the office and administrative support occupations accounted for 17,747 claims or 16.5 percent of total unemployment benefits claims in the region during the fourth quarter of 2012.

Spotlight on the Trenton-Ewing Labor Area

In the Trenton-Ewing Labor Area (Mercer County), some developments appear to be occurring along three major highway corridors: Rt. I-95 in Ewing, Rt. 130 in Hamilton/Robbinsville, and along Rt. 1 in West Windsor/Princeton. During the fourth quarter of 2012, work continued on the remodeling and expansion of Quaker-bridge Mall, including the addition of new restaurants and retail outlets.

In the fall of 2012, Frontier Airlines announced plans to begin passenger service from the Trenton-Mercer Airport located in Ewing Township and later revealed expanded plans to move operations from Philadelphia International Airport. Frontier Airlines commencement of flights to Orlando, Florida from Trenton-Mercer airport began in November 2012 and the airline announced plans for serving nine more destinations. The decision of Frontier Airlines to move operations to Trenton-Mercer Airport in Ewing could be a positive stimulus to support commercial development of the area around the airport. Potential redevelopment plans for the area, which is home to a former General Motors plant, include a corporate office park, medical offices and laboratories and commercial space.

In Robbinsville, online retailer Amazon.com plans to open a 1 million-sq.ft. warehouse in the township in early 2014. According to newspaper reports, the warehouse is expected to bring 700 full-time jobs and more than \$22 million in tax revenue to Mercer County. Additionally, it has been announced that the Japanese cosmetics company Shiseido, will expand its East Windsor plant to increase production capacity by one-third and make the location the company's sole U.S. export center.

Central Region Feels Impact of Hurricane Sandy

During calendar year 2012, economic development throughout New Jersey's Central Region has been slow, and was aggravated by the havoc wreaked by Hurricane Sandy; especially along the coastal areas of Middlesex, Monmouth and Ocean counties. Resort communities located within these counties were some of the most impacted areas in the state. Due primarily to temporary business closings in the wake of Hurricane Sandy, 154,500 New Jerseyans filed for unemployment insurance compensation statewide in November 2012. A pre-storm profile of the state's most impacted counties is available in [NJ Labor Market Views issue #24](#). However, in the region's beach communities, major reconstruction efforts are underway and businesses are continuing to reopen and move into the area. One example is a new Home Depot satellite store that opened in March 2013 Seaside Heights.

Regional Developments

Bristol-Myers, a large pharmaceutical company with operations in Mercer and Middlesex counties, reportedly plans to cut 480 sales-related jobs in the region, particularly in Plainsboro (Middlesex County). Masco, a cabinet and sales company, plans to close its countertop manufacturing plant in Lakewood (Ocean County), laying off 191 employees and retaining 32 mostly salaried employees. In Middlesex County, Hess Oil Company announced that it will close its Port Reading, Woodbridge oil refinery in February of 2013.

Central Region Counties, 2010-2020 Projected Nonfarm Employment Change					
	2010 Jobs	2020 Jobs	Change: 2010-2020		
			Number	Percent	
				Total	Annual
New Jersey	3,850,800	4,160,100	309,300	8.0	0.8
Mercer	243,650	265,800	22,150	9.1	0.9
Middlesex	396,650	431,400	34,750	8.8	0.8
Monmouth	256,900	280,250	23,350	9.1	0.9
Ocean	152,800	171,100	18,300	12.0	1.1
Somerset	174,450	192,600	18,150	10.4	1.0

- The recently released 2010-2020 industry and occupational employment projections for the State of New Jersey were developed by the New Jersey Department of Labor and Workforce Development, Division of Labor Market and Demographic Research, as part of the Division's economic and demographic projections series. The projections are neither predictions nor forecasts. For more detailed projections data, click [here: http://lwd.dol.state.nj.us/labor/lpa/employ/indoccpj/indoccpj_index.html](http://lwd.dol.state.nj.us/labor/lpa/employ/indoccpj/indoccpj_index.html).