

## FORECAST OF APRIL 2012

# NEW JERSEY: THE RECOVERY IS UNDERWAY

*Nancy H. Mantell, Ph.D.*

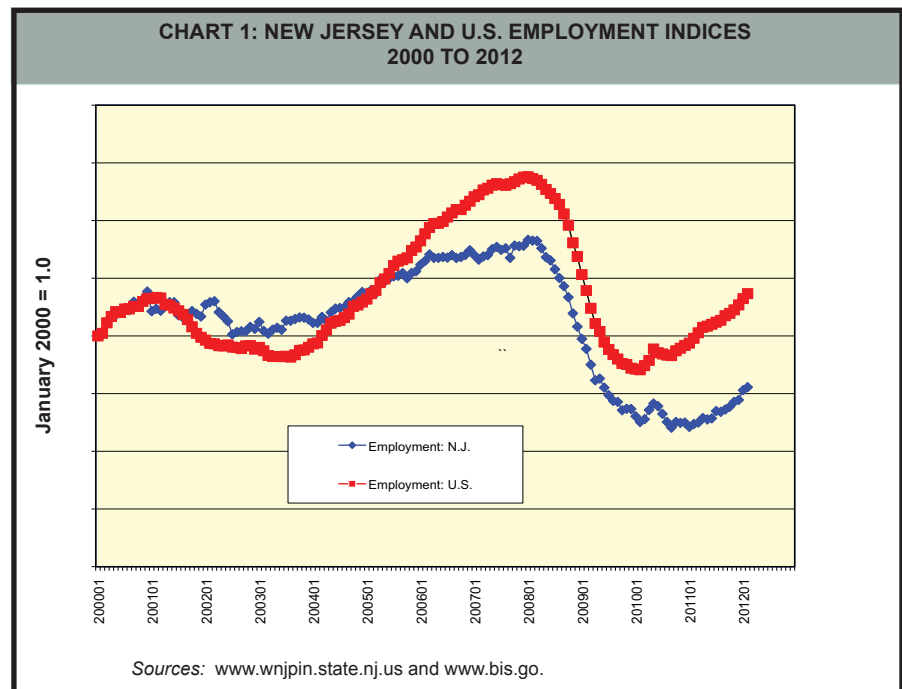
*Michael L. Lahr, Ph.D.*

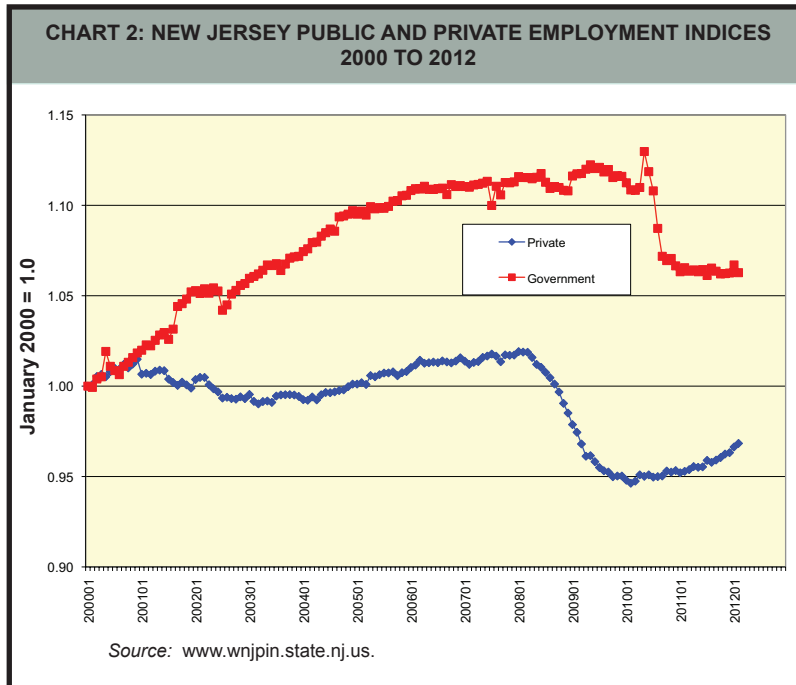
### EXECUTIVE SUMMARY

The April 2012 R/ECON™ forecast for New Jersey looks for growth in nonagricultural employment of 1.2 percent or 48,000 jobs in 2012. This is an above average rate as the economy comes decisively out of the recession, but the rate of growth will then slow as the recovery/expansion progresses. Growth will continue through the forecast period at an average rate of 0.8 percent or 32,000 jobs per year. By the end of the period the employment level will be 144,000 jobs above the peak reached in 2007. The unemployment rate will fall from its current level of 9 percent to 5.7 percent by 2022. At that level it will still be above pre-recession levels.

New Jersey's economy improved slowly and steadily during most of 2011 and into early 2012. After hitting bottom in January 2011 employment was up by 54,600 jobs in February 2012. The unemployment rate fell to 9 percent in January and February 2012 from the recessionary peak of 9.9 percent reached in April 2010. There are still so many ongoing problems in the U.S. and global economies that we believe the pace of recovery and expansion in the state in this business cycle will remain modest.

The speed of recovery in New Jersey continues to lag that in the nation. Through February 2012 the U.S. had regained 39 percent of the jobs lost during the recession, while New Jersey had regained only 21 percent. (See Chart 1.) In terms of gross output, New Jersey lost 3.9 percent in 2009 and regained 60 percent of it in 2010. The forecast indicates that the rest of the loss and more was recovered in 2011. The loss in GDP for the U.S. was also more than recovered in 2010 and 2011.





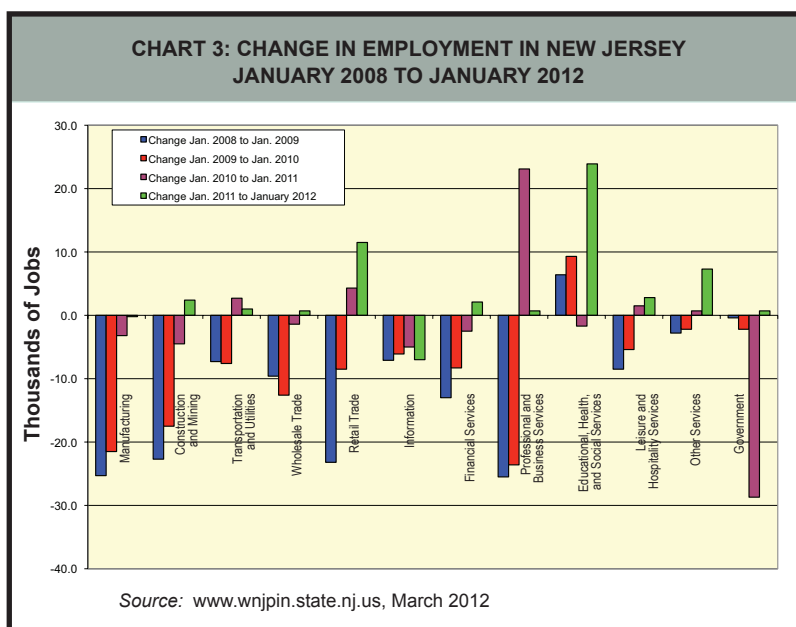
New Jersey relied on the public sector for job growth in the first decade of the century; however, since early 2011 there has been a shift in that now almost all job growth is in the private sector. As can be seen in **Chart 2**, the number of private sector jobs barely changed in 2010, but it has risen 1.7 percent, or 54,900 jobs, since January 2011.

Between January 2008 and January 2011, the state had a net job loss of 259,900. The only growth sector over

the full period was educational, health, and social services. (See **Chart 3.**) Between January 2010 and January 2011 the state lost 14,700 jobs, with losses in the public sector and several private sectors nearly balanced by a large gain in professional and business services. Since January 2011 the only sector losing a substantial number of jobs has been information.

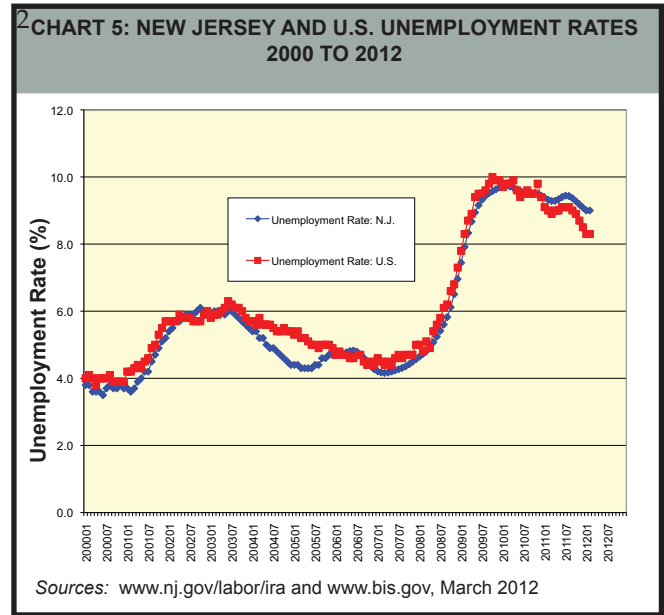
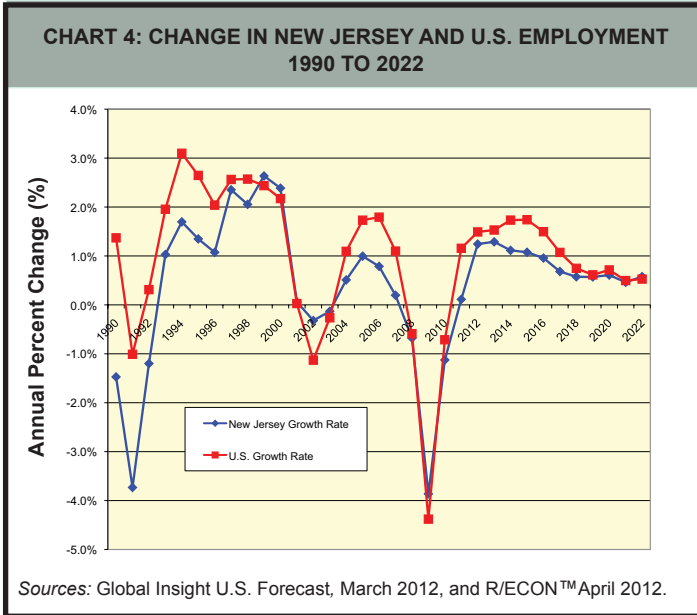
As has been the case in the past several R/ECON™ forecasts, the current forecast indicates that growth in New Jersey will be so slow that the average number of jobs in the state will not surpass the 2007 peak until 2016. The U.S. will begin its job expansion two years earlier—in 2014. During the period from 2011 to 2022 we expect

average annual employment gains of 0.8 percent or 33,400 jobs in New Jersey. By the end of the forecast period the state’s employment base will exceed the 2007 peak by 3.5 percent, or 144,000 jobs. We expect that during the recovery and expansion, employment growth in the U.S. will continue to outperform that in New Jersey. (See **Chart 4.**) By the end of the forecast period the nation’s employment base will exceed the peak reached in 2007 by 7.7 percent. Thus New Jersey’s share of the national job base will decline from



its current 2.93 percent to 2.85 percent in 2022.

The New Jersey unemployment rate was lower than that of the U.S. through much of the past decade, and this held true during most of the recession as well. The state’s rate began to be persistently above the national rate at the beginning of 2011. At that time workers in New Jersey started to reenter the labor force in large numbers as the labor market seemed to improve, but the jobs weren’t there yet for them (See **Chart 5.**) Since December 2010 46,900 workers have entered or reentered the workforce, while the number of



unemployed has fallen by 15,200, bringing the unemployment rate to 9 percent in January and February 2012. New Jersey’s unemployment rate is expected to decline slowly as the state’s economy recovers, reaching 5.7 percent in 2022 when the U.S. rate reaches 5.5 percent.

Between 2010 and 2022, output in New Jersey will expand at an average rate of 1.8 percent a year compared to the average rate of 2.5 percent a year expected nationwide. The differential is due to the relatively higher costs of living and doing business in New Jersey, as well as the state’s lower rate of population growth. (See Table 1.)

New Jersey’s consumer prices rose 2.7 percent in 2011 because of high inflation rates in agricultural and oil prices in the early part of the year. The rate of inflation will be much slower in the forecast period, at only 2 percent a year from 2011 to 2022.

Personal income rose an estimated 4 percent in 2011 as the state came out of the recession. It will rise at an average rate of 4.1 percent a year over the forecast period, somewhat lower than the 4.5 percent growth expected for the U.S. On a real per capita basis, income will grow nearly identically in the state and nation at about 1.5 percent per annum.

The state added 378,000 residents between 2000 and 2010, growing at an average annual rate of 0.44 percent. This was just over half as fast as population growth in the 1980s and was only half as fast as national population growth. Population growth will average 0.6 percent a year from 2010 to 2022, compared to 1 percent a year for the U.S. The state will add more than 600,000 residents in that period. As a result, New Jersey’s population will top 9 million in 2015 and 9.4 million in 2022. Since New Jersey’s population growth will continue to be slower than growth nationwide, the state’s share of U.S. population will fall from the current 2.8 percent to 2.7 percent in 2022. Thus, the state’s share of national employment will remain slightly higher than its share of the national population.

**Table 1**  
**SUMMARY OF NEW JERSEY ECONOMIC FORECAST**

	2011	2012	2012 to 2022
<i>Annual Percentage Growth</i>			
Nonagricultural Employment	0.1%	1.2%	0.8%
Real Gross State Product	3.2%	1.4%	1.8%
Personal Income	4.0%	3.6%	4.1%
Population	0.4%	0.5%	0.6%
Consumer Prices	2.7%	2.0%	2.0%
<i>Percentage</i>			
Unemployment Rate (average)	9.3%	8.6%	6.1%

Source: R/ECON™, January 2012.

**Table 2**  
**SUMMARY OF U.S. ECONOMIC FORECAST**

	2011	2012	2012 to 2022
<i>Annual Percentage Growth</i>			
Nonagricultural Employment	1.2%	1.5%	1.1%
Real Gross State Product	1.7%	2.1%	2.6%
Personal Income	5.1%	3.7%	4.6%
Population	1.0%	1.0%	1.0%
Consumer Prices	3.1%	2.2%	1.9%
<i>Percentage</i>			
Unemployment Rate (average)	9.0%	8.2%	6.3%

*Source: Global Insight U.S. Forecast March 2012*

**THE NATION**

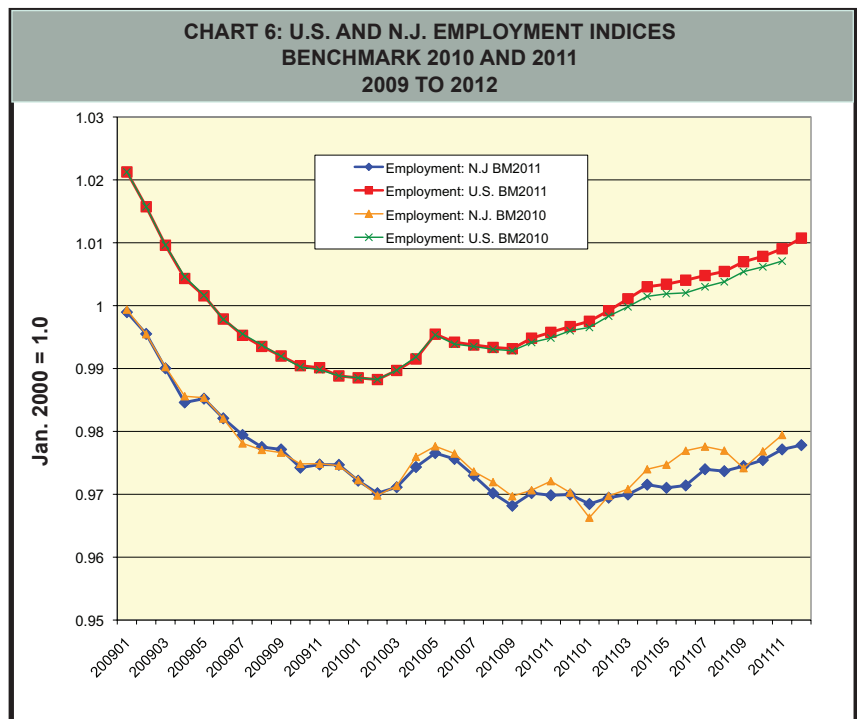
**Current Economic Situation and Forecast**

The March 2012 IHS Global Insight forecast for the U.S., which was used for the current R/ECON™ forecast for New Jersey, indicates that the economy and its near-term prospects have improved over the past several months. Output growth in the fourth quarter was the best of the year, although growth will be less robust in 2012. The best news for the economy is the upswing in hiring with its concomitant increases in wages and consumption expenditures. The forecast assumes that the problems of the Eurozone are more or less under control but that rising oil prices may pose some difficulties for consumers.

The March Global Insight forecast has considerably higher oil prices than those in the December 2011 forecast. It assumes that the price of West Texas Intermediate will reach nearly \$119 in mid-2013 before trending down.<sup>1</sup> This is about 10 percent higher than in the December forecast. The price of natural gas (Henry Hub spot) averaged \$7 per million BTU in 2007 and peaked at over \$11 per million BTU in early 2008. The forecast assumes that the price of natural gas will not surpass \$6 per million BTU during

the forecast period. This could change if the supply of natural gas from hydrofracking is cut for environmental/policy reasons. Housing prices still have not bottomed out and are unlikely to begin to rise until next year. They will increase at an average rate close to 4 percent a year from 2012 to 2022. Consumer prices rose 3.1 percent in 2011 and, given the trends in energy and housing prices, will rise at an average rate of 1.9 percent a year between 2011 and 2022.

The March 2012 Global Insight forecast shows that real GDP rose by 1.7 percent in 2011. Growth will average 2.6 percent a year from 2012 to 2022. (See Table 2.) That long-term growth rate is low compared to the long-term average (1970 to 2010) of 2.8 percent a year. The forecast included a gain of 1.9 million private sector jobs in 2011 and a loss of 400,000 public sector jobs. Over the forecast period there will be average annual gains of 1.1 percent or 1.5 million jobs a year between 2011 and 2022 with almost all the gains in the private sector. At this rate, the U.S. will surpass its 2007 employment peak of 137.6 million jobs in 2014. The unemployment rate peaked at 10.1 percent in October 2009. It averaged 9.6 percent in 2010 and 9



<sup>1</sup> All U.S. forecast information is from the IHS Global Insight U.S. Forecast of March 2012.

**Table 3**  
**NEW JERSEY EMPLOYMENT BENCHMARK 2010 AND 2011**  
**USING THE 2010 AND 2011 BENCHMARKS**

	Difference		% Difference	
	2010	2011	2010	2011
Total Nonagricultural	-3.5	-8.8	-0.1%	-0.2%
Mining	0.0	-0.1	-1.8%	-7.1%
Manufacturing	-0.2	2.8	-0.1%	1.1%
Construction	0.1	-0.7	0.0%	-0.6%
Transportation	1.1	-0.5	0.7%	-0.3%
Wholesale Trade	-0.4	-2.9	-0.2%	-1.4%
Retail Trade	1.3	-2.4	0.3%	-0.5%
Utilities	-0.2	-0.4	-1.3%	-3.0%
Information	-0.3	-3.2	-0.4%	-4.1%
Finance	-2.1	-4.5	-0.8%	-1.8%
Services	-0.2	5.9	0.0%	0.3%
Government	-2.5	-3.1	-0.4%	-0.5%
Federal	-1.1	-3.3	-1.7%	-5.7%
State	-0.7	4.6	-0.5%	3.2%
Local	-0.7	-4.5	-0.2%	-1.1%

Source: [www.wnjpin.state.nj.us](http://www.wnjpin.state.nj.us), March 2012

percent in 2011. The rate fell to 8.3 percent in January and February 2012 and is expected to fall to just under 5.5 percent in 2022. This forecast looks for more near term growth than was foreseen for the U.S. in December 2011 and, more importantly, IHS Global Insight has downgraded the chances of a second dip to the recession of 2008–2009, or a new recession from 35 percent to 20 percent.

## NEW JERSEY

### Current Economic Situation

The most recent update for New Jersey's historical employment data was released in early March 2012. The U.S. release was the previous month. The data changes caused by the rebenchmarking were tiny before 2010 and small for 2010 and 2011. (See Chart 6.) The U.S. data were revised slightly upward: that is, employment levels in 2010 and 2011 were

revised upward by 0.03 percent and 0.15 percent respectively, for essentially no change in the 2010 to 2011 growth rate. The New Jersey data were revised slightly downward: that is employment levels in 2010 and 2011 were revised downward by 0.09 percent and 0.19 percent respectively, for a decrease in the 2010 to 2011 growth rate from 0.2 percent to 0.1 percent.

Table 3 shows the differences in the number of jobs in New Jersey in the old and revised data by industry. None of the absolute revisions is very large. However among the larger percentage changes in 2011 were upward revisions

for manufacturing and state government, and downward revisions for federal and local government jobs and for jobs in trade and information.

Activity in New Jersey's real estate and construction sector was lower in 2011 compared to that in 2010. Residential permit issuance was down 7.6 percent

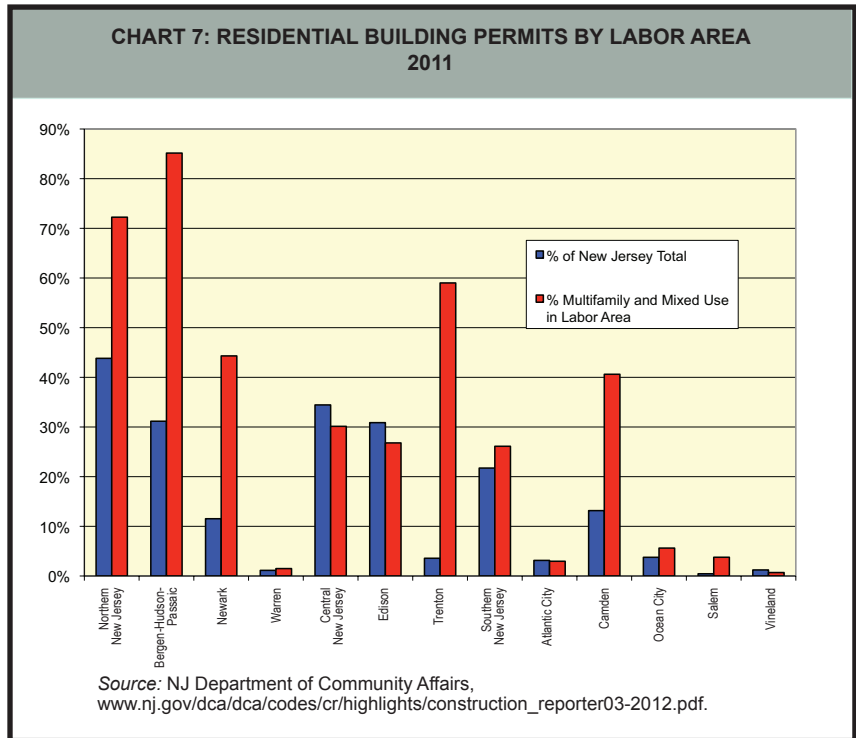
**Table 4**  
**REAL ESTATE MARKET**  
**2010 AND 2011**

	2010	2011	2010 to 2011	
			Change	% Change
<b>Residential Permits</b>	<b>13,540</b>	<b>12,512</b>	<b>(1,028)</b>	<b>-7.6%</b>
One- and Two-Family Units	9,227	8,289	(938)	-10.2%
Multifamily and Mixed-Use Units	4,313	4,223	(90)	-2.1%
% Multifamily	32%	34%		
<b>Existing Home Sales</b>				
Units	110,000	79,400	(30,600)	-27.8%
Average Price	\$336,700	\$325,800	(\$10,900)	-3.2%
Conventional 30-Year Mortgage Rate (NJ)	4.82%	4.58%		
<b>New Home Sales</b>				
Units	7,016	5,743	(1,273)	-18.1%
Average Price	\$489,769	\$494,836	\$5,067	1.0%
<b>Commercial Permits</b>				
<b>Retail Sq. Feet</b>				
New Construction (000)	2,136	1,650	(486)	-22.7%
% New Construction	2,022	1,502	(520)	-25.7%
% New Construction	95%	91%		
<b>Office Sq. Feet</b>				
New Construction (000)	5,192	4,890	(302)	-5.8%
% New Construction	4,248	4,105	(142)	-3.3%
% New Construction	82%	84%		

Sources: [www.nj.gov/dca/codes/cr/conrep.shtml](http://www.nj.gov/dca/codes/cr/conrep.shtml), March 2012; N.J. Association of Realtors, [www.njar.com](http://www.njar.com), March 2012

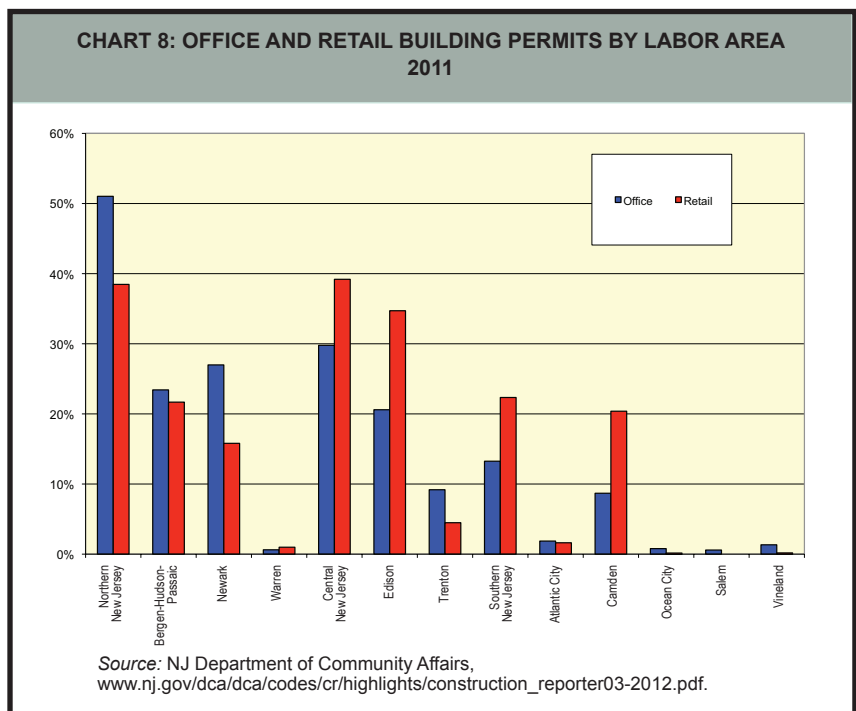
with most of the decline in one- and two-family units. (See Table 4.) Prices for existing homes fell 3.2 percent while the conventional 30-year mortgage rate fell by 24 basis points. There was a decline in sales of existing homes, although the number shown in the table is probably overstated because the data is discontinuous from 2010 to 2011. Sales of new homes fell 18 percent while prices rose by 1 percent. Square feet of retail space permitted was down sharply from last year, while square feet of office space permitted was down by a smaller proportion. There was an increase in the proportion of retail permits for alterations and additions and an increase in the proportion of office space permits for new construction.

Nearly 45 percent of the residential building permits issued in the state in 2011 were in Northern New Jersey, where 72 percent of the permits were for multifamily units. (See Chart 7.) Bergen and Hudson counties accounted for 56 percent of the multifamily units in the state, with most of them in Jersey City and Hoboken in Hudson County, and Edgewater and Cliffside in Bergen County. Central New Jersey accounted for nearly 35 percent of the residential building permits issued in 2011, nearly all of them in the Edison labor area with the largest concentrations in Lakewood (Ocean County) and Monroe (Middlesex County). In the Trenton labor area almost 60 percent of the permits were for multifamily units—most of them in East Windsor and Hamilton. Southern New Jersey accounted for 22 percent of permits, primarily for single

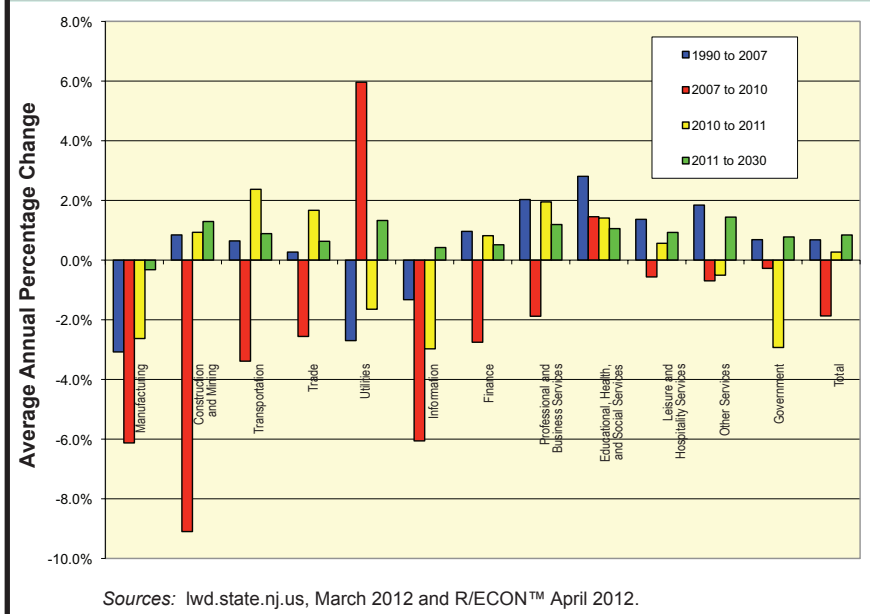


family units and primarily in the Camden labor area with large concentrations in Cinnaminson (Burlington County), Woolwich (Gloucester County), and Pine Hill (Camden County).

In 2011 permits issued for office space were concentrated in the Newark, Bergen-Hudson-Passaic (BHP),



**CHART 9: CHANGE IN EMPLOYMENT IN NEW JERSEY BY INDUSTRIAL SECTOR 1990 TO 2022**



stabilize at about 236,000 jobs; the largest manufacturing employer will continue to be the chemicals industry. During the full forecast period (2010 to 2022) the strongest rates of job growth will be seen in the construction and services sectors. (See Chart 9.) The strong percentage growth for the small utilities sector represents only 2,000 jobs.

### Services Supersectors

Employment in the four services supersectors combined increased by 38,700 jobs, or 2.4 percent, between January 2011 and January 2012.<sup>3</sup> (See Table 5.) We expect that the

and Edison labor areas. Nearly half of the space permitted in Northern New Jersey was in Cliffside Park (Bergen County), and most of the rest was in East Hanover (Morris County) in the Newark labor area. In the Edison labor area permitted space was concentrated in Plainsboro (Middlesex County) and Freehold (Monmouth County). Another big office concentration was in Ewing (Mercer County). Permits issued for retail space were concentrated in the Edison, BHP, and Camden labor areas. (See Chart 8.) The biggest concentrations were in Monroe (Gloucester County), Toms River (Ocean County), Piscataway (Middlesex County), and Newark (Essex County). No retail space permits were issued in Salem County in 2011.

## NEW JERSEY FORECAST

### Employment Overview

Over the course of the recovery and expansion we expect growth in all sectors except manufacturing and information. After the middle of this decade the employment base in manufacturing will essentially

combined services supersectors will add employment at a rate of 1.1 percent, or 20,300 jobs, a year between 2011 and 2022.

### PROFESSIONAL AND BUSINESS SERVICES

There was a decline of 300 jobs in the professional and business services supersector between January 2011 and January 2012. The high-wage professional and technical sectors gained 4,700 jobs, most of them in accounting functions and computer systems design, and scientific research. As an example, Intrasphere Technologies, Inc., a life sciences consultant, moved its headquarters from Manhattan to Jersey City (Hudson County) in June 2010 and planned to have about 300 jobs there by 2012. The company's assets were acquired by Deloitte in 2011.<sup>3</sup> Although the management of companies and the administrative support sectors lost jobs in the January to January period, both are expected to do well in the forecast period. Among other developments, Bayer HealthCare is moving about 2,500 jobs to Hanover (Morris County) consoli-

<sup>2</sup> The tables in the next sections compare final data for January 2011 to data for January 2012 from <http://lwd.state.nj.gov>, March 22, 2012, rather than looking at the preliminary data for February 2012.

<sup>3</sup> Unless noted, all specific business information is taken from articles from October 2011 through March 2012 found on [www.nj.com/business](http://www.nj.com/business) or from Employment and the Economy for Northern, Central and Southern New Jersey, January 2011, at <http://www.nj.gov/labor/lpa>.

**Table 5  
CHANGE IN SERVICES EMPLOYMENT**

	Jan. 2011 to Jan 2012	
	Change in Thousands	% Change
<b>Private Services</b>	<b>38.7</b>	<b>2.4%</b>
Professional and Business Services	-0.3	-0.1%
Professional, Scientific, and Technical	4.7	1.7%
Management of Companies	-3.1	-4.0%
Administrative Support & Waste Mgmt.	-1.9	-0.8
Educational and Health Services	24.2	4.0%
Private Educational Services	6.3	7.1%
Private Health Services	15.2	3.5%
Social Assistance	2.7	3.6%
Leisure and Hospitality Services	7.3	2.4%
Arts, Entertainment, and Recreation	0.3	0.7%
Accommodations	-1.6	-3.0%
Food Services and Drinking Places	8.6	4.1%
Other Services	7.5	4.8%

Source: lwd.dol.state.nj.us, December 2011.

dating its New York and New Jersey operations there. The R/ECON™ April 2012 forecast indicates that by 2013 the job base in professional and business services will surpass its 2007 peak; by 2022 there will be 692,200 jobs in this sector accounting for 16.4 percent of the state’s jobs.

**EDUCATION AND HEALTH SERVICES**

Continuing its gains, the education and health services supersector added 24,200 jobs between January 2011 and January 2012. We expect that the supersector will expand at a rate of 8,300 jobs a year from 2010 to 2022. By 2022 this supersector will account for 16.1 percent of the state’s jobs.

Employment at private educational institutions rose by 6,300—a huge number—between January 2011 and January 2012. Jobs in private education will increase by about 1,900 a year between 2011 and 2022, as the school age population rises and as the “need” for a higher education credential intensifies for job procurement. We assume that the proportion of the school age population served by private schools and colleges will continue to rise, particularly if funding continues to be tight in the public sector. Private health care gained 15,200 jobs between January 2011 and Janu-

ary 2012. There was strong employment growth in all facets of the industry.

In ambulatory care Morristown Memorial Hospital opened an expansion of its emergency facility in early 2011. Still under construction is the Princeton Health-Care System’s new hospital slated to open in May 2012 in Plainsboro (Middlesex County); it will replace the old facility in Princeton. In Newark, St. Michael’s Medical Center redevelopment plan includes a medical education building and a cancer center. Southern Ocean Medical Center in Stafford (Ocean County) broke ground for its new emergency department in October 2011. The new department is expected to go into operation in 2013.

Bridgeway Care Center in Hillsborough (Somerset County) opened a long-term facility for seniors in late 2011 and the Victoria Manor Nursing Center in Lower Township (Cape May County) reopened after major renovations in May 2011.

The Shore Memorial Hospital in Somers Point (Atlantic County), Rothman Institute for orthopedic care in Egg Harbor (Atlantic County), AtlanticCare Regional Medical Center’s emergency care campus in Hammonton (Atlantic County), and Kennedy University Hospital’s emergency center expansion project in Cherry Hill (Camden County) were all under construction in 2011. Virtua Health’s new ambulatory center is expected to open in Spring 2012 and several renovation projects at Virtua Health facilities are expected to begin in 2012.

We expect private health care employment to grow at a rate of 3,600 jobs a year from 2011 to 2022. This is less than half the rate of the past two decades. It is possible that care devoted to the elderly will be rationed more than is currently the case as more stringent financial considerations come into play when the health care system changes after the introduction of close-to-universal health insurance.

Social services gained 2,700 jobs between January 2011 and January 2012. The recession has taken a toll



on day-care services. Once the fastest growing part of the social services industry, child day-care has lost 2,300 jobs since peaking in 2008. However, during the forecast period we expect an average increase in social service employment of 1,100 jobs a year with growth constrained next year because of curtailed funding from public sources. Currently 44 percent of the jobs in social services are in child day-care facilities. We expect that over the forecast period more social services will be directed toward the growing elderly population. By 2022 the oldest of the baby boomers, born in 1946, will be 76 years old, and the youngest (born in 1964) will be 58 years old—nearly a decade too young to collect full retirement benefits—assuming that the minimum age for eligibility to collect full Social Security benefits continues to rise. The population of New Jersey that is 65 years of age or more is expected to grow by 330,000 in the next decade. Thus health and social services will continue to be relatively fast-growth industries in New Jersey. They will however be constrained by limited public funding and the high cost of health care and insurance. By 2022 residents who are 65 and older will make up 16.2 percent of the state's population, up from the current 13.5 percent. While this seems like a huge proportion, it is slightly less than the 16.9 percent expected for the U.S. by Global Insight (See Table 10).

#### LEISURE AND HOSPITALITY SERVICES

The leisure and hospitality supersector gained 7,300 jobs between January 2011 and January 2012, although there were losses in accommodations. We expect that employment in the supersector will grow by an average of 2,700 jobs a year from 2011 to 2022, after declines in 2009 and 2010.

The amusement sector is expected to add an average of 700 jobs a year over the forecast period. American Dream at the Meadowlands, formerly Xanadu, is once

again going forward, although at huge expense and with complications caused by the shoddy original construction, environmental concerns, transportation concerns, and most recently the opposition of the Giants and Jets to allowing the amusement park area of the complex to be open on game days. The completion date has been pushed back again with the developers trying to finish the existing facility in time for the 2014 Superbowl at Met Life Stadium; additional amusement facilities will come later.

The accommodations sector lost 1,600 jobs between January 2011 and January 2012, with a loss of 1,800 at Atlantic City's casinos and small gains elsewhere. As of December 2011 there were fewer than 30,000 jobs at the casinos for the first time since before 1990. Although the casino industry is generally in the doldrums, the Revel Casino in Atlantic City opened on April 2, 2012.<sup>4</sup> It is the first new casino since 2003, when the Borgata, which is in the midst of a renovation project that began in October 2011, opened. Sol Melia expects to begin construction on a hotel in Atlantic City in mid-2012. Several small hotels opened in 2011 in South and Central New Jersey including three hotels in Millville that service visitors to the New Jersey Motorsports Park. Hiltons in Bordentown (Burlington County) and Neptune (Monmouth County) should open in 2012, as should a hotel in the Intercontinental Group in Clinton (Hunterdon County) and Marriott Group hotels in Woodbridge (Middlesex County) and Newark. Hotels planned or under construction in Northern New Jersey to open in 2013 include a Hilton in Rahway (Union County), and a Hyatt hotel and conference center in Paterson (Passaic County), and a Marriott in Secaucus (Hudson County). After recession-related declines of 9,000 jobs from 2007 to 2011, we expect the accommodations industry to add jobs at a rate of 1,700 jobs per year during the forecast period,

Food services gained 8,600 jobs between January 2011

<sup>4</sup> Future hotel construction information is from <http://hotels.buildcentral.com/projects>, March 2012.

and January 2012 with gains throughout the industry. Over the forecast period, we expect growth in the sector to slow considerably from its experience in the recent past, adding an average of 600 jobs a year, down from 3,400 a year over the past two decades. The slow growth reflects the seeming saturation of the state with mid-range and fast food restaurants as well as changing dining-out habits because of the slow economy.

**OTHER SERVICES**

The other services supersector gained 7,500 jobs between January 2011 and January 2012. This supersector includes repair and maintenance services, personal and laundry services, and various religious, grantmaking, and civic organizations. This year’s biggest gains were in personal care services. We expect

the supersector to add an average of 2,900 jobs a year between 2011 and 2022, after recession-related losses from 2008 to 2010.

**Transportation, Trade, and Utilities**

The transportation, trade, and utilities supersector gained 11,200 jobs between January 2011 and January 2012, with growth in retail trade and transportation. (See Table 6.) We expect the supersector will gain an average of 6,800 jobs a year over the forecast period. Over 40 percent of the prospective gains will be in the retail industry, which suffered a severe contraction between 2005 and 2010, as a result of changing industry practices and the recession.

The retail trade sector gained 9,200 jobs between January 2011 and January 2012, with the increase concentrated in “other” retail, general merchandising, and auto dealers. (See Table 5.) In traditional retail venues, two buildings opened in early 2011 at Towne Place in Cherry Hill. The Center City Mall in Paterson (Passaic County), Bergen Town Center in Paramus (Bergen County), the Plaza at Harmon Meadow in Secaucus (Hudson County), and The Walk in Atlantic City are all expanding, and those expansions should enable new retail employment in 2012. Some stores opened in Spring 2011 in Voorhees. The Village Shoppes at Hawk Pointe in Washington Township (Warren County) began construction late in 2010 and construction of Sea Girt Square (Monmouth County) is complete. However, as a result of ongoing economic problems, New Jersey has lost, or will lose, the Lowes in Old Bridge (Middlesex County), the Borders Books in Paramus (Bergen County), Freehold (Monmouth County) and Watchung (Somerset County), the Blockbusters in Montclair (Essex County),

**Table 6  
CHANGE IN  
TRANSPORTATION, TRADE, AND UTILITIES EMPLOYMENT**

	Jan. 2011 to Jan. 2012	
	Change in Thousands	% Change
<b>Transportation, Trade, and Utilities</b>	<b>11.2</b>	<b>1.4%</b>
<b>Retail Trade</b>	<b>9.2</b>	<b>2.1%</b>
Motor Vehicles and Parts Dealers	2.4	5.7%
Furniture and Home Furnishings Stores	-0.2	-1.3%
Electronics and Appliance Stores	0.5	2.7%
Building Materials	0.8	2.8%
Food and Beverage Stores	-2.1	-2.0%
Health and Personal Care	-0.4	-1.2%
Clothing and Accessories	0.5	0.9%
Sports, Hobbies, Books, and Music	-0.4	-2.3%
General Merchandise	2.4	3.2%
Other*	5.7	11.7%
<b>Wholesale Trade</b>	<b>-0.1</b>	<b>0.0%</b>
<b>Transportation and Warehousing</b>	<b>2.1</b>	<b>1.4%</b>
Air Transportation	0.5	2.9%
Truck Transportation	1.0	3.2%
Transit and Ground Passenger Transportation	0.9	3.1%
Support Activities for Transportation	-0.2	-1.0%
Couriers and Messengers	-0.3	-1.4%
Warehousing and Storage	0.1	0.4%
<b>Utilities</b>	<b>0.0</b>	<b>0.0%</b>

Source: www.wnjin.state.nj.us March 2012.

\*“Other Retail” includes gas stations and direct and Web sales.

Bridgeton, and Vineland in Cumberland County, and Phillipsburg (Warren County), In 2011 the A&P group closed 17 stores in New Jersey and 6 more are to close by May 2012.<sup>5</sup>

The retail sector will expand at an average rate of 2,900 jobs a year between 2011 and 2022 and regain its 2005 peak of 469,000 jobs toward the end of 2015. By 2022 the retail sector will account for 11 percent of the state's employment base, the same as in 2011 and down from 12 percent in 1990. The decline in the proportion of employment in retail is a reflection of the reduced level of personal service over the past couple of decades, first, as "big box" stores and, then, as Internet sales (e-sales) have become increasingly important shopping modes.

New registrations of light vehicles, a proxy for sales of light vehicles, have decreased in New Jersey since reaching a peak of 664,000 in 2000. They fell to a low of 431,400 in 2009 before increasing slightly in 2010 and 2011. New registrations of light trucks and vans peaked in 2004 when they accounted for half the new registrations, up from 22 percent in 1990. Between 2003 and 2009 there was a 44 percent decline in registrations of new light trucks and vans at the same time that there was a 25 percent decline in registrations of new cars. Vehicle registrations are expected to climb to levels near those of the early 2000s by 2016 and then go a bit higher. Growth in the light truck segment of the market will be slower than that for automobiles as consumers continue to try to economize on the use of fossil fuels by switching to smaller and more environmentally friendly vehicles. In the forecast period the light trucks share of new registrations will average 45 percent. Nationwide, light trucks and vans' share of vehicle sales was as high as 55 percent in 2004; it edged down to 48 percent in 2009 and is expected to average 47 percent over the forecast period.

The wholesale trade sector lost 100 jobs between January 2011 and January 2012. Employment in the

industry has generally trended down over the past 10 years. The decline from 2001 to 2007 was primarily a result of the continuing shift by retailers toward vertical integration; the ongoing decline was exacerbated by the recession from 2007 to 2011. We expect that there will be an increase of 2,400 jobs a year in the sector between 2011 and 2022; however, employment will not recover to the peak 2001 level of 241,000 jobs during the forecast period.

#### TRANSPORTATION AND UTILITIES

The transportation and warehousing sector gained 2,100 jobs between January 2011 and January 2012 with the gains primarily in trucking and transit. We expect the employment base of the transportation sector to rise by 1,400 jobs a year between 2011 and 2022.

A recent report by the Port Authority indicated that passenger traffic at Newark Liberty International Airport increased by 10 percent in 2011. Ferry service also increased, as did commutation by PATH and traffic on all the New Jersey–New York bridges and tunnels. Further, international trade through the New York customs district rose more than that in the U.S. All of this leads us to believe that the assumption in our forecast that during the economic recovery/expansion air traffic will increase and require more jobs in the industry both at Newark Liberty International Airport and at the smaller airports situated around the state is quite reasonable. Shipping has resumed growth, and that growth will continue after the completion of the major infrastructure improvements provided by the deepening of the Port Jersey Channel to be finished in 2012 and the raising of the Bayonne Bridge to allow taller ships into Port Newark. However, in a blow to future activity at Port Newark, Hyundai Motors plans to consolidate its mid-Atlantic shipping from New Jersey and move it south to Philadelphia.

<sup>5</sup> Retail closings are from <http://www.nowpublic.com/style/full-list-retail-store-closings-us-2011-gap-lowes-2849151.html>.

<sup>6</sup> Forecast Flash, The Port Authority of NY & NJ, February 2012, pps. 2 and 3.

Some increase in transit employment, as well as improved transportation to Atlantic City, will be created by the direct linking of NJ Transit’s two South Jersey rail services. However, direct rail service from New York’s Penn Station is to end this year as the service never attracted a big ridership. The Pennsauken Transit Center will link the River Line rail system to the Atlantic City Rail Line, and allow easy rail and bus access to Atlantic City. Work on the project is expected to be completed by late 2012.<sup>7</sup>

The warehousing sector lost 1,900 jobs during the recession, although it added 100 jobs between January 2011 and January 2012. The favored locus for new warehousing activity is in the central and southern parts of the state. Simon & Schuster moved its operation into New Jersey to Riverside (Burlington County) from Pennsylvania, and Siegfried USA has built a new warehouse at its plant in Pennsville (Salem County). Coca-Cola’s new distribution center in South Brunswick opened in December 2011. The facility consolidated operations from several other Coke facilities in New Jersey and will increase the total number of jobs to about 600. Viridian Partners plans to build three warehouses in Perth Amboy (Middlesex County) to take advantage of its prime location on the Arthur Kill and proximity to major transportation access routes. The work is to begin in late 2012. In the northern part of the state, Goya Foods, Inc. is thinking about building a 500,000 square foot distribution center in Jersey City, just across the city line from its Secaucus headquarters. Bartlett Dairy, which distributes fresh foods to Starbucks stores in a four-state region, opened a distribution center bringing 400 jobs to Newark in November 2011. The distribution division was originally in Queens.

We expect that employment in trucking and warehousing will rise over the forecast period as distribution centers open near the turnpike and elsewhere in the state, although there is some concern among industry analysts that the preferred location for

warehouses is moving from south-central New Jersey to Pennsylvania. The industry is relatively small and not labor-intensive. Of the 1,400 new jobs expected per year in transportation over the next 20 years, trucking and warehousing will add an average of 700 jobs a year as will the rest of the transportation industry.

The job base in the utilities industry fell by 5,600 jobs between 1990 and 2011. Jobs were lost to productivity enhancement programs in the form of both corporate consolidations and technological improvements. The industry is changing as New Jersey tries to reduce its reliance on imported fuel and use more clean energy and more energy from renewable sources. Employment in the sector is expected to rise by about 2,400 jobs over the forecast period.

### Manufacturing

Employment in manufacturing continued its long-term decline between January 2011 and January 2012 with a loss of 1,300 jobs this year. The weakness in New Jersey was in contrast to the U.S. where manufacturing employment rose by 1.8 percent for the year. The growth in the U.S. was in durable goods, primarily in those industries related to vehicle manufacturing, including primary and fabricated metals. The good news here is that there were small gains in fabricated metals and “other” in New Jersey. (See Table 7.) The

	<b>Jan. 2011 to Jan. 2012</b>	
	<b>Change in Thousands</b>	<b>% Change</b>
<b>Manufacturing</b>	<b>-1.3</b>	<b>-0.5%</b>
Food	-0.1	-0.3%
Printing	-0.5	-3.0%
Chemicals	-2.2	-4.1%
Rubber and Plastics	-0.8	-5.6%
Fabricated Metals	0.3	1.3%
Machinery	0.0	0.0%
Computer and Electronic Equipment	-0.1	-0.4%
Other	2.1	2.8%

*Source: www.wnjin.state.nj.us March 2012.*

<sup>7</sup> <http://acovernight.com/blog-news/nj-transit-adding-new-atlantic-city-line/>

<sup>8</sup> <http://www.bls.gov>, March 2012, from the Quarterly Census of Employment and Wages, June 2010 to June 2011.

state's transportation equipment industry is down to about 4,000 jobs and is included in "other." It added about 300 jobs in 2011.<sup>8</sup>

Losses from restructuring in the chemicals industry include those from the Merck & Co. merger with Schering-Plough, which led to closures of some New Jersey facilities in 2010 and the prospect of a closure in Union (Union County) in 2012. It eliminated 50 jobs in its Springfield (Union County) facility in December 2011. Sanofi-Aventis laid off about 300 marketing, finance, and IT workers at its U.S. headquarters in Bridgewater (Somerset County) as part of a restructuring, and it plans to close a major research building in Bridgewater in 2012 when it moves early stage research to the Boston area. However, it is also planning to open a global services center in Bridgewater. Cadent Inc., a dental imaging equipment and service provider will close its Carlstadt (Bergen County) plant and relocate to Costa Rica in 2012.

On the upside in pharmaceuticals, BASF broke ground for its new North American headquarters in Florham Park (Morris County) in June 2010 and expects the facility to be completed in 2012. Watson Pharmaceuticals, Inc. expanded into new headquarters in Parsippany (Morris County) in 2011. Oncobio- logics opened a headquarters and research center in Cranbury (Middlesex County) in October 2011 and plans to have about 200 jobs there. Ipsen, a France based biopharmaceutical business, is moving its U.S. operations from California to Bridgewater.

There are some other positives in the manufacturing sector. Thorlabs, an optical equipment manufacturer, is constructing a new headquarters, R&D, and warehousing facility in Newton (Sussex County). AJM Packaging in Vineland (Cumberland County) put in an addition in 2011. MX Solar USA has opened a new production facility in Somerset County at the end of 2010 and and planned to have nearly 200 jobs there by the end of 2011. Natcore Technology, a new solar cell manufacturer, opened in Red Bank (Monmouth

**Table 8**  
**CHANGE IN FINANCIAL ACTIVITIES EMPLOYMENT**

	Jan. 2011 to Jan. 2012 Change in Thousands	% Change
<b>Financial Activities</b>	<b>3.0</b>	<b>1.2%</b>
Banks	-0.2	-0.4%
Securities Dealers and Rel. Activities	-0.8	-1.7%
Insurance Carriers	-1.2	-2.3%
Insurance Agents	-0.5	-1.7%
Real Estate	2.6	7.1%
Rental and Leasing	0.2	1.5%
Other Finance*	2.9	14.8%

Source: www.wnjpin.state.nj.us March 2012.

\*"Other Finance" includes nondepository credit intermediation and other kinds of investment institutions.

County), F3 Engineering LLC in Paterson plans to hire workers over the next several years, and Damascus Bakery will relocate from Brooklyn to Newark bringing in 180 jobs in 2012. Creston Electronics in Rockleigh (Bergen County) hired more than 100 workers in 2011 and plans to add a fifth building to its campus

We look for a continuing, although slowing, decline in manufacturing jobs through the end of the decade. After that, manufacturing jobs will be steady at about 236,000. By 2022 the sector will account for only 5.6 percent of the state's jobs—down from 6.6 percent in 2011. The chemicals industry will remain the largest manufacturing industry in the state, followed by food and computers and electronics.

## Finance

Financial sector employment rose by 3,000 jobs between January 2011 and January 2012 with losses for insurance carriers and agents, which have been losing jobs in the state since 1999, at banks, and at securities dealers. All the gains were in real estate and in "other" finance. (See Table 8.)

Although the banking sector lost jobs, banks, both small and large, opened new branches. New branches included a Schuyler branch in Harrison (Hudson

County), a North Jersey Community Bank branch in Englewood Cliffs (Bergen County), and a Chase branch in Franklin Lakes (Bergen County). Hopewell Valley Community Bank opened a branch in Flemington in early 2012 as did Sovereign Bank in Jersey City. Federally chartered banks closed at least 20 branches in 2011 including some of those of Valley National, Bank of America, Wells Fargo, PNC, and Chase.<sup>9</sup> First State Bank in Cranford (Union County) was closed by the FDIC in October 2011.<sup>10</sup> It was one of only four bank failures in New Jersey of the 414 bank failures in the U.S. between 2008 and 2011. There has been none in early 2012. Further jobs are likely to be lost in insurance over the next several months because of MetLife's decision to close its home mortgage origination business. However, Prudential Insurance is now planning to build a new headquarters building in downtown Newark, which could be ready for occupancy in late 2014. The Economic Development Authority granted it a tax credit providing that it increased its workforce in the state.

The financial sector will add an average of 1,400 jobs a year over the forecast period and its job base will return to the peak level achieved in 2005 in the middle of the next decade. The growth will be divided about equally among banking, securities, and real estate, all of which should add positions as the recovery proceeds. Among the larger companies to move in will be Depository Trust and Clearing Corporation. It will bring about 1,600 jobs from New York City to Newport Office Center in Jersey City in 2013.

## Construction

During 2011, residential permit issuance was 7.6 percent lower than in 2010. There was a large decline in permits for single family units and a smaller loss in multifamily units. Residential permit issuance will average 22,700 units a year from 2011 to 2022—about 70 percent of the annual average number of permits

(32,400) issued between 1970 and 2008. During the forecast period, permits will be split 70 percent to 30 percent for single family permits to multifamily units; the share for multifamily units will be higher early in the period. Over the next year, multifamily structures will support construction in the residential housing sector. Among large projects under way is Teachers Village at Four Corners in Newark. It will contain residential units as well as schools and retail. The groundbreaking was in February 2012; the first building is expected to open in May 2013 and the first residential units should be ready for occupancy in September 2013. Hartz Mountain and Roseland Property have announced that they will build another large residential complex on the Jersey City riverfront. It would take about five years to complete. However, the project is contingent on the revival of the Economic Development Authority's Urban Hub Tax Credit.

Also in Newark there are plans for a residential apartment building near NJPAC, and Panasonic, currently in Secaucus, will move its headquarters in 2013 to a building that is currently under construction downtown. A new building for Prudential in downtown Newark would add more than 1,000 construction jobs in the city for the next couple of years. The mixed-use Gateway Transit Village in New Brunswick will contain residential units, a hotel, retail and commercial space, and a parking garage. The whole project should be finished in September 2012, although the garage will be ready earlier. Nonresidential and "other" construction will be supported by office, warehouse, retail, school, and infrastructure construction. Among the projects contributing to current and future construction jobs is the BASF expansion in Florham Park to be finished in 2012. As part of the federal stimulus package for New Jersey, the River Line light rail from Camden to Trenton is being upgraded. A transfer station between the River Line and the Philadelphia to Atlantic City Line was finished in 2011. A new light rail route from Camden to Glassboro began construc-

<sup>9</sup> <http://www.loansafe.org/bank-branches-closing-to-improve-efficiency>  
<sup>10</sup> <http://www.fdic.gov/bank/individual/failed/banklist.html>.

tion in 2011. The interchange linking I-295, I-76, and Route 42 outside Camden is being improved. Work should be finished on the project in 2012. The second phase of the reconstruction of Route 52 from Somers Point to Ocean City got under way in September 2009. It should be finished in 2013; it is one of the projects in the state that has been partially funded with federal stimulus money. Among the largest projects is the widening of the New Jersey Turnpike between exits 6 and 9. The roadway is being widened to 12 lanes with major modifications constructed at four interchanges. The project is expected to take five years with completion in late 2014.

In education, there are new buildings under construction at Rutgers in New Brunswick, including a Center for Integrated Proteomics Technology that was finished in late 2011, and a portion of Gateway Transit Village to be completed in 2012. The Livingston Student housing high-rises are to be completed in 2012. Ground was broken in late 2011 for a new building to house the business school that should be ready for the start of fall classes in 2013. The new site of the Bergen Community College in the Meadowlands should be finished in 2012. Fairleigh Dickinson University is building a pharmacy school in Florham Park (Morris County) to open in 2012. In Atlantic County, Richard Stockton College has committed to building a new science center, as has Atlantic Cape Community College, and a medical school building at Rowan University in Camden is under construction.

In health care, the all-new Virtua Health hospital in Voorhees was to be finished in 2011, but more work is still to come on it. Construction has started on the Capital Health Systems hospital in Hopewell. The Princeton HealthCare System's new building for the University Medical Center is to be finished and in use in 2012, and the first phase of the expansion of the Shore Memorial Hospital in Somers Point is under way. The Bridgeway Care Center in Hillsborough was completed in 2011. The Cooper Medical School building in Camden is scheduled for completion in mid-2012.

Ongoing hotel, retail, and mixed-use projects include the Nexus Port East warehouse and big-box retail development next to Port Newark. The Bayonne Crossing Shopping Center was built out in 2011. An Embassy Suites Hotel is planned for Port Elizabeth, and a Courtyard by Marriott is to be built in Newark near the Prudential Center; its opening is scheduled for 2012.

In Atlantic City, the Next Generation Aviation Research Park Inc. is moving forward, with infrastructure construction under way. The project, which is expected to include as many as seven buildings with about 400,000 square feet, broke ground in October 2009. The first building should be ready for occupancy in April 2012. The campus will be home to researchers and developers working on the nation's new air transportation control system.

Employment in New Jersey's construction industry reached a cyclical peak in April 2006 and bottomed out in January 2011 at 126,800 jobs. Although the industry has gained 3,700 jobs since then, the average number of construction jobs was slightly lower in 2011 than in 2010. Employment growth in the industry will gain strength during the next year or so, particularly in 2013 when builders start trying to catch up on projects that were delayed during the recession. Construction employment is expected to average 152,000 jobs from 2011 to 2022, up from the average of 143,400 experienced between 1990 and 2011.

## Information

The information sector lost 7,000 jobs between January 2011 and January 2012. The major loss was in August in telecommunications when unionized workers at Verizon struck over a variety of pay and benefits issues. Although telecom bounced back in September, there were ongoing losses in publishing and "other" which includes fields like movies, broadcasting, and Internet publishing. A loss that was expected in 2014 when Pearson Education was to move part of its operation

to lower Manhattan has been averted. Instead the company will move its headquarters to a new building being developed on the Jersey City waterfront. We expect little overall change in employment in the industry during the forecast period, however telecommunications is expected to lose jobs and “other” information—particularly Internet publishing—should grow.

### Government

Employment in the public sector barely changed between January 2011 and January 2012, because losses at the federal and state levels were balanced by a gain of 3,200 jobs at the local level. Both state and local governments cut executive and administrative jobs, but both levels increased employment in education. The federal government cuts were mainly at the Post Office and in the military. It is likely that because of its large revenue losses there will be further cuts in the postal service, particularly in rural areas, with the possible loss of Saturday deliveries. Other changes for the Post Office include moving the processing center currently in Teterboro to a more efficient center in Kearny. We expect federal and state government employment to decline again in 2012; local government will grow slightly. The government sector will add jobs at a rate of 2,400 a year between 2010 and 2022, with most of the growth at the local level. There will be an upward blip in federal jobs in 2020 for the decennial census. By 2022 the state will have 15 percent of its job base in government jobs, down from the current 16 percent. The sector will not return to the peak level achieved in 2009 during the forecast period. Unlike the expansion in New Jersey from 2003 to 2007, when government grew much faster than the private sector, in the forecast period, growth in the private sector will fuel the recovery/expansion.

### Unemployment Rate

New Jersey’s unemployment rate averaged 9.3 percent in 2011, down from 9.6 percent in 2010. The rate fell to 9 percent in January and February 2012; we expect

further declines this year, bringing it to an average of 8.3 percent for the year. The unemployment rate should trend down with the recovery and expansion, falling to 7.4 percent in 2013 and falling to 5.7 percent in 2022.

### Output

Between 1997 and 2008, real gross state product (GSP) grew at an average rate of 2.1 percent a year followed by a decline of 3.9 percent in 2009, and a recovery of 2.5 percent in 2010. Output in both construction and manufacturing declined from 1997 to 2009, with a further decline in construction output in 2010. The fastest growth from 1997 to 2008 occurred in the information, finance, and trade sectors—none of these sectors was too badly hurt by the recession in 2009 and all recovered fully in 2010. (See Table 9.) Total state output in New Jersey will increase by 1.8 percent a year from 2010 to 2022. During the forecast period the fastest-growing sectors will be information, education and health and social services, “other services,” manufacturing, and construction. The growth in manufacturing reflects the concentration of the sector into a few high value industries primarily in the chemicals industry, while the growth in information parallels a shift into Internet publishing. The strength in the two services sectors reflects the aging of the population with its need for social and health services and the growing emphasis on private education particularly for work-related instruction. The growth in construction is a sign of a comeback of the sector from a period of decline during the recession and earlier. Output growth in New Jersey will be slower than in the nation, a result of the state’s slower population growth, mature industries, and higher-than-national costs of living and doing business.

### Prices

The Consumer Price Index for New York–New Jersey–Connecticut rose by 1.7 percent and that for Philadelphia–New Jersey rose by 1.9 in 2010, and the



**Table 9**  
**NEW JERSEY REAL GROSS STATE PRODUCT**  
**AVERAGE ANNUAL GROWTH RATES**

	1997 to 2008	2008 to 2009	2009 to 2010	2010 to 2022
<b>Total Gross State Product</b>	<b>2.1%</b>	<b>-3.9%</b>	<b>2.5%</b>	<b>1.8%</b>
<b>Goods Producing</b>	<b>-1.2%</b>	<b>-13.9%</b>	<b>2.1%</b>	<b>2.2%</b>
Natural Resources	-0.2%	12.5%	-4.2%	-0.8%
Manufacturing	-0.7%	-14.1%	3.8%	2.3%
Construction	-1.8%	-14.7%	-2.0%	2.2%
<b>Private Services Providing</b>	<b>2.8%</b>	<b>-2.8%</b>	<b>2.9%</b>	<b>1.8%</b>
Transportation	1.2%	-12.2%	1.3%	2.0%
Trade	3.0%	-0.2%	4.9%	1.1%
Utilities	-0.7%	-11.1%	22.8%	0.9%
Information	4.6%	-3.9%	4.8%	2.8%
Finance	3.3%	-1.8%	2.4%	1.8%
Services	2.3%	-3.2%	1.2%	2.0%
<b>Government</b>	<b>0.7%</b>	<b>-0.1%</b>	<b>-0.3%</b>	<b>1.4%</b>

Sources: www.bea.gov, April 2011; R/ECON™ April 2012.

indices rose by 2.8 percent and 2.6 percent respectively in 2011. The population-weighted average of the New York–New Jersey and Philadelphia–New Jersey price indices, which R/ECON™ uses as a proxy for a New Jersey consumer inflation index, rose 1.8 percent in 2010 and 2.7 percent in 2011. Housing prices in New Jersey rose less than 1 percent in 2010 and fell 3 percent in 2011. They are expected to fall again this year and then rise at an average annual rate of about 2.2 percent a year through the rest of the forecast period. Given expected national trends in energy prices, trends in state housing prices, and slowly improving labor market conditions New Jersey's consumer prices are expected to rise at an average rate of 2 percent a year between 2011 and 2022. On the industry side, the deflator for the state's gross state product is also expected to increase by 2 percent a year during the forecast period.

### Income

The recession was accompanied by a 2.9 percent decline in income in New Jersey in 2009 and an increase of 3.5 percent in 2010. Personal income is expected to have grown 4.0 percent in 2011 and it will rise at an average rate of 4.1 percent a year during the rest of the forecast period. The rate of growth of real income

per capita will be similar in the state and nation. Real income per capita in New Jersey will be about 18 percent higher than in the U.S. in 2022, down slightly from its current 19 percent.

During the forecast period, wages and salaries, by far the largest component of personal income, will grow at an average rate of only 3.5 percent a year. The faster-growing income components will be the residence adjustment, transfer payments, interest, dividends, and rent, and proprietors' income. The

increase in interest, dividends, and rent reflects the improving picture in the credit and securities markets during the recovery and expansion. Faster growth of transfer payments will accompany the aging of the population as more people qualify for Social Security and other benefits. But as the age for collecting Social Security rises the growth in payments for social insurance also rises and subtracts from the overall rise in personal income. The growth in proprietors' income is an indication that people will continue to rely on self-employment, as is often the case during and in the aftermath of recessions, and the strong growth in the residence adjustment reflects the comparatively high wages paid in areas in the New York metro area, to which many New Jerseyans commute, compared to wages available in-state. The relatively slower growth in wages and the income concepts connected to them reflect the slow increase in employment in the state as well as a slower rate of increase for in-state wage rates than for national wage rates.

### Population

New Jersey's population grew by 0.4 percent a year between 2000 and 2010, down by half from the 0.8 percent rate of growth in the 1990s. The population reached 8.79 million in 2010. It will grow at an av-

**Table 10**  
**NEW JERSEY AND U.S. POPULATION AGE DISTRIBUTION**  
**(Percent of Total)**

	New Jersey		U.S.	
	2010	2022	2010	2022
School Age and less	23.5%	23.1%	21.4%	21.1%
Working Age	63.0%	60.7%	65.6%	62.0%
65 and Over	13.5%	16.2%	13.0%	16.9%

Sources: Global Insight, *US Economic Outlook*, March 2012; and R/ECON™ Forecast April 2012.

erage annual rate of 0.6 percent between 2010 and 2022, reaching 9.4 million in 2022. Population growth in New Jersey will be slower than in the nation as a whole, where it will average 1 percent a year over the forecast period. As in the nation as a whole, the proportion of the state population that is age 65 and over will rise substantially. (See **Table 10**.) Again as in the nation, the proportion of the working age population will decline substantially, while the proportion of New Jersey's population that is school age and less will decline slightly in both the state and nation.

## LABOR AREA FORECAST

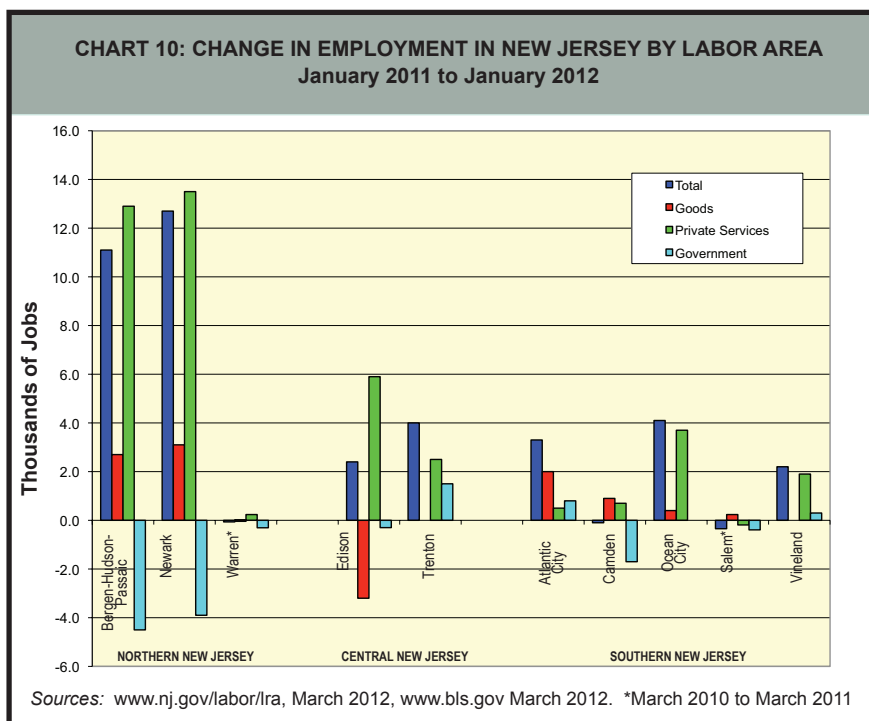
Employment rose sharply in all New Jersey's major labor areas except Camden between January 2011 and January 2012. (See **Chart 10**.) Goods production increased except in the Edison labor area, while government jobs rose only in the Trenton, Atlantic City, and Vineland labor areas. Construction and manufacturing employment increased in Atlantic City, Ocean City, and BHP while construction was flat and manufacturing employment rose in Newark. In Camden and Vineland construction jobs rose while manufacturing jobs fell, and both goods producing sectors lost jobs in Edison. Public sector employment rose only in Atlantic City, Trenton, and Vineland. The largest gains in state government jobs were in Edison and Trenton, while Newark had a large loss. In local government, losses were rather large in Camden, Newark, and BHP, while Atlantic City and Edison had gains of more than 500 jobs.

Private services sector jobs rose in all labor areas except Salem, where the latest data were for June 2011. Newark saw sizable gains in health care and social services, administrative services, professional services, retail trade, and air transportation, but large losses in telecommunications and management services. Camden's biggest

gain was in health and social services; the labor area saw a loss in professional and business services. Most of the gains in BHP were in trade, health care and social services, and accommodations and food services; the only large loss was at securities firms. In Trenton the gains were concentrated in retail trade and health and social services. In Edison there were sizable gains in health care and social services and other services. Most of the other service producing industries saw some losses. In Ocean City the only large change was an increase in accommodations and food services.

In Atlantic City the only sizable changes were a gain in retail trade and a decline in accommodations, specifically at the casinos. At their peak in 1998 the casinos accounted for 47,700 jobs, or 34 percent of the job base, in the Atlantic City labor area. There are now just 30,000 jobs in the industry, making up 22 percent of the job base. Atlantic City's employment base is smaller now than at the start of the recession, but it is also considerably more diversified—probably a good thing for the future.

After declines in all labor areas except Trenton between 2007 and 2011, all areas will show some gains in the forecast period. The fastest growth among the larger labor areas will be in the Camden, Newark, and Edison labor areas, which should benefit from a return to growth in financial and business services. (See **Table 11**.) Most of the employment growth in the full forecast period in all labor areas will be in the private services-providing industries, although there also will be some significant increases in goods producing jobs in Central New Jersey and the Camden and Newark



labor areas, and some growth in government jobs particularly in most of the labor areas, Trenton being the exception. The growth in goods producing industries will be predominantly in construction rather than manufacturing.

During the first decade of this century, population growth in all regions of the state was slower than in the 1990s. From 2000 to 2010 growth in the northern region of New Jersey (except Warren County) was slow compared with growth in both Central and Southern New Jersey. (See Table 12.) During the forecast period, we expect Northern New Jersey, except Warren County, to continue to add residents at a slower rate than the state. The central region will grow at a faster rate than the state as a whole, while in the south population growth will be slower than the state average except in the Camden labor area. Over the forecast period the northern region will add 49 percent of new residents, Central Jersey will add 42 percent of new residents, and the southern labor areas will add the remaining 19 percent. Thus the share of population in the central part of the state will continue its rise from 30 percent in 2000 to 32 percent

in 2022, while the north's share will fall from 49 percent to 47 percent and the share in the south will remain at 21 percent.

We look at income per capita as a measure of the relative wealth of the labor areas. As shown in Table 13, in 2009,<sup>11</sup> the Newark labor area had the highest per capita income, followed by the BHP, Trenton, and Edison labor areas, all with incomes over \$50,000 per capita. The southern labor areas and Warren County all had incomes just at or below \$46,000 per capita, with Vineland at the low end at \$31,693. By 2022 income per capita in the Newark labor area at nearly \$92,000 will be more than

twice as high as income per capita in Vineland; it will also be 11 percent higher than income per capita in the Trenton labor area, which will have the next-highest income per capita. The slowest rates of growth in income per capita will be in South Jersey, while

**Table 11  
EMPLOYMENT GROWTH  
BY LABOR AREA  
AVERAGE ANNUAL GROWTH RATES**

	2000 to 2007	2007 to 2011	2011 to 2022
<b>Northern New Jersey</b>	<b>0.0%</b>	<b>-1.3%</b>	<b>0.7%</b>
Bergen-Hudson-Passaic	-0.2%	-1.1%	0.6%
Newark	0.2%	-1.4%	0.8%
Warren	1.0%	-2.2%	0.9%
<b>Central New Jersey</b>	<b>1.0%</b>	<b>-1.1%</b>	<b>0.9%</b>
Edison	0.9%	-1.5%	0.9%
Trenton	1.2%	-0.2%	0.8%
<b>Southern New Jersey</b>	<b>0.7%</b>	<b>-1.9%</b>	<b>0.9%</b>
Atlantic City	0.4%	-2.5%	1.1%
Camden	0.9%	-1.8%	1.0%
Ocean City	0.3%	-1.6%	0.8%
Salem	0.1%	-0.9%	0.5%
Vineland	0.3%	-1.8%	0.8%
<b>New Jersey</b>	<b>0.5%</b>	<b>-1.4%</b>	<b>0.8%</b>

Source: R/ECON™, April 2012.

<sup>11</sup> The latest income data for the counties and labor areas is for 2009.

Newark, BHP, Trenton, and Edison with their financial, business services, and pharmaceuticals concentrations will have the highest rates of growth.

**Table 12**  
**POPULATION GROWTH BY LABOR AREA**  
**AVERAGE ANNUAL GROWTH RATES**

	1990 to 2000	2000 to 2010	2010 to 2022
<b>Northern New Jersey</b>	<b>0.7%</b>	<b>0.2%</b>	<b>0.5%</b>
BHP	0.7%	0.3%	0.5%
Newark	0.7%	0.2%	0.4%
Warren	1.1%	0.5%	0.9%
<b>Central New Jersey</b>	<b>1.3%</b>	<b>0.7%</b>	<b>0.8%</b>
Edison	1.4%	0.7%	0.8%
Trenton	0.7%	0.4%	0.9%
<b>Southern New Jersey</b>	<b>0.6%</b>	<b>0.5%</b>	<b>0.5%</b>
Atlantic City	1.2%	0.8%	0.5%
Camden	0.5%	0.5%	0.6%
Ocean City	0.7%	-0.5%	0.2%
Salem	-0.2%	0.3%	0.2%
Vineland	0.6%	0.7%	0.5%
<b>New Jersey</b>	<b>0.9%</b>	<b>0.4%</b>	<b>0.6%</b>

Source: R/ECON™, April 2012.

**Table 13**  
**INCOME PER CAPITA BY LABOR AREA**  
**\$ AND AVERAGE ANNUAL GROWTH RATES**

	2000	2009	2022	2000 to 2009	2009 to 2022
<b>Northern New Jersey</b>	<b>\$41,521</b>	<b>\$53,430</b>	<b>\$85,902</b>	<b>2.8%</b>	<b>3.7%</b>
BHP	\$39,503	\$51,811	\$81,160	3.1%	3.5%
Newark	\$43,903	\$55,572	\$91,934	2.7%	3.9%
Warren	\$32,936	\$42,387	\$61,187	2.8%	2.9%
<b>Central New Jersey</b>	<b>\$39,949</b>	<b>\$50,484</b>	<b>\$78,446</b>	<b>2.6%</b>	<b>3.4%</b>
Edison	\$39,986	\$50,303	\$77,757	2.6%	3.4%
Trenton	\$39,724	\$51,636	\$82,815	3.0%	3.7%
<b>Southern New Jersey</b>	<b>\$30,722</b>	<b>\$41,072</b>	<b>\$62,850</b>	<b>3.3%</b>	<b>3.3%</b>
Atlantic City	\$31,943	\$38,920	\$62,041	2.2%	3.7%
Camden	\$31,366	\$42,494	\$65,068	3.4%	3.3%
Ocean City	\$32,523	\$46,044	\$67,683	3.9%	3.0%
Salem	\$27,783	\$38,102	\$57,576	3.6%	3.2%
Vineland	\$23,414	\$31,693	\$45,611	3.4%	2.8%
<b>New Jersey</b>	<b>\$38,377</b>	<b>\$49,896</b>	<b>\$78,743</b>	<b>3.0%</b>	<b>3.6%</b>

Source: R/ECON™, April 2012.

## R/ECON FORECAST, April 2012

## Major Economic Variables for New Jersey, Levels

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Nonag. Employment (thous)	3,851	3,855	3,903	3,953	3,997	4,040	4,079	4,107	4,130	4,154	4,179	4,199	4,223
Residential Employment (thous)	4,116	4,132	4,198	4,240	4,282	4,320	4,347	4,369	4,387	4,405	4,423	4,440	4,458
Labor Force (thous)	4,553	4,556	4,576	4,578	4,587	4,595	4,609	4,629	4,649	4,670	4,689	4,708	4,730
Unemployment Rate (%)	9.6%	9.3%	8.3%	7.4%	6.6%	6.0%	5.7%	5.6%	5.7%	5.7%	5.7%	5.7%	5.7%
Population (thous)	8,791.9	8,831.4	8,871.2	8,910.6	8,953.4	9,002.5	9,057.6	9,114.4	9,169.8	9,223.7	9,278.8	9,338.0	9,402.0
Households (thous)	3,214.4	3,231.3	3,251.5	3,273.2	3,295.3	3,317.4	3,339.4	3,361.5	3,383.6	3,405.9	3,428.7	3,452.0	3,475.9
Household size	2.74	2.73	2.73	2.72	2.72	2.71	2.71	2.71	2.71	2.71	2.71	2.71	2.70
Personal Income (\$bill)	\$450.4	\$468.2	\$485.2	\$503.0	\$522.4	\$543.7	\$566.0	\$588.2	\$612.3	\$638.4	\$666.7	\$695.3	\$725.6
Personal Income per Capita (\$)	\$51,224	\$53,011	\$54,697	\$56,449	\$58,345	\$60,397	\$62,485	\$64,537	\$66,768	\$69,215	\$71,851	\$74,459	\$77,174
Retail Sales (\$bill)*	\$119.6	\$125.7	\$132.8	\$139.9	\$146.5	\$152.8	\$159.1	\$165.2	\$171.1	\$177.1	\$183.4	\$190.1	\$197.4
New Vehicle Registrations (thous)	459.5	477.0	542.4	585.2	622.9	649.0	666.8	672.7	666.6	669.2	676.5	679.2	681.1
New Car Registrations (thous)	248.5	246.8	288.3	314.8	336.5	351.3	364.1	372.9	376.4	379.8	383.7	385.2	384.0
New Light Trucks and Vans (thous)	211.0	230.2	254.1	270.4	286.4	297.7	302.7	299.8	290.1	289.4	292.9	294.0	297.1
Residential Building Permits (prelim)	13,540	12,512	15,849	15,922	17,329	19,518	19,362	21,892	25,693	27,060	28,593	28,658	29,736
Consumer Price Index (1982=100)	234.1	240.5	245.3	249.6	254.7	259.9	265.2	270.2	275.4	280.5	285.6	291.8	298.2
Real Gross State Product (\$2000 bill)	\$436.9	\$451.0	\$457.4	\$466.2	\$476.1	\$486.3	\$495.9	\$505.0	\$514.1	\$522.9	\$530.6	\$537.3	\$544.1

## Major Economic Variables for New Jersey, Growth Rates (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Nonag. Employment (thous)	-1.1%	0.1%	1.2%	1.3%	1.1%	1.1%	1.0%	0.7%	0.6%	0.6%	0.6%	0.5%	0.6%
Residential Employment (thous)	-0.6%	0.4%	1.6%	1.0%	1.0%	0.9%	0.6%	0.5%	0.4%	0.4%	0.4%	0.4%	0.4%
Labor Force (thous)	0.1%	0.1%	0.4%	0.1%	0.2%	0.2%	0.3%	0.4%	0.4%	0.4%	0.4%	0.4%	0.5%
Unemployment Rate (%)													
Population (thous)	0.4%	0.4%	0.5%	0.4%	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.7%
Households (thous)	0.5%	0.5%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%
Personal Income (\$bill)	3.8%	4.0%	3.6%	3.7%	3.9%	4.1%	4.1%	3.9%	4.1%	4.3%	4.4%	4.3%	4.4%
Personal Income per Capita (\$)	3.3%	3.5%	3.2%	3.2%	3.4%	3.5%	3.5%	3.3%	3.5%	3.7%	3.8%	3.6%	3.6%
Retail Sales (\$bill)*	2.8%	5.1%	5.7%	5.3%	4.8%	4.3%	4.1%	3.8%	3.6%	3.5%	3.5%	3.7%	3.8%
New Vehicle Registrations (thous)	6.5%	3.8%	13.7%	7.9%	6.4%	4.2%	2.7%	0.9%	-0.9%	0.4%	1.1%	0.4%	0.3%
New Car Registrations (thous)	-0.6%	-0.7%	16.8%	9.2%	6.9%	4.4%	3.6%	2.4%	0.9%	0.9%	1.0%	0.4%	-0.3%
New Light Trucks and Vans (thous)	16.3%	9.1%	10.4%	6.4%	5.9%	3.9%	1.7%	-1.0%	-3.2%	-0.2%	1.2%	0.4%	1.0%
Residential Building Permits (prelim)	9.2%	-7.6%	26.7%	0.5%	8.8%	12.6%	-0.8%	13.1%	17.4%	5.3%	5.7%	0.2%	3.8%
Consumer Price Index (1982=100)	1.8%	2.7%	2.0%	1.8%	2.0%	2.0%	2.0%	1.9%	1.9%	1.9%	1.8%	2.2%	2.2%
Real Gross State Product (\$2000 bill)	1.3%	3.2%	1.4%	1.9%	2.1%	2.2%	2.0%	1.8%	1.8%	1.7%	1.5%	1.3%	1.3%

R/ECON FORECAST, April 2012

Employment by Industry in New Jersey, in Thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Nonagricultural	3,850.7	3,855.0	3,903.0	3,953.3	3,997.3	4,040.3	4,079.0	4,106.9	4,130.4	4,154.0	4,179.3	4,198.6	4,222.8
Private	3,210.8	3,234.6	3,281.0	3,328.2	3,369.7	3,411.1	3,448.3	3,474.2	3,495.1	3,516.2	3,536.1	3,555.1	3,575.5
Goods Producing	387.9	384.0	383.0	384.1	384.4	386.4	388.8	390.4	393.3	397.1	400.9	405.2	409.7
Natural Resources	1.4	1.4	1.5	1.6	1.7	1.7	1.8	1.8	1.8	1.8	1.8	1.8	1.7
Manufacturing	257.2	253.5	249.7	245.7	242.3	240.2	238.7	237.4	236.1	235.2	235.0	235.5	236.3
Construction	129.4	129.2	131.8	136.8	140.5	144.5	148.3	151.2	155.5	160.1	164.1	168.0	171.6
Private Service Producing	2,822.8	2,850.4	2,898.1	2,944.2	2,985.3	3,024.8	3,059.6	3,083.9	3,101.9	3,119.2	3,135.3	3,149.9	3,165.9
Trans., Trade & Utilities	810.1	816.3	827.6	840.1	853.6	863.8	873.0	882.8	888.8	891.7	892.9	892.9	891.5
Transportation	148.8	150.7	152.8	155.6	157.6	159.8	161.7	163.6	164.9	166.0	166.2	166.3	165.6
Trade	647.3	651.9	661.0	670.4	681.6	689.4	696.5	704.2	708.7	710.3	711.0	710.8	709.9
Wholesale Trade	209.7	209.2	212.1	214.8	219.0	221.4	223.2	226.2	228.5	230.2	232.1	234.0	235.8
Retail Trade	437.6	442.8	448.9	455.6	462.6	468.0	473.3	478.0	480.2	480.1	478.9	476.8	474.1
Utilities	14.1	13.7	13.9	14.1	14.4	14.6	14.8	15.0	15.2	15.5	15.7	15.9	16.1
Information	79.3	74.1	69.8	72.0	72.5	73.2	73.5	73.6	73.5	73.3	73.0	72.6	72.0
Finance	251.6	251.2	260.2	267.3	271.2	275.9	276.6	273.0	270.2	268.6	268.3	268.3	269.8
Services	1,681.8	1,708.9	1,740.5	1,764.7	1,788.1	1,811.9	1,836.5	1,854.5	1,869.3	1,885.6	1,901.1	1,916.1	1,932.5
Public Administration	639.8	620.4	621.9	625.0	627.6	629.2	630.7	632.7	635.3	637.8	643.2	643.5	647.3
Federal	60.5	54.5	54.3	54.8	55.2	55.4	55.4	55.4	55.3	55.1	57.8	54.9	54.7
State	150.3	146.9	144.5	145.1	146.1	146.4	146.7	147.6	149.0	149.9	150.8	152.1	153.9
Local	429.0	419.0	423.1	425.1	426.4	427.5	428.6	429.7	431.1	432.8	434.6	436.5	438.8

Employment by Industry in New Jersey, Growth Rates

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Nonagricultural	-1.1%	0.1%	1.2%	1.3%	1.1%	1.1%	1.0%	0.7%	0.6%	0.6%	0.6%	0.5%	0.6%
Private	-1.0%	0.7%	1.4%	1.4%	1.2%	1.2%	1.1%	0.7%	0.6%	0.6%	0.6%	0.5%	0.6%
Goods Producing	-4.5%	-1.0%	-0.3%	0.3%	0.1%	0.5%	0.6%	0.4%	0.8%	1.0%	0.9%	1.1%	1.1%
Natural Resources	-8.9%	-0.6%	8.9%	8.1%	5.3%	3.2%	1.7%	0.8%	0.2%	-0.2%	-0.4%	-0.6%	-0.7%
Manufacturing	-3.4%	-1.4%	-1.5%	-1.6%	-1.4%	-0.8%	-0.6%	-0.6%	-0.6%	-0.4%	-0.1%	0.2%	0.3%
Construction	-6.7%	-0.1%	2.0%	3.8%	2.7%	2.8%	2.6%	2.0%	2.8%	3.0%	2.5%	2.3%	2.2%
Private Service Producing	-0.5%	1.0%	1.7%	1.6%	1.4%	1.3%	1.2%	0.8%	0.6%	0.6%	0.5%	0.5%	0.5%
Trans., Trade & Utilities	-0.9%	0.8%	1.4%	1.5%	1.6%	1.2%	1.1%	1.1%	0.7%	0.3%	0.1%	0.0%	-0.2%
Transportation	-2.0%	1.3%	1.4%	1.8%	1.3%	1.4%	1.2%	1.2%	0.8%	0.6%	0.2%	0.0%	-0.4%
Trade	-0.8%	0.7%	1.4%	1.4%	1.7%	1.1%	1.0%	1.1%	0.6%	0.2%	0.1%	0.0%	-0.1%
Wholesale Trade	-3.2%	-0.2%	1.4%	1.3%	1.9%	1.1%	0.8%	1.4%	1.0%	0.8%	0.8%	0.8%	0.8%
Retail Trade	0.4%	1.2%	1.4%	1.5%	1.5%	1.2%	1.1%	1.0%	0.5%	0.0%	-0.2%	-0.4%	-0.6%
Utilities	4.1%	-3.4%	1.9%	1.7%	1.7%	1.5%	1.5%	1.5%	1.4%	1.4%	1.4%	1.4%	1.2%
Information	-5.9%	-6.6%	-5.7%	3.2%	0.6%	1.0%	0.4%	0.1%	-0.1%	-0.3%	-0.4%	-0.5%	-0.9%
Finance	-1.6%	-0.2%	3.6%	2.7%	1.5%	1.7%	0.2%	-1.3%	-1.0%	-0.6%	-0.1%	0.0%	0.6%
Services	0.2%	1.6%	1.8%	1.4%	1.3%	1.3%	1.4%	1.0%	0.8%	0.9%	0.8%	0.8%	0.9%
Public Administration	-1.9%	-3.0%	0.2%	0.5%	0.4%	0.2%	0.2%	0.3%	0.4%	0.4%	0.8%	0.0%	0.6%
Federal	1.6%	-9.9%	-0.5%	1.0%	0.6%	0.3%	0.1%	-0.1%	-0.2%	-0.3%	4.9%	-5.1%	-0.3%
State	-1.9%	-2.3%	-1.6%	0.4%	0.7%	0.2%	0.2%	0.6%	0.9%	0.6%	0.6%	0.9%	1.1%
Local	-2.4%	-2.3%	1.0%	0.5%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.5%

## R/ECON FORECAST, April 2012

## Financial and Service Employment in New Jersey, in thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Finance	251.6	251.2	260.2	267.3	271.2	275.9	276.6	273.0	270.2	268.6	268.3	268.3	269.8
Depository Credit Intermediation	67.6	67.9	72.6	75.8	76.8	79.4	78.7	74.8	72.0	70.3	69.4	68.8	69.9
Securities and Commodities	47.5	47.2	47.2	48.2	49.2	50.0	51.3	52.7	53.5	53.8	54.4	54.9	55.2
Insurance	81.5	81.1	80.8	80.8	81.3	81.6	81.8	81.8	81.8	81.8	81.9	81.9	81.9
Real Estate and Rental & Leasing	53.7	53.7	58.9	62.3	64.2	65.2	64.9	64.0	63.6	63.5	63.6	63.8	64.0
Total Services	1,681.8	1,708.9	1,740.5	1,764.7	1,788.1	1,811.9	1,836.5	1,854.5	1,869.3	1,885.6	1,901.1	1,916.1	1,932.5
Professional and Business	586.1	601.8	614.4	628.5	642.3	656.0	669.3	675.1	677.9	681.1	684.8	688.5	692.2
Professional, Scientific, and Technical	271.9	277.4	283.1	290.1	297.2	304.7	312.3	312.7	309.6	307.4	305.9	305.0	302.7
Management of Businesses	75.6	77.0	75.2	73.8	73.3	73.3	73.6	74.2	75.0	76.0	77.2	78.4	79.7
Administration, Support, and Waste Management	238.6	247.4	256.1	264.6	271.8	278.0	283.4	288.3	293.3	297.8	301.7	305.1	309.8
Educational and Health	601.2	609.8	622.2	626.2	631.0	636.3	642.0	648.6	655.2	662.5	669.2	675.1	681.1
Education	89.9	92.4	94.7	94.1	94.4	95.3	96.8	98.6	100.7	103.1	105.7	108.5	111.4
Health Care	435.1	442.5	450.7	453.9	457.0	460.1	463.5	467.2	470.7	474.4	477.8	479.8	482.3
Social Services	76.2	74.9	76.8	78.3	79.6	80.9	81.7	82.9	83.8	85.0	85.7	86.7	87.4
Leisure and Hospitality	334.0	334.3	337.5	341.2	343.9	346.5	349.7	352.4	354.9	357.4	359.2	361.0	363.9
Arts and Entertainment	52.6	52.7	51.6	51.7	52.1	52.8	53.1	53.5	54.2	55.2	55.9	56.5	57.4
Accommodations	59.2	57.5	62.8	69.9	72.9	73.9	75.2	75.7	75.5	75.2	74.9	74.8	76.0
Food Services and Drinking Places	222.3	224.2	223.2	219.7	218.9	219.8	221.4	223.3	225.2	226.9	228.5	229.7	230.5
Other Services	160.5	163.1	167.0	168.9	170.9	173.0	175.4	178.1	181.2	184.4	187.7	191.4	195.1

## Financial and Service Employment in New Jersey, Growth Rates

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Finance	-1.6%	-0.2%	3.6%	2.7%	1.5%	1.7%	0.2%	-1.3%	-1.0%	-0.6%	-0.1%	0.0%	0.6%
Depository Credit Intermediation	-2.4%	0.4%	6.9%	4.5%	1.3%	3.4%	-0.9%	-5.0%	-3.7%	-2.3%	-1.3%	-0.8%	1.6%
Securities and Commodities	-3.0%	-0.6%	0.0%	2.1%	2.1%	1.6%	2.7%	2.7%	1.5%	0.6%	1.1%	1.0%	0.5%
Insurance	1.0%	-0.5%	-0.4%	0.1%	0.5%	0.4%	0.2%	0.1%	0.0%	0.0%	0.1%	0.0%	0.0%
Real Estate and Rental & Leasing	-3.2%	-0.1%	9.8%	5.7%	3.1%	1.5%	-0.4%	-1.4%	-0.6%	-0.1%	0.2%	0.3%	0.3%
Total Services	0.2%	1.6%	1.8%	1.4%	1.3%	1.3%	1.4%	1.0%	0.8%	0.9%	0.8%	0.8%	0.9%
Professional and Business	0.3%	2.7%	2.1%	2.3%	2.2%	2.1%	2.0%	0.9%	0.4%	0.5%	0.5%	0.5%	0.5%
Professional, Scientific, and Technical	-1.7%	2.0%	2.1%	2.4%	2.5%	2.5%	2.5%	0.1%	-1.0%	-0.7%	-0.5%	-0.3%	-0.8%
Management of Businesses	0.2%	1.8%	-2.3%	-1.8%	-0.7%	0.0%	0.4%	0.8%	1.1%	1.3%	1.5%	1.6%	1.7%
Administration, Support, and Waste Management	2.7%	3.7%	3.5%	3.3%	2.7%	2.3%	1.9%	1.7%	1.7%	1.5%	1.3%	1.1%	1.6%
Educational and Health	0.6%	1.4%	2.0%	0.6%	0.8%	0.8%	0.9%	1.0%	1.0%	1.1%	1.0%	0.9%	0.9%
Education	-0.5%	2.8%	2.4%	-0.6%	0.3%	1.0%	1.5%	1.9%	2.1%	2.4%	2.6%	2.6%	2.7%
Health Care	1.3%	1.7%	1.9%	0.7%	0.7%	0.7%	0.8%	0.8%	0.7%	0.8%	0.7%	0.4%	0.5%
Social Services	-2.0%	-1.7%	2.5%	1.9%	1.7%	1.6%	1.0%	1.5%	1.1%	1.4%	0.9%	1.1%	0.8%
Leisure and Hospitality	-0.1%	0.1%	1.0%	1.1%	0.8%	0.7%	0.9%	0.8%	0.7%	0.7%	0.5%	0.5%	0.8%
Arts and Entertainment	-0.6%	0.1%	-2.1%	0.2%	0.8%	1.3%	0.6%	0.7%	1.4%	1.9%	1.1%	1.2%	1.6%
Accommodations	-3.3%	-2.8%	9.2%	11.3%	4.3%	1.4%	1.8%	0.6%	-0.3%	-0.4%	-0.4%	-0.1%	1.5%
Food Services and Drinking Places	0.9%	0.8%	-0.4%	-1.6%	-0.3%	0.4%	0.7%	0.9%	0.9%	0.8%	0.7%	0.5%	0.3%
Other Services	-0.6%	1.6%	2.4%	1.1%	1.2%	1.3%	1.4%	1.6%	1.7%	1.8%	1.8%	1.9%	2.0%

R/ECON FORECAST, April 2012

Manufacturing Employment in New Jersey, in thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Manufacturing	257.2	253.5	249.7	245.7	242.3	240.2	238.7	237.4	236.1	235.2	235.0	235.5	236.3
Durable Goods	114.3	114.0	112.3	111.1	110.1	109.9	109.7	109.2	108.5	108.1	108.0	108.5	109.1
Fabricated Metals	22.2	22.7	23.4	24.2	24.9	25.9	26.7	27.0	26.8	26.5	26.4	26.5	26.5
Machinery	14.0	14.3	13.8	13.2	12.8	12.5	12.4	12.4	12.5	12.7	12.9	13.3	13.7
Computers and Electronics	26.8	26.5	26.5	26.6	26.8	27.1	27.2	27.3	27.3	27.4	27.5	27.7	27.7
Other Durables	51.3	50.6	48.4	47.0	45.6	44.4	43.4	42.6	41.9	41.4	41.2	41.1	41.2
Non-Durable Goods	142.9	140.2	137.7	134.9	132.5	130.8	129.5	128.6	128.0	127.6	127.4	127.5	127.7
Food	30.0	30.1	29.9	30.2	30.4	30.5	30.7	30.8	30.8	30.8	30.8	30.8	30.9
Paper	11.5	11.0	10.5	10.2	10.0	9.9	9.9	10.0	10.1	10.2	10.4	10.5	10.6
Printing	16.9	16.8	15.3	14.5	13.8	13.2	12.6	12.3	12.1	12.1	12.2	12.3	12.4
Chemicals	56.0	53.1	52.3	52.5	52.7	53.0	53.4	53.8	54.2	54.7	55.2	55.8	56.3
Pharmaceuticals	32.8	30.2	29.9	30.4	30.9	31.4	32.1	32.7	33.2	33.8	34.3	34.8	35.2
Other Chemicals	23.2	22.9	22.5	22.1	21.8	21.5	21.3	21.1	21.0	20.9	20.9	21.0	21.1
Plastics	14.4	14.0	13.1	12.2	11.4	10.9	10.5	10.1	9.8	9.5	9.2	8.9	8.7
Other Non-Durables	14.2	15.3	16.5	15.3	14.2	13.2	12.4	11.6	10.9	10.3	9.7	9.2	8.8

Manufacturing Employment in New Jersey, Growth Rates

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Manufacturing	-3.4%	-1.4%	-1.5%	-1.6%	-1.4%	-0.8%	-0.6%	-0.6%	-0.6%	-0.4%	-0.1%	0.2%	0.3%
Durable Goods	-3.8%	-0.3%	-1.5%	-1.0%	-0.9%	-0.2%	-0.2%	-0.4%	-0.7%	-0.4%	0.0%	0.4%	0.6%
Fabricated Metals	-2.3%	1.9%	3.4%	3.2%	2.8%	4.1%	3.3%	1.0%	-0.7%	-1.0%	-0.5%	0.2%	0.2%
Machinery	-2.0%	2.1%	-3.1%	-4.3%	-3.5%	-2.1%	-1.0%	0.0%	0.8%	1.5%	2.1%	2.6%	2.9%
Computer & Electronics	-4.6%	-1.0%	0.3%	0.3%	0.6%	1.1%	0.3%	0.5%	0.1%	0.4%	0.3%	0.6%	0.2%
Other Durables	-4.6%	-1.5%	-4.2%	-2.9%	-3.0%	-2.7%	-2.3%	-1.9%	-1.5%	-1.1%	-0.6%	-0.2%	0.3%
Non-Durable Goods	-3.1%	-1.9%	-1.8%	-2.0%	-1.8%	-1.3%	-1.0%	-0.7%	-0.5%	-0.3%	-0.1%	0.1%	0.2%
Food	1.1%	0.4%	-0.5%	0.8%	0.7%	0.5%	0.5%	0.3%	0.1%	-0.1%	-0.1%	0.1%	0.2%
Paper	-5.7%	-4.6%	-4.9%	-2.6%	-1.6%	-0.8%	-0.3%	0.5%	1.3%	1.4%	1.2%	1.3%	1.2%
Printing	-6.2%	-0.4%	-8.8%	-5.2%	-4.9%	-4.6%	-4.1%	-2.7%	-1.2%	-0.3%	0.5%	0.9%	1.1%
Chemicals	-2.7%	-5.2%	-1.3%	0.3%	0.3%	0.6%	0.7%	0.8%	0.8%	0.9%	0.9%	1.0%	1.0%
Pharmaceuticals	-3.5%	-7.9%	-1.0%	1.6%	1.6%	1.9%	2.0%	1.9%	1.7%	1.6%	1.5%	1.4%	1.3%
Other Chemicals	-1.4%	-1.5%	-1.7%	-1.5%	-1.4%	-1.3%	-1.1%	-0.8%	-0.6%	-0.3%	0.0%	0.3%	0.6%
Plastics	0.2%	-2.8%	-6.4%	-7.2%	-6.3%	-4.4%	-3.5%	-3.5%	-3.5%	-3.4%	-3.0%	-2.7%	-2.6%
Other Non-Durables	-9.8%	7.6%	8.1%	-7.2%	-7.2%	-6.9%	-6.6%	-6.3%	-6.0%	-5.7%	-5.4%	-5.0%	-4.7%



## R/ECON FORECAST, April 2012

## Personal Income in New Jersey, \$billions

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Earnings by Place of Work	\$305.5	\$312.6	\$323.1	\$335.3	\$348.1	\$362.6	\$375.9	\$388.7	\$401.7	\$415.8	\$431.4	\$447.4	\$464.5
Wages and Salaries	\$218.2	\$222.8	\$230.5	\$238.2	\$246.9	\$256.6	\$265.9	\$275.0	\$284.5	\$294.4	\$304.8	\$315.3	\$326.6
Proprietors Income	\$37.6	\$39.3	\$40.0	\$42.3	\$43.9	\$46.2	\$47.4	\$48.3	\$49.0	\$50.5	\$52.9	\$55.6	\$58.5
Other Labor Income	\$49.7	\$50.4	\$52.5	\$54.8	\$57.2	\$59.8	\$62.6	\$65.4	\$68.2	\$71.0	\$73.8	\$76.5	\$79.3
Income by Place of Residence	\$144.8	\$155.6	\$162.2	\$167.7	\$174.3	\$181.1	\$190.1	\$199.5	\$210.6	\$222.6	\$235.3	\$247.9	\$261.1
Interest, Dividends, and Rent	\$74.0	\$78.1	\$78.7	\$81.7	\$84.3	\$88.1	\$92.8	\$98.1	\$103.3	\$108.5	\$114.0	\$119.4	\$125.0
Transfer Payments	\$69.3	\$70.6	\$73.0	\$74.8	\$78.1	\$82.1	\$86.6	\$91.2	\$96.1	\$101.4	\$107.2	\$113.0	\$119.2
Residence Adjustment	\$35.9	\$38.1	\$40.7	\$43.7	\$46.9	\$50.2	\$53.4	\$56.5	\$59.6	\$62.8	\$66.1	\$69.5	\$72.9
less: Social Insurance	\$34.3	\$31.2	\$30.2	\$32.5	\$35.0	\$39.2	\$42.7	\$46.3	\$48.4	\$50.1	\$52.0	\$53.9	\$55.9
Personal Income	\$450.4	\$468.2	\$485.2	\$503.0	\$522.4	\$543.7	\$566.0	\$588.2	\$612.3	\$638.4	\$666.7	\$695.3	\$725.6

## Personal Income in New Jersey, Growth Rates (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Earnings by Place of Work	2.4%	2.3%	3.4%	3.8%	3.8%	4.2%	3.7%	3.4%	3.3%	3.5%	3.8%	3.7%	3.8%
Wages and Salaries	1.3%	2.1%	3.4%	3.3%	3.7%	3.9%	3.6%	3.4%	3.4%	3.5%	3.5%	3.4%	3.6%
Proprietors Income	11.4%	4.4%	1.9%	5.7%	3.8%	5.1%	2.6%	2.0%	1.4%	3.0%	4.8%	5.2%	5.3%
Other Labor Income	0.9%	1.5%	4.2%	4.3%	4.4%	4.5%	4.6%	4.5%	4.3%	4.1%	3.9%	3.8%	3.7%
Income by Place of Residence	6.8%	7.4%	4.2%	3.4%	3.9%	3.9%	5.0%	4.9%	5.6%	5.7%	5.7%	5.4%	5.3%
Interest, Dividends, and Rent	2.3%	5.5%	0.8%	3.7%	3.2%	4.5%	5.4%	5.8%	5.2%	5.1%	5.0%	4.7%	4.7%
Transfer Payments	6.6%	1.9%	3.3%	2.5%	4.4%	5.1%	5.5%	5.2%	5.4%	5.5%	5.7%	5.4%	5.4%
Residence Adjustment	12.3%	6.2%	6.9%	7.5%	7.2%	7.1%	6.4%	5.8%	5.5%	5.3%	5.2%	5.1%	4.9%
less: Social Insurance	2.0%	-9.1%	-3.2%	7.6%	7.6%	12.0%	8.9%	8.4%	4.5%	3.6%	3.7%	3.7%	3.7%
Personal Income	3.5%	4.0%	3.6%	3.7%	3.9%	4.1%	4.1%	3.9%	4.1%	4.3%	4.4%	4.3%	4.4%

R/ECON FORECAST, April 2012

Gross State Product by Industry in New Jersey, \$2005

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Gross State Product	\$438.7	\$451.0	\$457.4	\$466.2	\$476.1	\$486.3	\$495.9	\$505.0	\$514.1	\$522.9	\$530.6	\$537.3	\$544.1
Goods Producing	\$46.6	\$48.9	\$49.2	\$50.5	\$52.2	\$54.0	\$55.4	\$56.4	\$57.6	\$58.5	\$59.4	\$60.1	\$60.6
Natural Resources	\$0.8	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7	\$0.7
Construction	\$12.4	\$12.7	\$12.7	\$13.1	\$13.5	\$13.9	\$14.3	\$14.6	\$15.0	\$15.4	\$15.7	\$16.0	\$16.2
Manufacturing	\$33.4	\$35.5	\$35.8	\$36.7	\$37.9	\$39.3	\$40.4	\$41.2	\$41.9	\$42.4	\$43.0	\$43.4	\$43.7
Private Service Producing	\$346.7	\$355.0	\$360.0	\$366.8	\$374.5	\$382.5	\$390.0	\$397.5	\$404.9	\$412.1	\$418.3	\$423.7	\$429.2
Transportation	\$12.4	\$11.8	\$12.5	\$13.1	\$13.6	\$14.0	\$14.3	\$14.6	\$14.9	\$15.2	\$15.4	\$15.6	\$15.8
Trade	\$65.5	\$67.0	\$66.5	\$67.5	\$68.8	\$69.9	\$70.9	\$71.8	\$72.6	\$73.3	\$73.9	\$74.5	\$75.0
Utilities	\$7.8	\$8.7	\$8.3	\$8.5	\$8.5	\$8.5	\$8.6	\$8.6	\$8.6	\$8.7	\$8.7	\$8.7	\$8.6
Information	\$24.4	\$24.0	\$25.2	\$26.1	\$26.9	\$27.9	\$28.9	\$29.8	\$30.6	\$31.4	\$32.2	\$33.0	\$33.8
Finance	\$115.2	\$119.6	\$121.9	\$123.8	\$126.6	\$129.6	\$132.2	\$134.7	\$137.0	\$139.0	\$140.5	\$141.8	\$142.9
Services	\$121.4	\$123.9	\$125.7	\$127.8	\$130.1	\$132.5	\$135.2	\$138.0	\$141.2	\$144.6	\$147.5	\$150.1	\$153.1
Government	\$46.1	\$47.2	\$48.2	\$48.8	\$49.3	\$49.9	\$50.5	\$51.1	\$51.7	\$52.3	\$52.9	\$53.6	\$54.2

Gross State Product by Industry in New Jersey, Growth Rates

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Gross State Product	2.5%	2.8%	1.4%	1.9%	2.1%	2.2%	2.0%	1.8%	1.8%	1.7%	1.5%	1.3%	1.3%
Goods Producing	2.1%	4.8%	0.7%	2.7%	3.3%	3.4%	2.6%	2.0%	2.0%	1.6%	1.5%	1.2%	0.9%
Natural Resources	-4.2%	-9.1%	-0.3%	2.6%	1.1%	-0.7%	-0.9%	-0.5%	-0.3%	-0.3%	-0.2%	-0.1%	-0.1%
Construction	-2.0%	1.8%	-0.1%	3.6%	3.1%	3.2%	2.4%	2.0%	3.0%	2.5%	2.0%	1.7%	1.6%
Manufacturing	3.8%	6.2%	1.0%	2.3%	3.4%	3.6%	2.8%	2.0%	1.7%	1.3%	1.4%	1.0%	0.7%
Private Service Producing	2.9%	2.4%	1.4%	1.9%	2.1%	2.1%	2.0%	1.9%	1.9%	1.8%	1.5%	1.3%	1.3%
Transportation	1.3%	-5.2%	6.4%	4.7%	3.6%	2.9%	2.5%	2.2%	1.9%	1.7%	1.6%	1.4%	1.1%
Trade	4.9%	2.4%	-0.9%	1.6%	1.9%	1.6%	1.4%	1.3%	1.1%	1.0%	0.9%	0.8%	0.7%
Utilities	22.8%	11.5%	-4.4%	2.7%	0.1%	0.4%	0.4%	0.3%	0.3%	0.3%	0.4%	-0.1%	-0.6%
Information	4.8%	-1.7%	4.8%	3.7%	3.3%	3.5%	3.5%	3.0%	2.8%	2.6%	2.7%	2.6%	2.4%
Finance	2.4%	3.8%	1.9%	1.6%	2.2%	2.4%	2.0%	1.9%	1.7%	1.4%	1.1%	0.9%	0.8%
Services	1.2%	2.1%	1.4%	1.7%	1.8%	1.9%	2.0%	2.1%	2.3%	2.4%	2.0%	1.7%	2.0%
Government	-0.3%	2.3%	2.2%	1.3%	1.1%	1.1%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%

## R/ECON FORECAST, April 2012

## Employment in Goods Producing Industries by Labor Area, in Thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	195.8	195.9	192.7	191.9	190.0	188.3	187.4	186.5	186.7	187.6	188.9	190.7	192.8
Bergen-Hudson-Passaic	86.4	87.7	86.0	85.1	83.7	82.4	81.6	80.8	80.5	80.4	80.5	81.0	81.5
Newark	102.4	101.2	99.3	99.3	98.8	98.5	98.5	98.6	99.2	100.3	101.5	103.0	104.6
Warren	7.0	7.0	7.5	7.5	7.5	7.4	7.3	7.1	7.0	6.9	6.8	6.7	6.7
Central New Jersey	111.3	108.8	107.6	108.4	110.4	114.1	117.9	121.0	123.8	126.3	128.4	130.3	132.0
Edison	97.0	95.1	93.7	94.2	95.6	98.4	101.8	104.8	107.5	110.0	112.0	113.9	115.5
Trenton	14.3	13.7	13.9	14.3	14.9	15.7	16.2	16.3	16.3	16.3	16.4	16.5	16.5
Southern New Jersey	81.4	82.0	82.6	83.8	84.0	84.0	83.5	82.8	82.8	83.2	83.6	84.2	84.9
Atlantic City	6.8	7.8	7.4	7.3	7.1	7.0	6.6	6.5	6.4	6.5	6.5	6.5	6.6
Camden	57.2	56.9	56.8	57.6	57.6	57.6	57.7	57.6	57.8	58.2	58.5	58.9	59.3
Ocean City	2.5	2.5	3.5	3.9	4.1	4.1	3.9	3.7	3.7	3.6	3.6	3.6	3.6
Salem	4.0	4.0	3.8	3.6	3.5	3.4	3.4	3.5	3.6	3.7	3.9	4.1	4.3
Vineland	10.9	10.8	11.1	11.4	11.7	11.9	11.8	11.5	11.4	11.2	11.1	11.1	11.1
New Jersey	388.5	386.7	383.0	384.1	384.4	386.4	388.8	390.4	393.3	397.1	400.9	405.2	409.7

## Employment in Private Service Producing Industries by Labor Area, in Thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	1,385.2	1,399.2	1,426.3	1,448.5	1,467.4	1,485.0	1,499.9	1,509.0	1,514.9	1,520.6	1,526.2	1,531.0	1,541.5
Bergen-Hudson-Passaic	657.9	668.0	682.5	693.0	701.4	709.1	714.8	717.6	719.0	720.4	722.0	723.1	725.6
Newark	703.2	707.0	719.5	731.0	741.3	751.0	759.7	765.7	769.9	773.7	777.4	780.7	788.4
Warren	24.1	24.1	24.4	24.5	24.7	24.9	25.3	25.7	26.0	26.4	26.8	27.2	27.5
Central New Jersey	895.2	905.1	912.9	927.0	940.5	953.7	965.7	974.4	981.2	987.8	993.9	999.2	1,003.4
Edison	738.8	745.4	753.7	765.0	775.9	786.4	796.0	802.7	807.8	812.8	817.3	821.2	824.9
Trenton	156.4	159.7	159.2	162.0	164.6	167.2	169.8	171.7	173.4	175.1	176.6	177.9	178.4
Southern New Jersey	548.1	546.1	558.9	568.7	577.4	586.1	594.0	600.4	605.8	610.8	615.2	619.8	621.0
Atlantic City	107.2	104.8	111.3	115.5	117.9	119.9	121.3	121.9	122.0	122.2	122.3	123.0	122.2
Camden	364.3	364.4	369.1	374.0	379.4	385.1	390.9	396.2	400.9	405.3	409.3	412.9	415.3
Ocean City	29.6	29.6	30.3	30.6	30.9	31.2	31.4	31.5	31.6	31.6	31.7	31.7	31.4
Salem	14.0	14.0	15.0	15.2	15.3	15.4	15.5	15.5	15.6	15.6	15.6	15.7	15.5
Vineland	33.0	33.2	33.2	33.5	34.0	34.4	34.9	35.4	35.7	36.0	36.3	36.5	36.6
New Jersey	2,828.5	2,850.4	2,898.1	2,944.2	2,985.3	3,024.8	3,059.6	3,083.9	3,101.9	3,119.2	3,135.3	3,149.9	3,165.9

## Employment in Government by Labor Area, in Thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	286.5	279.3	281.2	283.4	285.3	286.5	287.5	288.5	289.7	290.7	293.1	293.4	294.9
Bergen-Hudson-Passaic	118.4	114.7	116.1	117.5	118.7	119.6	120.3	120.8	121.3	121.7	122.6	122.6	123.1
Newark	161.9	158.4	158.8	159.5	160.1	160.4	160.6	161.0	161.7	162.3	163.7	163.8	164.8
Warren	6.2	6.2	6.3	6.4	6.5	6.5	6.6	6.6	6.7	6.8	6.8	6.9	7.0
Central New Jersey	215.4	209.5	208.5	208.8	209.1	209.3	209.5	210.2	211.1	212.0	214.2	214.2	215.7
Edison	146.6	141.3	142.5	143.5	144.1	144.2	144.4	144.8	145.4	146.0	147.4	147.2	148.2
Trenton	68.8	68.2	66.0	65.2	65.1	65.0	65.1	65.3	65.7	66.0	66.8	67.0	67.5
Southern New Jersey	135.9	131.6	132.2	132.8	133.2	133.4	133.7	134.0	134.5	135.0	135.9	135.9	136.7
Atlantic City	23.4	23.1	23.0	23.0	23.0	23.0	23.0	23.0	23.1	23.1	23.3	23.3	23.4
Camden	84.1	81.1	81.7	82.1	82.3	82.4	82.5	82.7	83.0	83.3	83.9	83.9	84.4
Ocean City	9.2	8.8	9.0	9.2	9.3	9.4	9.5	9.5	9.5	9.5	9.6	9.6	9.6
Salem	4.8	4.8	4.5	4.4	4.4	4.3	4.3	4.3	4.2	4.2	4.2	4.2	4.2
Vineland	14.4	13.7	14.0	14.2	14.3	14.4	14.4	14.5	14.7	14.8	14.9	14.9	15.1
New Jersey	637.8	620.4	621.9	625.0	627.6	629.2	630.7	632.7	635.3	637.8	643.2	643.5	647.3

R/ECON FORECAST, April 2012

Nonagricultural Employment by Labor Area, in Thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	1,867.5	1,874.4	1,900.2	1,923.8	1,942.7	1,959.9	1,974.7	1,984.0	1,991.3	1,998.9	2,008.2	2,015.0	2,029.1
Bergen-Hudson-Passaic	862.7	870.4	884.6	895.5	903.8	911.2	916.7	919.3	920.8	922.5	925.1	926.7	930.3
Newark	967.5	966.6	977.5	989.8	1,000.2	1,009.9	1,018.9	1,025.3	1,030.7	1,036.3	1,042.6	1,047.5	1,057.7
Warren	37.3	37.3	38.1	38.4	38.6	38.9	39.2	39.4	39.7	40.1	40.4	40.8	41.1
Central New Jersey	1,221.9	1,223.5	1,229.0	1,244.2	1,260.1	1,277.0	1,293.2	1,305.6	1,316.1	1,326.2	1,336.5	1,343.6	1,351.1
Edison	982.4	981.8	989.9	1,002.7	1,015.5	1,029.0	1,042.1	1,052.3	1,060.7	1,068.7	1,076.7	1,082.3	1,088.6
Trenton	239.5	241.7	239.1	241.5	244.6	248.0	251.1	253.3	255.4	257.4	259.7	261.4	262.5
Southern New Jersey	765.4	759.7	773.8	785.4	794.6	803.5	811.2	817.3	823.1	829.0	834.7	840.0	842.6
Atlantic City	137.4	135.7	141.7	145.7	148.0	149.8	150.9	151.3	151.5	151.8	152.1	152.8	152.2
Camden	505.6	502.4	507.7	513.6	519.2	525.1	531.2	536.5	541.8	546.9	551.7	555.7	558.9
Ocean City	41.3	41.0	42.8	43.7	44.3	44.7	44.8	44.8	44.8	44.8	44.9	44.9	44.6
Salem	22.8	22.8	23.3	23.2	23.2	23.2	23.2	23.3	23.4	23.5	23.7	24.0	24.0
Vineland	58.3	57.8	58.3	59.1	59.9	60.7	61.2	61.4	61.7	62.0	62.3	62.6	62.8
New Jersey	3,854.8	3,857.5	3,903.0	3,953.3	3,997.3	4,040.3	4,078.9	4,106.8	4,130.4	4,153.9	4,179.2	4,198.6	4,222.8

Nonagricultural Employment by Labor Area, Growth Rates (%)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	-1.5%	0.4%	1.4%	1.2%	1.0%	0.9%	0.8%	0.5%	0.4%	0.4%	0.5%	0.3%	0.7%
Bergen-Hudson-Passaic	-0.1%	0.9%	1.6%	1.2%	0.9%	0.8%	0.6%	0.3%	0.2%	0.2%	0.3%	0.2%	0.4%
Newark	-2.9%	-0.1%	1.1%	1.3%	1.1%	1.0%	0.9%	0.6%	0.5%	0.5%	0.6%	0.5%	1.0%
Warren	0.0%	0.1%	2.1%	0.8%	0.4%	0.7%	0.7%	0.6%	0.8%	0.9%	0.9%	0.9%	0.7%
Central New Jersey	-0.5%	0.1%	0.5%	1.2%	1.3%	1.3%	1.3%	1.0%	0.8%	0.8%	0.8%	0.5%	0.6%
Edison	-0.7%	-0.1%	0.8%	1.3%	1.3%	1.3%	1.3%	1.0%	0.8%	0.8%	0.8%	0.5%	0.6%
Trenton	0.3%	0.9%	-1.1%	1.0%	1.3%	1.4%	1.2%	0.9%	0.8%	0.8%	0.9%	0.6%	0.4%
Southern New Jersey	-1.8%	-0.7%	1.9%	1.5%	1.2%	1.1%	1.0%	0.8%	0.7%	0.7%	0.7%	0.6%	0.3%
Atlantic City	-1.5%	-1.3%	4.5%	2.8%	1.6%	1.2%	0.7%	0.3%	0.1%	0.2%	0.2%	0.5%	-0.4%
Camden	-2.0%	-0.6%	1.0%	1.2%	1.1%	1.1%	1.1%	1.0%	1.0%	0.9%	0.9%	0.7%	0.6%
Ocean City	-0.7%	-0.8%	4.4%	2.2%	1.4%	0.8%	0.2%	-0.1%	0.0%	0.1%	0.2%	0.0%	-0.6%
Salem	0.0%	0.1%	2.0%	-0.3%	-0.2%	0.0%	0.1%	0.2%	0.5%	0.7%	0.8%	1.0%	0.4%
Vineland	-2.2%	-0.9%	0.9%	1.3%	1.4%	1.3%	0.8%	0.5%	0.5%	0.5%	0.5%	0.4%	0.4%
New Jersey	-1.2%	0.1%	1.2%	1.3%	1.1%	1.1%	1.0%	0.7%	0.6%	0.6%	0.6%	0.5%	0.6%

## R/ECON FORECAST, April 2012

## Personal Income, by Labor Area, \$billions

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	\$229.7	\$243.6	\$255.0	\$264.7	\$275.2	\$287.7	\$300.1	\$312.2	\$325.4	\$339.5	\$354.6	\$369.0	\$385.8
Bergen-Hudson-Passaic	\$106.0	\$113.2	\$118.4	\$122.8	\$127.5	\$133.1	\$138.7	\$144.0	\$149.8	\$156.0	\$162.6	\$168.9	\$176.0
Newark	\$118.9	\$125.6	\$131.7	\$136.9	\$142.5	\$149.1	\$155.8	\$162.3	\$169.5	\$177.0	\$185.2	\$193.1	\$202.4
Warren	\$4.7	\$4.7	\$4.9	\$5.0	\$5.2	\$5.4	\$5.7	\$5.9	\$6.2	\$6.4	\$6.8	\$7.1	\$7.4
Central New Jersey	\$139.4	\$147.6	\$154.0	\$159.6	\$165.8	\$173.4	\$181.2	\$188.8	\$197.0	\$205.8	\$215.2	\$223.9	\$233.6
Edison	\$119.2	\$126.1	\$131.9	\$136.8	\$142.0	\$148.4	\$155.1	\$161.6	\$168.6	\$176.1	\$184.1	\$191.6	\$200.0
Trenton	\$20.2	\$21.5	\$22.1	\$22.9	\$23.8	\$25.0	\$26.1	\$27.2	\$28.4	\$29.7	\$31.0	\$32.3	\$33.7
Southern New Jersey	\$77.1	\$79.8	\$83.2	\$86.0	\$88.8	\$92.3	\$95.9	\$99.4	\$103.3	\$107.4	\$111.8	\$118.5	\$123.8
Atlantic City	\$10.7	\$10.9	\$11.4	\$11.8	\$12.1	\$12.5	\$12.8	\$13.2	\$13.5	\$13.8	\$14.2	\$17.0	\$18.2
Camden	\$54.0	\$56.2	\$58.6	\$60.6	\$62.8	\$65.5	\$68.2	\$71.0	\$74.0	\$77.2	\$80.6	\$83.8	\$87.4
Ocean City	\$4.6	\$4.7	\$4.9	\$5.0	\$5.2	\$5.3	\$5.4	\$5.6	\$5.8	\$6.0	\$6.3	\$6.5	\$6.8
Salem	\$2.6	\$2.7	\$2.8	\$2.9	\$2.9	\$3.0	\$3.1	\$3.2	\$3.4	\$3.5	\$3.6	\$3.8	\$3.9
Vineland	\$5.2	\$5.3	\$5.5	\$5.7	\$5.9	\$6.1	\$6.2	\$6.4	\$6.6	\$6.9	\$7.1	\$7.3	\$7.6
New Jersey	\$446.2	\$471.0	\$492.2	\$510.4	\$529.9	\$553.4	\$577.2	\$600.4	\$625.7	\$652.6	\$681.6	\$711.4	\$743.2

## Population, by Labor Area, Thousands

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	4,239.6	4,252.8	4,268.5	4,286.4	4,304.1	4,323.5	4,345.1	4,368.2	4,391.1	4,412.8	4,436.4	4,462.4	4,490.9
Bergen-Hudson-Passaic	2,040.6	2,050.2	2,060.2	2,071.1	2,081.1	2,091.5	2,102.3	2,113.4	2,124.0	2,133.8	2,144.5	2,156.1	2,169.7
Newark	2,090.4	2,093.5	2,098.6	2,105.0	2,111.9	2,120.1	2,129.9	2,140.9	2,152.0	2,162.7	2,174.3	2,187.3	2,200.5
Warren	108.7	109.0	109.6	110.3	111.0	111.9	112.8	113.9	115.1	116.3	117.6	119.1	120.6
Central New Jersey	2,706.8	2,722.1	2,739.9	2,760.5	2,781.1	2,803.1	2,826.8	2,851.5	2,875.8	2,899.4	2,924.3	2,950.4	2,978.3
Edison	2,340.3	2,352.8	2,367.8	2,385.3	2,403.0	2,421.9	2,442.2	2,463.3	2,484.1	2,504.2	2,525.5	2,547.9	2,572.2
Trenton	366.5	369.3	372.1	375.2	378.2	381.3	384.6	388.2	391.7	395.2	398.8	402.4	406.1
Southern New Jersey	1,845.5	1,851.6	1,857.8	1,865.0	1,872.6	1,881.4	1,891.8	1,903.5	1,915.3	1,927.0	1,939.9	1,954.0	1,968.8
Atlantic City	274.5	275.1	275.8	277.0	278.3	279.8	281.4	283.1	284.8	286.4	288.0	289.8	291.6
Camden	1,250.7	1,256.0	1,260.6	1,266.3	1,272.3	1,279.1	1,286.8	1,295.4	1,304.1	1,312.7	1,322.1	1,332.5	1,343.4
Ocean City	97.3	97.5	98.8	98.9	98.9	98.9	98.9	99.0	99.1	99.2	99.4	99.6	99.8
Salem	66.1	66.1	66.0	66.0	66.0	66.1	66.2	66.4	66.6	66.8	67.1	67.3	67.6
Vineland	156.9	156.9	156.7	156.7	157.0	157.6	158.4	159.5	160.7	161.9	163.3	164.9	166.5
New Jersey	8,791.9	8,826.5	8,866.2	8,911.9	8,957.7	9,008.0	9,063.7	9,123.2	9,182.2	9,239.2	9,300.6	9,366.8	9,438.0

## Income Per Capita (\$000)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	\$54,173	\$57,273	\$59,732	\$61,764	\$63,945	\$66,533	\$69,065	\$71,477	\$74,107	\$76,925	\$79,931	\$82,695	\$85,905
Bergen-Hudson-Passaic	\$51,958	\$55,227	\$57,458	\$59,287	\$61,269	\$63,652	\$65,962	\$68,129	\$70,516	\$73,093	\$75,845	\$78,322	\$81,133
Newark	\$56,885	\$60,010	\$62,758	\$65,041	\$67,474	\$70,323	\$73,127	\$75,833	\$78,754	\$81,863	\$85,178	\$88,279	\$91,965
Warren	\$43,591	\$43,190	\$44,568	\$45,714	\$46,947	\$48,563	\$50,189	\$51,747	\$53,500	\$55,399	\$57,425	\$59,277	\$61,181
Central New Jersey	\$51,500	\$54,221	\$56,188	\$57,831	\$59,626	\$61,860	\$64,096	\$66,205	\$68,512	\$70,970	\$73,573	\$75,884	\$78,435
Edison	\$50,952	\$53,598	\$55,691	\$57,346	\$59,103	\$61,291	\$63,501	\$65,591	\$67,880	\$70,323	\$72,911	\$75,203	\$77,736
Trenton	\$54,994	\$58,191	\$59,352	\$60,920	\$62,943	\$65,471	\$67,877	\$70,096	\$72,515	\$75,071	\$77,764	\$80,193	\$82,866
Southern New Jersey	\$41,800	\$43,110	\$44,809	\$46,099	\$47,440	\$49,083	\$50,682	\$52,231	\$53,936	\$55,739	\$57,632	\$60,638	\$62,872
Atlantic City	\$39,097	\$39,709	\$41,488	\$42,609	\$43,534	\$44,659	\$45,613	\$46,449	\$47,347	\$48,288	\$49,274	\$58,768	\$62,253
Camden	\$43,193	\$44,727	\$46,469	\$47,851	\$49,344	\$51,184	\$53,021	\$54,807	\$56,761	\$58,815	\$60,961	\$62,920	\$65,039
Ocean City	\$47,738	\$48,307	\$49,655	\$50,879	\$52,135	\$53,638	\$55,041	\$56,670	\$58,636	\$60,836	\$63,249	\$65,521	\$67,790
Salem	\$38,892	\$40,657	\$42,132	\$43,208	\$44,362	\$45,819	\$47,278	\$48,736	\$50,380	\$52,149	\$54,039	\$55,850	\$57,685
Vineland	\$32,965	\$33,930	\$35,371	\$36,316	\$37,274	\$38,400	\$39,382	\$40,268	\$41,265	\$42,329	\$43,471	\$44,481	\$45,627
New Jersey	\$50,753	\$53,360	\$55,510	\$57,268	\$59,154	\$61,434	\$63,678	\$65,814	\$68,147	\$70,637	\$73,281	\$75,948	\$78,743

R/ECON FORECAST, April 2012

Total Housing Permits, by Labor Area

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey	3,913	5,181	7,067	6,456	7,000	7,496	7,349	8,502	9,394	9,543	9,932	9,870	10,181
Bergen-Hudson-Passaic	2,160	3,684	4,946	4,304	4,323	4,364	4,314	5,254	5,193	4,884	4,916	4,816	4,930
Newark	1,660	1,363	1,893	1,933	2,416	2,831	2,683	2,721	3,651	4,133	4,477	4,514	4,680
Warren	93	134	228	220	261	301	352	527	550	526	539	540	570
Central New Jersey	5,439	4,072	4,989	5,609	6,238	7,088	7,027	8,057	9,861	10,543	11,134	11,134	11,538
Edison	4,791	3,650	4,382	4,911	5,678	6,383	6,307	7,136	8,324	8,817	9,402	9,483	9,865
Trenton	648	422	607	698	559	705	720	921	1,537	1,726	1,733	1,651	1,672
Southern New Jersey	2,533	2,569	3,793	3,857	4,091	4,935	4,986	5,333	6,438	6,974	7,527	7,654	8,017
Atlantic City	444	371	483	497	342	585	601	331	616	781	876	909	973
Camden	1,393	1,556	2,115	1,990	2,204	2,437	2,286	2,324	2,934	3,280	3,578	3,647	3,815
Ocean City	432	445	693	824	932	1,252	1,420	1,807	2,004	2,072	2,222	2,261	2,370
Salem	63	53	130	154	147	147	125	101	133	159	182	192	206
Vineland	201	145	372	392	466	513	554	770	752	682	670	645	654
New Jersey	11,885	11,822	15,849	15,922	17,329	19,518	19,362	21,892	25,693	27,060	28,593	28,658	29,736

Unemployment Rate, by Labor Area

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Northern New Jersey													
Bergen-Hudson-Passaic	9.6	9.5	9.7	8.7	7.7	6.8	6.3	6.1	6.1	6.1	6.0	6.0	6.0
Newark	9.3	9.1	8.9	7.9	7.0	6.3	5.9	5.8	5.9	5.9	5.8	5.9	5.9
Warren	9.1	8.8	7.8	6.9	6.1	5.4	5.0	4.9	4.9	5.0	4.9	5.0	5.0
Central New Jersey													
Edison	8.8	8.4	8.0	7.2	6.5	5.9	5.6	5.6	5.6	5.6	5.6	5.6	5.6
Trenton	7.8	6.9	6.5	5.8	5.3	4.9	4.7	4.7	4.7	4.8	4.7	4.8	4.8
Southern New Jersey													
Atlantic City	12.4	12.8	11.1	9.9	9.2	8.4	8.0	7.7	7.7	7.7	7.6	7.5	7.5
Camden	9.9	9.6	8.4	7.4	6.6	5.9	5.6	5.5	5.5	5.6	5.6	5.6	5.5
Ocean City	11.9	12.0	10.8	10.2	9.7	9.3	9.1	9.1	8.9	8.8	8.7	8.6	8.5
Salem	11.3	10.6	8.5	7.7	7.0	6.3	6.0	5.9	5.9	6.0	5.9	5.9	5.9
Vineland	13.3	13.2	12.8	11.8	10.6	9.4	8.7	8.4	8.4	8.4	8.3	8.4	8.3
New Jersey	9.6	9.3	8.3	7.4	6.6	6.0	5.7	5.6	5.7	5.7	5.7	5.7	5.7