

NEW JERSEY DEPARTMENT OF
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NEWS RELEASE

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For Immediate Release

New Jersey Private Sector Employers Added 22,200 Jobs in June; Best Month for Private Sector Job Growth in 20 Years

Private Sector Employment Up by 69,100 Jobs Over the Past Year

TRENTON, N.J., July 21, 2016 – New Jersey private sector employers added 22,200 jobs in June, according to preliminary data from the United States Bureau of Labor Statistics (BLS), which shows June was the best month for private sector employment growth since February 1996. Garden State private sector employers have added 282,800 jobs since February 2010, the recessionary low point for private sector employment in the state.

Based on more complete reporting from employers, previously released estimates for May were revised significantly higher, up by 4,200, to show an over-the-month total nonfarm employment loss of 2,600 jobs. Preliminary estimates had initially indicated an over-the-month loss of 6,800 nonfarm jobs. The May and June employment estimates were impacted by a labor dispute affecting 5,000 Verizon workers who have since returned to work.

The BLS data shows the unemployment rate ticked up to 5.1 percent for June. The three-month moving average, which evens out the volatility in the monthly employment figures, shows New Jersey's total nonfarm employment growth averaging 5,600 jobs over the last three months.

"The June employment report for New Jersey is refreshing news and worth looking at with some care. Four important things stand out in sharp relief: The employment gains in June are very strong; it's hard to beat the biggest single private sector job creation month since 1996. The May employment numbers were revised upward, making it the fourth month in a row that negative news from the prior month had to be corrected. The job gains are broad-based covering virtually every economic sector, and virtually all of the jobs lost during the economic downturn have been regained," said James Wooster, Chief Economist for the New Jersey Department of Treasury.

"Against this backdrop, even the fact the unemployment rate has ticked up should not be counted as bad news. With the New Jersey economy continuing to add jobs, the unemployment rate will decline again. In fact, the confidence that New Jersey's workers have in the Garden State's economy is significantly greater than for the nation as a whole, as the national labor force participation rate is only 62.7 percent while New Jersey's is 64.2 percent."

The labor force participation rate measures the number of people employed or actively seeking work, and New Jersey's rate has continued to exceed the national rate.

June's job growth was widespread, with gains posted in eight of nine major private industry sectors. Information (+5,700), leisure and hospitality (+5,000), trade, transportation and utilities (+3,200), financial activities (+3,000), manufacturing (+1,800), other services (+1,400), construction (+1,300) and professional and business services (+900). Education and health services contracted slightly, down 200 jobs. The public sector recorded a loss of 1,900 jobs.

PRESS TABLES

Technical Notes: Estimates of industry employment and unemployment levels are arrived at through the use of two different monthly surveys.

Industry employment data are derived through the Current Employment Statistics (CES) survey, a monthly survey of approximately 5,000 business establishments conducted by the U.S. Bureau of Labor Statistics (BLS) of the U.S. Department of Labor, which provides estimates of employment, hours, and earnings data broken down by industry for the nation as a whole, all states and most major metropolitan areas (often referred to as the "establishment" survey).

Resident employment and unemployment data are mainly derived from the New Jersey portion of the national Current Population Survey (CPS), a household survey conducted each month by the U.S. Census Bureau under contract with BLS, which provides input to the Local Area Unemployment Statistics (LAUS) program (often referred to as the "household" survey).

Both industry and household estimates are revised each month based on additional information from updated survey reports compiled by BLS. In addition, these estimates are benchmarked (revised) annually based on actual counts from New Jersey's Unemployment Compensation Law administrative records and more complete data from all New Jersey employers.

The current month's preliminary employment change as well as the previous two months' revised employment change are averaged to create the three-month moving average. Each month, the average is moved forward one month.

The benchmark data, which presents a more complete picture of the New Jersey economy for the entire calendar year of 2016, will be released in March 2017.

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