



Signs of the Times? "Help Wanted" and Job Growth

Recent indicators of New Jersey's economic health, taken together appear to point toward a brightening economic picture. An increase in the unemployment rate occurred, not because more people lost jobs, but rather, because more discouraged workers found the job market encouraging enough to resume actively searching for work. The return to the labor force also may have been spurred by the increased number of job listings posted by employers or increased employment in key industry sectors like professional and business services or construction. Time will tell if the alignment of the data is coincidence or cause for optimism. In either case, here are some of the recent indications coloring the New Jersey economic picture:

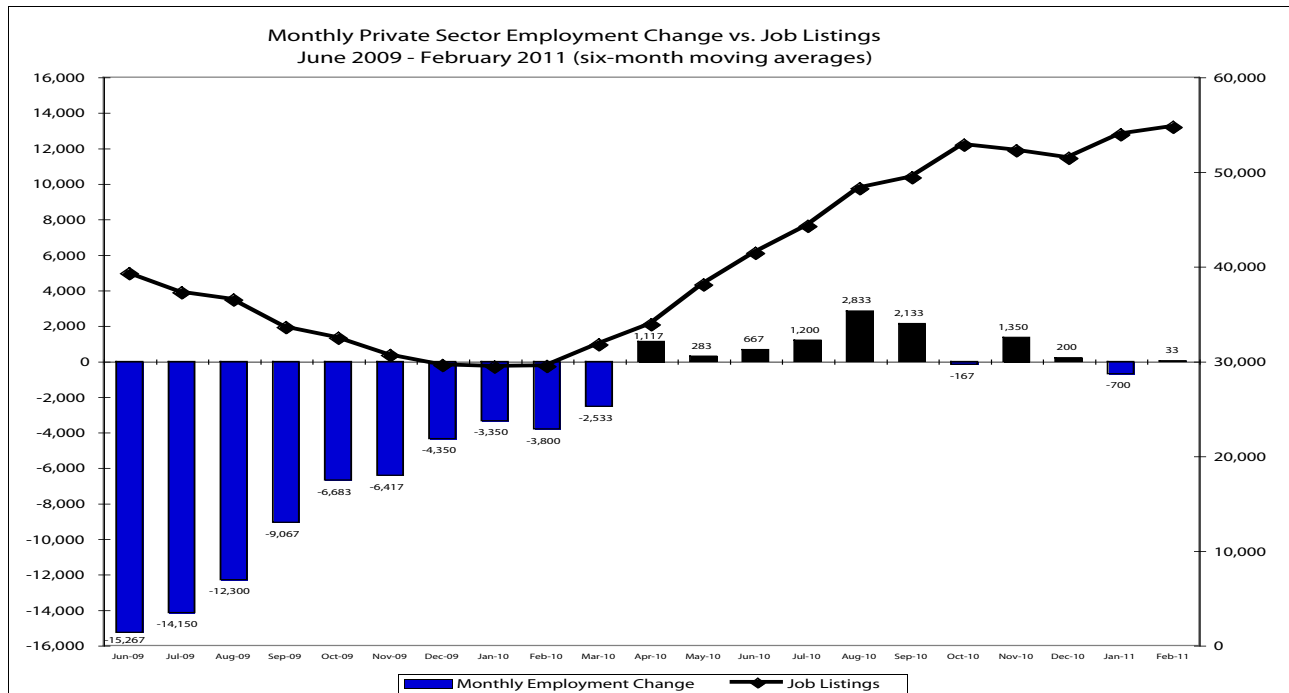
- Job openings posted by employers were up in each of the last two months, increasing nearly two percent in February.

- Private sector employment increased in six-of-10 supersectors in February adding nearly 7,000 jobs.
- Construction, a key sector for economic growth, recorded the largest employment gain in more than five years.
- The increase in the number of workers encouraged to actively seek jobs in february was a positive indication for the economy, even though their numbers bumped the unemployment rate up slightly over the month.

Over the year, February 2010 - February 2011, job listings in New Jersey have increased by 93%

New Jersey Companies Seeking More Workers

Job listings, which have been on the upswing since early 2010, rose to 59,000 in February, up 1.9 percent over

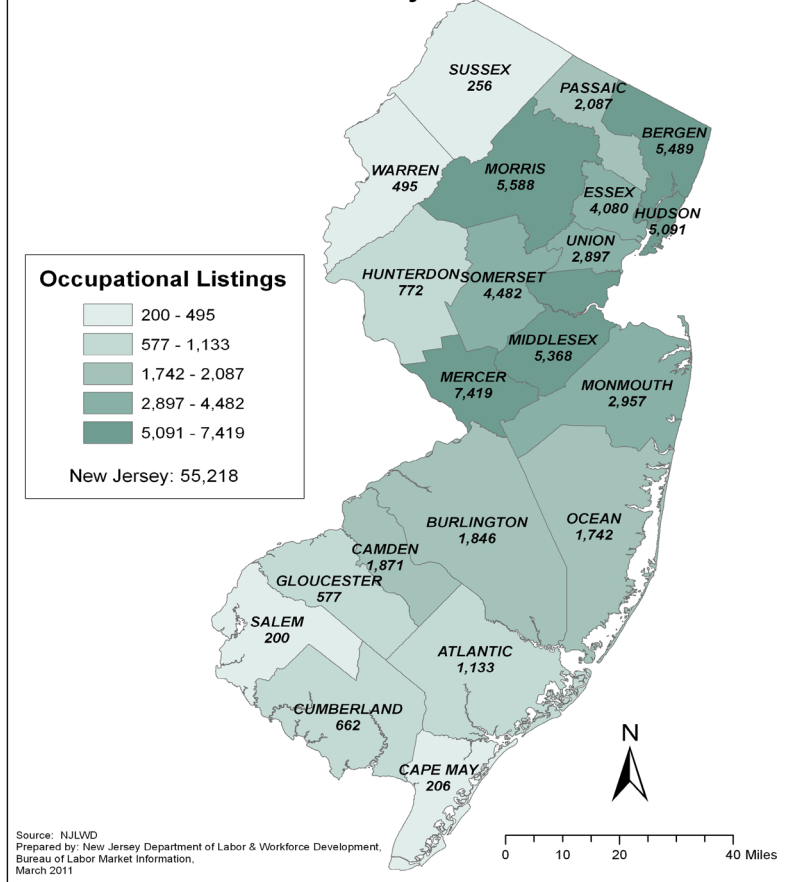


the month (January 2011 - February 2011). Increased postings for job openings has coincided with improving monthly employment figures which began to stabilize in 2010 after falling dramatically over the previous two years. As illustrated in the graph below, job listings rose as jobholding increased.

The professional, scientific and technical services and the administrative support services industries had the most job openings over the period. These were followed by chemical manufacturing and ambulatory health care. While jobs in these industries are typically high-wage, high-skill jobs, there were also many openings within industries with typically low-paying jobs such as food services/drinking places and various retail trade industries.

In February, Mercer County (7,419 listings) followed by Bergen County (5,489) had the most listings. Salem County, which is largely rural, and Cape May County, which has a highly seasonal job market, had the least number of listings.

Distribution of Occupational Listings by County February 2011



Private Sector Employment up Over the Year

The latest monthly estimates of employment and unemployment show overall job gains after posting two consecutive months of losses. However, the state's unemployment rate ticked higher. Highlights include:

- Total nonfarm jobholding increased by 7,500 in February.
- Private sector employment rose by 6,800 jobs over the month.
- Public sector employment was up modestly by 700.
- Unemployment edged higher by 0.1 percentage point to 9.2 percent.

From February 2010 through Febru-

ary 2011, New Jersey private sector employers have added 17,200 jobs. Moreover, the state has now recorded private sector job gains in five of the last seven months.

Six-of-ten private industry sectors gained jobs in February. The most noteworthy gain occurred in construction, which added 3,000 jobs over-the-month. Construction has been one of the hardest hit industries since the recession began in December 2007, down by 25 percent. The monthly gain in construction jobholding was the most since



November 2005. Other industries with notable over-the-month gains included professional and business services (+3,300) and leisure and hospitality (+1,700).

Unemployment Edges Higher But May be Cause for Optimism

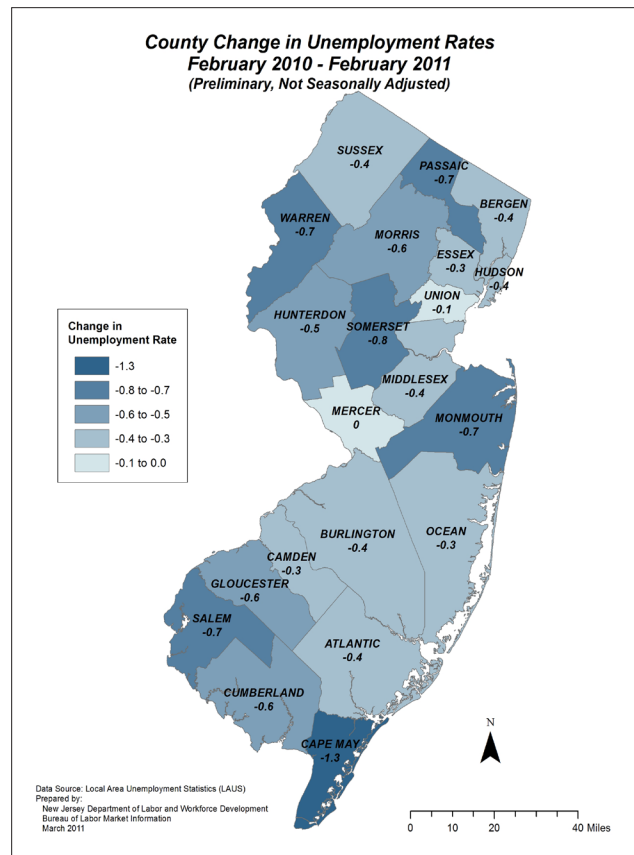
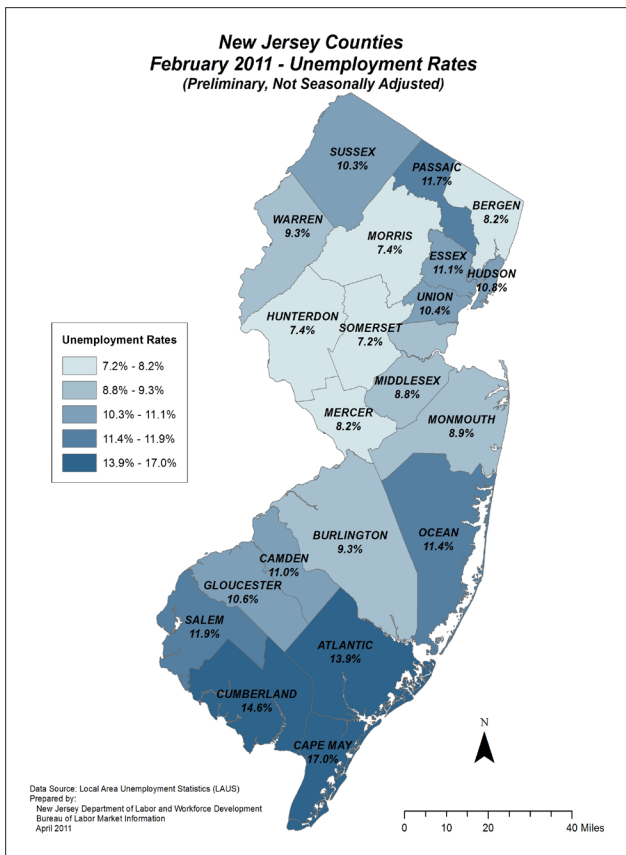
Unemployment rose by 0.1 percentage point over the month to a seasonally adjusted 9.2 percent in February mainly as a result of discouraged workers resuming the search for work. As discouraged workers sense that employment opportunities have improved and resume their job search, they are once again counted as unemployed. Typically this results in a temporary increase in the unemployment rate. The state's rate remains above the national rate for February which stands at 8.9 percent.

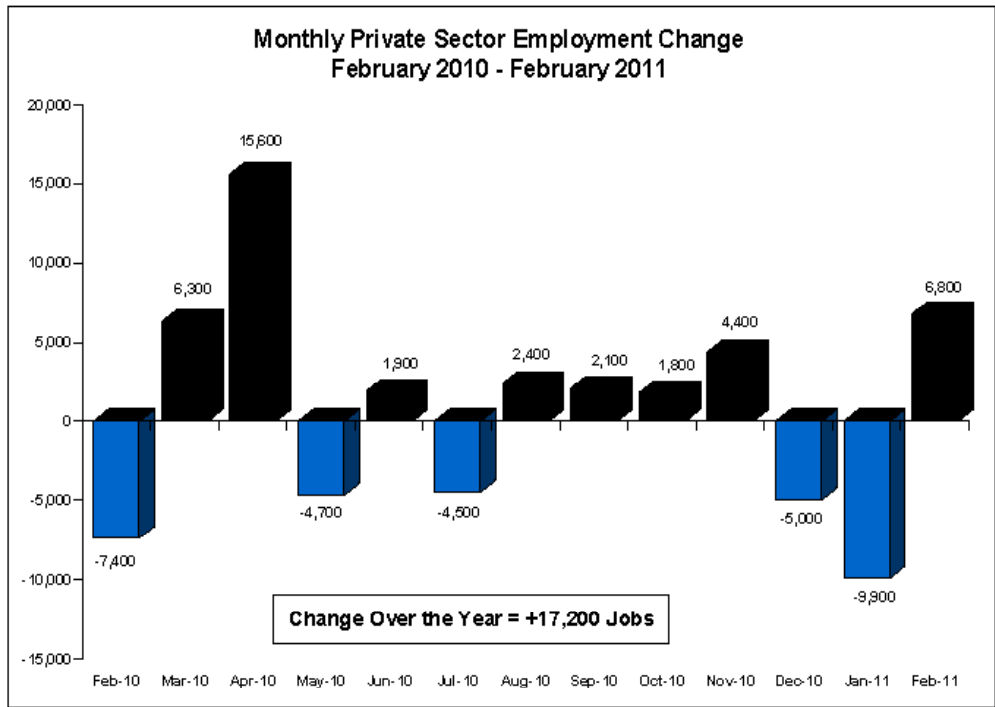
The latest not seasonally adjusted county data showed that Somerset

County had the lowest ratio of unemployed residents at 7.2 percent in February; while residents of Cape May and Cumberland counties faced much higher unemployment rates at 17.0 and 14.6 percent, respectively. In comparison, the not seasonally adjusted unemployment rate for New Jersey was 9.9 percent.

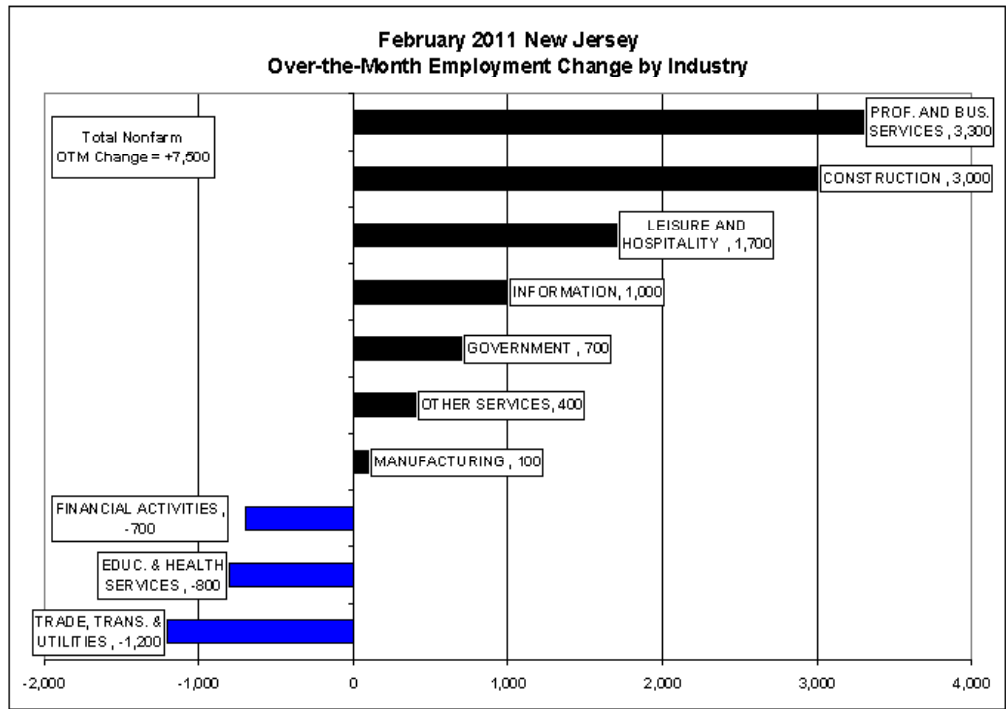
Signs to Watch

With the increase in job listings and with more workers reporting that they are actively seeking employment, the overall picture seems to hint at increased optimism for growth. More job listings posted by New Jersey employers could indicate an increased interest by businesses to explore the availability of qualified workers. The situation bears watching over the next few months to see if employers find the right workers and private sector payrolls expand in the Garden State.





After two months of payroll declines, New Jersey added 6,800 jobs in February 2011. This was the state's largest monthly employment gain since April 2010.



Professional and business services (+3,300) added the most jobs over the month followed by construction (+3,000). Trade, transportation and utilities (-1,200) posted the largest payroll decline.

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