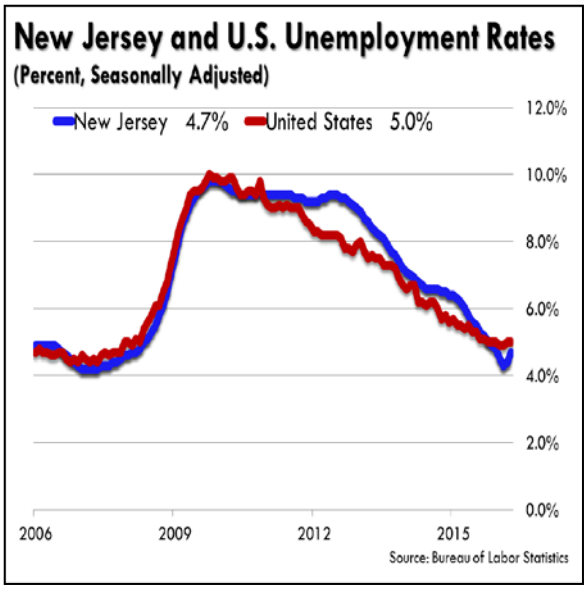
New Jersey Economic Update

May 20, 2016

Summary

Nonfarm payroll employment in New Jersey declined by 7,500 jobs and the unemployment rate rose to 4.7 percent in April according to data released by the Bureau of Labor Statistics (BLS).

New Jersey Unemployment Rate



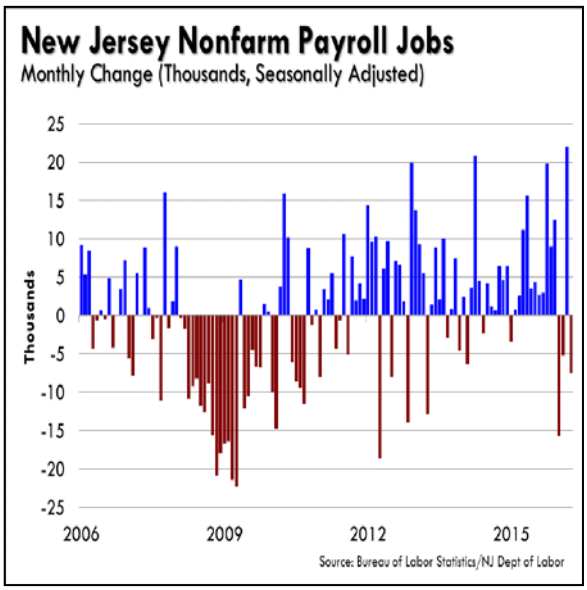
During April, the unemployment rate in New Jersey increased by 0.3 percentage point to 4.7 percent. The number of people counted as unemployed rose by 13,093 in April to 213,841, while the labor force grew by 6,245 to 4,585,931. Among the 50 states and the District of Columbia, 25 posted lower unemployment rates for the month than New Jersey. A year earlier, the unemployment rate in New Jersey stood at 6.0 percent.

The 10 year peak for the unemployment rate in New Jersey was 9.8 percent in January 2010. The series high for the unemployment rate in New Jersey occurred in January 1977 when the unemployment rate reached 10.7 percent. The 10 year low for the unemployment rate in New Jersey was 4.2 percent in May 2007. The series low for the unemployment rate in New Jersey occurred in May 2000 when the unemployment rate reached 3.5 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in April. April's unemployment rate was 0.4 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.

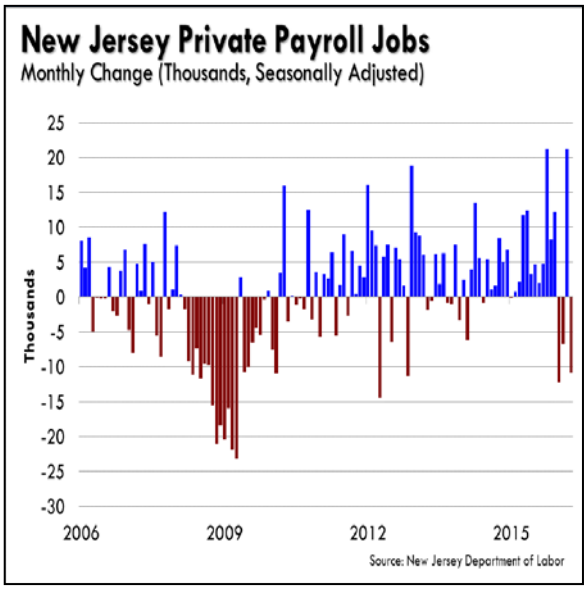
Prepared by the Joint Economic Committee
Senator Dan Coats, Chairman Representative Pat Tiberi, Vice Chairman

New Jersey Payroll Employment



New Jersey nonfarm payrolls declined by 7,500 jobs, or 0.18 percent, on a seasonally adjusted basis during April. In the prior month, nonfarm payrolls increased by 22,000. Over the past 12 months nonfarm payrolls in New Jersey increased by 63,900, or 1.60 percent. New Jersey nonfarm payroll employment has increased in 9 of the past 12 months.

Nationally, nonfarm payrolls increased by 160,000 jobs in April, or 0.11 percent. Over the 12-month period ending April 2016 nonfarm payrolls grew by 2,692,000 jobs, or 1.91 percent. New Jersey ranks 25th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

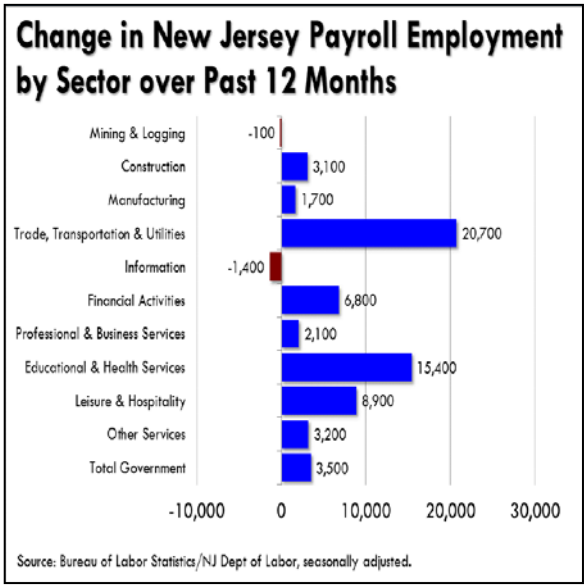


During April, New Jersey private sector payrolls declined by 10,800, or 0.31 percent. Private sector payrolls increased by 21,200 jobs in the prior month. Over the past 12 months, private sector payrolls in New Jersey increased by 60,400, or 1.78 percent. New Jersey private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 171,000 jobs in 1.91, or 0.14 percent. Over the past 12 months, the nation's economy has added 2,586,000 jobs in the private sector, an increase of 2.17 percent. New Jersey ranks 28th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During April, total government payroll employment in New Jersey increased by 3,300, or 0.54 percent. Federal government payroll employment increased by 200, or 0.41 percent. State government payroll employment increased by 1,300, or 0.92 percent, while local government payroll employment increased by 1,800, or 0.43 percent.

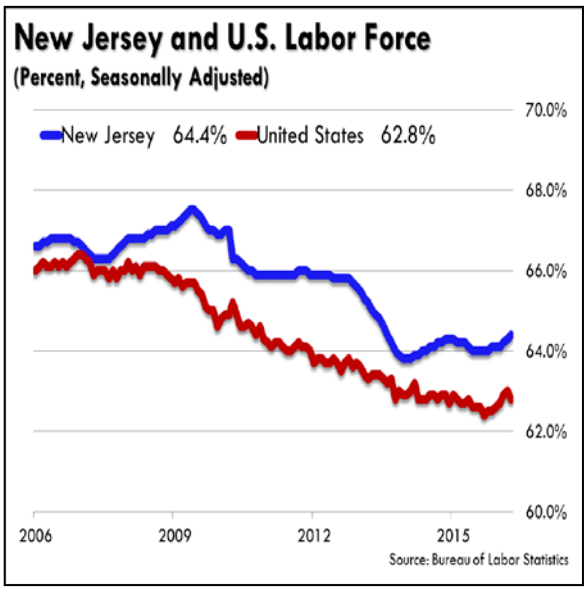
Over the past year, total government payroll employment increased by 3,500, or 0.57 percent. State government payroll employment increased by 1,000, or 0.70 percent. Local government payroll employment increased by 1,100, or 0.26 percent.



The best performing sectors on a seasonally adjusted basis during April were Total Government (+3,300) and Trade, Transportation & Utilities (+1,300). The poorest performing sectors during the month were Professional & Business Services (-6,700) and Construction (-1,800).

The best performing sectors during the last twelve months were Trade, Transportation & Utilities (+20,700) and Educational & Health Services (+15,400). The poorest performing sectors for the year were Information (-1,400) and Mining & Logging (-100).

Other New Jersey Labor Force Statistics

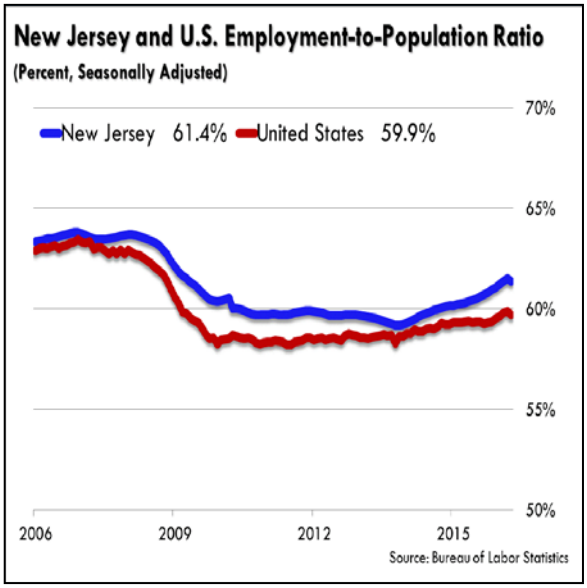


The labor force participation rate in New Jersey rose to 64.4 percent in April from 64.3 percent the prior month. Among the 50 states and the District of Columbia, 22 have a higher labor force participation rate than New Jersey. The labor force participation rate in New Jersey is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in New Jersey was 67.5 percent in June 2009. The series high for the labor force participation rate in New Jersey occurred in March 1997 when the labor force participation rate hit 67.9 percent. The 10 year low for the labor force participation rate was 63.8 percent in February 2014. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 60.9 percent.

The national labor force participation rate declined by 0.2 percentage point to 62.8 percent in April 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the New Jersey civilian noninstitutionalized population 16 years and older counted as employed, declined to 61.4 percent in April from 61.5 percent the prior month. Among the 50 states and the District of Columbia, 22 have higher employment-to-population ratios than New Jersey. The employment-to-population ratio in New Jersey is 1.1 percentage points higher than a year earlier.



The 10 year high for the employment-to-population ratio in New Jersey was 63.8 percent in December 2006. The series high for the employment-to-population ratio in New Jersey occurred in April 2000 when the employment-to-population ratio hit 64.4 percent. The 10 year low for the employment-to-population ratio was 59.2 percent in December 2013. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 54.7 percent.

The national employment-to-population ratio declined by 0.2 percentage point to 59.7 percent in April. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for May is scheduled for release on June 17, 2016. The national employment situation report for May will be released on Friday, June 3, 2016.