JOINT ECONOMIC COMMITTEE
VICE CHAIR AMY KLOBUCHAR
UNITED STATES CONGRESS
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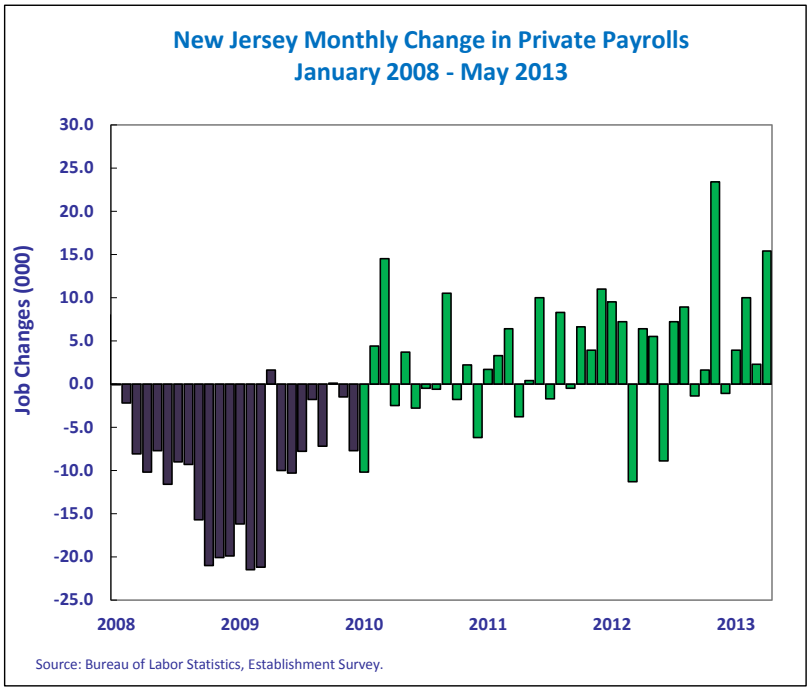
Economic Overview And Outlook: New Jersey

Jobs

- Including May, the private sector has gained jobs nationwide for 39 consecutive months.
- In New Jersey, private sector employment fell by 7.2 percent from January 2008 to February 2010. Since February 2010, private sector employment has grown by 4.5 percent.
- In New Jersey, employees in the construction, manufacturing, and mining sectors faced the largest job losses (as a percent of employment within an industry) over the recession. Since the beginning of 2010, the following sectors in New Jersey have experienced the greatest employment increases: professional and business services; education and health services; and leisure and hospitality.*
- As the economy continues its emergence from the Great Recession, service-providing industries are projected to add the most jobs between 2010 and 2020. The largest gains over this period are expected to occur in the healthcare and social assistance, professional and business services, and retail trade sectors. Job gains in the goods-producing sector of the economy will be led by the construction and mining industries while the number of manufacturing jobs is expected to fall.

Employment

- The unemployment rate in New Jersey was 8.6 percent in May 2013, up 4.0 percentage points from December 2007, but down from its most recent peak of 9.7 percent in August 2012.
- 396,000 residents were counted among the unemployed in New Jersey during May 2013.
- In New Jersey, initial claims for unemployment insurance benefits totaled 48,922 during May, up 1.6 percent from the previous month. Since their pre-Hurricane Sandy peak of 75,283 in February 2009, initial claims for unemployment insurance benefits have declined by 35.0 percent.



Earnings

- Between the start of the recession in the 4th quarter of 2007 and the 3rd quarter of 2009, inflation-adjusted total personal income in the United States declined 4.6 percent. Most recently, in the 4th quarter of 2012, total personal income is 3.3 percent above its 4th quarter of 2007 level.
- Real per capita personal income (in 2005 $) in New Jersey was $46,931.00 in the 4th quarter of 2012, up from $45,263.90 in the 4th quarter of 2010.

Housing

- After peaking in the first quarter of 2007, national home prices declined by 17.8 percent over 17 quarters. Between the second quarter of 2011 and the first quarter of 2013, the most recent quarter, national home prices rose by 2.4 percent.
- In New Jersey, home prices fell by 20.9 percent over 21 quarters from their peak in the first quarter of 2007. Since the second quarter of 2012, home prices in New Jersey have risen by 0.7 percent.
- As of the 1st quarter of 2013, 9.0 percent of all mortgages, including 27.1 percent of subprime mortgages, were in foreclosure in New Jersey.
- Housing starts in New Jersey totaled 17,790 units (seasonally adjusted annual rate) in April 2013, a decrease of 7.2 percent from March.
- Within the Northeast census region, which includes New Jersey, sales of new single-family homes totaled 30,000 units in April 2013, a decrease of 16.7 percent from March. Sales of existing single-family homes increased 1.9 percent to 530,000 units (at seasonally adjusted annual rates) from April to May 2013.

*** For New Jersey-specific labor sector statistics, please refer to the New Jersey office: http://lwd.dol.state.nj.us/labor/lpa/LMI_index.html**

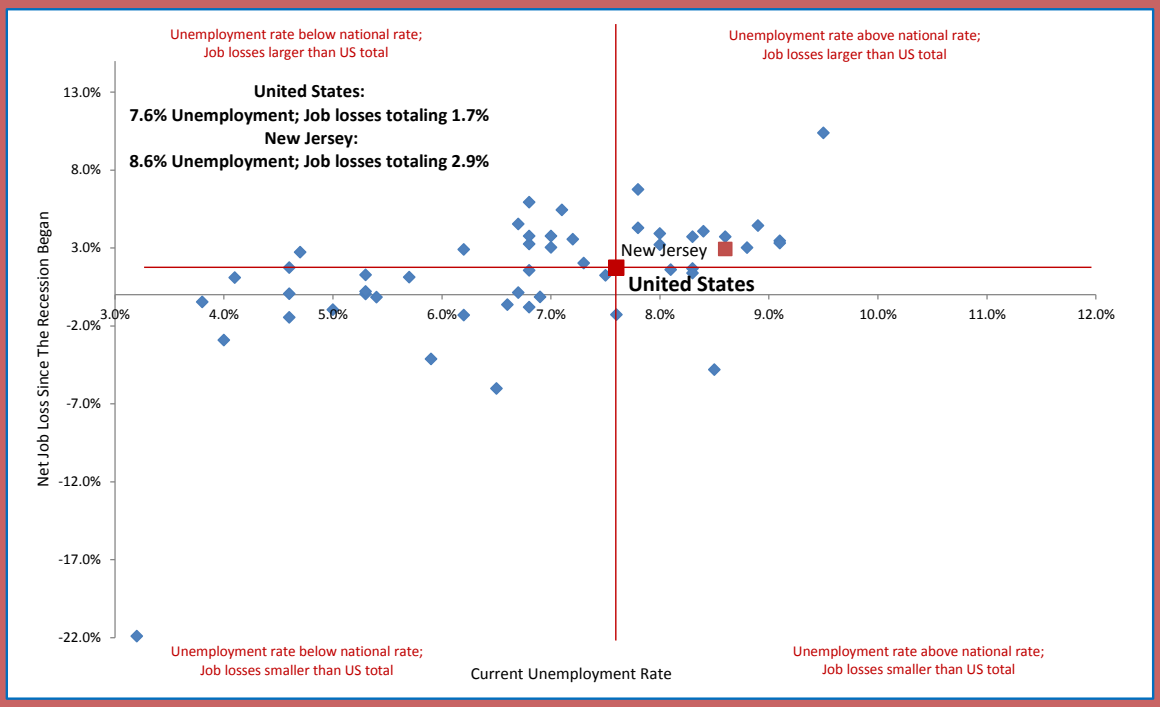
Prepared by the Vice Chair's Staff of the Joint Economic Committee

How Does New Jersey Compare To Other States?

Workers across the country were hard hit during the Great Recession. Although labor markets in many states have started recovering, employment in most states still remains below pre-recession levels. The chart below allows you to compare New Jersey to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within New Jersey since the start of the recession (shown along the vertical axis) measures the toll the recession took on the job supply in New Jersey.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant are experiencing lower unemployment rates and smaller job losses than the national average.



State Quick Facts

		New Jersey	United States
Unemployment Rates	May 2010	9.6%	9.6%
	May 2011	9.3%	9.0%
	May 2012	9.5%	8.2%
	May 2013	8.6%	7.6%
Percent of Population Who Are Veterans	2012	6.1%	9.0%
All Veterans' Unemployment Rate	2012	10.0%	7.0%
Post-9/11 Veterans' Unemployment Rate	2012	8.9%	9.9%
Median Household Income	2007	$ 65,635	$ 54,489
(2011 $)	2011	$ 62,338	$ 50,054
Poverty Rate	2007	5.8%	12.5%
	2011	7.6%	15.0%
No Health Insurance	2007	14.6%	14.7%
	2011	15.4%	15.7%

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