



# New Jersey Economic Update

April 21, 2015

## Summary

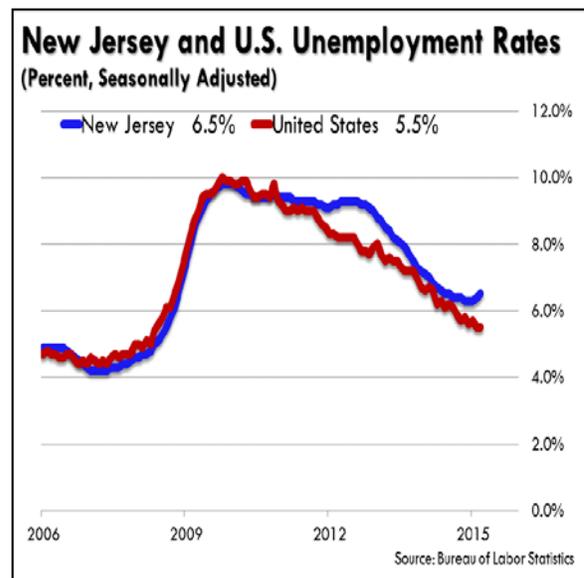
Nonfarm payroll employment in New Jersey declined by 6,400 jobs and the unemployment rate rose to 6.5 percent in March according to data released by the Bureau of Labor Statistics (BLS).

## New Jersey Unemployment Rate

During March, the unemployment rate in New Jersey increased by 0.1 percentage point to 6.5 percent. The number of people counted as unemployed rose by 3,736 in March to 294,992, while the labor force fell by 3,044 to 4,545,580. Among the 50 states and the District of Columbia, 42 posted lower unemployment rates for the month than New Jersey. A year earlier, the unemployment rate in New Jersey stood at 6.8 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 5.5 percent in March. March's unemployment rate was 1.1 percentage points lower than a year earlier when the rate stood at 6.6 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



## New Jersey Payroll Employment

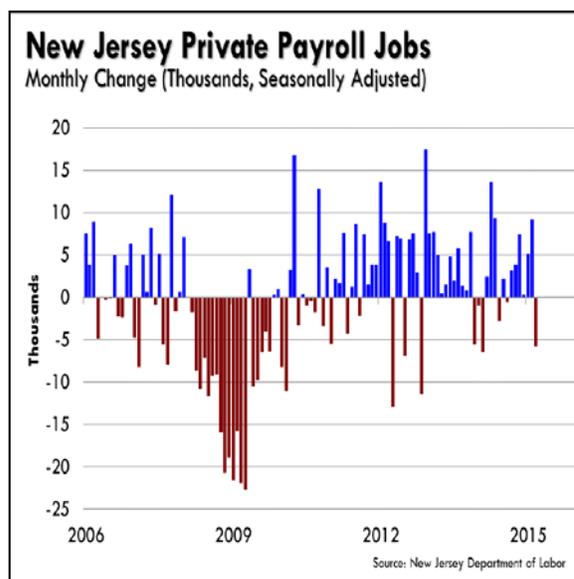
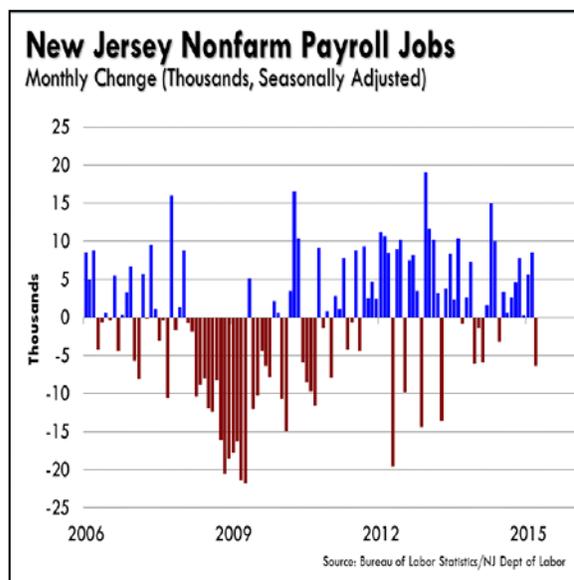
New Jersey nonfarm payrolls declined by 6,400 jobs, or 0.16 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls increased by 8,600. Over the past 12 months nonfarm payrolls in New Jersey increased by 48,800, or 1.24 percent. New Jersey nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally nonfarm payrolls increased by 126,000 jobs in March, or 0.09 percent. Over the 12 month period ending in March 2015, nonfarm payrolls grew by 3,128,000 jobs, or 2.27 percent. New Jersey ranks 36th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During March, New Jersey private sector payrolls declined by 5,800, or 0.17 percent. Private sector payrolls increased by 9,200 jobs in the prior month. Over the past 12 months, private sector payrolls in New Jersey increased by 44,800, or 1.35 percent. New Jersey private sector payroll employment has increased in 9 of the past 12 months.

Nationally, private sector payroll jobs increased by 129,000 in March, or 0.11 percent. Over past 12 months, the nation's economy has added 3,056,000 private sector payroll jobs, an increase of 2.63 percent. New Jersey ranks 41st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in New Jersey declined by 600, or 0.10 percent. Federal government payroll employment increased by 200, or 0.41 percent. State government payroll employment declined by 600, or 0.41 percent, while local government payroll employment declined by 200, or 0.05 percent.



Over the past year, total government payroll employment increased by 4,000, or 0.65 percent. State government payroll employment declined by 200, or 0.14 percent. Local government payroll employment increased by 3,700, or 0.88 percent.

The best performing sectors on a seasonally adjusted basis during March were Manufacturing (+2,800) and Educational & Health Services (+800). The poorest performing sectors during the month were Trade, Transportation & Utilities (-4,600) and Professional & Business Services (-3,000).

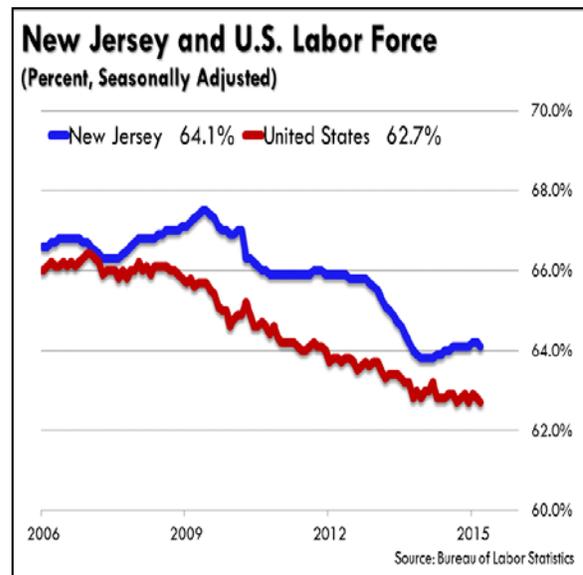
The best performing sectors during the last twelve months were Educational & Health Services (+13,800) and Trade, Transportation & Utilities (+13,300). The poorest performing sectors for the year were Professional & Business Services (-3,800) and Financial Activities (-1,600).

#### Other New Jersey Labor Force Statistics

The labor force participation rate in New Jersey declined to 64.1 percent in March from 64.2 percent the prior month. Among the 50 states and the District of Columbia, 23 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 March 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 0.1 percentage point to 62.7 percent in March, equaling the ten year low last reached in December 2014. That rate is 0.5 percentage point below the March 2014 level of 63.2 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 60.0 percent in March from 60.1 percent the prior month. Among the 50 states and the District of Columbia, 25 have higher employment-to-population ratios than New Jersey. The employment-to-population ratio in New Jersey is 0.5 percentage point 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 was unchanged at 59.3 percent in March. At 59.3 percent, the national employment-to-population ratio is still below the level of 59.4 percent when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent 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 posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for April is scheduled for release on Wednesday, May 27. The national employment situation report for April is scheduled for release on Friday, May 8.

