

NEW JERSEY DEPARTMENT OF
Labor & Workforce Development
NEWS RELEASE

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For Immediate Release

Employment Decreases in May; April Estimates Revised Up by 6,500 Jobs
State's Labor Force Participation Rate Far Exceeds National Rate

TRENTON, N.J., June 16, 2016 – New Jersey employment moved lower in May, according to preliminary data from the United States Bureau of Labor Statistics (BLS). The May employment estimates were impacted by a labor dispute affecting 5,000 Verizon workers who have now returned to work.

Based on more complete reporting from employers, previously released April estimates were revised significantly higher, up by 6,500, to show an over-the-month total nonfarm employment loss of 1,000 jobs. Preliminary BLS data for May shows employment down by 6,800 nonfarm jobs while the unemployment rate edged to 4.9 percent.

The three-month moving average, which evens out the volatility in the monthly employment figures, shows New Jersey's total nonfarm employment growth averaging 4,700 jobs over the last three months.

"The recent payroll employment report was impacted, in part, by the Verizon strike, which idled approximately 5,000 workers in the information sector. Like the national economic recovery, the New Jersey economic recovery is experiencing a slight pause. This is only temporary, however, and we have every reason to expect growth throughout the remainder of 2016," said James Wooster, Chief Economist for the New Jersey Department of Treasury.

The Garden State's labor force participation rate, representing the number of people employed or actively seeking work, continues to far exceed the national rate, 64.4 percent to 62.6 percent.

Industries that experienced employment gains in May included construction (+2,900), manufacturing (+2,100) and professional and business services (+1,500). Sectors that experienced contraction were information (-6,000), other services (-3,400), leisure and hospitality (-2,500), trade, transportation and utilities (-1,400), education and health services (-1,200) and financial activities (-500). The public sector recorded a gain of 1,700 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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