

NEW JERSEY DEPARTMENT OF
Labor & Workforce Development
NEWS RELEASE

Media Contact

Amanda Pisano

609-984-2841

MediaCalls@dol.nj.gov



For Immediate Release

New Jersey Unemployment Rate Dips to 5.2 Percent

TRENTON, N.J., November 17, 2016 – New Jersey’s unemployment rate dipped to 5.2 percent in October, according to preliminary estimates by the United States Bureau of Labor Statistics (BLS), which also reported a much larger employment surge in September than initially estimated as preliminary data for October shows job contraction.

Based on more complete reporting from employers, September preliminary estimates were revised up by 2,200 total nonfarm jobs, including 1,800 in the private sector to show an over-the-month private sector employment gain of 5,100 jobs instead of the 3,300 initially reported. Preliminary estimates for October indicate total nonfarm employment in New Jersey dipped by 5,600 jobs (-4,600 private; -1,000 public).

The three-month moving average, which evens out the volatility in the preliminary monthly employment figures, shows New Jersey’s private sector employment growth averaging 1,300 jobs over the last three months.

“The results of this preliminary BLS report may be mixed, but the overall labor market picture remains unchanged with continued growth in payroll employment in 2016. As a result the New Jersey economic recovery is expected to continue into the near future fueled by further gains in both the labor market and the housing market. Private sector payroll employment has fully recovered from the last recession with 28,100 more people employed than during the pre-Recession peak,” said James Wooster, Chief Economist for the New Jersey Department of Treasury.

New Jersey’s labor force participation rate, which measures the number of people employed or actively seeking work, remains a full point higher than the national rate, 63.8 percent to 62.8 percent.

Industries that experienced employment gains in October included professional and business services (+4,400), other services (+1,000), and education and health services (+200). Sectors that experienced contraction were trade, transportation and utilities (-5,700), manufacturing (-1,900), leisure and hospitality (-1,200), financial activities (-700), information (-500), and construction (-200). The public sector recorded a loss of 1,000 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 benchmarked 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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