



**STATE OF NEW JERSEY
PUBLIC EMPLOYMENT RELATIONS COMMISSION**

PO Box 429
TRENTON, NEW JERSEY 08625-0429

www.state.nj.us/perc

ADMINISTRATION/LEGAL
(609) 292-9830
CONCILIATION/ARBITRATION
(609) 292-9898
UNFAIR PRACTICE/REPRESENTATION
(609) 292-6780

For Courier Delivery
495 WEST STATE STREET
TRENTON, NEW JERSEY 08618

FAX: (609) 777-0089
EMAIL: mail@perc.state.nj.us

September 29, 2009

Attached is a report of private sector wage changes compiled by the New Jersey Department of Labor and Workforce Development ("NJLWD"). The first table shows changes in average wages in employment for major industry groups in New Jersey between 2007 and 2008. The calculations were made by dividing total wages paid by covered private sector employers in particular industry groups by the number of jobs reported by those employers at their work sites. Table one also shows changes in the average wages of state and local government jobs covered under the state's unemployment insurance system, as well as changes in the average wages of federal government jobs in New Jersey covered by the federal unemployment insurance system.

The second table shows changes in the average wages of private sector jobs covered under the state's unemployment insurance system between 2007 and 2008. Statistics are broken down by county and include a statewide average. These calculations were made by dividing total wages paid by covered private sector employers by the number of jobs reported by those employers at their work sites.

As was the case last year, the first table in this report uses the North American Industry Classification System (NAICS) to assign and tabulate economic data by industry. Prior NJLWD Reports had used the 1987 Standard Industrial Classification (SIC) system to assign and tabulate such data. The attached document from the NJLWD website describes NAICS and explains the major differences. Also attached is a document explaining "covered employment" for purposes of the New Jersey Unemployment Compensation Law.

Further information compiled by NJLWD can be obtained at its website: www.state.nj.us/labor.

**NEW JERSEY
AVERAGE ANNUAL WAGES
FOR JOBS COVERED BY UNEMPLOYMENT INSURANCE
BY NAICS INDUSTRY SECTOR
2007 and 2008**

NAICS Industry Sector	2007	2008	Net Change	% Change
Total Private Sector *	\$53,594	\$54,932	\$1,338	2.5%
Utilities	\$89,002	\$96,973	\$7,971	9.0%
Construction	\$57,490	\$60,376	\$2,886	5.0%
Manufacturing	\$69,627	\$70,757	\$1,130	1.6%
Wholesale Trade	\$72,079	\$73,631	\$1,552	2.2%
Retail Trade	\$29,944	\$29,748	-\$196	-0.7%
Transportation/Warehousing	\$46,278	\$46,959	\$681	1.5%
Information	\$80,532	\$82,974	\$2,442	3.0%
Finance/Insurance	\$98,729	\$101,502	\$2,773	2.8%
Real Estate/Rental/Leasing	\$54,322	\$53,039	-\$1,283	-2.4%
Professional/Technical Services	\$83,305	\$85,671	\$2,366	2.8%
Management of				
Companies/Enterprises	\$121,395	\$124,405	\$3,010	2.5%
Administrative/Waste Services	\$35,972	\$37,321	\$1,349	3.8%
Educational Services	\$41,454	\$42,118	\$664	1.6%
Health Care/Social Assistance	\$44,989	\$46,693	\$1,704	3.8%
Arts/Entertainment/Recreation	\$30,090	\$32,979	\$2,889	9.6%
Accommodation/Food Service	\$20,532	\$20,743	\$211	1.0%
Other Services **	\$32,480	\$33,039	\$559	1.7%
Total Government	\$55,287	\$57,180	\$1,893	3.4%
Federal Government	\$68,361	\$68,127	-\$234	-0.3%
State Government	\$57,845	\$61,187	\$3,342	5.8%
Local Government	\$52,452	\$54,237	\$1,785	3.4%
TOTAL	\$53,856	\$55,282	\$1,426	2.6%

* Also includes smaller categories not shown separately: agriculture, mining, forestry, fishing and those firms which have failed to provide sufficient information for industrial classification.

** Also includes repair, maintenance, personal and laundry services and membership associations/organizations and private households.

*** For additional historical employment and wage data for New Jersey, please go to the Labor Planning and Analysis - New Jersey Employment & Wage Data web site:
<http://www.wnjin.state.nj.us/OneStopCareerCenter/LaborMarketInformation/lmi14/index.html>

**PRIVATE SECTOR
AVERAGE ANNUAL WAGES
FOR JOBS COVERED BY UNEMPLOYMENT INSURANCE
BY COUNTY
2007 AND 2008**

County	2007	2008	% Change
Atlantic	\$ 36,526	\$ 37,335	2.2%
Bergen	\$ 56,587	\$ 57,591	1.8%
Burlington	\$ 46,028	\$ 47,223	2.6%
Camden	\$ 44,492	\$ 45,366	2.0%
Cape May	\$ 28,804	\$ 29,645	2.9%
Cumberland	\$ 36,024	\$ 37,064	2.9%
Essex	\$ 55,879	\$ 56,379	0.9%
Gloucester	\$ 38,667	\$ 39,967	3.4%
Hudson	\$ 63,720	\$ 66,899	5.0%
Hunterdon	\$ 55,180	\$ 54,292	-1.6%
Mercer	\$ 56,357	\$ 60,066	6.6%
Middlesex	\$ 55,573	\$ 56,736	2.1%
Monmouth	\$ 45,732	\$ 46,673	2.1%
Morris	\$ 65,963	\$ 67,307	2.0%
Ocean	\$ 34,638	\$ 34,936	0.9%
Passaic	\$ 44,471	\$ 45,258	1.8%
Salem	\$ 46,094	\$ 48,601	5.4%
Somerset	\$ 74,219	\$ 77,011	3.8%
Sussex	\$ 37,024	\$ 37,620	1.6%
Union	\$ 58,552	\$ 59,243	1.2%
Warren	\$ 41,963	\$ 43,319	3.2%
Total Private Sector*	\$ 53,594	\$ 54,932	2.5%

* Also includes firms which have failed to provide sufficient geographical information as to the location of the business.

** For additional historical employment and wage data for New Jersey, please go to the Labor Planning and Analysis - New Jersey Employment & Wage Data web site: <http://www.wnjin.state.nj.us/OneStopCareerCenter/LaborMarketInformation/lmi14/index.html>

Source: QCEW (formerly ES-202) Report, New Jersey Department of Labor and Workforce Development

Technical Note for Nonagricultural Wage and Salary Employment/Hours and Earnings Estimates

Estimation Procedure

Nonagricultural wage and salary data for the State of New Jersey and major labor areas are estimated by procedures developed by the U.S. Department of Labor. Preliminary monthly estimates are based on reports submitted by a sample of New Jersey employers. The estimates are benchmarked each year based on more complete and accurate counts of data, which are obtained primarily from employer reports required by the State's unemployment insurance system. Revisions due to the new 2008 benchmark have been made to statewide not seasonally adjusted estimates back to 2006. In addition, revisions back to 2006 were made in the Atlantic City, Edison, Newark, Trenton and Bergen-Hudson-Passaic Labor Areas. The employment data are grouped by industry according to the 2007 North American Industry Classification System (NAICS).

The Sum of Labor Areas Compared to Statewide (Not Seasonally Adjusted Series)

The sum of labor areas, not seasonally adjusted estimates, may not precisely equal the State total because each area estimate is independently computed.

Historical Comparability

Estimates of nonfarm payroll employment by industry, produced from the Current Employment Statistics (CES) program, were converted from the 1987 Standard Industrial Classification (SIC) system to the 2002 North American Industry Classification System (NAICS) in January 2003. The NAICS conversion resulted in major changes to most of the previously published SIC-based series in the private sector. The CES program converted to the NAICS 2007 industry coding structure in early 2008.

NAICS estimates are published at the supersector, sector and lower levels. The supersector level roughly corresponds to the division level breakout previously available under the SIC.

NAICS is a production-oriented approach to categorize industries as opposed to the SIC focus on the products or services produced. This approach yields significantly different industry groupings than under SIC. For example, the NAICS supersector industry information brings together businesses that turn information into a commodity with businesses that distribute the commodity and businesses that provide information services. Under SIC, these establishments would have been spread across manufacturing, communications, business services and amusement services. Other industries, while keeping the same name, such as manufacturing, differ significantly. Previously, a manufacturing headquarters was classified under SIC in manufacturing; in NAICS, it is classified under management of companies and enterprises, a NAICS service-providing sector. For this reason, manufacturing represents a smaller share of the economy under NAICS than under SIC.

Upon converting from the SIC system to NAICS, historical time series for not seasonally adjusted employment were reconstructed on NAICS-based classifications of industries. The reconstructed series run from 1990 until 2002. Starting with 2003, historical NAICS-based employment series are the result of applying CES procedures for monthly estimating and annual benchmarking. The complete historical record of employment series now runs continuously from 1990 until 2008. This information may be obtained from our website at <http://lwd.dol.state.nj.us/labor/lpa>. Hours and earnings data are available back to 2001.

With the introduction of the 2006 benchmark, series breaks that had existed in the historical employment series record for New Jersey and its substate areas from 1990 until 2002 were eliminated. (A series break is any lasting change in the estimated level of a time series resulting from a non-economic event such as an area redefinition or an industry coding error.) These breaks were mostly artifacts of the reconstruction process during the conversion to NAICS or due to area redefinition based on the 2000 Census, or a combination at the time both were implemented beginning with 2003 employment estimates.

Where known series breaks existed in the previous historical tables, they were notated to let the data user know that data prior to the break were not comparable to the data after the break. Under the policy of eliminating series breaks, the complete set of historical tables from 1990 now through 2008 reissued with the 2008 benchmark allows the user to make comparisons on a continuous basis over this period.

This new policy to eliminate breaks is a recommendation of the CES Policy Council to be adopted by all States, and it is comparable to the BLS policy in effect for the CES national series. Currently, BLS does not maintain any national CES series with breaks.

Seasonally Adjusted Series

Seasonally adjusted statewide estimates for supersector and sector nonfarm all-employee series have been revised back to January 2004 due to the introduction of revised seasonal factors that now incorporate employment changes through 2008. Seasonally adjusted estimates are not available at this time for labor areas.

Further Information

Users also should review the March 2003 issue of Economic Indicators for additional information on NAICS changes and the March 2009 issue for additional benchmarking information.

Users needing further information on these estimates should contact Stephen Bamgbade at (609) 777-4503. Users may also write to the following address: N.J. Department of Labor and Workforce Development, Labor Market and Demographic Research, Current Employment Statistics, Labor Building, P.O. Box 935, Trenton, N.J. 08625. If you have access to the Internet, you may find it useful to download the current and recent years of nonagricultural wage and salary employment data. The Internet address for the Labor Planning and Analysis Web Site is <http://lwd.dol.state.nj.us/labor/lpa>.

N.J. Department of Labor and Workforce Development
Labor Planning and Analysis
Labor Market & Demographic Research
Bureau of Labor Force Statistics
Current Employment Statistics

April 22, 2009

APPENDIX
Explanation of "Covered Employment"

The covered employment data illustrated in this report refer to the workers of employers subject to the New Jersey Unemployment Compensation Law. Basically, this includes employing units which in either the current or the preceding calendar year paid remuneration for employment in the amount of \$1,000.00 or more.

The term "employment" does not include the following:

1. Agricultural labor performed prior to January 1, 1978 or agricultural labor performed after December 31, 1977 in employing units not meeting specific remunerative or employment level requirements;
2. Domestic service performed in a private home prior to January 1, 1978 or domestic service performed in a private home after December 31, 1977 where an employing unit paid cash remuneration of less than \$1,000.00 for such service in every quarter in the current or preceding calendar year;
3. Service performed by an individual in the employ of his/her son or daughter, or his/her father or mother;
4. Service performed in the employ of state hospitals or state institutions of higher learning prior to January 1, 1978;
5. Service performed in the employ of this State or any of its political divisions prior to January 1, 1978;
6. Service performed in the employ of any other states or their political subdivisions exempt from the Federal Unemployment Tax Act;
7. Service performed in the employ of the United States Government or of an instrumentality of the United States, unless the Congress of the United States permits coverage;

8. Services performed in the employ of fraternal beneficiary societies, orders or associations operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system and providing for the payment of life, sick, accident, or other benefits to the members of such society, order or association, or their dependents;
9. Services performed as a member of the board of directors, board of trustees, a board of managers, or a committee of any bank, building and loan, or savings and loan association, incorporated or organized under the laws of this State or the United States where such services do not constitute the principal employment of the individual;
10. Service with respect to which unemployment compensation is payable under an unemployment insurance program established by an act of Congress;
11. Service performed by agents of mutual fund brokers or dealers in the sale of mutual funds or other securities, by agents of insurance companies, exclusive of industrial insurance agents, or by agents of investment companies, if the compensation to such agents for such services is wholly on a commission basis;
12. Services performed by real estate salespersons or brokers who are compensated wholly on a commission basis;
13. Services performed in the employ of a veterans' organization chartered by an act of Congress or of any auxiliary thereof, no part of the net earnings of which organization, or auxiliary thereof, insures to the benefit of any private shareholder or individual;
14. Service performed for or in behalf of the owner or operator of any theater, ballroom, amusement hall or other place of entertainment, not in excess of 10 weeks in any calendar year for the same owner or operator, by any leader or musician of a band or orchestra, commonly called a "name band", entertainer, vaudeville artist, actor, actress, singer or other entertainers;
15. Services performed after January 1, 1973 by an individual for a labor union organization, known and recognized as a union local, as a member of a committee or committees reimbursed by the union local for time lost from regular employment, or as a part-time officer of a union local and the remuneration for such services is less
16. Services performed in a sale or distribution of merchandise by home-to-home salespersons or in-the-home demonstra-

tors whose remuneration consists wholly of commissions or commissions and bonuses;

17. Service performed in the employ of a foreign government, including service as a consular, nondiplomatic representative, or other officer or employee;
18. Service performed in the employ of an instrumentality wholly owned by a foreign government if a reciprocal exemption is granted by that government;
19. Service in the employ of an international organization entitled to enjoy the privileges, exemptions and immunities under the International Organization Immunities Act;
20. Service covered by an election duly approved by an agency charged with the administration of any other state or Federal Unemployment Compensation or Employment Security Law;
21. Service in a school, college, or university by a student or by the spouse of a student, if the spouse is advised that the employment is part of a program of financial aid for the student;
22. Service performed by an individual under the age of 22 enrolled at a nonprofit or public educational institution as part of a work-study program, if the institution certified the employee as a participant in the program;
23. Service performed in the employ of a hospital as a student nurse, or intern, or by a patient of the hospital;
24. Services performed in the employ of a church or convention of association of churches, or an organization operated primarily for religious purposes;
25. Services performed by a duly ordained, commissioned, or a licensed minister of a church in the exercise of his/her ministry or by a member of a religious order in the exercise of duties required by such order;
26. Service performed by an individual in the exercise of duties as an elected official, member of a legislative body, or a member of the Judiciary, of a state or political subdivision;

- 27. Service performed by an individual in the exercise of duties as a member of the State National Guard or Air National Guard, or as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood or similar emergency;
- 28. Service performed by an individual in the exercise of duties in a position which, under or pursuant to the laws of New Jersey, is designated as a major nontenure policymaking position;
- 29. Services performed by an individual receiving rehabilitation or remunerative work in a facility conducted for the purpose of carrying out a program of rehabilitation;
- 30. Services performed by an individual receiving work-relief or work-training as part of an unemployment work-relief or work-training program;
- 31. Service performed by an inmate of a custodial or penal institution;
- 32. Service performed in the employ of a elementary or secondary school operating under a church charter.

Statements included here are intended for general information and do not have the effect of law or regulation.
For a complete description of exemptions with caveats, please see New Jersey Unemployment Compensation Law
R.S. 43:21-19(f)(7).