



# Economics Group

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## New Jersey Adds to Payrolls Amid Labor Force Contraction

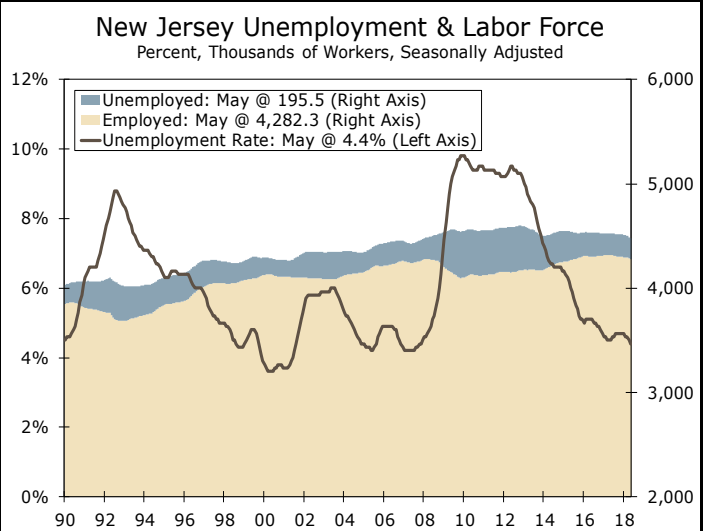
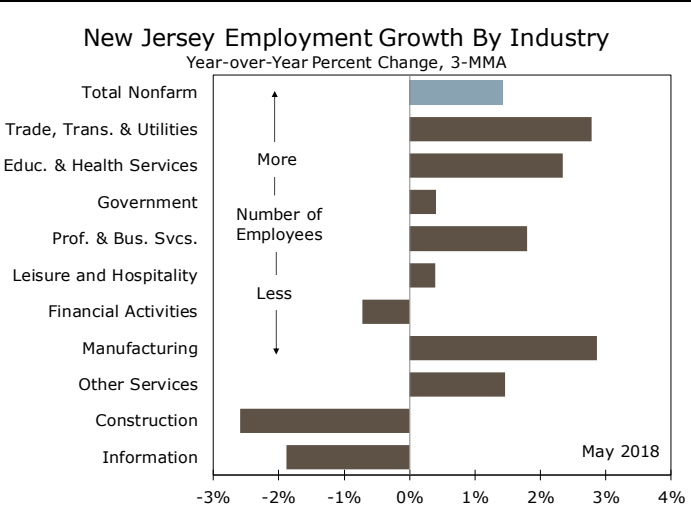
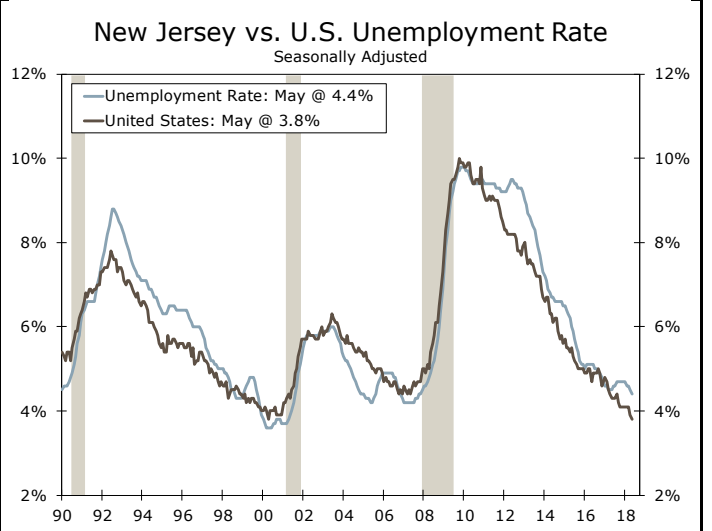
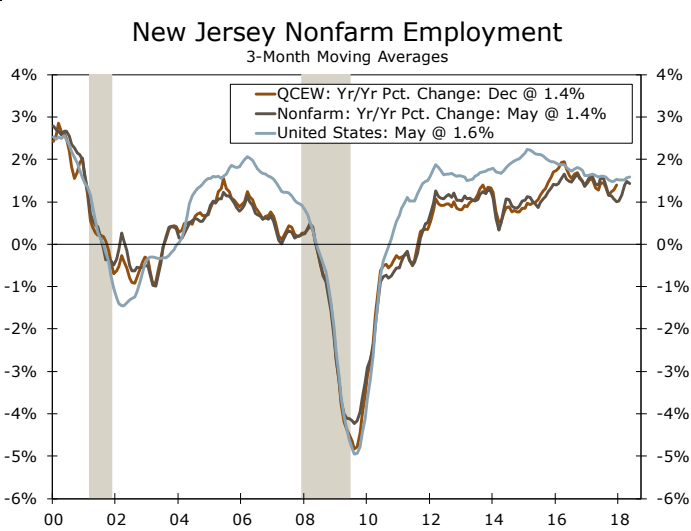
*New Jersey payrolls increased by 4,100 jobs in May after losing 6,400 jobs in April, a slightly smaller drop than first reported. The Garden State's jobless rate fell 0.1 percentage points to 4.4 percent.*

### Payrolls Tick Up Slightly in May

- New Jersey's 4,100 job gain in May partially offset April's loss. New Jersey had a strong first quarter of job growth which has pushed year-over-year growth higher to 1.4 percent.
- Professional and business services posted the largest industry gain in May, adding 2,400 jobs, followed by financial activities (+1,900). Construction and information posted the only declines in May, worsening the year-to-year contraction for both sectors.

### Unemployment Dropped as the Workforce Contracted

- New Jersey's jobless rate declined by 0.1 percentage point in May to 4.4 percent, which is also 0.1 points below its year-ago level.
- The decline in the jobless rate resulted from sharp contractions in the workforce, which has shrunk by 43,000 workers over the past year. The number of employed fell by 34,700 and unemployed declined by 8,400. Some businesses may be having difficulty finding qualified workers to replace those hitting retirement age.



Source: U.S. Department of Labor and Wells Fargo Securities

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