

# Building Contractors Association of New Jersey

# NATIONAL LABOR NEWS

December 2012

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## *BCANJ's Quarterly Labor Update*

*Building Contractors Association of New Jersey publishes the **National Labor News** quarterly as an insert in our monthly Update in March, June, September and December. We will continue to focus on local and state issues via our monthly Update and regular bulletins. We welcome your comments.*

### **Construction Employment Across New Jersey**

Through the Hot Topics posted on the BCANJ website, monthly we bring you construction employment statistics for the nation, the state and the state's major metropolitan areas. We present here a comparison of construction employment for the three regions of the state, north, central and south, from September 2011 through September 2012 – before the hurricane hit.

New Jersey lost 12,500 construction jobs in that time period, with the central portion of the state hit hardest. Hunterdon, Mercer, Middlesex, Monmouth, Ocean and Somerset counties lost 5,100 jobs in construction, an 11.9% drop – even as the region picked up 11,100 jobs in other industries (primarily in educational and health services sectors).

North Jersey (Bergen, Essex, Hudson, Morris, Passaic, Sussex, Union and Warren counties) lost 5,000 construction jobs, an 8% drop, while gaining 18,900 jobs in all other sectors except information and government. South Jersey (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester and Salem counties) lost 2,400 construction jobs, a 7.5% decline, in a region that saw an increase of 13,200 jobs for the period. Similar to Central

New Jersey, those jobs were primarily in the educational and health services sectors.

### **Help Wanted in Construction?**

Even as the construction industry lost jobs in New Jersey and many other states, some states are seeing a shortage of workers. Texas, Arizona, Iowa and Florida reported a shortage, especially in the home-building sector. That's because, in the past two years, approximately 320,000 construction workers either left the industry or stopped looking for construction work, causing the construction unemployment rate to drop from 17.3% to 11.4%.

Meanwhile, construction spending overall rose to a 37-month high in November, with spending up even in commercial and government markets. You can track monthly construction employment and spending through Hot Topics on the BCANJ website, [www.bcanj.com](http://www.bcanj.com).

### **Economic Impact of the Superstorm on the Northeast**

As we told you in Bulletin #108-12, a disaster relief bill for \$60.4 billion is pending in the US Senate to help repair physical damage and mitigate future risk. Here are some regional statistics about the economic impact of the

storm:

- Feds estimate the storm cut wages and salaries by \$18.2 billion (at an annual rate)
- Hardest hit sectors were retail stores, gas stations and casinos
- Atlantic City casino revenue dropped 50% in the first week after the casinos reopened – and only about half the membership of Unite-HERE Local 54 was working
- Unemployment benefits reach an 18-month high because of the storm

## **Illegal Immigrant Numbers Fall**

After a decade of increases, the US Census Bureau reported this month that the number of illegal immigrants dropped in 2011 to an estimated 11.1 million, down from its peak of 12 million in 2007. In addition, for the first time since 1910, more immigrants entered from Asia than from Hispanic countries in 2011.

About 55% of illegal immigrants in the US are Mexican, about 25% are from other Latin American countries, and about 10% are Asian.

## **Healthcare Act Deadlines Near – and Health Insurance Costs Rise**

Certain provisions in the Affordable Care Act are approaching deadlines for implementation. Most particularly, the provision that prohibits health insurance companies from discriminating against individuals because of pre-existing or chronic conditions is due to go into effect in 2014. The feds estimate 1 in 2 non-elderly Americans fall into that category.

Other provisions due to go into effect would 1) make it easier for consumers to compare “essential health benefits” coverage from plan to plan; and 2) control healthcare spending through employment-based wellness programs.

The Commonwealth Fund reports the average cost of a family health insurance plan

is just over \$15,000, a 62% increase since 2003, a decade in which median family income rose only 11%. In New Jersey, average family premiums rose from \$10,168 to \$15,589 during that time period, an above-average 65% jump.

## **Personal Income in New Jersey Counties Shows Wide Spread**

Per capita personal income in New Jersey counties covers a wide spectrum, with the lowest income, \$35,272 in Cumberland, at less than half the highest, \$73,011 in Somerset.

Morris (\$71,730), Hunterdon (\$67,710) and Bergen (\$66,096) are the next three counties at the top of the income list, with Atlantic (\$40,262), Ocean (\$40,724) and Salem (\$40,847) at the bottom.

Gloucester (\$42,228), Camden (\$43,099), Passaic (\$43,209), Warren (\$44,938), Hudson (\$47,377), Burlington (\$48,138), Cape May (\$48,694), Middlesex (\$49,203), and Sussex (\$49,782) all fall into the \$40,000 to \$50,000 annual income range.

And between \$50,000 and \$60,000 are Union (\$51,938), Essex (\$52,956), Mercer (\$54,445), and Monmouth (\$58,355).

## **SBA Extends Filing Deadlines for Disaster Relief Loans**

The US Small Business Administration has extended the deadline in New Jersey for filing a disaster loan application from December 31, 2012, to January 30, 2013. (In New York, the new deadline is January 28, 2013.) These loans assist with repair and replacement of physical property damage, supplementing property insurance policies.

For more information and assistance, visit [sba.gov/community/blogs/sandy-update-4-sen-d-us-your-completed-loan-application-before-deadline](http://sba.gov/community/blogs/sandy-update-4-sen-d-us-your-completed-loan-application-before-deadline).