

Pandemic Job Losses Impacting Industries Unequally

By Kyle Sullender, Executive Director of Focus NJ

While far removed from the full-scale lockdowns and business restrictions of 2020, New Jersey's employment figures continue to signal a sluggish recovery.

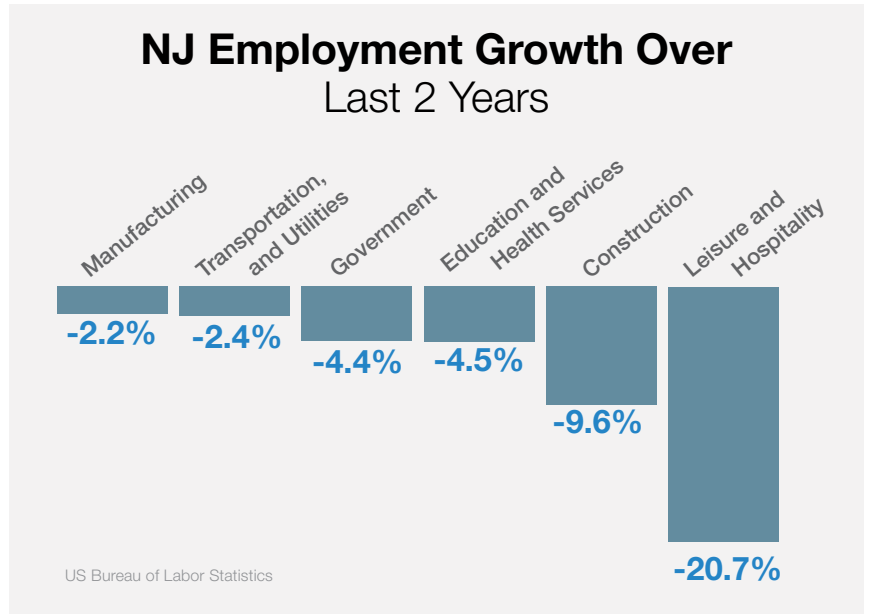
Just 65% of the approximately 717,000 jobs lost between February and April 2020 have been recovered, and New Jersey is tied for the fourth-highest unemployment rate in the nation as of August 2021 (7.2%). However, new data from the Bureau of Labor Statistics (BLS) shows that not all industries are facing the same challenges.

For instance, when comparing August 2021 to August 2019, employment in the financial activities and professional services industries has mostly recovered from any pandemic-related losses. Employment has increased by 0.1% in financial activities and fallen just 0.6% in professional services over this span.

Unfortunately, no other major industry measured by BLS has experienced employment growth

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over the last two years in New Jersey. Manufacturing (-2.2%); trade, transportation and utilities (-2.4%); government (-4.4%); education and health services (-4.5%); construction



(-9.6%); and leisure and hospitality (-20.7%), have all faced declines.

To some degree, these trends are consistent both regionally and nationally. There has been a 2.6% median reduction in manufacturing jobs among states nationwide since August 2019. New Jersey's loss is similar at 2.2%.

State and local governments around the country have also struggled to regain jobs lost during the pandemic for a variety of reasons. Median government job loss across states has been 3.3%, compared to New Jersey's drop of 4.4%.

Furthermore, no industry has fared worse than leisure and hospitality. There has been a median 12.9% employment loss across states in this industry since August 2019. New Jersey's drop is larger at 20.7%, but similar to neighbors such as Connecticut (-17.1%), Maryland

(-18.6), New York (-27.9%), and Pennsylvania (-18.9%).

Still, there are areas where New Jersey faces greater challenges than some of its neighboring states.

While Delaware and Massachusetts have seen employment in construction grow 2.6% and 7.1%, respectively, New Jersey's construction industry has faced a steep decline (-9.6%) in league with New York and Pennsylvania (-12.4% and -6%, respectively).

Overall, New Jersey's workforce is roughly 5% smaller than it was in the last pre-pandemic August. While vaccinations have helped New Jerseyans resume something resembling normal life, it's clear that New Jersey's employment landscape is far from returning to pre-pandemic levels.

For an interactive look at regional employment statistics by industry, visit FocusNJ.org. **NJB**