

## 2011 WAS ROUGH ON NJ, NEW BLS REPORT SHOWS

**BUREAU OF LABOR STATISTICS** It looks like the garden state wasn't a blooming place to look for a job last year. According to new data released by the Bureau of Labor Statistics employers in the state of New Jersey sent a lot of their workers seeking unemployment in mass layoff actions. Now for those of you who are not familiar with the idea of a mass layoff here is a look at how the federal government **defines the term**, at least in the US that is: "...actions that result in workers being separated from their jobs. Monthly mass layoff numbers are from establishments which have at least 50 initial claims for unemployment insurance (UI) filed against them during a 5-week period. Extended mass layoff numbers (issued quarterly) are from a subset of such establishments—where private sector nonfarm employers indicate that 50 or more workers were separated from their jobs for at least 31 days." Now that we have that little matter cleared up lets talk about the numbers. Apparently in 2011 roughly 66,800 workers filed for employment in NJ after being let go in a mass layoff. That number was up significantly from 2010, when only 61,398 estimated workers were let go in mass layoff actions. This difference of a little more than 5,000 workers represents a significant increase. Since the unemployment benefit cap was raised to \$600 a week back in January of 2010 this means that the state of New Jersey could be paying as much as \$12,000,000 to this extra unemployed each month that they continue to receive benefits. Though, given who the employers that cut were it might be likely that the numbers are lower. When you consider that the number one sector to layoff was food services, in which salaries are usually quite low, their 60% of a paycheck benefit will most likely not reach the cap. The other two sectors doing large-scale layoffs were transportation and warehouse storage and while these areas do garner higher paychecks than retail services they represent a smaller portion of the overall layoffs. These actions drove the NJ state unemployment rate to about 9.3%, significantly higher than the national average. It's not quite a whole percentage point higher, but a small increase could put it there. This news sharply contrasts with the news that was being touted at the beginning of 2011. For those of you who missed out on our **earlier coverage** of 2011 mass layoff actions here is an excerpt: "According to the statistics released by the U.S. Bureau of Labor Statistics there were a grand total of 1,495 mass layoffs in the United States in the last month. Those 1,495 mass layoffs represent a loss of 153,229 jobs. This means that the average mass layoff included a loss of 102 jobs. ...Believe it or not, these numbers are actually encouraging. According to the Bureau of Labor Statistics report, "number of mass layoff events in September decreased by 92 from August, and the number of associated initial claims decreased by 12,318. Florida had 78 mass layoff actions in August, well below June and July levels. "So, while there are less job loss claims the question remains, are companies simply not laying off more people, or have so many people been laid off that companies have less people to lay off. Then again, a rosier view of the situation could simply be that less people are filing because more are finding jobs. According to the released information the number four spot on the list, Florida which had 69 mass layoffs if September, also has the largest over-the-month increase in employment. That state added 23,300 new jobs over the same period. "

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