

UNION COUNTY, NJ, TO CUT JOBS



Union County, New Jersey, is looking to tighten its belt in the face of less revenue and they are doing it by getting rid of a significant number of workers. The county is slated to get rid of about 280 workers as part of a fairly sweeping cost cutting measure. The budget, which is being cut about 5% on the whole, will let go of many things in order to make ends meet, not just workers. The county is also cancelling public events, such as MusicFest, in order to keep as many workers as possible in their jobs. That cut, along with another as yet unnamed event will save \$1.2 million and several positions. Even with that the layoffs, which one freeholder estimates may end up increasing to about 300 before all is said and done with the final budget, is helping to close a gap of about \$36 million in the counties current budget. The whole is a result in a decrease in revenue from the state and in increase in the cost of operating county services. The layoffs will happen on the 1st of May unless the workers union is willing to make serious concessions, or the state manages to find a way to give the county more money. Though, the first one is far more likely than the second choice and even if all of the workers unions make all of the requested concessions it would only save a small portion, about 40 jobs, from getting the axe this time around. Union County Freeholder Daniel Sullivan told the following about the cuts to a reporter for NJ.com, "It's that perfect storm, where the losses in state revenues and the normal increases all come together at the same time to make it more unique than any other year we've seen... This is a matter we have all agonized over and taken very seriously," Sullivan said as he announced the workforce reduction at a recent board meeting. "During the past few years, we have exhausted our options in preventing layoffs, but unfortunately, this year, given the significant budget deficit, there is no alternative." The last couple of years have been fairly consistently rough on the state of NJ. For those of you who may have missed out on our [earlier coverage](#) about job losses in NJ here is an excerpt that will get you up to speed: "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 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.

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