



39 EDGEBORO ROAD, EAST BRUNSWICK, NJ

LABOR FORCE ASSESSMENT

EAST BRUNSWICK, NJ

OCTOBER 11TH, 2019

LABOR FORCE SUMMARY

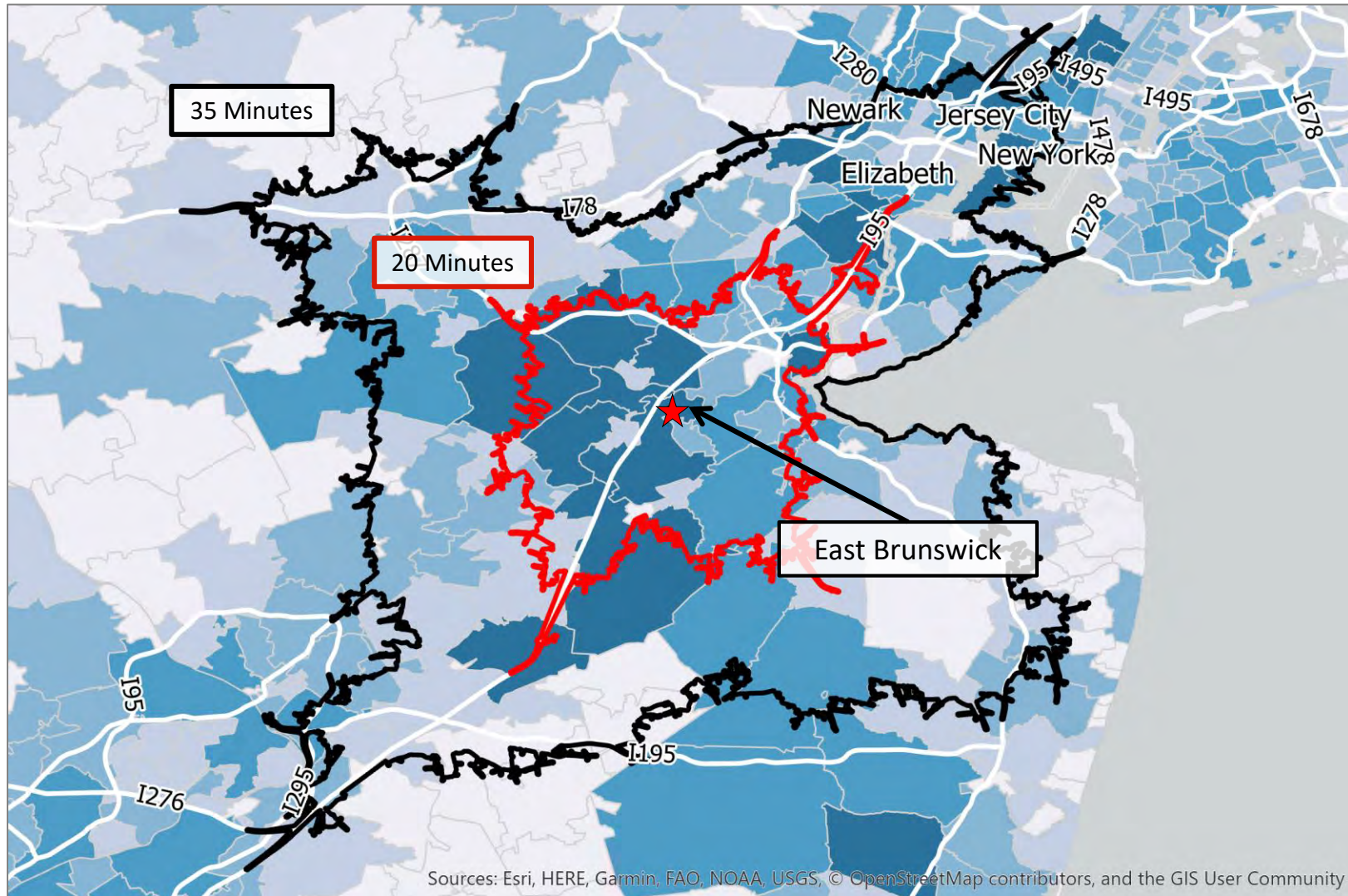
This labor force assessment identified and analyzed the laborshed (that is, the geographic area from which a company could reasonably hire workers from) for East Brunswick, NJ. The four key criteria analyzed included Labor Supply, Labor Demand, Labor Costs, and Organized Labor.

Based on the results, Site Selection Group believes the distribution labor force accessible to East Brunswick, NJ to be favorable overall, and no major deficiencies were uncovered.

	POSITIVE ATTRIBUTES	NEGATIVE ATTRIBUTES	KEY TAKEAWAYS
LABOR SUPPLY	<ul style="list-style-type: none"> ✓ Access to large population counts and potential to leverage 6,500+ workers commuting into the area for warehouse work. ✓ Strong concentration and growth of key workforce. 	<ul style="list-style-type: none"> – Slightly less favorable indicators for supplemental labor force. – Low unemployment may indicate tight market for labor. 	<ul style="list-style-type: none"> ○ Favorable population access and warehouse worker concentration and projected growth.
LABOR DEMAND	<ul style="list-style-type: none"> ✓ Job postings activity indicates slightly higher competitive pressures in laborshed, but still below the national average. 	<ul style="list-style-type: none"> – Warehousing industry growth exceeds both New York and national average. 	<ul style="list-style-type: none"> ○ Mixed indicators of future labor demand.
LABOR COST	<ul style="list-style-type: none"> ✓ Workers can expect to pay median wages below the national average for warehouse laborers and forklift drivers. 	<ul style="list-style-type: none"> – However, slightly elevated wage escalation and cost of living compared to New York metro. 	<ul style="list-style-type: none"> ○ Favorable wages in area for warehouse laborers and forklift drivers.
ORGANIZED LABOR	<ul style="list-style-type: none"> ✓ Lower counts in laborshed than elsewhere in the region. 	<ul style="list-style-type: none"> – Slightly higher unionization rate, and non-Right-to-Work status may increase perception of unionization risk. 	<ul style="list-style-type: none"> ○ Moderate unionization threat.

COMMUTE & LABORSHED ANALYSIS

The map below shows warehouse and distribution occupation concentration by home ZIP code. Darker blue ZIP codes represent a higher percentage of the resident labor force working in the distribution occupation cluster.



The accurate laborshed around East Brunswick, NJ is **35 minutes**. There are **6,895 warehouse laborers that travel into the tighter, 20-minute radius** around the area from outside the area, indicating that workers will commute for jobs near the area.

KEY LABOR FORCE CHARACTERISTICS

EAST BRUNSWICK, NJ

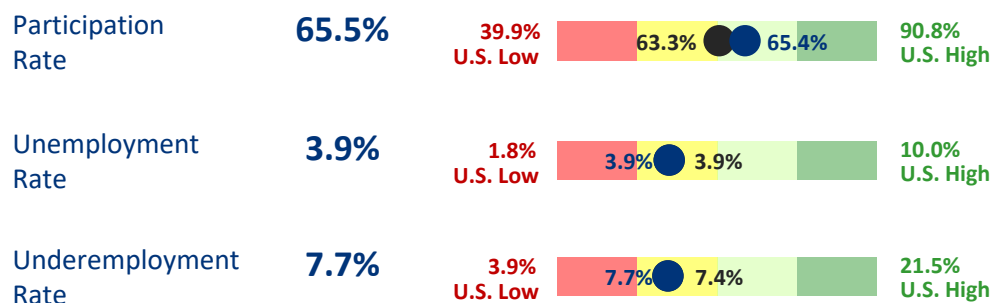
POPULATION 2,895,535
35-Minute Drive Time

LABOR FORCE 1,528,347
35-Minute Drive Time

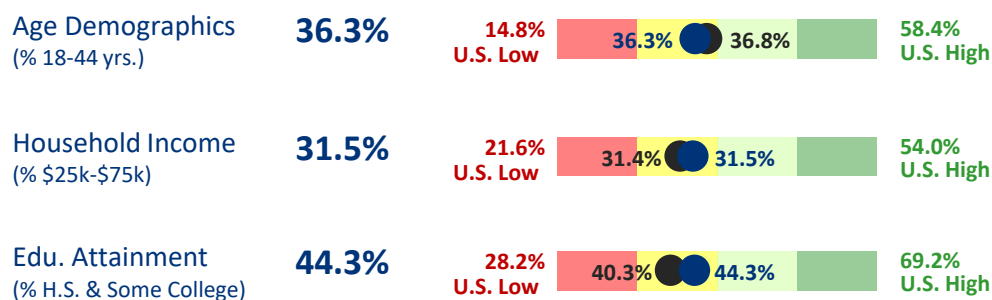
Key Labor Supply Takeaways

- Laborshed has higher labor force participation than the metro area, but target demographic alignment falls below the national average.
- Strong concentration and growth of key distribution workforce, but much more tempered statistics for supplemental labor.

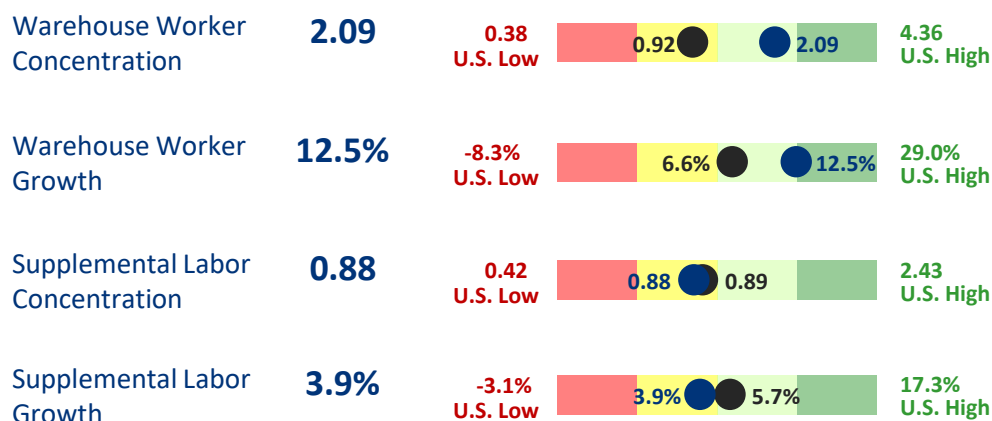
LABOR SCALABILITY



TARGET DEMOGRAPHICS



OCUPATION STATISTICS



● 35-Minute Drive Time around East Brunswick, NJ

● Greater New York - Newark - Jersey City Metro Area

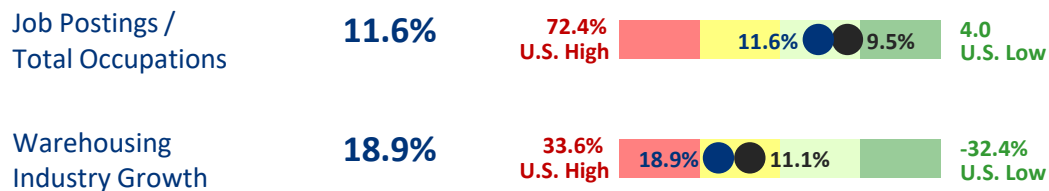
KEY LABOR FORCE CHARACTERISTICS

EAST BRUNSWICK, NJ

Key Demand, Costs, and Union Takeaways

- *Job postings relative to total jobs in distribution is slightly elevated around East Brunswick relative to New York, but still falls below the national average, indicating alleviated demand pressures.*
- *Moderately high organizational activity.*
- *Workers can expect to pay more favorable wages in the East Brunswick area than other places in New York; however, area has experienced slightly higher wage escalation and cost of living.*

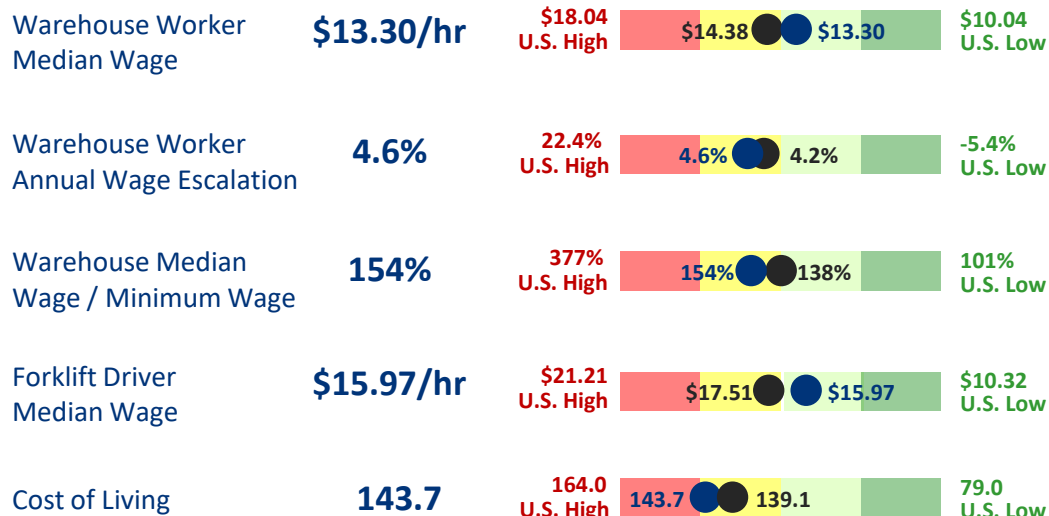
LABOR DEMAND



ORGANIZED LABOR



LABOR COST



● 35-Minute Drive Time around East Brunswick, NJ

● Greater New York - Newark - Jersey City Metro Area

LABOR FORCE VALUE PROPOSITION

EAST BRUNSWICK, NJ



LABOR SUPPLY

Favorable population access and strong distribution concentration and growth metrics.

- ✓ Warehouse worker concentration in the East Brunswick area is over twice the national average and New York metro levels.
- ✓ Strong projected growth of key distribution workforce.
- ✓ Slightly higher labor force participation than national averages.



LABOR DEMAND

Job postings activity indicates lower hiring pressures than rest of nation.

- ✓ Employers are posting job opportunities at a lower rate than national average when compared to the amount of distribution workers already working in the market.
- ✓ This indicates that employers are working slightly less to fill job opportunities than elsewhere.



LABOR COSTS

Employers can expect to pay lower median wages in the East Brunswick area than elsewhere in the New York metro area.

- ✓ Median warehouse worker wage in the area is \$13.30, and \$15.97 for forklift drivers.
- ✓ These metrics are favorable compared to macro levels and other submarkets in New York.



ORGANIZED LABOR

Despite relatively higher unionization rates, fewer organizational filings compared to overall metro area.

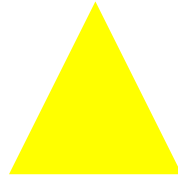
- ✓ More favorable conditions compared to greater metro area..

EXECUTIVE SUMMARY OF LABOR FORCE CONDITIONS

EAST BRUNSWICK, NJ



Opportunity to attract 6,500+ warehouse workers commuting into the immediate area daily. High concentration of warehouse workers and strong projected growth. Favorable wages structures.



Mixed indicators of target workforce demand. High cost of living and moderate threat of organized labor.



None.

GLOSSARY & DATA SOURCES

LABOR SUPPLY	DEFINITION	SOURCE
LABOR SCALABILITY		
Participation Rate	Number of workers in labor force divided by population	Experian 2019
Unemployment Rate	Both “official” unemployment rate and estimated rate for laborshed	Experian 2019 & BLS LAUS (July 2019)
Underemployment Rate	Percentage of workers employed but seeking better work opportunities	Experian 2019 & BLS CPS
TARGET DEMOGRAPHICS		
Age Demographics (% 18-44)	% of population in target age categories for warehouse work	Experian 2019
Household Income (% \$25k-\$75k)	% of population in target income categories for warehouse work	Experian 2019
Educational Attainment (% H.S. & Some College)	% of population in target educational levels for warehouse work	Experian 2019
OCCUPATION STATISTICS		
Warehouse Worker Occupation Concentration	Concentration of key direct warehouse labor where 1.00 equals the national average. Includes picker-packers, forklift, etc.	EMSI 3Q 2019
Warehouse Worker Occupational Growth	Projected five-year percentage growth for that occupational cluster	EMSI 3Q 2019
Supplemental Occupation Concentration	Concentration of other occupations applicable to warehouse work where 1.00 equals the national average. Includes retail, food service, etc.	EMSI 3Q 2019
Supplemental Occupation Growth	Projected five-year percentage growth for that occupational cluster	EMSI 3Q 2019

OTHER FACTORS	USE	SOURCE
LABOR DEMAND		
Job Postings / Occupations	Total	Annual online job postings for Warehouse Worker cluster divided by current cluster presence
Warehousing Industry Growth		Projected five-year employment growth in warehousing and related
ORGANIZED LABOR		
Most Recent Unionization Rate		Overall private union membership rate
Total Count of Filings		Total number of organization attempts since January 1, 2014
LABOR COSTS		
Warehouse Worker Wage		Median wage for Warehouse Worker cluster
Warehouse Worker Wage Growth		Growth in wages for Warehouse Worker cluster
Warehouse Worker Wage / Minimum Wage		Dividing above by minimum wage to understand competitive positioning
Forklift Driver Wage		Median wage specifically for forklift drivers
Cost of Living		Cost of living in region



8235 Douglas Avenue
Suite 500
Dallas, Tx 75225

siterelectiongroup.com