

LABOR FORCE ASSESSMENT

Linden, NJ

SITE SELECTION GROUP™
strategic location solutions

LABOR FORCE SUMMARY

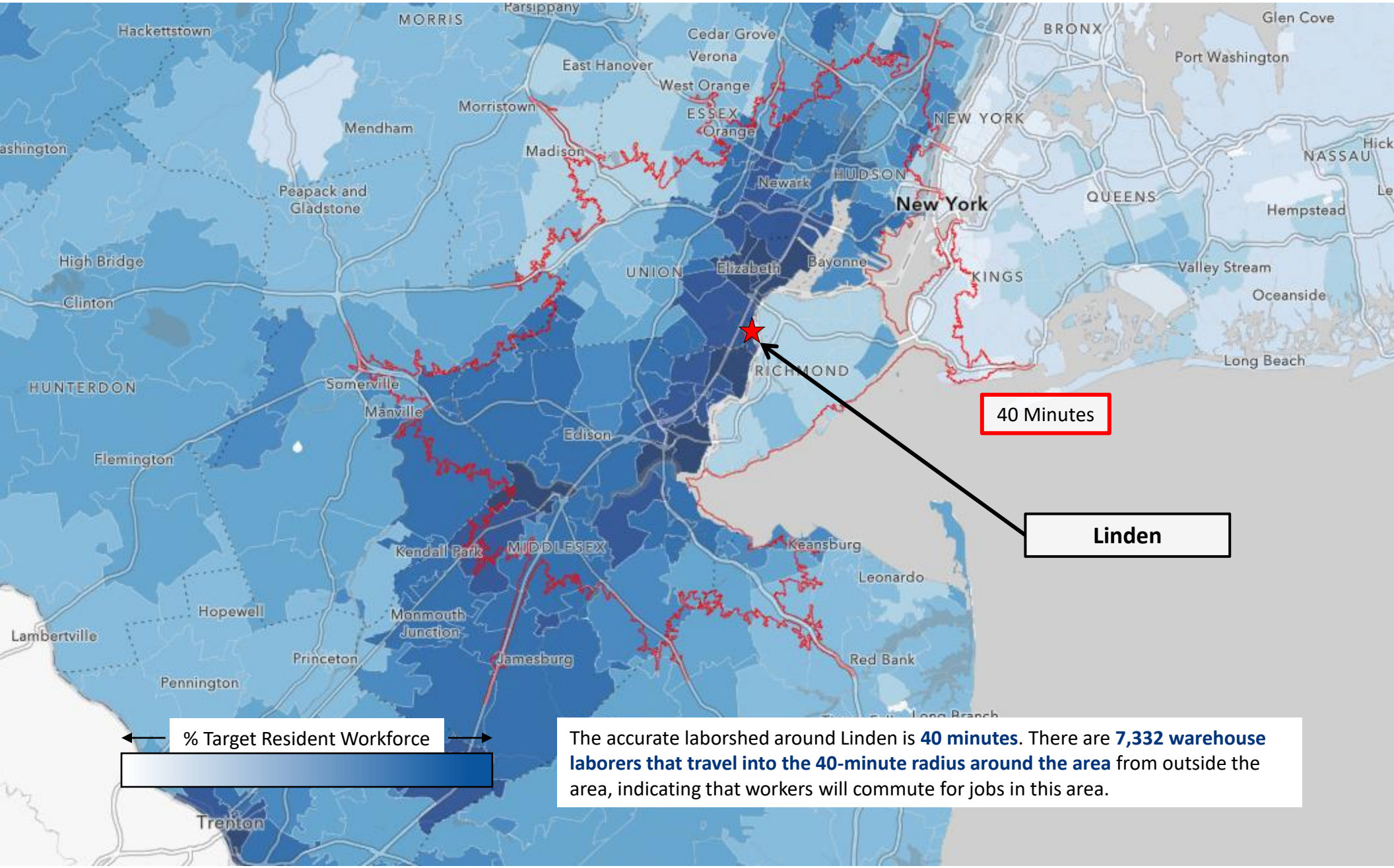
This labor force assessment identified and analyzed the laborshed (that is, the geographic area from which a company could reasonably hire workers from) for Linden, NJ. The four key criteria analyzed included Labor Supply, Labor Demand, Labor Costs, and Organized Labor.

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

	POSITIVE ATTRIBUTES	NEGATIVE ATTRIBUTES	KEY TAKEAWAYS
LABOR SUPPLY	✓ Demographic makeup is well aligned for warehouse workers.	– Overall concentration and growth of supplemental workers (workers in food service/retail who can be trained for distribution) is not as favorable.	○ Current data shows available distribution workforce, more favorable in laborshed than metro.
LABOR DEMAND	✓ Industry growth and job posting data indicate low to moderate demand in this laborshed.	– However, demand is higher in the laborshed than the greater metro.	○ Lower competitive pressures in this area could indicate more favorable hiring conditions for future employers.
LABOR COST	✓ Wage escalation rates show favorably for both the laborshed and broad metro area.	– Median wages are above those in the metro area. – Cost of living in this laborshed is above the national average.	○ Wage rates and cost of living in this area are elevated.
ORGANIZED LABOR	✓ Recent organizational activity is relatively low for this region based on the count of filings.	– There is some organized labor activity in this region as seen by the unionization rate.	○ Despite the moderate unionization rate, the count of filings is relatively low in the laborshed compared to the metro area.

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 Linden is **40 minutes**. There are **7,332 warehouse laborers that travel into the 40-minute radius around the area** from outside the area, indicating that workers will commute for jobs in this area.

KEY LABOR FORCE CHARACTERISTICS

Linden, NJ

POPULATION
40 - Minute Drive Time
3,424,402

LABOR FORCE
40 - Minute Drive Time
1,736,302

Key Labor Supply Takeaways

- *Access to labor force of more than 1,700,000 with slightly lower participation rate in immediate area than the broad metro area. Unemployment was impacted by COVID-19, but has decreased steadily over the past several months.*
- *Target demographics are well aligned for warehouse labor; more favorable in laborshed than metro area.*
- *Concentration of warehouse and supplemental workers are slightly below the national average; growth data for those is mixed.*

LABOR SCALABILITY

Participation Rate	**63.1%**	39.6% U.S. Low	63.1% / 63.8%	93.0% U.S. High
Unemployment Rate	**7.7%**	1.4% U.S. Low	7.7% / 7.7%	19.4% U.S. High
Underemployment Rate	**13.5%**	2.4% U.S. Low	13.5% / 13.5%	34.1% U.S. High

TARGET DEMOGRAPHICS

Age Demographics (% 18-44 yrs.)	**38.5%**	14.8% U.S. Low	36.5% / 38.5%	58.4% U.S. High
Household Income (% $25k-$75k)	**33.1%**	20.7% U.S. Low	30.6% / 33.1%	54.5% U.S. High
Edu. Attainment (% H.S. & Some College)	**43.5%**	28.3% U.S. Low	40.2% / 43.5%	68.4% U.S. High

OCUPATION STATISTICS

Warehouse Worker Concentration	**0.98**	0.38 U.S. Low	0.91 / 0.98	3.79 U.S. High
Warehouse Worker Growth	**5.6%**	-11.6% U.S. Low	4.8% / 5.6%	29.4% U.S. High
Supplemental Labor Concentration	**0.75**	0.64 U.S. Low	0.75 / 0. 83	2.47 U.S. High
Supplemental Labor Growth	**-2.7%**	-9.2% U.S. Low	-2.7% / 4.6%	21.4% U.S. High

40 - Minute Drive Time around Linden, NJ

Greater New York-Newark, NY-NJ-CT-PA Metro Area

KEY LABOR FORCE CHARACTERISTICS

Linden, NJ

Key Demand, Costs, and Union Takeaways

- *Job posting intensity and industry growth indicate low to moderate demand in this laborshed.*
- *Despite moderate unionization rate, the total count of filings is much lower in the laborshed than the metro.*
- *Median wages for warehouse workers and forklift drivers are higher in the target laborshed when compared to the broad metro area. Cost of living also falls above the metro and national average.*

LABOR DEMAND

Job Postings / Total Occupations	28.2%	115.6% U.S. High	4.0% U.S. Low
Warehousing Industry Growth	21.9%	33.3% U.S. High	-17.3% U.S. Low

ORGANIZED LABOR

Most Recent Unionization Rate	12.4%	40.3% U.S. High	0.0% U.S. Low
Total Count of Filings	354	2,154 U.S. High	0 U.S. Low

LABOR COST

Warehouse Worker Median Wage	$18.22/hr	$20.61 U.S. High	$10.04 U.S. Low
Warehouse Worker Annual Wage Escalation	5.6%	23.6% U.S. High	-5.4% U.S. Low
Warehouse Median Wage / Minimum Wage	152%	312% U.S. High	106% U.S. Low
Forklift Driver Median Wage	$19.35/hr	$35.56 U.S. High	$9.52 U.S. Low
Cost of Living	140.4	165.0 U.S. High	79.0 U.S. Low

40 - Minute Drive Time around Linden, NJ

Greater New York-Newark, NY-NJ-CT-PA Metro Area

LABOR FORCE VALUE PROPOSITION

Linden, NJ

LABOR SUPPLY

Potential to leverage ~7,332 warehouse workers who commute into the area.

- ✓ Key demographics (age, income, education) are very well aligned to support warehousing/distribution operations.



LABOR DEMAND

Industry growth and posting intensity are low to moderate in this laborshed.

- ✓ The favorable industry growth and posting intensity does not indicate higher risk from competitive pressures in this laborshed.

LABOR COSTS

While wages are elevated in this area, the wage escalation rate is relatively low.

- ✓ Employers can expect to pay warehouse workers wages of $18.22 an hour on average.

ORGANIZED LABOR

The count of filings is lower in the laborshed than the metro.

- ✓ While there is some union activity in this area, the overall count of recent filings is low in this laborshed.

EXECUTIVE SUMMARY OF LABOR FORCE CONDITIONS

Linden, NJ



Broadly favorable demographics indicate that this market is well-suited for warehousing activity. Organized labor presence is lower around Linden than the broader metro area.

Elevated wages and high cost of living show that this is a more expensive market. However, wage escalation and demand are low to moderate.



None – no major red flags.

GLOSSARY & DATA SOURCES

LABOR SUPPLY	DEFINITION	SOURCE
LABOR SCALABILITY		
Participation Rate	Number of workers in labor force divided by population	Experian 2021
Unemployment Rate	Both "official" unemployment rate and estimated rate for laborshed	Experian 2021 & BLS LAUS (September 2021)
Underemployment Rate	Percentage of workers employed but seeking better work opportunities	Experian 2021 & BLS CPS
TARGET DEMOGRAPHICS		
Age Demographics (% 18-44)	% of population in target age categories for warehouse work	Experian 2021
Household Income (% $25k-$75k)	% of population in target income categories for warehouse work	Experian 2021
Educational Attainment (% H.S. & Some College)	% of population in target educational levels for warehouse work	Experian 2021
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 2021
Warehouse Worker Occupational Growth	Projected five-year percentage growth for that occupational cluster	EMSI 3Q 2021
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 2021
Supplemental Occupation Growth	Projected five-year percentage growth for that occupational cluster	EMSI 3Q 2021

OTHER FACTORS	USE	SOURCE
LABOR DEMAND		
Job Postings / Occupations Total	Annual online job postings for Warehouse Worker cluster divided by current cluster presence	EMSI/CareerBuilder as of September 2021
Warehousing Industry Growth	Projected five-year employment growth in warehousing and related	EMSI 3Q 2021
ORGANIZED LABOR		
Most Recent Unionization Rate	Overall private union membership rate	BLS CPS via UnionStats
Total Count of Filings	Total number of organization attempts since January 1, 2014	National Labor Relations Board
LABOR COSTS		
Warehouse Worker Wage	Median wage for Warehouse Worker cluster	ERI & EMSI 3Q 2021
Warehouse Worker Wage Growth	Growth in wages for Warehouse Worker cluster	EMSI 3Q 2021
Warehouse Worker Wage / Minimum Wage	Dividing above by minimum wage to understand competitive positioning	ERI, EMSI, and multiple sources
Forklift Driver Wage	Median wage specifically for forklift drivers	ERI & EMSI 3Q 2021
Cost of Living	Cost of living in region	EMSI 3Q 2021

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