



# LABOR FORCE ASSESSMENT

Philipsburg, NJ

January 25, 2022

# LABOR FORCE SUMMARY

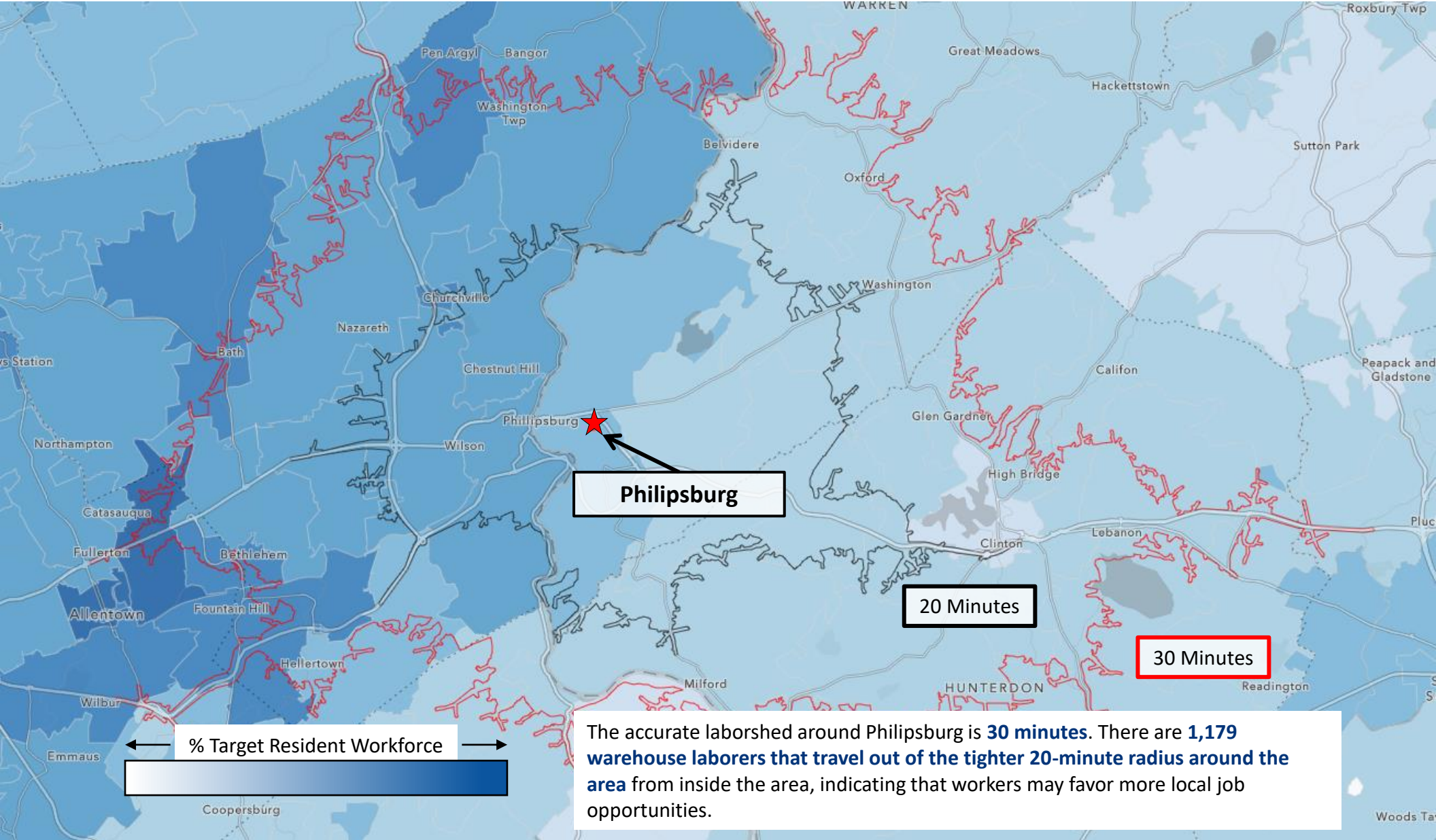
This labor force assessment identified and analyzed the labor shed (that is, the geographic area from which a company could reasonably hire workers from) for 1000-2000 Rand Blvd, Philipsburg, NJ. The four key criteria analyzed included Labor Supply, Labor Demand, Labor Costs, and Organized Labor.

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

	POSITIVE ATTRIBUTES	NEGATIVE ATTRIBUTES	KEY TAKEAWAYS
<b>LABOR SUPPLY</b>	<ul style="list-style-type: none"> <li>✓ Access to a labor force of approximately 180,000.</li> <li>✓ Occupational supply of warehouse workers is favorable with strong growth projections.</li> </ul>	<ul style="list-style-type: none"> <li>– Demographics are less aligned for warehousing, slightly less favorable in labor shed than broader metro.</li> </ul>	<ul style="list-style-type: none"> <li>○ Current data shows available distribution workforce.</li> </ul>
<b>LABOR DEMAND</b>	<ul style="list-style-type: none"> <li>✓ Job posting data indicate lower demand in this labor shed.</li> </ul>	<ul style="list-style-type: none"> <li>– However, industry growth is higher in the labor shed than the greater metro.</li> </ul>	<ul style="list-style-type: none"> <li>○ While labor demand data is mixed, there appears to be low to moderate demand overall.</li> </ul>
<b>LABOR COST</b>	<ul style="list-style-type: none"> <li>✓ Wage escalation is relatively low compared to the national average.</li> </ul>	<ul style="list-style-type: none"> <li>– Warehousing and forklift wages are elevated.</li> <li>– Cost of living in this labor shed is above the national average.</li> </ul>	<ul style="list-style-type: none"> <li>○ While wage rates and cost of living are elevated in this region, the rate of wage escalation is relatively low.</li> </ul>
<b>ORGANIZED LABOR</b>	<ul style="list-style-type: none"> <li>✓ Recent organizational activity is low for this region based on the overall count of filings.</li> </ul>	<ul style="list-style-type: none"> <li>– While there have been few recent filings in this labor shed, there is still a moderate unionization rate in this area.</li> </ul>	<ul style="list-style-type: none"> <li>○ Despite the moderate unionization rate, the count of filings is relatively low in the labor shed compared to the metro area.</li> </ul>

# 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.



# KEY LABOR FORCE CHARACTERISTICS

Philipsburg, NJ

**POPULATION** 337,243

30 - Minute Drive Time

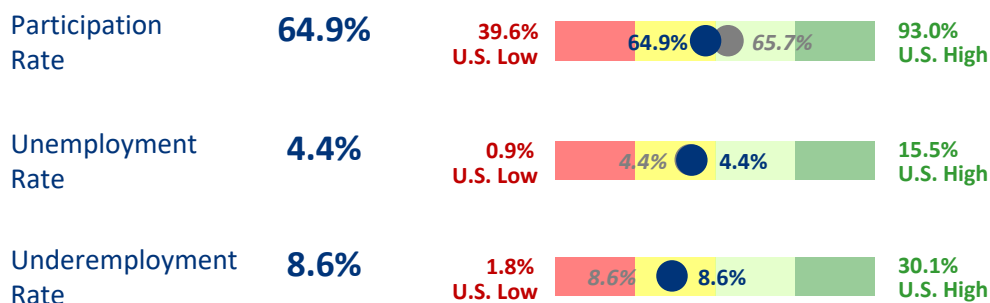
**LABOR FORCE** 180,125

30 - Minute Drive Time

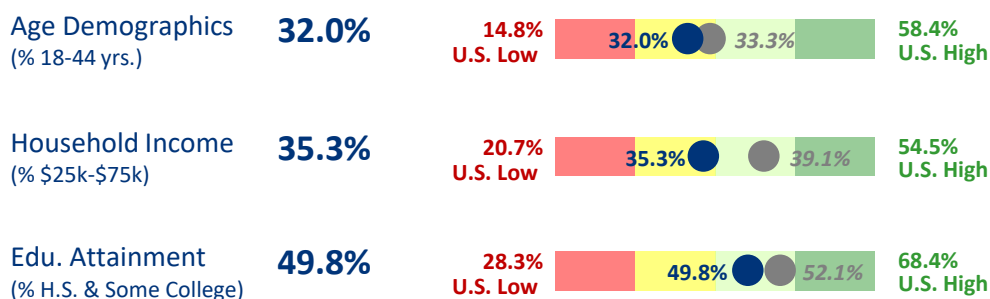
## Key Labor Supply Takeaways

- Access to labor force of approximately 180,000 with a slightly lower participation rate in immediate area than the broad metro area. Unemployment was impacted by COVID-19, but is currently relatively low.
- Target demographics are slightly less aligned for warehousing in the labor shed compared to metro area.
- Concentration of warehouse workers is above the national average with strong growth projections. Supplemental labor force (retail and food service workers who can be trained) is less favorable.

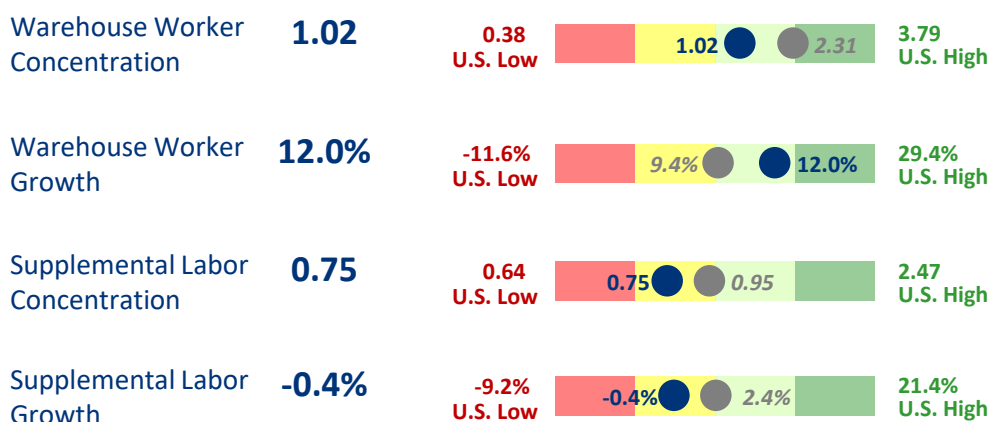
## LABOR SCALABILITY



## TARGET DEMOGRAPHICS



## OCUPATION STATISTICS



● 30 - Minute Drive Time around Philipsburg, NJ

● Greater Allentown-Bethlehem-Easton, PA-NJ Metro Area

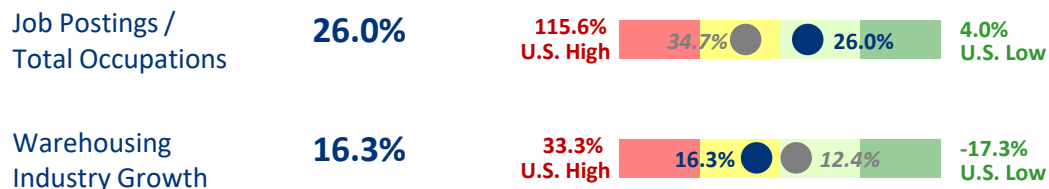
# KEY LABOR FORCE CHARACTERISTICS

Philipsburg, NJ

## Key Demand, Costs, and Union Takeaways

- While industry growth in this labor shed is higher than in the metro, posting intensity shows favorably from a labor demand standpoint.
- Despite moderate unionization rate, the total count of filings is much lower in the labor shed than the metro.
- Median wages for warehouse workers is slightly less favorable in the labor shed than metro, and wage escalation is higher. Forklift wages are elevated in this labor shed.
- Cost of living is higher in this region, in general.

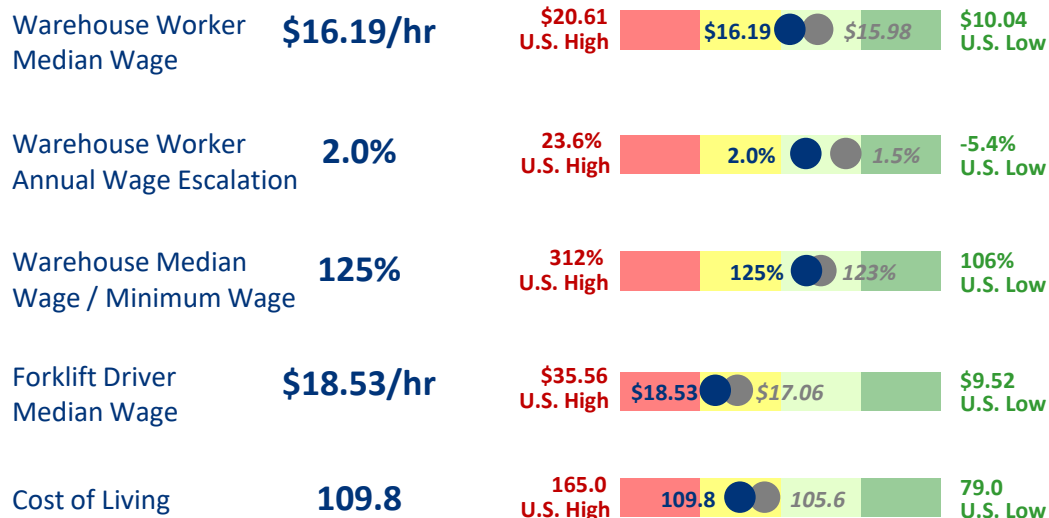
## LABOR DEMAND



## ORGANIZED LABOR



## LABOR COST



● 30 - Minute Drive Time around Philipsburg, NJ

● Greater Allentown-Bethlehem-Easton, PA-NJ Metro Area

# LABOR FORCE VALUE PROPOSITION

Philipsburg, NJ



## LABOR SUPPLY

Potential to leverage ~1,179 warehouse workers who commute out of the area.

- ✓ Occupational supply of warehousing workers is favorable compared to the national average with strong growth projections.



## LABOR DEMAND

Posting intensity is low in this labor shed.

- ✓ The industry growth rate and posting intensity does not indicate higher risk from competitive pressures in this labor shed.



## LABOR COSTS

Wage escalation rates are relatively low compared to the national average.

- ✓ Employers can expect to pay warehouse workers wages of \$16.19 an hour on average.



## ORGANIZED LABOR

The count of filings is lower in the labor shed than the metro.

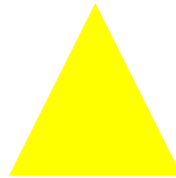
- ✓ While there is some union activity in this area, the overall count of recent filings is relatively low in this labor shed.

# EXECUTIVE SUMMARY OF LABOR FORCE CONDITIONS

Philipsburg, NJ



**There is a favorable supply of warehousing workers in this labor shed, coupled with strong growth projections for the near future.**



**While wages and cost of living are generally elevated in this region, labor demand is low to moderate.**



**None – no major red flags.**

# GLOSSARY & DATA SOURCES

LABOR SUPPLY	DEFINITION	SOURCE
<b>LABOR SCALABILITY</b>		
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 (December 2021)
Underemployment Rate	Percentage of workers employed but seeking better work opportunities	Experian 2021 & BLS CPS
<b>TARGET DEMOGRAPHICS</b>		
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
<b>OCCUPATION STATISTICS</b>		
Warehouse Worker Occupation Concentration	Concentration of key direct warehouse labor where 1.00 equals the national average. Includes picker-packers, forklift, etc.	EMSI 4Q 2021
Warehouse Worker Occupational Growth	Projected five-year percentage growth for that occupational cluster	EMSI 4Q 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 4Q 2021
Supplemental Occupation Growth	Projected five-year percentage growth for that occupational cluster	EMSI 4Q 2021

OTHER FACTORS	USE	SOURCE
<b>LABOR DEMAND</b>		
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
<b>ORGANIZED LABOR</b>		
Most Recent Unionization Rate		Overall private union membership rate
Total Count of Filings		Total number of organization attempts since January 1, 2014
<b>LABOR COSTS</b>		
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





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