

New Jersey

New Jersey's 205,321 small employers and 590,485 nonemployers make significant contributions to the state's economy, and they bring innovative products and services to the marketplace.* They are an important source of employment and opportunity throughout the state. This profile by the Office of Advocacy uses the latest statistics to describe the small business contribution in the greatest possible detail. (Note: A small business is defined as one with fewer than 500 employees.)

- New Jersey's real gross state product increased by 0.6% and private-sector employment decreased by 0.8% in 2008. By comparison, real GDP growth in the United States was 0.7% and private-sector employment declined by 0.7%.
- The health care and social assistance industry was the state's largest small business and overall employer in 2006 (Table 1).
- Small businesses are a major force in the state's net job change, as shown in Table 2.
- The number of small employers in New Jersey was 205,321 in 2006, accounting for 98.5% of the state's employers and 51.1% of its private-sector employment. (Source: U.S. Dept. of Commerce: Bureau of the Census.)

For Further Information

- Data on all states and territories is available at www.sba.gov/advo/research/profiles.
- For other small business data and analysis, visit www.sba.gov/advo/research, call (202) 205-6533, or email advocacy@sba.gov.
- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news, and research reports.
- For RSS feeds, visit www.sba.gov/advo/rsslibrary.html

* Small employer data from 2006; nonemployer from 2007.

New Jersey Small Business Facts

	2007†	2006	2000
Number of Businesses			
Small employers (<500 employees)	n.a.	205,321	198,984
Large employers (500+ employees)	n.a.	3,144	3,229
Nonemployers	590,485	573,819	482,699
	2002‡	% Share in 2002	% Change 1997-2002
Business Owner Demographics			
Male-owned	435,681	61.5	10.0
Woman-owned	185,197	26.1	19.2
Equally male/female-owned	65,294	9.2	-26.4
African American-owned	36,280	5.1	36.9
Asian-owned	51,957	7.3	26.7
Hispanic-owned	49,841	7.0	38.0
Native American/Alaskan-owned	2,613	0.4	n.a.
Hawaiian and Pacific Islander-owned	448	0.1	3.5
	2008‡	% Change from	
		2007	2000
Workforce (Thousands) /Unemployment (%)			
Private-sector employment	3,323	-0.8	0.1
Government employment	613	0.2	10.0
Self-employed (incorp. & uninc.)	444	5.9	18.8
Female self-employment	131	5.9	14.9
Male self-employment	313	6.0	20.6
Minority self-employment	88	18.2	119.7
Veteran self-employment	30	1.1	-31.3
Unemployment rate (%)	5.5	1.2	1.8
Business Turnover			
Quarterly establishment openings	40,699	-7.5	-24.5
Quarterly establishment closings	42,981	-0.2	-15.4
Business bankruptcies	1,067	23.5	61.7
	2008‡	2007	2000
Income and Finance			
Proprietors' income (\$billion)	36.5	35.7	25.2
Number of bank branches	3,381	3,351	3,010
No. of bus. loans under \$100,000‡	n.a.	486,172	126,867
Total value of business loans under \$100,000 (\$million)‡	n.a.	5,169	1,477
Source: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Administration, Office of Advocacy (www.sba.gov/advo/research/sbl_08study.pdf , Table 4b.) n.a. not available.			
† Latest available data; certain figures are economywide. ‡ Data are for CRA loans.			

**Table 1. Firms and Employment in New Jersey by Industry and Firm Size, 2006 and 2007
(Nonfarm, Thousands)**

Industry	Nonemployer Firms (2007)	Employer Firms (2006)			Employment (2006)		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	590.5	208.5	184.1	205.3	3,645.4	713.7	1,862.0
Forestry, etc. and agriculture support	2.2	0.2	0.2	0.2	1.1	0.6	(D)
Mining	0.1	0.1	0.1	0.1	2.4	0.2	(D)
Utilities	0.3	0.1	0.1	0.1	18.0	0.2	0.7
Construction	56.5	25.4	23.7	25.3	181.4	84.0	161.8
Manufacturing	6.5	8.9	6.2	8.5	297.0	35.5	174.5
Wholesale trade	13.9	14.8	11.9	14.2	271.2	50.1	159.7
Retail trade	49.4	26.1	23.6	25.6	461.6	89.4	182.6
Transportation and warehousing	35.6	6.5	5.2	6.2	170.7	19.3	74.4
Information	9.7	2.3	1.8	2.2	113.3	7.0	26.0
Finance and insurance	23.6	6.8	5.7	6.5	227.6	20.4	60.7
Real estate and rental and leasing	83.5	8.2	7.7	8.1	62.5	24.9	42.9
Professional, scientific, and technical svcs.	105.3	30.3	27.6	29.8	295.1	86.3	187.3
Management of companies and enterprises	--	1.0	0.1	0.5	165.2	0.4	11.2
Admin., support, waste mgt., remed. svcs.	38.2	12.2	10.5	11.8	306.2	35.9	124.3
Educational services	18.3	2.9	2.2	2.8	90.6	10.2	51.0
Health care and social assistance	46.0	21.4	18.6	21.2	494.4	92.6	258.6
Arts, entertainment, and recreation	31.8	3.4	2.9	3.4	47.2	10.5	39.7
Accommodation and food services	8.8	16.4	14.1	16.2	284.9	65.3	163.0
Other services (except public admin.)	60.7	22.9	21.3	22.7	154.2	80.2	140.8
Unclassified	--	0.9	0.9	0.9	0.7	0.7	0.7

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See www.sba.gov/advo/research/data.html for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

(D) Data suppressed to protect the confidentiality of individual firms.

Table 2: Net Job Change by Firm Size, 2003–2006 (Nonfarm)

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2003 - 2004	33,962	34,153	9,294	3,612	7,827	5,408	60,294	-26,332
2004 - 2005	-17,642	23,010	-132	-665	-5,643	-10,203	6,367	-24,009
2005 - 2006	47,100	30,744	6,742	6,809	8,196	-1,934	50,557	-3,457

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see www.sba.gov/advo/research/data.html.)

Table 3: Establishment and Employment Turnover by Quarter, 2008 (Nonfarm, Thousands)

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	9.3	47.4	49.7	11.1	35.4	167.3	179.2	34.3
Quarter 2	11.8	46.0	49.7	9.9	49.0	181.7	188.8	36.2
Quarter 3	10.1	44.1	50.5	11.3	36.4	159.9	197.2	37.2
Quarter 4	9.5	41.9	53.8	10.8	35.4	154.3	208.6	39.1

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see www.bls.gov/bdm/home.htm.)

Note: These figures contain all firm sizes; Census data from 2006 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.