



## **NEW JERSEY CREATIVE VITALITY INDEX 2010**

### **New Jersey Lagging Behind United States in Growth of Creative Sector Employment**

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## CREATIVE SECTOR EMPLOYMENT

### New Jersey Lagging Behind United States in Growth of Creative Sector<sup>1</sup> Employment

Over the past decade, the number of people working in New Jersey's creative sector grew, but didn't keep pace with the growth in the creative sector around the country. Unlike the steady growth in New Jersey's creative sector establishments between 1998 and 2007, the number of creative sector workers has risen or dropped in waves, from a low of less than 143,000 in 1999 to a high of more than 156,000 in 2005. Most of the growth over the past decade has been in self-employed creative sector workers.

Notes: This report provides statistical information based on U.S. Department of Commerce data. It does not explain why the creative economy grew, or why it grew more in some counties than others. Future research by Arts Build Communities will explore these questions and more. (For more on how this report was created, please go to Methodology at the end of the report.)

#### Key findings:

- **Between 1998 and 2007, the number of creative sector workers grew from 143,329 to 149,227**, a difference of 5,898, or 4%. During that same period, the number of creative sector workers in the United States grew 10%, from 4.31 million to 4.75 million.
- **The growth in the creative sector in New Jersey lagged behind overall employment growth in New Jersey**, which grew nearly 11%, from 3.83 million to 4.25 million between 1998 and 2007.<sup>2</sup> Creative sector workers account for less than 4% of New Jersey's workers.
- **Self-employed workers account for the greatest growth in New Jersey's creative sector.** In fact, if it wasn't for self-employed artists, writers and other creative professionals, there would have

been a slight decrease in the number and percentage of creative sector workers between 1998 and 2007.

- **On average, there were about 147,000 people per year working in New Jersey's creative sector.** Like an ocean tide, the number of creative sector workers rose and fell annually, sometimes sharply. The creative sector workforce grew by as much as 6% one year and dropped by as much as 7%. Employment was lowest in 1999, at 142,854, and peaked at 156,185 in 2005.
- **The size of New Jersey's creative sector workforce fluctuated more sharply than the US creative sector workforce.** For example, in 2000, the US creative sector workforce grew by 3%. In New Jersey, there was a 6% growth. In 2002, the US creative sector workforce dropped by 4%. In New Jersey, there was a 7% drop.
- **The counties with the highest number of employees per year are Bergen, Essex, Hudson, Middlesex and Morris.** The counties with the lowest number of workers per year are Salem, Cumberland, Cape May, Warren and Sussex.
- **The counties with the largest increase in workers per year are Middlesex, Essex, Monmouth, Somerset and Gloucester.**
- **Although about half of New Jersey's creative sector workforce was in the counties closest to New York, the fastest rate of growth was in the western and southern counties.** The counties with the highest average rate of growth are Salem, Gloucester and Sussex. At the opposite end of the scale are Morris and Union counties, which had the highest average rate of decline in creative sector workers.
- **The counties with largest decrease in employees per year are Morris, Union, Atlantic, Burlington and Hudson.**
- **The 31% growth in creative sector businesses (including self-employed<sup>3</sup> businesses) between 1998 and 2007 has far outpaced the 4% growth in workers.** This means that the creative sector

1. Defining the creative sector, New Jersey Creative Vitality Index, Arts Build Communities, Rutgers University ,2010. <http://policy.rutgers.edu/pdi/abc/resources/cvi/index.php>

2. The overall economic data from County Business Patterns includes all formal private sector jobs, but does not include most public administration jobs, or informal employment. Because only a small percentage of creative sector jobs are in public administration, this is a reasonable comparison.

3. Nonemployer Statistics, Community Business Pattern, U.S. Census Bureau. <http://www.census.gov/econ/nonemployer>

landscape is getting more crowded with competing micro-entrepreneurs and tiny organizations. Learn more about the growth in creative sector establishments. [http://policy.rutgers.edu/pdi/abc/resources/reports/Creative%20sector%20establishment\\_7\\_13\\_10.pdf](http://policy.rutgers.edu/pdi/abc/resources/reports/Creative%20sector%20establishment_7_13_10.pdf)

### Why this is important to...

#### Elected officials

- Because self-employed workers are the fastest growing part of New Jersey's creative sector, elected officials should explore ways to support the work of independent artists, writers and performers. Aside from funding, there are a number of ways municipalities and counties can help creative workers promote their work and build connections with other professionals.
- Communities that are actively attracting artists should have ways to measure the long-term viability of creative sector organizations and professionals seeking support. As normal channels for funding are tapped by more organizations and individuals, communities should expect to receive more requests for support.
- Municipalities tend to work with the arts through their economic development, cultural affairs or even community development agencies. The issues facing the creative sector cut across all three elements, and elected officials should direct their agency directors to work together, as well as partner with their county's cultural and heritage commissions and local arts associations to develop solutions that promote creative expression, economic well-being and direct benefits to communities.

#### Creative sector professionals

- With more competition, organizations and professionals should seek out collaborations and opportunities to partner with other members of the creative sector.
- Similarly, creative sector professionals should develop stronger partnerships with chambers of commerce and influential groups within their communities. Community-based organizations may

be able to provide small, but significant, resources to help the creative sector weather difficult economic times. However, it is critical that creative sector professionals demonstrate the value that they can bring to influential groups.

- Small and mid-sized organizations and businesses should prepare contingency plans that include mergers.
- Organizational directors should be prepared to spend more of their time on organizational development and entrepreneurial activities.

#### Public administrators and urban planners

- The growing number of self-employed workers and growth of small organizations means a greater demands for small office/work spaces and home-based studios. Public administrators and planners should review their community's zoning and building codes to determine if there are unreasonable obstacles to small organizations and micro-entrepreneurs.
- Creative sector workers and organizations tend to cluster to share ideas, collaborate, promote their products, and buy and sell from one another. Public administrators and planners should encourage this clustering by promoting the arts in downtown areas or areas that are easily accessible to buyers and sellers of artworks.

#### Economic development professionals

- The creative sector in New Jersey is especially sensitive to changes in the national and regional economies. To strengthen the creative sector, economic development professionals should pursue strategies that include workforce development and micro-entrepreneur business development, organizational development, and institutional collaborations.
- Because public funding for the arts in New Jersey is tied to taxes paid by the hospitality industry, economic development professionals should look to strengthen the cultural tourism industry in New Jersey and build connections between creative sector professionals and the hotel and hospitality industries.

Figure 1: Annual change in number of New Jersey' creative sector workers, by county, 1998 to 2007

County	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
ATLANTIC	3799	3698	2931	2826	3128	3299	3105	3739	3184	3168
BERGEN	23908	24484	26508	28172	20630	25508	25248	28345	24767	24683
BURLINGTON	6509	7185	7362	6916	6245	6650	6758	6389	6641	6306
CAMDEN	8379	8742	9889	8274	8648	9996	10305	11229	8925	8348
CAPE MAY	1168	1314	1151	1139	1155	1078	1184	1345	1173	1250
CUMBERLAND	1113	1101	1145	1060	1168	963	1121	1120	1134	1026
ESSEX	11785	12075	12393	12987	13060	13262	13082	13013	13556	13315
GLOUCESTER	2650	2982	3006	2861	2881	3265	3585	3396	3354	3619
HUDSON	13004	11258	11671	11067	12567	12423	12757	13902	15103	12975
HUNTERDON	2474	2608	2514	2501	2528	2285	2331	2768	2839	2964
MERCER	8047	8765	10177	10772	9146	9140	8754	9305	9501	8483
MIDDLESEX	10748	10955	12643	12900	12012	12049	14322	13606	13468	12371
MONMOUTH	8226	8289	8567	8673	8396	8797	9250	9667	9995	9684
MORRIS	13739	11017	12008	11037	10455	10093	9864	9987	9948	11302
OCEAN	3777	3622	3726	3806	3566	4156	4006	4215	4179	4189
PASSAIC	6108	6419	6932	6658	5879	6090	6363	6507	6596	6297
SALEM	325	481	365	448	353	319	337	334	371	514
SOMERSET	6402	6873	7807	6501	7036	6970	6540	6365	6537	7382
SUSSEX	1277	1295	1366	1336	1315	1480	1463	1727	1651	1716
UNION	8399	8365	7760	7413	7097	7175	7514	7426	7350	7849
WARREN	1492	1326	1449	1336	1168	1265	1328	1518	1268	1618
<b>TOTALS</b>	<b>143329</b>	<b>142854</b>	<b>151370</b>	<b>148683</b>	<b>138433</b>	<b>146263</b>	<b>149217</b>	<b>155903</b>	<b>151540</b>	<b>149059</b>
Annual raw change		-475	8516	-2687	-10250	7830	2954	6686	-4363	-2481
Annual percentage change		-0.33%	5.96%	-1.78%	-6.89%	5.66%	2.02%	4.48%	-2.80%	-1.64%

Figure 2: Creative sector employment in New Jersey, 1998 to 2007

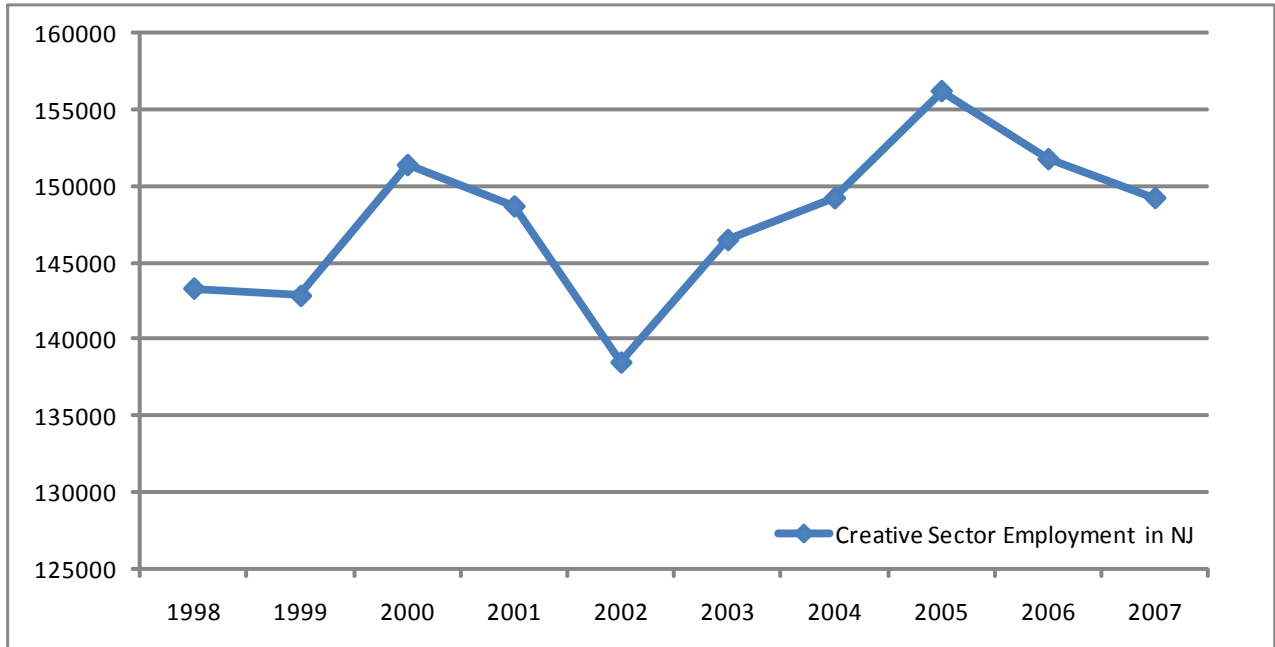


Figure 3: Creative sector employment in USA, 1998 to 2007

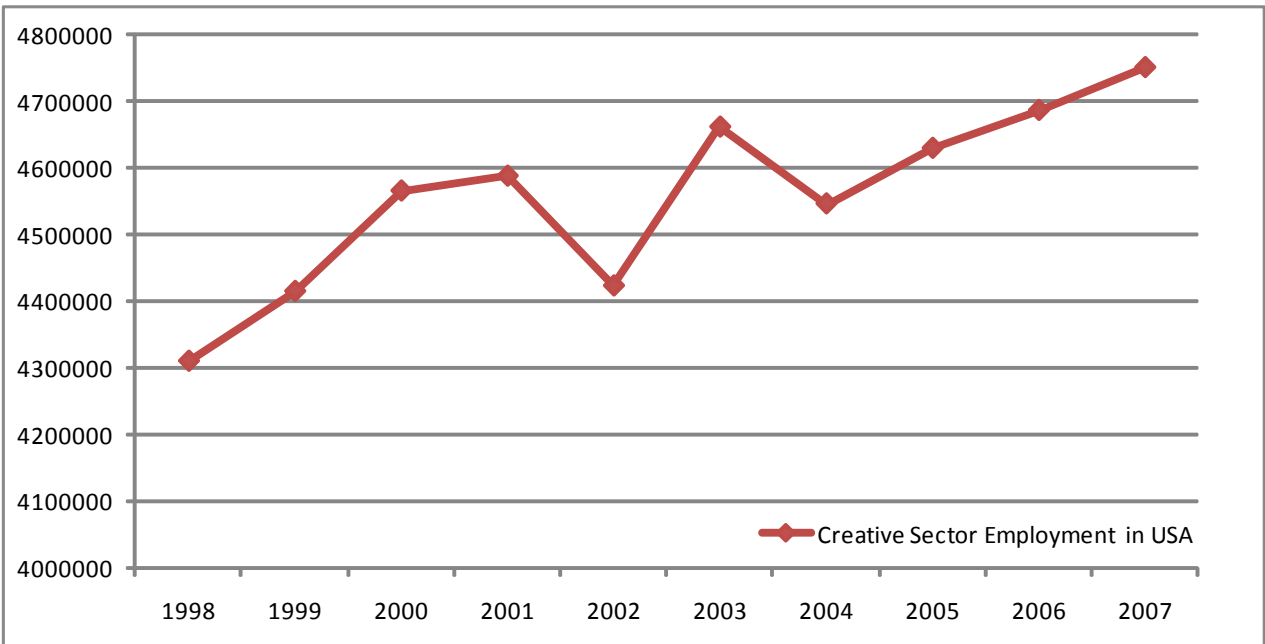


Figure 4: Annual percentage change in creative sector workers in New Jersey and USA, 1998 to 2007

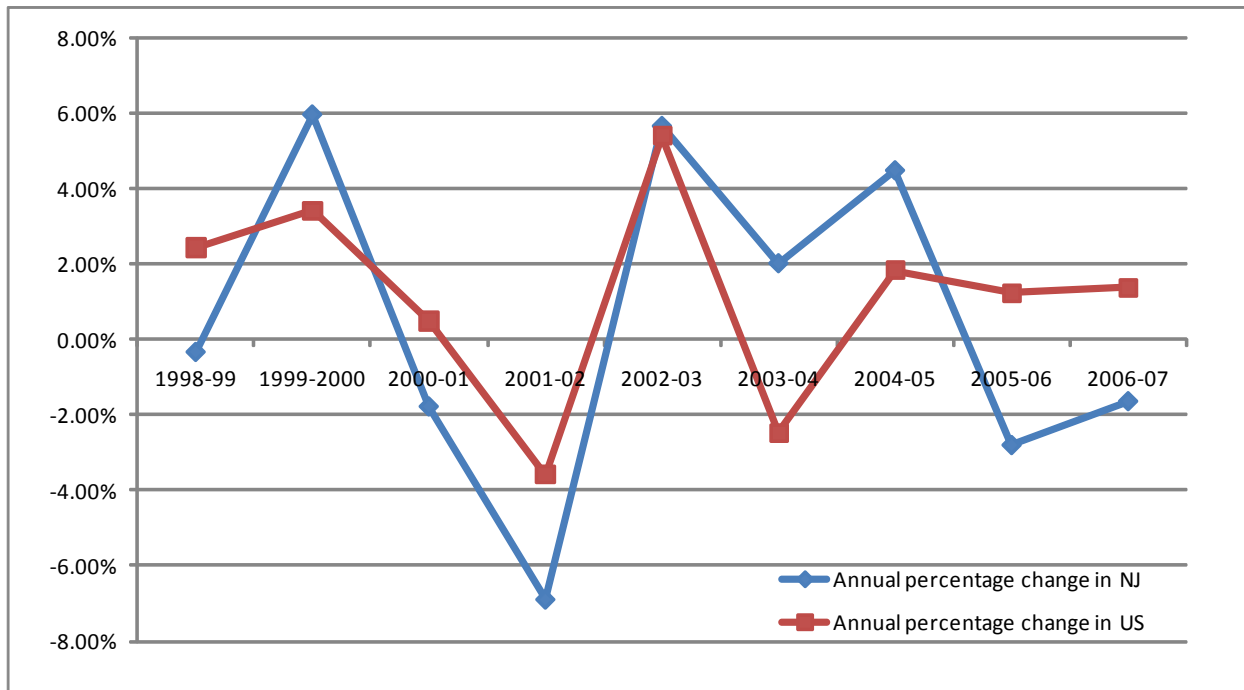


Figure 5: Ranking of average change in creative sector workers in New Jersey, by county, 1998 to 2007

Average annual number of creative sector workers 1998-2007	
BERGEN	25225
ESSEX	12853
HUDSON	12673
MIDDLESEX	12507
MORRIS	10945
CAMDEN	9274
MERCER	9209
MONMOUTH	8954
UNION	7635
SOMERSET	6841
BURLINGTON	6696
PASSAIC	6385
OCEAN	3924
ATLANTIC	3288
GLOUCESTER	3160
HUNTERDON	2581
SUSSEX	1463
WARREN	1377
CAPE MAY	1196
CUMBERLAND	1095
SALEM	385
<b>TOTALS</b>	<b>147665</b>

Average annual change in creative sector workers, 1998-2007	
MIDDLESEX	180
ESSEX	170
MONMOUTH	162
SOMERSET	109
GLOUCESTER	108
BERGEN	86
HUNTERDON	54
SUSSEX	49
MERCER	48
OCEAN	46
PASSAIC	21
SALEM	21
WARREN	14
CAPE MAY	9
HUDSON	-3
CAMDEN	-3
CUMBERLAND	-10
BURLINGTON	-23
UNION	-61
ATLANTIC	-70
MORRIS	-271
<b>TOTALS</b>	<b>637</b>

Average change in percentage, 1998-2007	
SALEM	7.80%
GLOUCESTER	3.75%
SUSSEX	3.57%
HUNTERDON	2.28%
SOMERSET	2.03%
MIDDLESEX	1.94%
MONMOUTH	1.88%
WARREN	1.83%
ESSEX	1.39%
OCEAN	1.35%
BERGEN	1.35%
CAPE MAY	1.22%
MERCER	1.02%
CAMDEN	0.70%
PASSAIC	0.51%
HUDSON	0.41%
BURLINGTON	-0.15%
CUMBERLAND	-0.42%
UNION	-0.66%
ATLANTIC	-1.29%
MORRIS	-1.72%
<b>TOTALS</b>	<b>0.52%</b>

Figure 6: Average number of creative sector workers in New Jersey, by county, 1998 to 2007

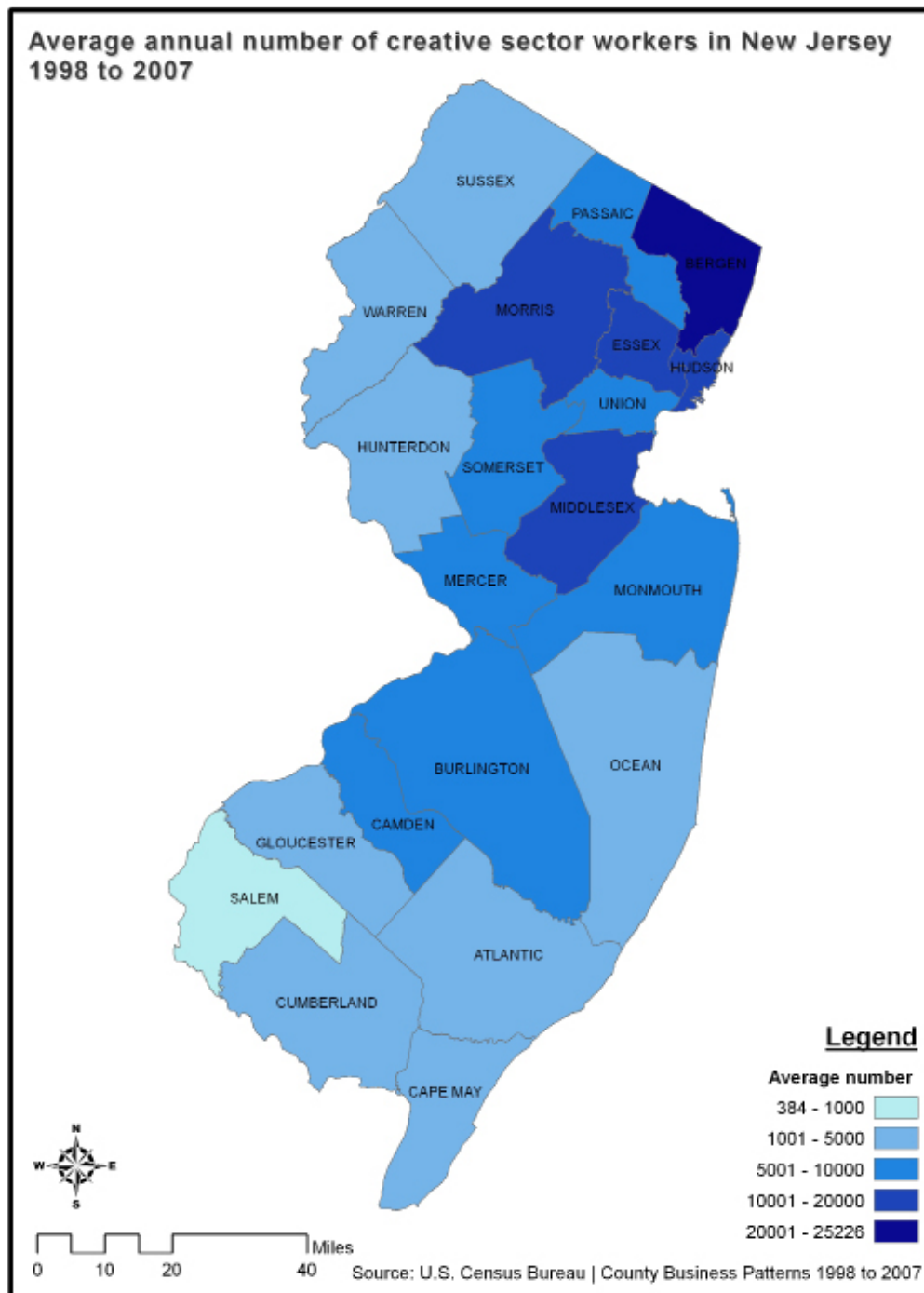
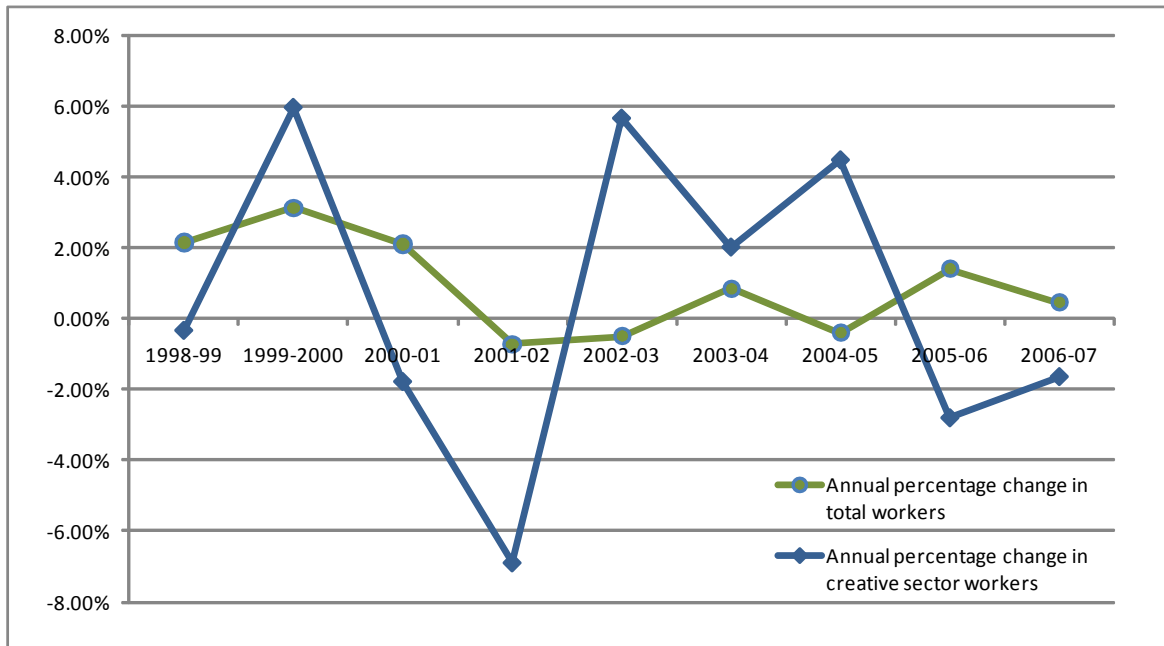




Figure 8: Change in creative sector in New Jersey versus change in overall economy in New Jersey, 1998 to 2007

	1998	2007	Change in number 1998-07	Percentage change 1998-07
Non-employers <sup>4</sup>	465587	590485	124898	26.83%
Workers in all sectors	3368365	3661679	293314	8.71%
Total workers in all sectors	3833952	4252164	418212	10.91%
Workers in creative sector	143329	149059	5730	4.00%
Share of creative sector	3.74%	3.51%		-0.23%

Figure 9: Annual percentage change in total workers and creative sector workers in New Jersey, 1998 to 2007



4. Nonemployer Statistics, Community Business Pattern, U.S. Census Bureau. <http://www.census.gov/econ/nonemployer>