

Introduction

Expanded job opportunities for the resident work force and options to reduce commuting to the metropolitan region are prominent features of Monroe 2020's vision, as expressed in the Goals and Actions statements and the Economic Development Policy, as is healthy fiscal balance that depends on increased economic development. There is wide agreement that the public costs of supporting public services - from education to police and libraries - have put great strain on residential taxpayers. The Economic Development Policy (Part III) describes the kinds of jobs and revenue generating investments the County intends to seek aggressively through its promotional/recruitment program.

This chapter provides a sense of scale to the economic development prospects. It offers conservative realistic projections of employment opportunities in Monroe County to 2010 and 2020, based on past experience and current trends. The projections could be exceeded if the County's promotional program is very successful and the national economy holds strong.⁹

Framework

Many of Monroe County's jobs are held by people who commute in from other areas. The Tobyhanna Army Depot, for example, is the County's largest employer. Fewer than 600 of its 3,600 employees live in Monroe County. The majority commute from the Scranton/Wilkes-Barre area to the north and west. Fewer workers, perhaps, but still not an inconsiderable number, commute to Monroe County jobs from areas in Northampton and Carbon Counties to the south.

Meanwhile, an estimated 9,000¹⁰ - or close to 18 percent of Monroe County's estimated 50,900 residents age 16 and older who are employed¹¹ - commute out of Monroe to work. Most of the commuters go to jobs in the New York-New Jersey Metropolitan areas, although some travel southward to Allentown-Bethlehem-Easton.

Thus, the county's labor force and its job base are not precisely aligned with each other. This is not an unusual situation in U.S. communities as, nation-wide, the tides of commuter vehicles flowing outward and inward daily attest.

Underlying Assumptions

Overall employment projections are cast in terms of three target dates. The year 2000 reflects very short term changes; 2010, a mid term, and 2020, a long term prospect. Different assumptions are incorporated in each, reflecting the increasing levels of uncertainty involved in out-year estimates. The accompanying Table 4 summarizes employment estimates and projections by sector.

Official Commonwealth estimates of Monroe County's at-place employment for 1997 are in the range of 43,000-44,000.¹² Despite ongoing efforts by state officials to adjust sample based data

⁹ A detailed examination of employment prospects for the County, identifying assumptions and references may be found in Rivkin Associates, "Employment Projections to 2020 for Monroe County, Pennsylvania", October 1998. Sources for that report include the Pennsylvania State Data Center, The Economic Development Council of Northeastern Pennsylvania, the Pennsylvania Bureau of Research and Statistics in the Dept. of Labor and Industry, Claritas Data Service, the New Jersey Department of Labor, and the U.S. Census Bureau of Economic Analysis.

¹⁰ Erin Doolittle, "Commuting on a bus is miserable . . ." *The Pocono Record*, April 4, 1998, p. H-10. The actual number of commuters may, in fact, be higher than 9,000.

¹¹ Claritas Data Service, "Workplace Population Report for Monroe County, Pennsylvania," March 1998.

¹² The Pennsylvania State Data Center estimates 42,700 wage or salary jobs including agriculture in Monroe County for 1997. Pennsylvania's Department of Labor and Industry, Bureau of Research and Statistics, *Nonagricultural Jobs Report: Release 3*, June 1998, estimates 43,900 excluding employment in agriculture.

Part II . . . The Analysis

and to keep abreast of layoffs and hiring by major employers, even the best data available are not precise counts.¹³

For the purposes of Monroe 2020, which is concerned with future space and land absorption by income generating activities, a fully augmented employment figure is the most useful guide. Thus for 1997, the number of jobs in Monroe County (in all categories covered by unemployment insurance and uncovered, agricultural and nonagricultural, formal and informal, et al) is assumed to be between 46,650 and 55,150.¹⁴ This range recognizes the variation in the official state employment tallies (and the different methods by which they have been derived), adding an estimate for the number of jobs not counted under their respective methodologies.

To bring this range up to the year 2000, gains realized in Monroe County over the recent past are assumed to continue at about 860 jobs per year. This would mean the addition of 2,600 jobs over the three-year period, 1997-2000, to each end of the range, resulting in a total employment level for the year 2000 somewhere between 49,250 and 57,750, an average annual growth rate of about 1.6-1.9 percent.

In the decade following 2000, Monroe County's rate of employment growth is estimated to level off at an annual average around 1.6 percent. A 1.6 percent annual rate for Monroe is consistent with similar rates expected in the nearby western fringe counties of New Jersey. Increasingly, as linkage between Monroe and the New York-New Jersey metropolitan region intensifies, the economic influences affecting the eastern side of the Delaware River will be felt on Monroe's side too. Estimates from the New Jersey Department of Labor for all counties and subregional groupings show New Jersey's "Northwest Region" averaging 1.6 percent gains in employment through the year 2005. This portion of the state, which encompasses Sussex and Warren counties, is expected to be the second fastest growing part of New Jersey, exceeded only by the "Coastal Counties." A similar job growth pattern is projected for Hunterdon County to the south, which will become more closely linked to Monroe when Route 33 is connected directly to I-78 after the year 2000.

The upper end of the 2010 range is generated by a slightly different assumption. If Monroe's employment base grows from a 1997 level of 55,150 at a steady annual rate of 1.9¹⁵ percent, by the year 2010 it would reach 60,500.

The longer term prospects between 2010 and 2020 reflect long-range metropolitan area employment projections prepared by the U.S. Census' Bureau of Economic Analysis. BEA's projections take into account broad national trends and regional shifts and shares. They suggest that job growth in the metropolitan areas to the east and north of Monroe will slow to around 1 percent annually. BEA expects that the Allentown-Bethlehem-Easton metropolitan region to the south will grow even more slowly. If Monroe employment grows from the projected 2010 level at a rate of 1.2 percent annually, it will reach 64,200 by 2020. If it can grow by 1.6 percent annually, total employment could top 70,000 by the horizon year of 2020. This would mean total 1997-2020 job growth in Monroe of 17,000-25,000, as much as a 50 percent increase over late 1990s levels. Given the uncertainty inherent in such long term projections, however, it is better to regard these numbers as a target rather than a firm forecast.

¹³Their respective methodologies (which focus on employers reports) tend to leave out certain types of income-generating activities such as multiple jobs held by individuals, self-employed tradespeople, intermittent and part-time workers not covered under unemployment insurance, free-lance workers, and unreported employment. In light of construction activity in Monroe, for example, it appears that construction employment may be under-counted. Also, telecommuters and manufacturers representatives with home offices outside the county would also be excluded from Commonwealth statistics for at-place employment in Monroe.

¹⁴Rivkin Associates, Op. Cit., p. 7.

¹⁵This is approximately the county's employment growth rate in the past 5-6 years.

What Sorts of Jobs

Distribution of total employment among sectors represents judgments based on a combination of factors. First, it reflects an overall trend toward services as the leading growth sector in Monroe as well as surrounding areas and the nation as a whole. According to the state Department of Labor and Industry, 84.3 percent of Monroe County's 1997 non-agricultural jobs were in "Service Producing Industries."¹⁶ Monroe 2020 projections show the share of these service producing jobs (including retail and wholesale trade) ranging from 83.4 to 87.4 percent in 2020.

Service producing industries are where the gains in employment are expected. Within this broad category, component sectors are estimated separately. In each case, recent trends have been analyzed and projected, then modified in relation to trends in other related sectors or to population growth and other factors as appropriate. These other factors include the sectoral distribution of employment in nearby Pennsylvania and New Jersey counties with locational characteristics akin to Monroe's or with earlier experience absorbing a spurt of "bedroom" residential development.¹⁷

"Goods producing" jobs, in agriculture, mining, construction and manufacturing, show gains of 16 percent as a group through year 2010, when they would employ 9,000-10,000 workers. From 2010-2020, a leveling-off or slight drop is shown due to productivity gains in the construction industry. The slow, steady gains shown for manufacturing assume Monroe's carefully targeted development program hits its mark, enabling the county to buck the overall trend of decline anticipated for manufacturing nationwide. Agriculture and mining, already small in 1997, do not show increase.

In Transportation, Communications and Public Utilities, a projected increase of 42 percent (1997-2020) will add 1,100-1,100 jobs. Growing need for local public transit, a virtual certainty, will play a role here. So, too, will the introduction of commuter and freight rail operations and growing needs for delivery and commuter services.

About 1,300 additional jobs are shown in the wholesale trade sector (1997-2020). Some new warehouse distribution development can be expected in connection with new manufacturing industry and re-introduction of rail shipping opportunities in Monroe. The growing local residential market will also be a stimulus.

Retail trade, Monroe's largest single sector in 1997, will continue to grow by as much as 45-50 per cent (close to 5,000 jobs) to 2020. The combined business generated by residential growth, vacation recreation shoppers and regular weekend/second home visitors can be expected to expand.

The Finance, Insurance, and Real Estate sector, spurred largely by new residential construction and new residents, along with economic development efforts to attract "back office" corporate functions shows prospects of doubling, with the addition of 1,700-1,800 jobs by 2020.

¹⁶ Bureau of Research and Statistics, Department of Labor and Industry, Nonagricultural Jobs Report: Release 3, June 1998, p. 38.

¹⁷ Monroe 2020's consultants also examined the employment profiles of counties across the nation in the population size classes Monroe County is projected to pass through by the year 2020. Many of these analogous counties are, like Monroe, at the fringes of their metropolitan regions or contain the rural/exurban/suburban periphery of smaller free-standing metropolitan areas. Many, like Monroe, are distinguished by significant visitor attractions, weekend/recreational home development and a substantial tourism industry or institutions of higher education. Thus, the Retail sector and Education-related employment projections, for example, were tested for reasonableness in the context of many communities.

“Services” as such is a big and complex category, encompassing a wide cross-section of occupational skills and levels in many different fields of professional endeavor among both providers and the spectrum of clients. Almost half of Monroe’s employment fits under this heading, when public and private sectors are both included.

Hotel and Lodging employment (included under Entertainment and Recreation in Table 4) has been traditionally the largest single sub-component of services in Monroe. It is shown essentially holding its own. The biggest gainers will be Business Services and Other Professional and Miscellaneous, as the growing commercial/industrial sector generates needs for services and support from temporary employment providers to landscaping and other contracting services, equipment sales, accounting, and legal providers. Monroe’s gain in Business Services is shown as 6,200 new jobs. In Other Professional and Miscellaneous Services, a residual catchall category, total employment will probably fluctuate around the same general level.

Within the Public or Governmental Sector, employment will likely increase 35-40 percent, even as the federal government component contracts. Presumably, the Tobyhanna Army Depot will continue in operation. Local government administrative functions and public education (teachers, administrators and other personnel)¹⁸ would be where the major growth occurs.

Commuting Continues

From the very beginning of the Monroe 2020 program, commuting patterns have concerned task force members and citizens at large particularly in terms of the proportion of residents engaged in commuting and how this affects community life as well as their personal lives. The Goals and Actions statements have stressed the desirability of increasing attractive employment opportunities closer to home so that more of Monroe’s families would not have to accommodate the demands of commuting in their lifestyle.

Unless some fundamental changes occur, however, in demographics and regional economic conditions that are far beyond Monroe County’s control, the numbers of commuters and the proportion of commuters in the County’s labor force are likely to rise dramatically by 2020. Despite an increase of 30-50 percent in at-place employment projected to the year 2020, growth in local job opportunities will likely be outpaced by population growth and household formation.

A significant salary differential between metropolitan area and local area jobs was documented in the 1997 Chamber of Commerce commuter survey. If Monroe County remains an appealing, affordable place to live and offers a steadily increasing quality of life it will continue to attract households with members who are willing to travel, even long distances, to relatively higher paying positions outside the county. Although a better balance between local housing and employment opportunities is desired, commuter households will contribute to the support of high quality public services and local businesses and can play a constructive role in community life.

¹⁸ Projections of education employment call for particular attention. Much of the cost for teachers, administrators and other staff is supported by the public tax base, although growth has also put pressure on the parochial schools and other private institutions as well. Monroe County’s two institutions of higher learning, ESU and Northampton Community College are, moreover, publicly supported schools so their employment would be included in the public educational services category.

Building Space Demand

While dwelling unit demand is the principal generator of land requirements in the residential sector, building space which workers require for performance of the whole range of production and support activities is the equivalent generator in the non-residential sectors.

On the following page are estimates of space requirements, 1997-2020, by sector for facilities to accommodate approximately 23,500 new workers.¹⁹ The figures are derived from generally acceptable national standards of floor space/worker and estimated numbers of employees in each category, assuming that all will be accommodated in buildings completed or substantially renovated between 1997 and 2020.²⁰

Table 5
Estimated Building Space Needs
for Selected Non-Residential Activity
Monroe County 1997 - 2000

<i>Sector</i>	<i>Space Demand (square feet)</i>
<i>Construction</i>	212,000
<i>Manufacturing</i>	54,000
<i>Transportation, Communications, & Public Utilities</i>	152,000
<i>Wholesale</i>	644,000
<i>Retail</i>	2,525,000
<i>Finance, Insurance & Real Estate</i>	438,000
<i>Services</i>	2,423,000
<i>Government including Education</i>	1,452,000
TOTAL	8,200,000

¹⁹ Explicitly excluded from the calculations are 1,000 or more additional workers that would represent expansion of the tourism and resort industry. This is because of the vast and existing lands and physical plant of resort and tourism facilities for which information on excess capacity is not available. Here, the assumption is that, while new hotels and resort facilities may well be constructed, for overall planning purposes present land holdings and physical plant are capable of absorbing new increments of space.

²⁰ For the standards applied and the detailed analysis, see Rivkin Associates, "Non-residential Building and Land Demand Estimates," Monroe County, 1997-2020, November 1998.