

# Contribution of the Commercial Banking and Savings Institutions Sectors to the New Jersey Economy

**February 2019**

Submitted to:

**NEW JERSEY BANKERS ASSOCIATION**

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The brain can only absorb what  
the seat can endure.

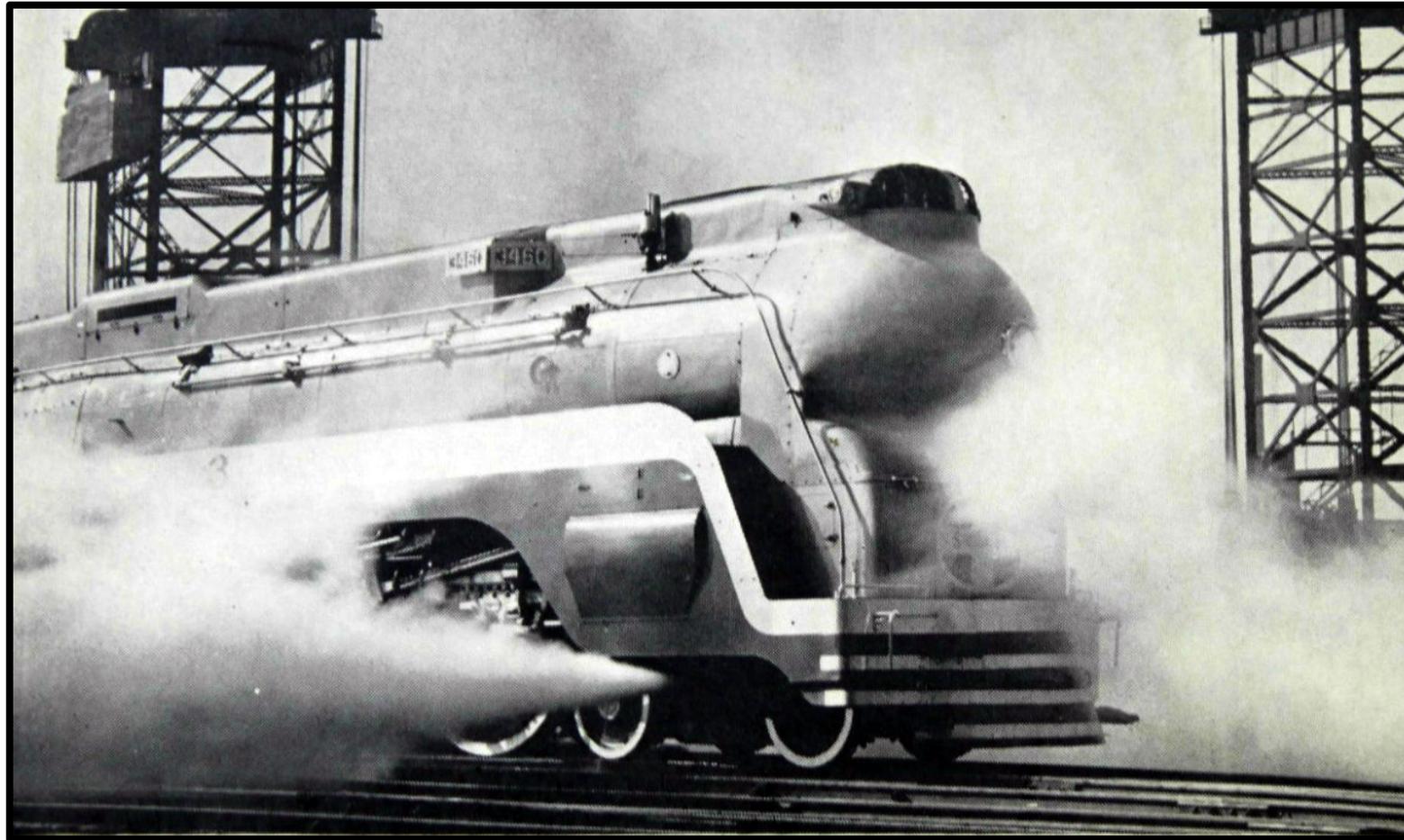
Anonymous



# Banking: Crucial to a Growing Economy



# Commercial Banks and Savings Institutions: A Major New Jersey Economic Locomotive



# **Believe It or Not**

**The Second Longest U.S. Economic  
Expansion in History**

**June 2009 – March 2019**

**117 Months in Length**

# March 9, 2019: Bull Market's 10<sup>th</sup> Anniversary



# Everybody's a Genius in a Bull Market





## **The Current National Expansion**

**120 Months in Length**

**June 2009-June 2019**

**Tied for Longest in History**

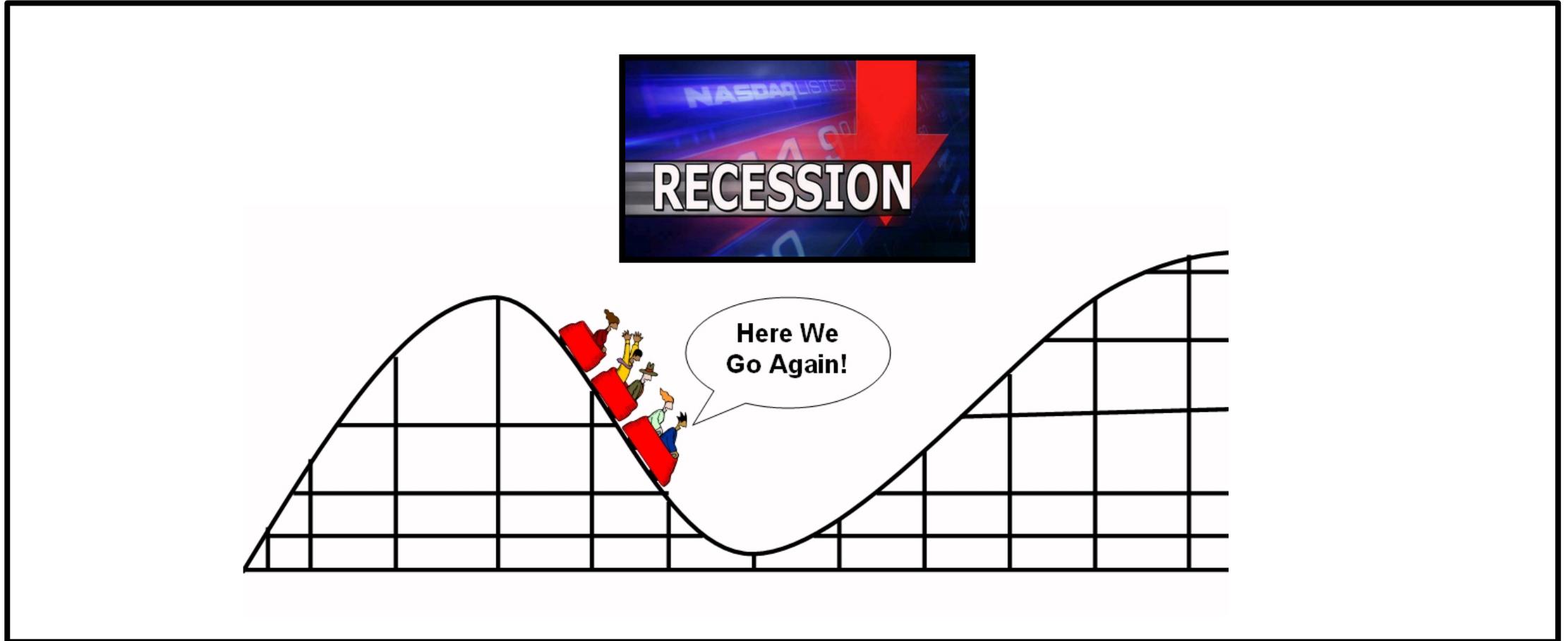


**July 2019: The Tie is Broken**

**July 2019: 121Months in Length**

***The New Longest Expansion in U.S. History***

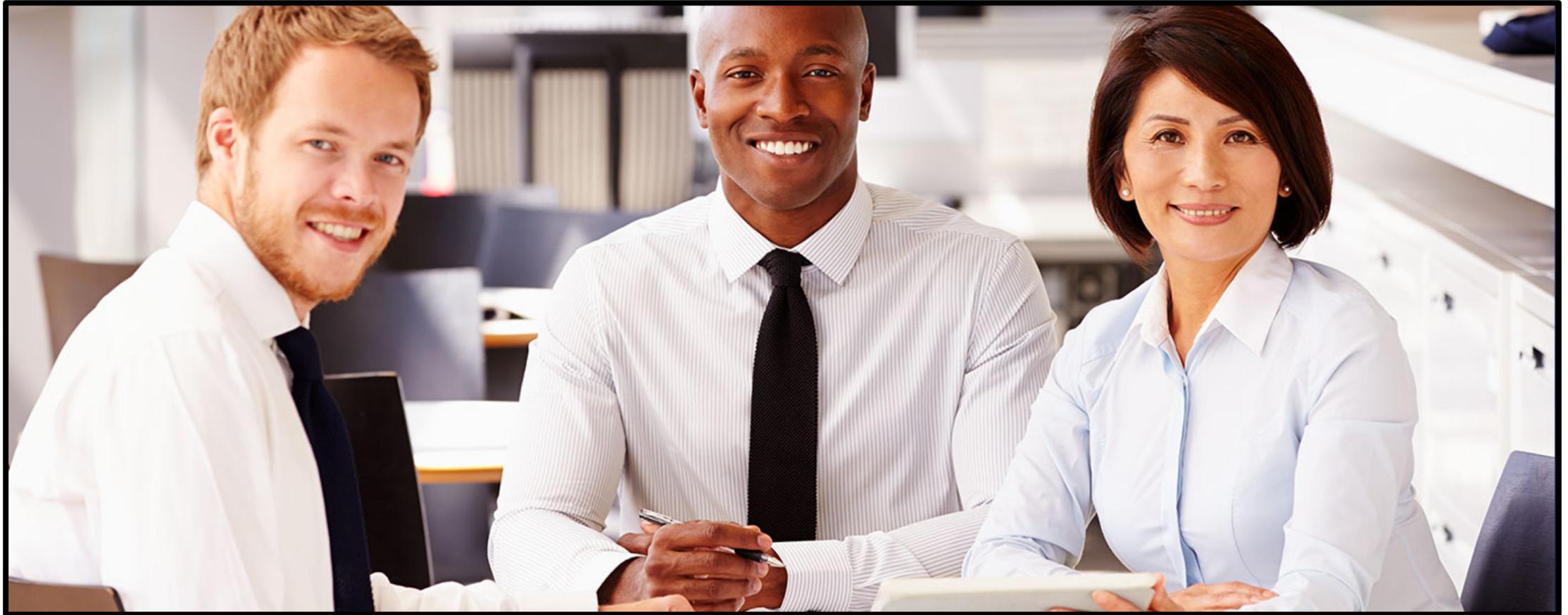
# We Have Yet to Invent a Boom That Lasts Forever







# Indirect Employment: 141,000 Jobs



# Total Employment: 189,000 Jobs



# Banking = 5% of New Jersey's Private-Sector Employment



# Banking = 4+ Years of Private-Sector Employment Growth in NJ





# 2001-2017 Banking Job-Growth Comparisons

**New Jersey**                      **+19.8%**

**United States**                      **-3.5%**





# 2008-2017 Banking Job-Growth Comparisons

**New Jersey**      **-2.0%**

**United States**      **-7.8%**



# 2008-2017 Establishment Comparisons

**New Jersey**                      **-13.4%**

**United States**                      **-2.0%**



# 2017 Direct Banking Industry Profile

<b>Total Establishments</b>	<b>3,045</b>
<b>Total Direct Employment</b>	<b>48,000 jobs</b>
<b>Total Direct Wages</b>	<b>\$4.8 billion</b>
<b>Gross Domestic Product (Direct)</b>	<b>\$8.7 billion</b>

# Banking Industry Total Impact

	<u>Direct</u>	<u>Indirect</u>	<u>Total</u>
<b>Employment</b>	<b>48,000</b>	<b>141,000</b>	<b>189,000</b>
<b>Wages</b>	<b>\$4.8 billion</b>	<b>\$9.9 billion</b>	<b>\$14.7 billion</b>
<b>GDP</b>	<b>\$8.7 billion</b>	<b>\$13.7 billion</b>	<b>\$22.4 billion</b>

# Banking Industry Tax Impact (Direct and Indirect)

**Annual State Tax Revenue: \$726 million**

**Annual Local Tax Revenue: \$598 million**

# Bottom Line Impact



# Quality of Jobs and Wages?



# 2017 Average Annual Pay

## Banking Industry

New Jersey	\$100,000
United States	\$80,000

<u>All NJ Industries</u>	\$64,000
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# 2012-2017 Change in Average Annual Pay in New Jersey

	<u>Absolute</u>	<u>Percent</u>
<u>Banking Industry</u>	\$27,600	38.2%
<u>All NJ Industries</u>	\$5,400	9.2%



# Minimum Wage Comparisons

**2017 N.J. Bank Teller Average Hourly Wage:            \$15.21**

**2019 N.J. Minimum Wage:    \$8.85**

**2024 N.J. Minimum Wage:    \$15.00**

# Community Engagement



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