Labor Demand Occupations List: 2022
Developed by:
New Jersey Department of Labor and Workforce Development, Office of Research and Information

I.   Overview

The Labor Demand Occupations List (LDOL) for 2022 uses an updated methodology to determine which occupations are expected to have a "significant excess of demand over supply for adequately trained workers." The 2022 LDOL will be in effect on July 1, 2022. Given New Jersey's relatively small size, there is a single statewide list for all occupations.

This methodology considers many factors, incorporating data from a variety of sources, to determine whether an occupation is in demand. These include:

- total employment in the occupation (Demand)
- long-term projections of actual job growth (Demand)
- long-term projected employment growth rate (Demand)
- long-term projections of annual job openings (Demand)
- online job postings (Demand)
- unemployment insurance claimants (Supply)
- reported completers by Classification of Instructional Program (Supply)

II.   Basic Methodology
Labor Demand Occupations
In order to be classified as "in demand", an occupation must meet criteria related to total employment and projected demand. In addition, all occupations classified as management occupations (SOC 11-) or "All Other" occupations (SOC often ending in 99) are excluded from this list.

Total Employment
An occupation *must have a statewide employment level of at least 2,000* in order to be considered for the demand list. In 2022, there were 293 occupations meeting this threshold, or 37 percent of the 799 occupations in the state.

Short-term Historical Growth
An occupation *must have experienced short-term historical growth from 2017 to 2020* in order to be considered for the demand list. In 2020, there were 278 occupations that met this threshold, or 35 percent of the 799 occupations in the state.

Strong Projected Growth Rate
Any occupation that is projected to add employment at a rate double the statewide average of 5.7 percent is considered for the demand list. In 2022, there were 150 occupations meeting this threshold, or 19 percent of the 799 occupations in the state.

Any occupation that meets all three of these thresholds is included on the demand list, simply based on its strong demand. In 2022, there were 23 occupations meeting all three of these thresholds, or 3 percent of the 794 occupations in the state. In addition, and due to the extraordinary circumstances reflected in the labor market information in 2020, all occupations that were included on the Demand Occupations List in 2020 will remain until the next update.

III.   Enhanced Methodology

Supply vs. Demand Analysis

In an attempt to identify those occupations where there is "significant excess of demand over supply for adequately trained workers", the following steps were taken:

1. Each of the seven variables listed above (5 measuring demand, 2 measuring supply) were indexed on a scale of 0 to 1 to the maximum value for each individual measure.
2. In order to get a single value for both supply and demand, an average (between 0 and 1) was calculated based on the individual indexed values.
3. Any occupation where the demand value was greater than the supply value by at least .1 is also to be considered as in demand.

In addition, an analysis was also performed using actual supply and demand metrics to gauge annual levels. Any occupation where projected annual job openings exceed annual supply by greater than 200 was deemed in demand.

IV.   Results of New Methodology

After adjustments made to account for changes in occupational classification, there were a total of 127 occupations (16% of the 799 occupations in the state) that are considered to be in demand based on this new methodology. The combined employment of these occupations is 1,865,920 in 2022 (50% of the total occupational employment in the state).

V.   Additions to Demand Occupations List

Additional Targeted Occupations
The Department of Labor and Workforce Development may during the course of the year add occupations to the list, based on an analysis of the workforce needs of key industries in the state or based on changing labor market conditions.

Local Labor Demand Occupations
While the labor demand occupation list is based on a comprehensive analysis of supply and demand factors on a statewide basis, local labor market conditions may differ from those determined for the state. Local Workforce Development Boards (WDB) can request that additional occupations be added

to the labor demand list for their area only if they demonstrate that there is a "significant excess of demand over supply for adequately trained workers" in the surrounding labor market area.

Such requests must be made in writing by a local WDB and must include supporting documentation or data. Local WDBs should submit these requests to: The Center for Occupational Employment Information (COEI), P.O. Box 057, Trenton, New Jersey 08625.