

The New Jersey Defense Breakdown Economic Impact Report

Go to www.forthecommondefense.org/reports to view detailed reports on New Jersey counties, cities, Congressional Districts, industries, small businesses and information on sources and methodology.

- **9%:** In 2012, President Obama limited U.S. military capability to fighting one “regional conflict” and one “holding action.” Defense budgets for 2013-2021 were cut **\$487 billion – a 9% cut, at a minimum.**
- **18%:** “Sequestration,” required by law in 2011, mandates **\$500 billion** more in 2013-2021 defense cuts – **an 18% cut, at a minimum.** President Obama said he will veto any changes Congress makes.
- **Be Prepared:** In 2013 **these cuts in defense jobs and businesses** will hit New Jersey counties, cities and industries. This report shows how “National Average” defense budget reductions of at least **9% and 18% could affect New Jersey, using actual 2010 New Jersey data.**
- **Ask Questions:** In 2012, Congress and President Obama will decide on the specific defense budget cuts. In the next 6 months, find out if these defense cuts affect your community more – or less – than this national average. See www.forthecommondefense.org/reports for reports on cities, counties, industries and more.

A 2011 nationwide economic impact study from the Center for Regional Analysis predicts that New Jersey could lose tens of thousands of jobs and billions of dollars under the “Sequestration” law:

- New Jersey could lose 23,870 jobs.
- New Jersey’s economy could lose \$1.41 billion in lost earnings.
- New Jersey could see a \$2.05 billion decrease in Gross State Product (GSP).

Congressional experts estimate New Jersey could lose DOD military active-duty and DOD civilian jobs:

- Under “Sequestration,” 1,112 **military active-duty employees** could lose their jobs.
- Under “Sequestration,” 3,804 **civilian DOD employees** could lose their jobs.

New Jersey Top 5 Counties Projected Revenue Reductions Based On National Average

County Name	2000-2010 Revenue	2010 Revenue (Baseline)	2013-2021 Annual Revenue Reduced By At Least 9%	Under Sequestration: 2013-2021 Annual Revenue Reduced By At Least 18%
Monmouth	\$11,985,446,139	\$2,730,188,371	-\$245,716,963	-\$491,433,926
Burlington	\$17,010,427,751	\$2,161,860,705	-\$194,567,471	-\$389,134,942
Morris	\$4,521,863,369	\$598,614,023	-\$53,875,264	-\$107,750,528
Camden	\$3,906,548,120	\$511,617,798	-\$46,045,604	-\$92,091,207
Essex	\$3,171,498,769	\$459,293,934	-\$41,336,456	-\$82,672,911



New Jersey businesses will not escape the 9% and 18% cuts.

Public data for 2010 shows New Jersey businesses earned over \$8.45 billion supporting America’s defense:

- But under these 10-year defense cuts of at least 9%, New Jersey **annual business losses** could be greater than **\$761 million**. New Jersey businesses may have to **fire workers**.
- And at the “Sequestration” level of at least 18% in defense cuts, New Jersey **annual business losses** could be greater than **\$1.52 billion**. Some New Jersey businesses may have to **shut down**.

With at least 9% or 18% in planned budget cuts, New Jersey’s small businesses will suffer.

From 2000-2010, {TotalBusinesses} New Jersey businesses provided goods and services for America’s national defense:

- **229 minority-owned businesses**, including 50 owned by Black Americans, 67 owned by Hispanic Americans, 6 owned by Native Americans, 46 owned by Asian-Pacific Americans, and 60 owned by other minority Americans.
- **188 small businesses** including 91 “8A” and **small disadvantaged businesses (SDB’s)**
- **283 woman-owned** businesses
- **184 veteran-owned** businesses, including 43 owned by **service-disabled veterans**

New Jersey Businesses Projected Revenue Reductions Based On National Average

Type of Business	Numbers of This Business Type 2000-2010	Revenue for This Business Type 2010	Revenue Losses for Business Type 2010 - at Least 9% Reduction	Revenue Losses for Business Type 2010 - at Least 18% Reduction
Minority Owned	229	\$567,200,582	-\$51,048,054	-\$102,096,109
Small Businesses	97	\$373,077,155	-\$33,576,945	-\$67,153,891
Small Disadvantaged	91	\$216,199,470	-\$19,457,953	-\$38,915,906
Veteran-Owned	141	\$222,948,324	-\$20,065,350	-\$40,130,700
Service-Disabled Veteran	43	\$64,004,771	-\$5,760,430	-\$11,520,859
Black American	50	\$150,742,227	-\$13,566,801	-\$27,133,602
Hispanic American	67	\$158,933,065	-\$14,303,976	-\$28,607,953
Asian-Pacific Owned	46	\$83,576,649	-\$7,521,899	-\$15,043,797
Women-Owned	283	\$252,672,485	-\$22,740,525	-\$45,481,049

