



Letter to the Editor

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Dear Editor:

Regarding Alfred Doblin's September 2, 2013 column ("That giant sucking sound on Labor Day"), I wholeheartedly agree with his argument related to the need to "create good-wage industries" in New Jersey. However, high energy costs coupled with heavy-handed and expensive regulations drive up the cost of doing business in the state for the business of chemistry and other good-paying manufacturing jobs.

Our industry directly employs more than 50,000 people with an average annual salary of \$111,000. Though the industry today employs about fifty percent less people than it did 13 years ago, the industry still contributes \$27 billion to the state's economy and represents 23.3% of its exports, about \$8.6 billion.

Energy is a vital component of the industry's cost structure, higher energy prices can have a substantial impact on a corporation's decisions to site new or expand existing manufacturing facilities, and states with lower energy costs become more appealing. The impact of high energy rates on our manufacturing economy is apparent in New Jersey, where industrial ratepayers pay the 8th highest rates in the nation, about 60% above the national average.

Similarly, in a state where environmental permits can take years to be issued or even renewed and cost far more than they do elsewhere in the country, including states in the Northeast, increasingly corporations have left for other locations. New Jersey's inefficient regulatory framework is making it difficult to operate manufacturing plants efficiently.

The chemistry industry's ability to create and retain the "good-wage" jobs it offers depends on a balanced regulatory approach, which addresses both the needs of environmental protection and the financial realities facing our state. Likewise, we can help lower energy rates for all New Jersey residents, including industry, by pursuing policies that expand access to domestic energy resources and at the same time encourage fuel diversity and efficiency.

I have no doubt that we can create reforms to incentivize investment in New Jersey's manufacturing sector, while protecting public health and the environment. I ask that our state's policy leaders join us in this effort.

Sincerely,

A handwritten signature in black ink that reads "Hal Bozarth". The signature is written in a cursive, slightly slanted style.

Hal Bozarth
Executive Director

The Chemistry Council of New Jersey (CCNJ), founded in 1955, is the premier trade and advocacy organization representing the interests of about 75 New Jersey manufacturers in the business of chemistry. Our membership consists of large and small companies that are part of New Jersey's chemical, pharmaceutical, consumer packages goods, petroleum refining, flavor & fragrances and precious metals industries. The CCNJ is committed to a better quality of life through science.