By Terrence Dopp

Sept. 7 (Bloomberg) -- New Jersey Governor Jon Corzine said his Republican challenger lacks a plan to create jobs and deal with the U.S. recession, while Christopher Christie said the incumbent’s sales- and income-tax increases have driven jobs from the state.

Corzine, a Democrat, trails Christie in opinion polls in his bid for a second term, as the campaign entered the stretch-run today. New Jersey lost ground to neighboring states, such as Pennsylvania, as Corzine raised the sales tax by $1.1 billion, increased levies on the wealthy and raised fees on businesses, Christie said.

The incumbent said he expanded business incentive programs and created $3,000-per-job credits since taking office in 2006. He cited 13,000 jobs created in July as the nation remains in a recession that began in December 2007.

“Quite frankly, we are seeing private sector growth,” Corzine, 62, said as he greeted supporters and marched in a Labor Day parade in South Plainfield. “That has something to do with our policies, and he knows that.”

Corzine, the former chairman of Goldman, Sachs & Co., trailed Christie, 47 percent to 37 percent, in a Quinnipiac University poll this month. The tally of 1,612 likely voters had an error margin of 2.4 percent. His approval rating slumped amid voter angst over the economy.

New Jersey’s jobless rate for July was 9.3 percent compared with 8.5 percent in neighboring Pennsylvania. The state hasn’t fared as well as others, Christie said.

“He’s raised taxes and fees, which has made us non-competitive,” Christie, 46, said while participating in the same parade as Corzine. “We had the lowest unemployment in the region when he came to office. Now we have the highest. That’s in direct relation to his policies.”

Meeting Supporters

The candidates spent the holiday greeting voters, capping a weekend of campaigning at parades and street fairs. The U.S. Labor Day observance marks the final and most-intense stage of political campaigns. The candidates said they plan to increase voter outreach and advertising in the two months before Election Day, Nov. 3.

The governor spent the weekend rallying Democratic-leaning groups such as unionized Rutgers University faculty members in Piscataway and meeting supporters at an Indian festival, street fairs and church dinners.

Christie, 46, spent the weekend on a bus trip from Cape May on the state’s southern tip, with stops along the Jersey Shore before ending the day in Bergen County in northern New Jersey.

‘In the Dark’

“This campaign has largely happened in the dark up until this point. The typical voter in New Jersey doesn’t pay attention until well into the fall,” said Peter McDonough, communications director for former Governor Christine Todd Whitman, who upset Democratic incumbent James Florio in 1993 after early polling showed her trailing.

“There’s an overwhelming distrust of incumbents right now.”

McDonough, a professor at the Eagleton Institute of Politics at Rutgers University, said he has no ties to the Christie campaign.

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