

Quarterly Employment Indicators for Virginia



First Quarter Summary:

The Commonwealth's job market recovery continued in the first quarter of 2022 as total nonfarm payrolls approached four million jobs. As the Commonwealth continued to reopen, the outlook for Virginia's labor market was shaped by its economic performance at the end of 2021. During that time, Virginia's economy accelerated over the quarter, but at a slower pace than nationwide, as real gross domestic product (GDP) increased by an annual rate of 6.0% in the fourth quarter of 2021. The growth was primarily led by the service sector. The two largest industry contributors to growth were professional, scientific, and technical services and information. The producing part of Virginia's economy held back as construction and utilities declined over that period. Real GDP growth in the Commonwealth likely slowed substantially in the first quarter of 2022, as U.S. GDP decreased at an annual rate of 1.5% during that period.

The rapid pace of movement of workers between jobs, along with the difficulties hiring and retaining them, were perhaps the biggest factors in quarterly job growth among industries. During the first quarter of 2022, measures of Virginia job openings and labor turnover indicated that turnover remained high, as the Commonwealth continued to see an unusual amount of 'churn' (the pace of job hires and separations) in the job market. Nationwide, leisure and hospitality (accommodations and food service, in particular) led in churn rate, while government and finance and insurance had among the lowest rates of churn. With both layoffs and unemployment in the state at very low levels, firms appeared reluctant to let staff go amid near record-high numbers of job openings. Modest upticks in hiring and in the ability to fill positions compared to conditions in 2021 provided some positive news for employers in March. At the same time, it appeared to be an opportune moment for many job seekers who felt that they could quit their jobs and easily find another, better position.

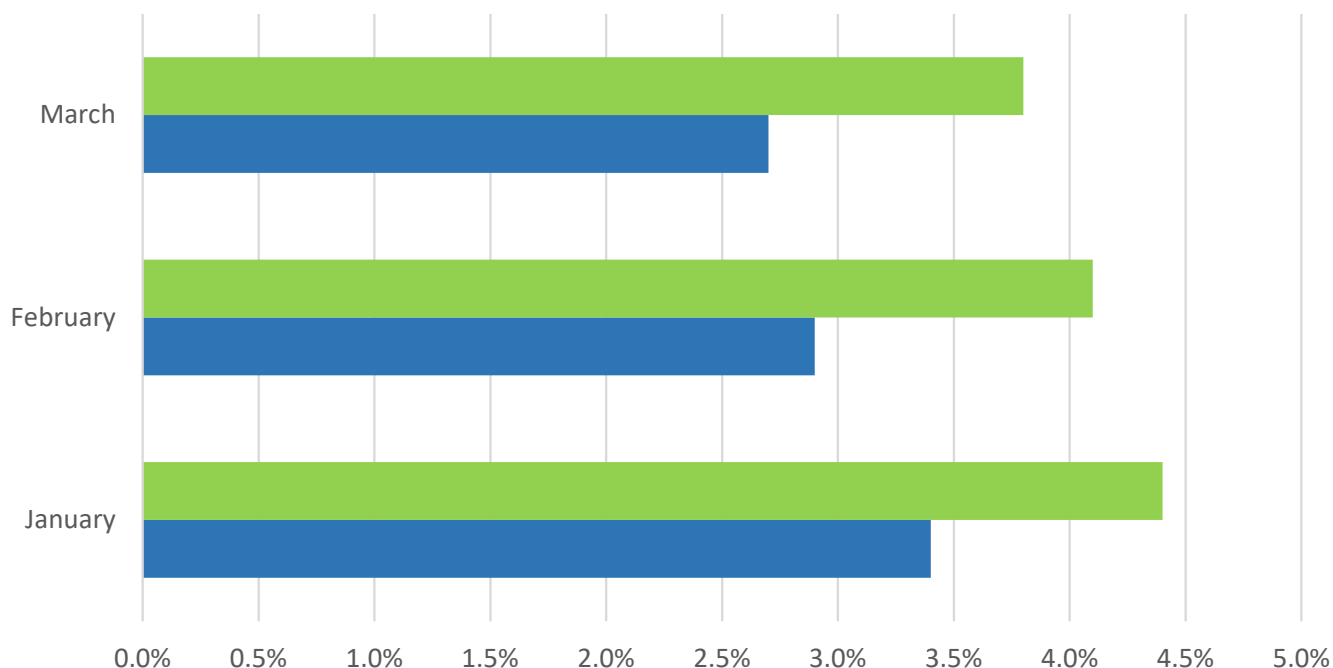
At the start of 2022, labor market conditions indicated that the Commonwealth of Virginia continued in its recovery from the most recent economic recession. While employment dislocation resulting from the pandemic and technological change seemed to become a growing challenge, opportunities and reemployment strategies remained within reach of many of those that were impacted by them.

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1st Quarter 2022 Unemployment Virginia vs. U.S.

(Unadjusted)

Unemployment Rates



	January	February	March
■ U.S.	4.4%	4.1%	3.8%
■ Virginia	3.4%	2.9%	2.7%

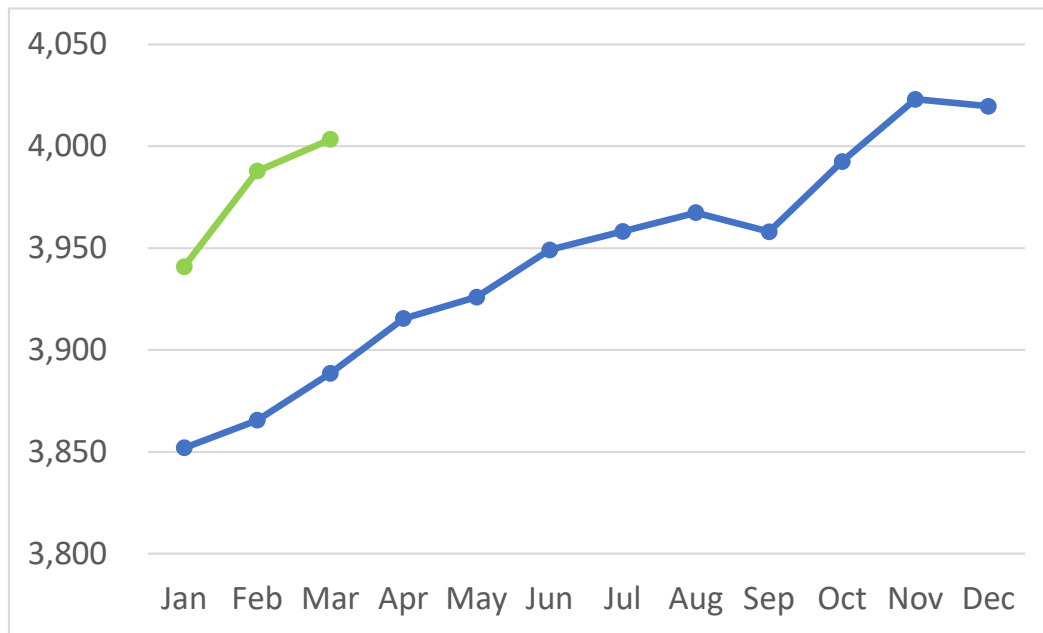
Employment/Unemployment

Virginia			U.S.	
Month	Employment	Unemployment	Employment	Unemployment
January	4,146,890	146,689	155,618,000	7,207,000
February	4,178,876	125,842	156,942,000	6,782,000
March	4,221,770.	117,549	158,106,000	6,168,000

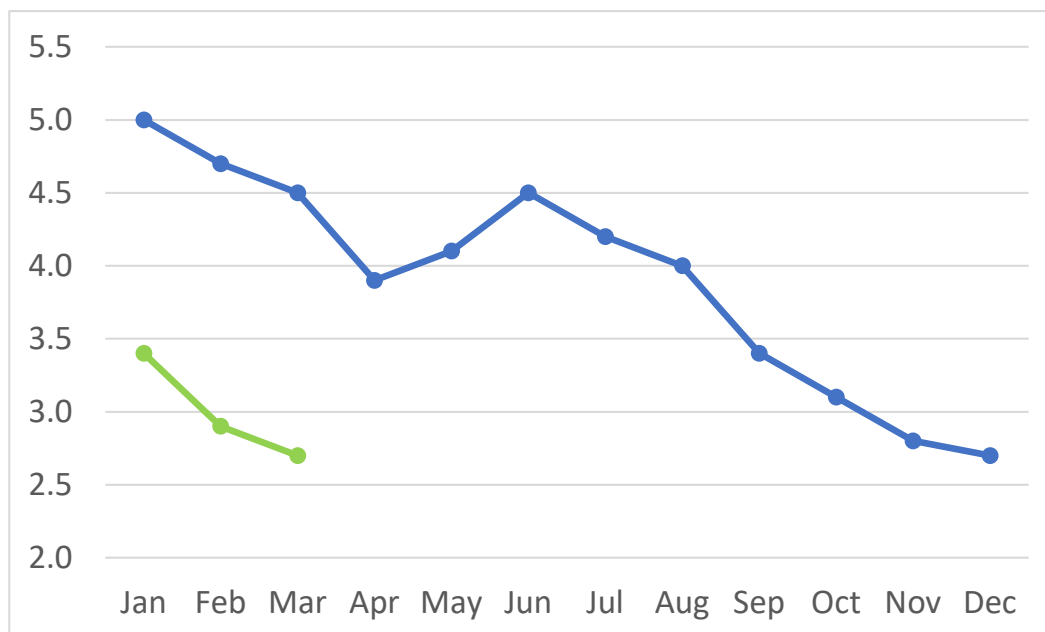
Sources: Virginia Employment Commission, Economic Information & Analytics, Local Area Unemployment Statistics, and Bureau of Labor Statistics.

Total Nonfarm Employment and Unemployment

Nonagricultural Wage and Salary Employment
(Thousands)



Total Unemployment Rate
(Percent)



2021 2022 1st Quarter (Unadjusted)

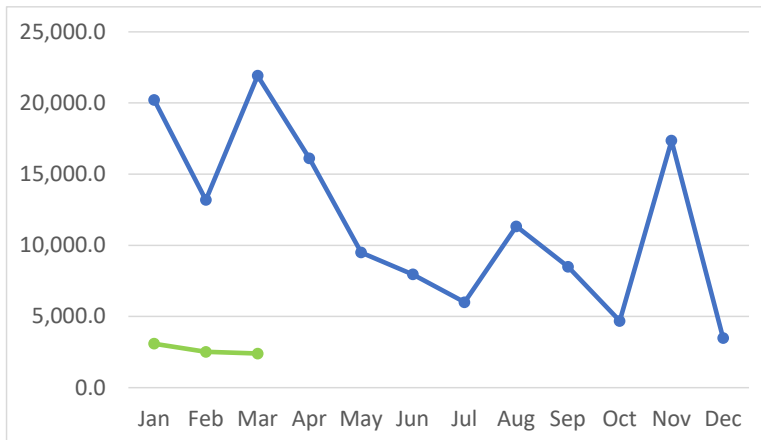


	Nonagricultural Wage and Salary Employment (Thousands)		Total Unemployment Rate (Percent)	
2021	Unadjusted	Adjusted	Unadjusted	Adjusted
January	3,940.9	3,993.6	3.4	3.3
February	3,987.8	4,018.2	2.9	3.2
March	4,003.4	4,024.2	2.7	3.0
April				
May				
June				
July				
August				
September				
October				
November				
December				

2020	Unadjusted	Adjusted	Unadjusted	Adjusted
January	3,852.0	3,899.7	5.0	4.8
February	3,865.5	3,903.0	4.7	4.6
March	3,888.6	3,911.7	4.5	4.5
April	3,915.4	3,913.3	3.9	4.3
May	3,926.0	3,919.4	4.1	4.1
June	3,949.1	3,921.7	4.5	4.0
July	3,958.2	3,950.4	4.2	3.8
August	3,967.4	3,967.2	4.0	3.6
September	3,958.1	3,958.9	3.4	3.4
October	3,992.5	3,973.4	3.1	3.4
November	4,023.1	3,986.8	2.8	3.3
December	4,019.6	3,994.4	2.7	3.3

Unemployment Insurance

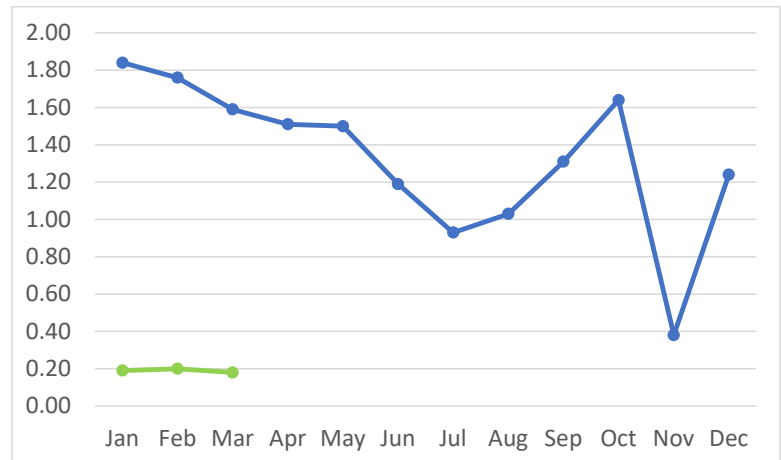
Average Weekly Initial Claims



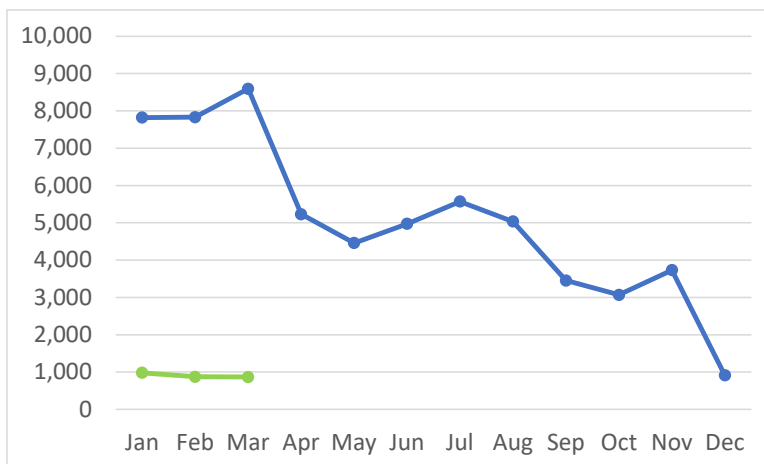
INSURED UNEMPLOYED : The average weekly number of weeks claimed for the three months of the quarter.

INSURED UNEMPLOYMENT RATE (IUR): The rate computed by dividing Insured Unemployed for the current quarter by Covered Employment for the first four of the last six completed quarters.

Insured Unemployment Rate (Percent)



Unemployment Insurance Final Payments



Note: The previous source of adjusted data is no longer available. We are evaluating alternative methodology.

Sources: Virginia Employment Commission, Economic Information & Analytics, Unemployment Insurance, and Bureau of Labor Statistics.

2021

2022

1st Quarter (Unadjusted)

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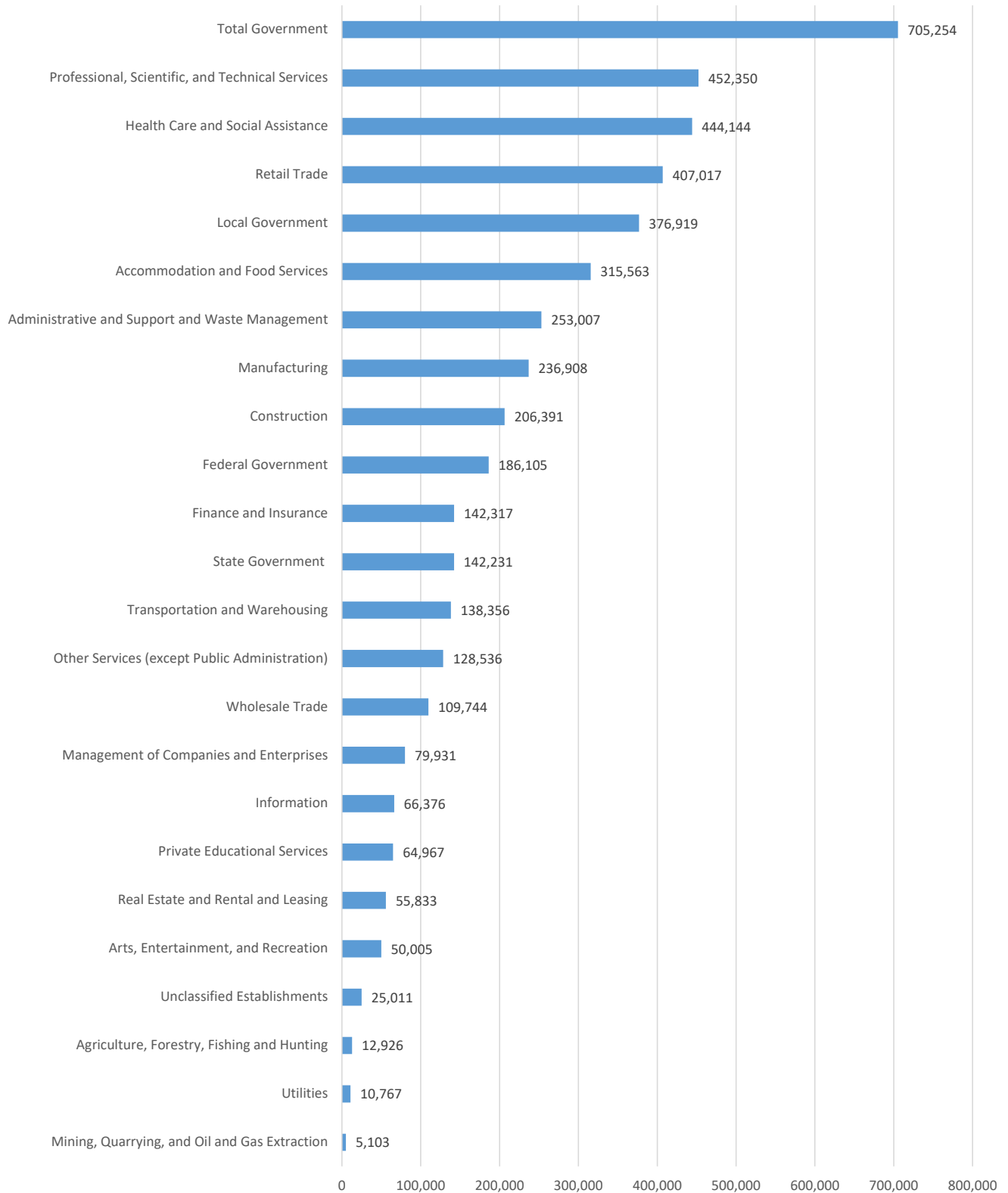


	Average Weekly Initial Claims	Insured Unemployment Rate (Percent)	Unemployment Insurance Final Payments
2021	Unadjusted	Unadjusted	Unadjusted
January	3,088.8	0.19	981
February	2,512.8	0.20	875
March	2,396.7	0.18	867
April			
May			
June			
July			
August			
September			
October			
November			
December			

2020	Unadjusted	Unadjusted	Unadjusted
January	20,203.8	1.84	7,821
February	13,187.3	1.76	7,832
March	21,919.1	1.59	8,591
April	16,101.8	1.51	5,230
May	9,492.1	1.50	4,460
June	7,954.5	1.19	4,972
July	6,000.0	0.93	5,570
August	11,332.5	1.03	5,036
September	8,489.8	1.31	3,453
October	4,681.0	1.64	3,069
November	17,355.5	0.38	3,732
December	3,474.3	1.24	911

Employment by Industry

Fourth Quarter 2021



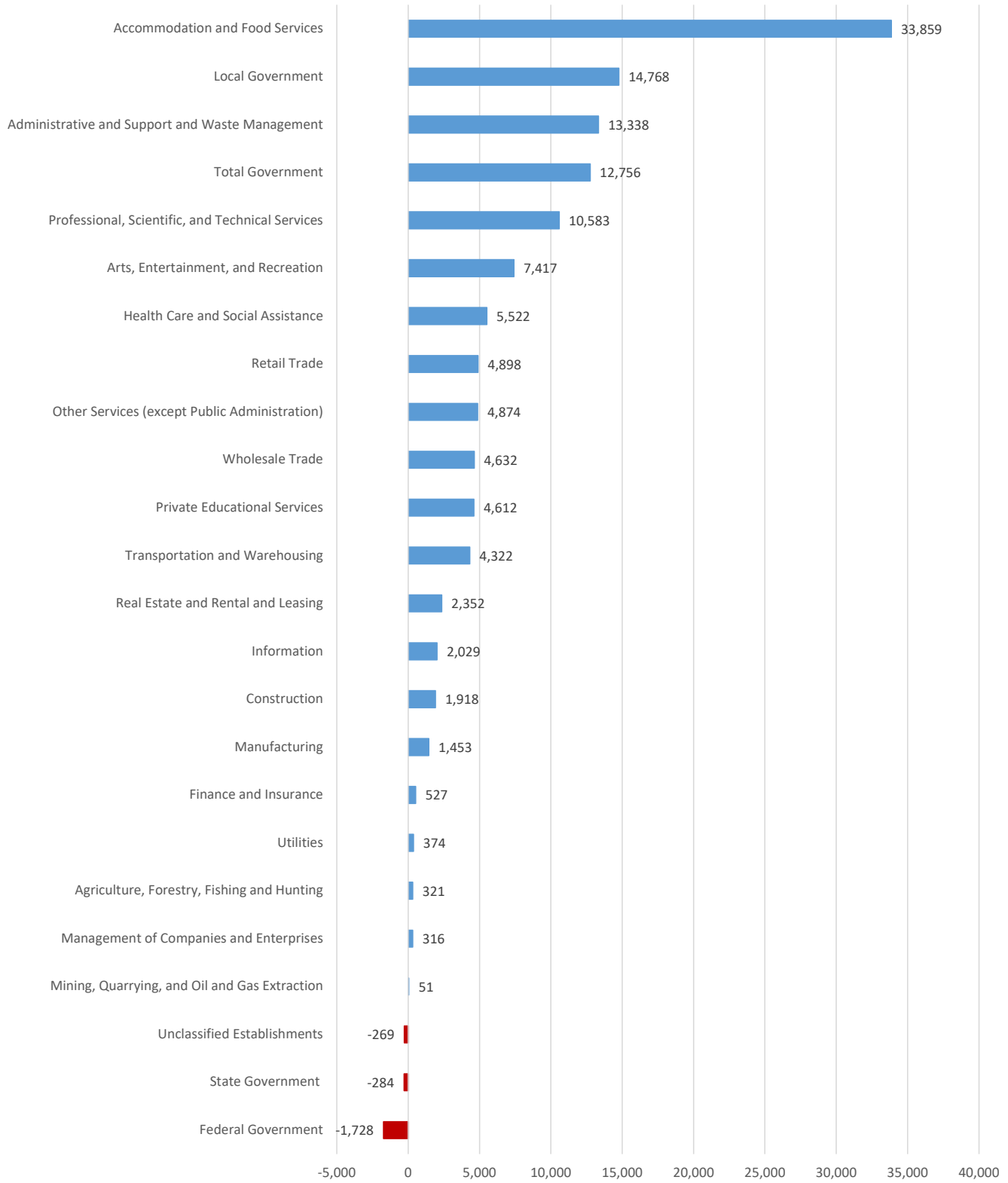
All Industry Total: 3,910,506

Note: Total Government includes: public education, federal, state, and local governments.

Source: Virginia Employment Commission, Economic Information & Analytics: Quarterly Census of Employment and Wages (QCEW), 4th Quarter 2021

Employment Change

Fourth Quarter 2020 - Fourth Quarter 2021



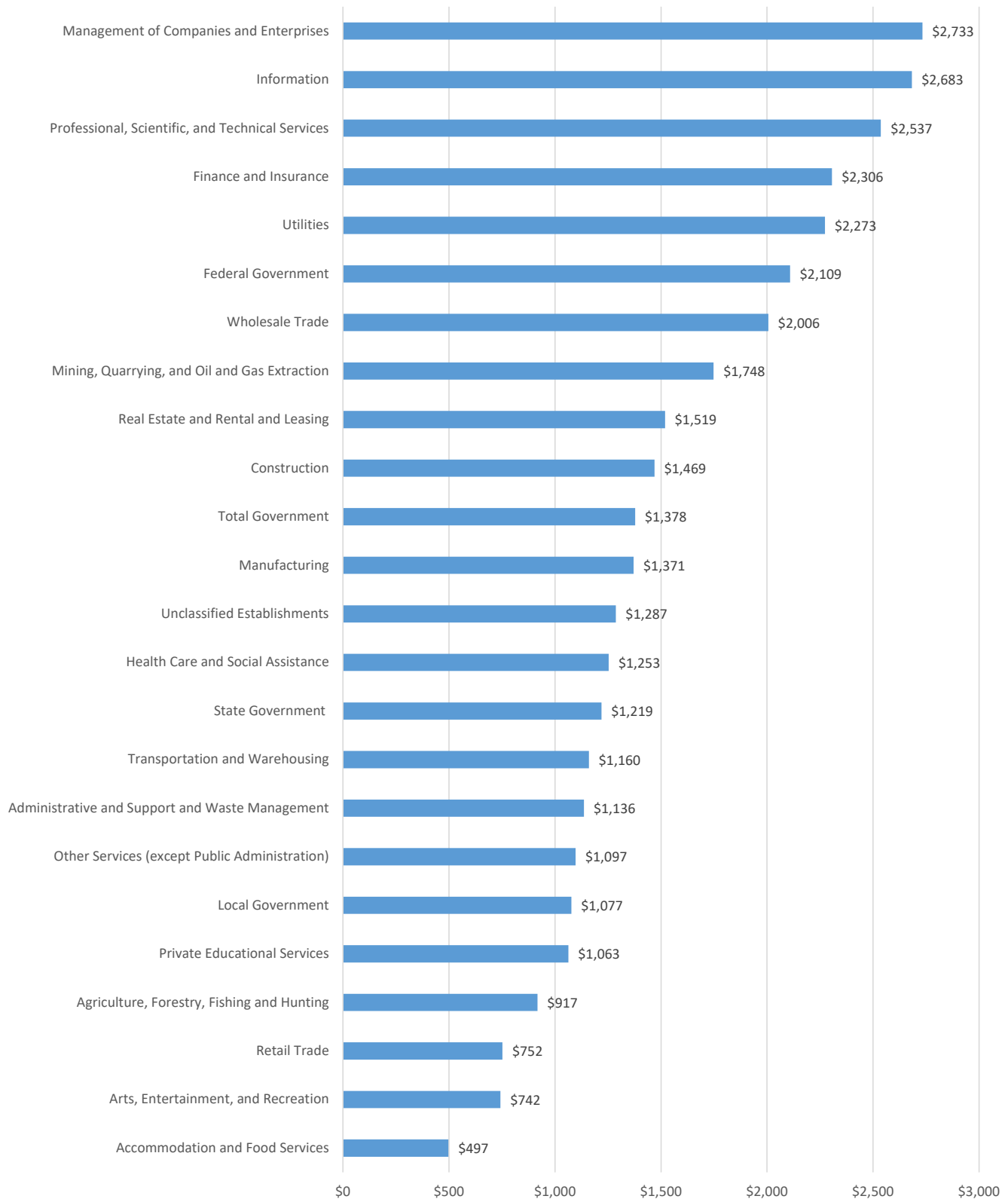
All Industry Total: 115,883

Note: Total Government includes: public education, federal, state, and local governments.

Source: Virginia Employment Commission, Economic Information & Analytics: Quarterly Census of Employment and Wages (QCEW), 4th Quarter 2021

Average Weekly Wage by Industry

Fourth Quarter 2020



All Industry Total: \$1,424

Note: Total Government includes: public education, federal, state, and local governments.

Source: Virginia Employment Commission, Economic Information & Analytics: Quarterly Census of Employment and Wages (QCEW), 4th Quarter 2021

Total Nonfarm Employment by Metropolitan Statistical Area (MSA) (Seasonally Adjusted)



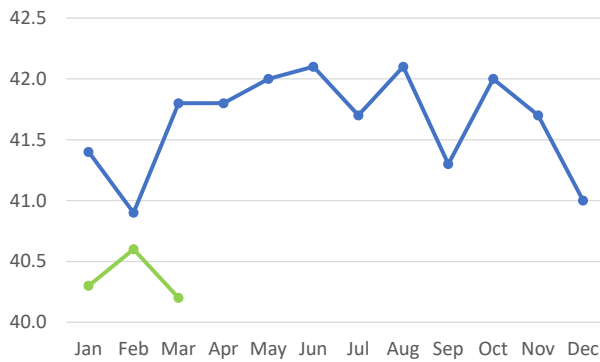
Area	Employment (end of quarter)	Previous Quarter (end of quarter)	Previous Year (end of quarter)	Over-the-Quarter Change	Over-the-Quarter (Percent)	Over-the-Year Change	Over-the-Year (Percent)
Blacksburg-Christiansburg-Radford	80,700	80,700	76,600	0	0.00%	4,100	5.35%
Charlottesville	118,400	117,100	114,000	1,300	1.11%	4,400	3.86%
Harrisonburg	69,600	69,100	67,000	500	0.72%	2,600	3.88%
Lynchburg	103,800	102,300	101,200	1,500	1.47%	2,600	2.57%
Richmond	673,200	668,700	660,000	4,500	0.67%	13,200	2.00%
Roanoke	159,200	159,400	156,800	-200	-0.13%	2,400	1.53%
Staunton	51,000	51,000	49,600	0	0.00%	1,400	2.82%
Virginia Beach-Norfolk-Newport News	776,200	773,500	765,000	2,700	0.35%	11,200	1.46%
Winchester	68,600	68,300	66,200	300	0.44%	2,400	3.63%
Northern Virginia	1,520,300	1,501,900	1,472,300	18,400	1.23%	48,000	3.26%
Virginia	4,024,200	3,994,400	3,911,700	29,800	0.75%	112,500	2.88%

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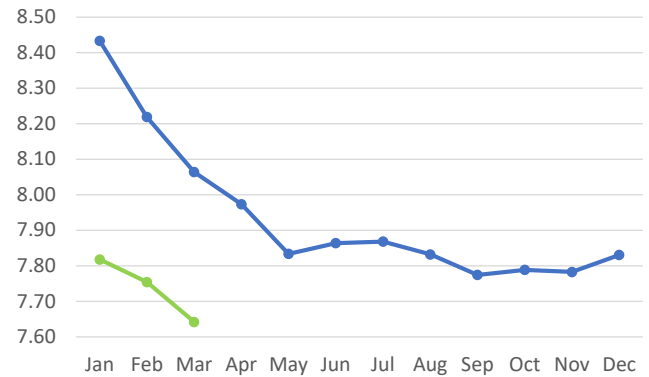
Source: Virginia Employment Commission, Economic Information & Analytics: Current Employment Statistics (CES) Seasonally Adjusted - (Not Preliminary)

Industry Focus: Manufacturing

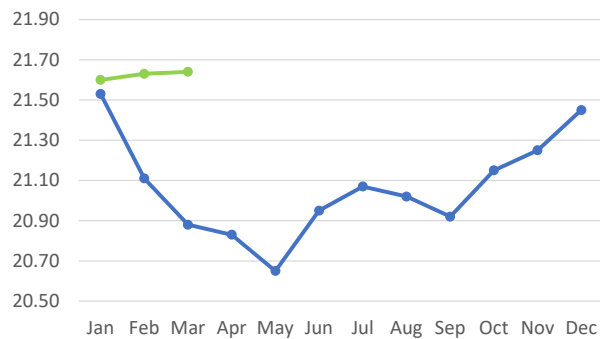
Average Weekly Hours



Inflation-adjusted Average Hourly Earnings
(1982-84 Dollars)



Average Hourly Earnings
(Dollars)



Note: The previous source of adjusted data is no longer available. We are evaluating alternative methodology.

2021 2022 1st Quarter (Unadjusted)

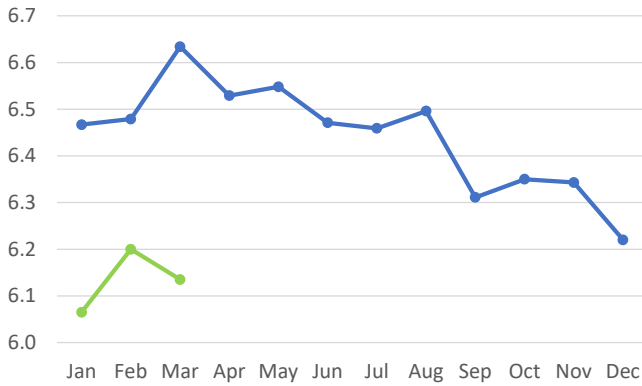
	Average Weekly Hours (Million)	Average Hourly Earnings (Dollars)	Inflated-Adjusted Average Hourly Earnings (1982-84 Dollars)
2021	Unadjusted	Unadjusted	Unadjusted
January	40.3	21.60	7.82
February	40.6	21.63	7.75
March	40.2	21.64	7.64
April			
May			
June			
July			
August			
September			
October			
November			
December			
2020	Unadjusted	Unadjusted	Unadjusted
January	41.4	21.53	8.43
February	40.9	21.11	8.22
March	41.8	20.88	8.06
April	41.8	20.83	7.97
May	42.0	20.65	7.83
June	42.1	20.95	7.86
July	41.7	21.07	7.87
August	42.1	21.02	7.83
September	41.3	20.92	7.77
October	42.0	21.15	7.79
November	41.7	21.25	7.78
December	41.0	21.45	7.83

*These series have been adjusted to First Quarter 2021 benchmarks. Sources: Virginia Employment Commission, Current Employment Statistics.

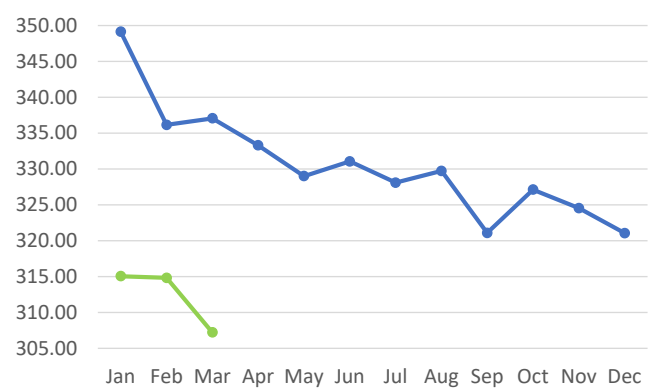
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Manufacturing Production Worker Indicators

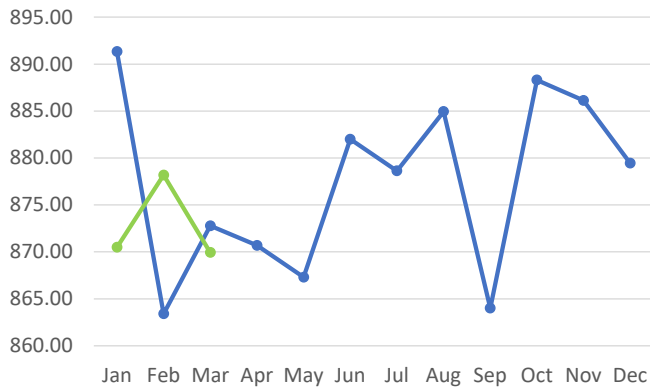
Total Production Hours
(Millions)



Inflation-adjusted Average Weekly Earnings
(1982-84 Dollars)



Average Weekly Earnings
(Dollars)



Note: The previous source of adjusted data is no longer available. We are evaluating alternative methodology.

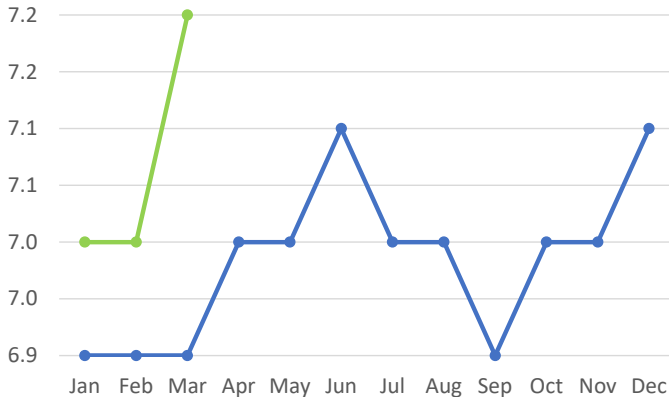
2021 2022 1st Quarter (Unadjusted)

	Total Production Hours (Millions)	Average Weekly Earnings (Dollars)	Inflated-Adjusted Average Weekly Earnings (1982-84 Dollars)
2021	Unadjusted	Unadjusted	Unadjusted
January	6.1	870.48	315.05
February	6.2	878.18	314.82
March	6.1	869.93	307.20
April			
May			
June			
July			
August			
September			
October			
November			
December			
2020	Unadjusted	Unadjusted	Unadjusted
January	6.5	891.34	349.14
February	6.5	863.40	336.16
March	6.6	872.78	337.07
April	6.5	870.69	333.30
May	6.5	867.30	329.01
June	6.5	882.00	331.07
July	6.5	878.62	328.10
August	6.5	884.94	329.73
September	6.3	864.00	321.09
October	6.4	888.30	327.12
November	6.3	886.13	324.54
December	6.2	879.45	321.06

Sources: Virginia Employment Commission, Current Employment Statistics.

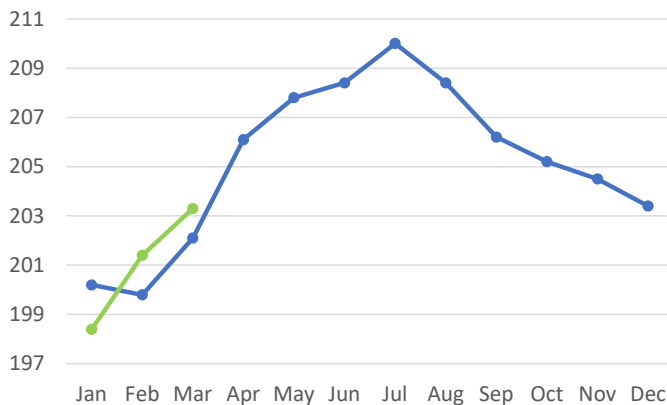
Quarterly Industry Report

Mining and Logging Employment
(Thousands)



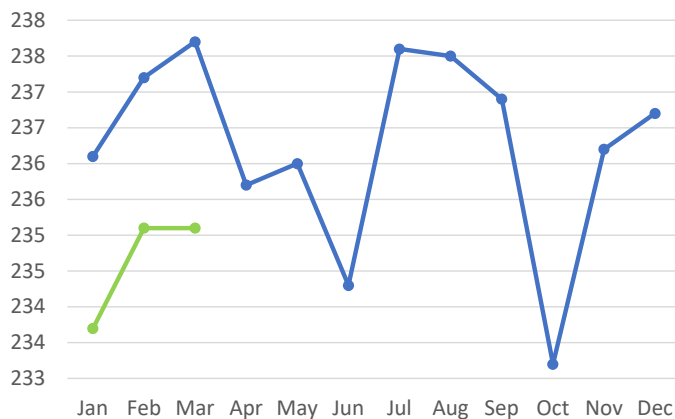
Mining and logging in the state averaged 7,100 jobs per month in the first quarter of 2022, indicating growth of 2.4% from the first quarter of 2021. However, according to the [EIA](#), the continued retirement of coal-fired generating capacity in the United States could cause the share of electricity generation from coal to decline from 23% in 2021 to 21% in 2022 and to 20% in 2023. Causes for this include limited rail capacity for fuel delivery, low coal stocks at power plants, reduced coal mining capacity, and rising generation from renewable sources. Rising lumber prices were reflected in the price of wood products, which increased by two thirds in two years, according to the most recent data from [BLS](#).

Construction Employment
(Thousands)



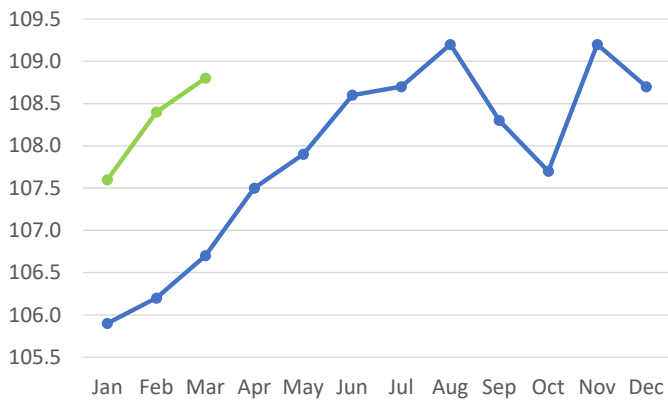
Virginia construction employment averaged 201,000 jobs in the first quarter compared to 204,400 in the prior quarter—a decrease of 1.6% (-3,400 jobs). Seasonal fluctuations in hiring may have contributed to this as housing market indicators continued to show that conditions were positive overall, as [March residential building permits](#) in Virginia rose to their highest level since housing bubble period fifteen years before. At the end of the first quarter, U.S. Job Opening and Labor Turnover Survey (JOLTS) data showed that the number of quits edged up to a series high of 4.5 million (+152,000) with construction quits moving significantly higher (+69,000).

Manufacturing Employment
(Thousands)



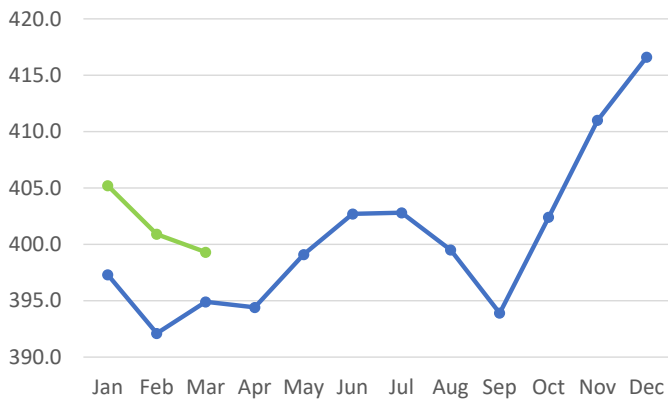
Employment in Virginia manufacturing decreased slightly by 0.3% (-800 jobs) over the quarter to a quarterly average of 234,600 and decreased by one percent over the year. Fifth District manufacturing activity softened slightly in February, according to a recent survey from the [Federal Reserve Bank of Richmond](#). Firms continued to report increasing wages while also citing challenges finding workers with the necessary skills. Firms expected this challenge to extend into the third quarter as the expectations index remained in negative territory.

Wholesale Trade Employment
(Thousands)



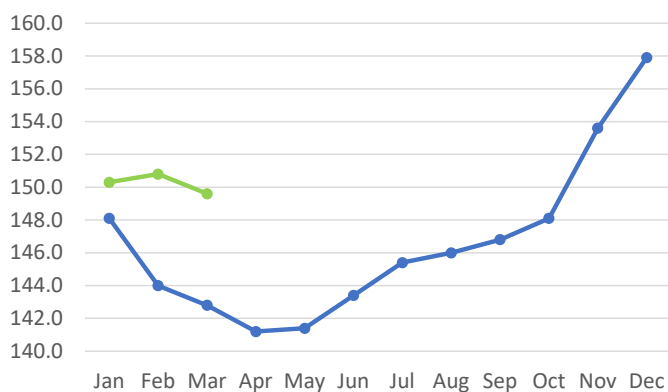
At 108,300 jobs, average monthly employment in wholesale trade was little changed, falling by 0.2% (-200 jobs) from the fourth quarter 2021 and down 1.9% from the first quarter 2021. Wholesale trade agents and brokers act on behalf of buyers and sellers to distribute goods at a wholesale level. They are vital links in the nation's supply chain, which continued to experience disruptions and inefficiencies. According a [World Economic Forum report](#), "bold companies are not waiting for supply lines to untangle themselves – retailers short on storage space are buying warehouses, shippers that can't find containers are making their own, and companies unable to book with ocean carriers are chartering vessels, while those unhappy with their online sales are buying e-commerce fulfillment operators."-This trend may have had a dampening effect on traditional wholesale trade hiring.

Retail Trade Employment
(Thousands)



Virginia employment in retail weakened in the first quarter with a two percent loss (-8,200 jobs), reaching a monthly average of 401,800 jobs but was 1.8% higher than during the fourth quarter of 2021. According to [Census data](#), in February during the first quarter, Virginia retail sales rose strongly (16.6%) over the year, which was slightly faster than nationwide. But these results varied by type of retailer. A reopening economy along with higher gas prices pushed gas station retail sales up 36% in Virginia compared to February 2021. Rising sales were common in most types of retail. Car dealer increases perhaps are widely known, but others like furniture, sporting goods, and clothing also saw large sales gains. However, rapidly rising consumer prices helped to push up these retail sales figures. Unfortunately, the data indicates that it appears that rising sales did not equate to similar job gains in most retail segments.

Transportation, Warehousing, and Utilities Employment
(Thousands)

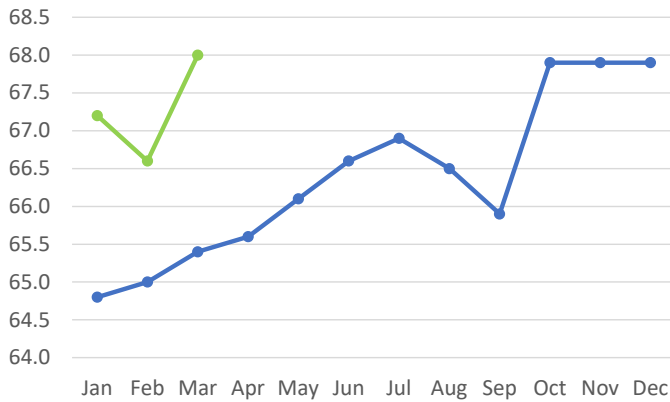


Virginia employment in transportation, warehousing, and utilities rose to 150,200 jobs during the first quarter of 2022. It decreased by 1.9% (-3,000 jobs) over the quarter but rose by 3.6% from the same period in 2021. This sector reaches all sectors of the economy and job gains can vary significantly by type of industry. Long-distance trucking and local trucking continued to be pushed amidst stretched supply chains.

U.S. ports continued to struggle to clear the backlog of container ships trying to unload in the first quarter. The Port of Virginia also experienced this as it processed containers volume growth of 9.2% in the first quarter 2022 compared to the same period in 2021 and 21% greater than 2019.

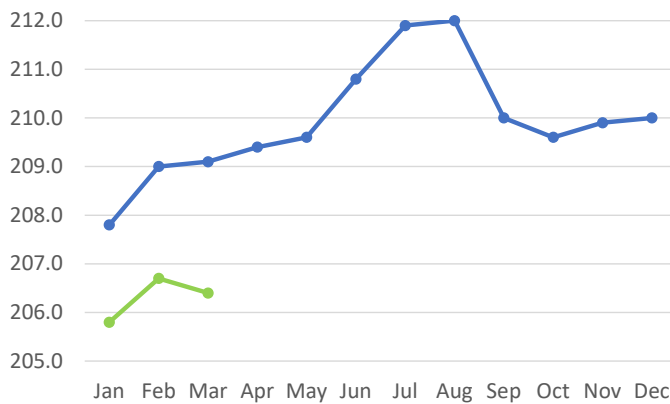
At the end of the first quarter, on the last business day of March, U.S. Job Opening and Labor Turnover Survey (JOLTS) data job openings decreased in transportation, warehousing, and utilities (-69,000).

Information Employment
(Thousands)



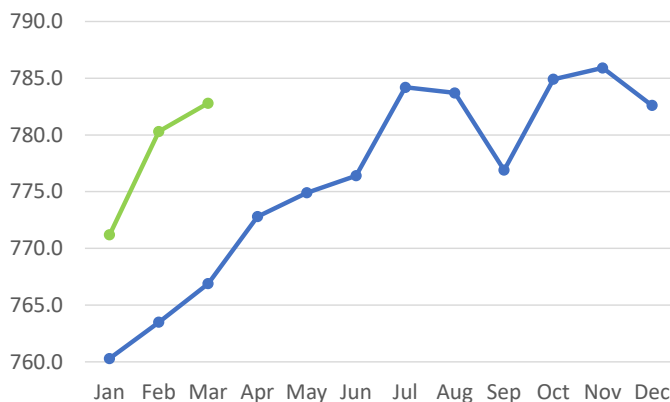
Virginia information employment averaged 67,300 jobs in the first quarter of 2022. It fell by 0.9% (-600 jobs) when compared to the fourth quarter 2021 but was 3.4% higher over the year. At the end of March 2022, U.S. Job Opening and Labor Turnover Survey (JOLTS) data indicates that the information industry was typical of a white-collar, better-paying sector of the economy in that it had a lower rate of job quitting than average but was one of the only parts of the economy with a slightly elevated and growing prevalence of layoffs.

Finance Employment
(Thousands)



Employment in financial activities fell by 1.7% (-3,500 jobs) during the first quarter and averaged 206,300 jobs. The growing adoption of digital processing of financial transactions has reduced the need for retail banking branches. This adds uncertainty regarding how many retail bankers and customer service representatives will be needed in coming years. Rising building costs and the threat of rising mortgage rates began to be felt in some real estate markets, putting some pressure on real estate employment growth.

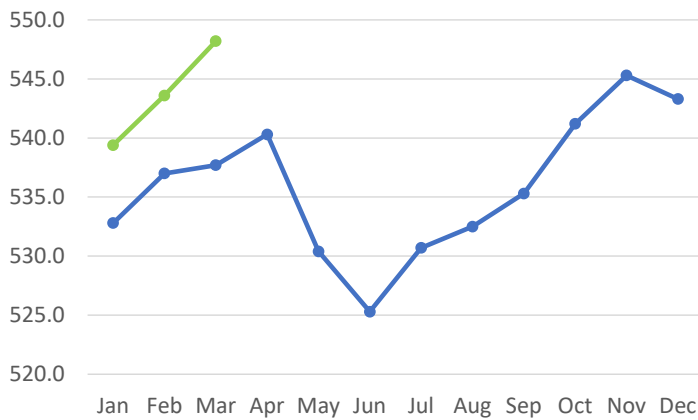
Professional and Business Services Employment
(Thousands)



Employment in professional and business services reached a monthly average of 778,100 jobs. This represents a loss of 6,400 jobs or -0.8% growth from the previous quarter. Over the year, the industry rose by 1.9%. In 2022, efficiency gains from technology continued to benefit professional services overall but their disruptive power may have also been a constraint on payroll growth.

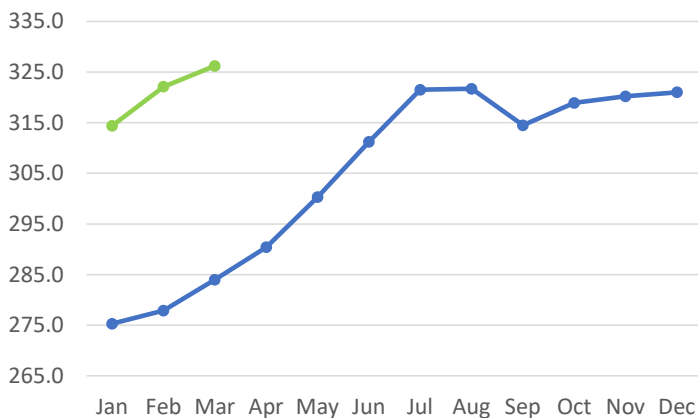
At the end of the first quarter, U.S. Job Opening and Labor Turnover Survey (JOLTS) data presented mixed signals as professional and business services experienced elevated levels of job openings and hires compared to total employment yet also had a slightly elevated prevalence of layoffs and quits. In March, the number of quits edged up to a series high and significantly increased in professional and business services (+88,000).

Private Education and Health Services Employment
(Thousands)



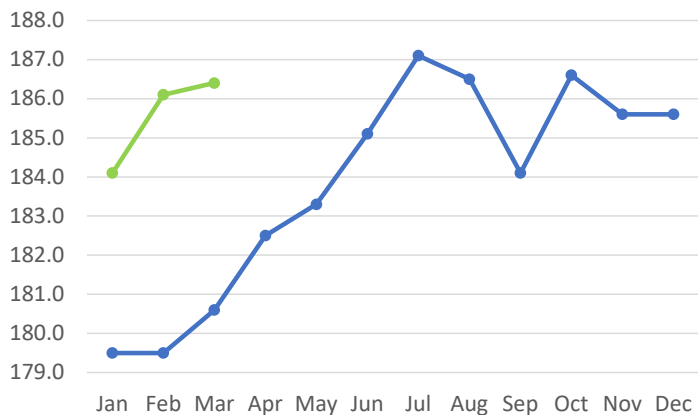
Employment growth was flat in private education and health services as it inched upward 0.1% over the quarter to 543,700 jobs. Over the year, the industry increased by 1.5% compared to the first quarter 2021.

Leisure and Hospitality Services Employment
(Thousands)



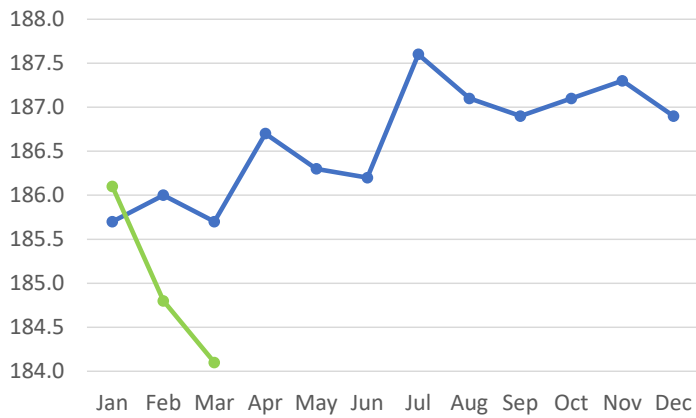
At 320,900 jobs, leisure and hospitality employment experienced flat growth in the first quarter 2022. However, it rose 15.0% (+41,800 jobs) compared to the first quarter 2021. Virginia's economy continued to reopen during this time, with the food service and hospitality industries hoping to restore business to pre-pandemic conditions. However, in what some call the Great Resignation, increasing numbers of workers jumped ship in search of more favorable working conditions. At the end of the first quarter, on the last business day of March, U.S. Job Opening and Labor Turnover Survey (JOLTS) data decreasing hiring per job opening in nearly every major industry sector. Over five years, arts, entertainment, and recreation saw a 60% decline in the ability to hire for job openings, driven by much greater numbers of job openings compared to five years earlier. This, despite reopening camps, casinos, and other businesses that boosted hiring heading into peak vacation season.

Miscellaneous Services Employment
(Thousands)



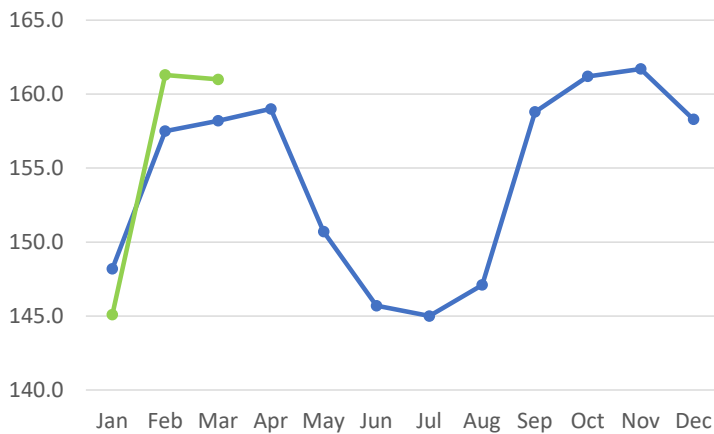
Employment in Miscellaneous services was little changed, declining by 0.2% (-400 jobs) to 185,500 in the first quarter 2022 but increased by 3.2% compared with same period in 2021. Many Virginians, like other Americans, increasingly seek specialty businesses to perform personal services that free them up for other things. But some services are more in demand than others. For example, photofinishing labs are examples of stores that have suffered from technological change because most households and businesses own printers. On the other hand, community organization service establishments like; voluntary health organizations, human rights organizations, grant-making organizations, and social advocacy organizations have grown in the Commonwealth in recent years.

Federal Government Employment
(Thousands)



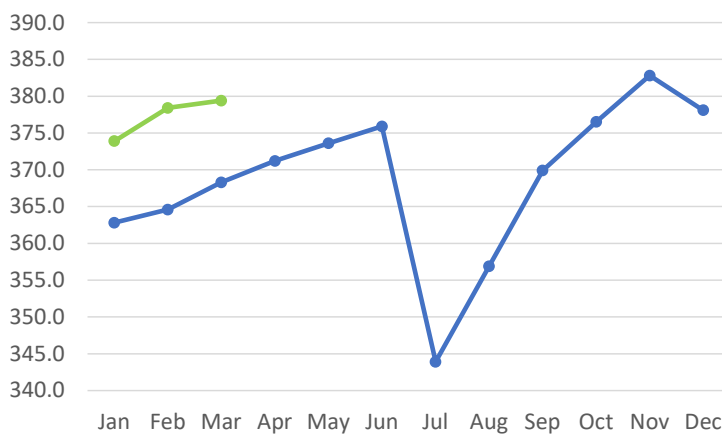
Averaging 185,000 jobs on a seasonally adjusted basis during the first quarter 2022, federal government employment fell by 1.1% (-2,100 jobs) in Virginia over the quarter and down 0.4% over the year.

State Government Employment
(Thousands)



State government employment in Virginia fell 2.9% to a first quarter average of 155,800. This was 4,600 fewer jobs than in the fourth quarter 2021 but 0.8% more than during the first quarter of 2021. At the end of the first quarter, U.S. Job Opening and Labor Turnover Survey (JOLTS) data indicated that job openings fell in state and local government education (-43,000).

Local Government Employment
(Thousands)



Virginia Local government employment growth averaged 377,200 jobs in the first quarter—a 0.5% decline (-1,900 jobs) compared to the prior quarter but a 3.3% increase over the first quarter of 2021.

2021 2022 1st Quarter (Adjusted)

Data Summary and Sources



Performance of Indicators Over the Business Cycle

For those interested in studying the business cycle in Virginia, this publication includes several of the economic time series for which data is readily available on a monthly basis. From time to time, new series will be added and, if necessary, others presently included will be discontinued.

Seasonal Adjustment

To correlate changes in a time series and changes in the business cycle, it is desirable to eliminate, insofar as possible, the effect of irrelevant factors from the data comprising the series. All series currently published in the *Virginia Employment Indicators* have been adjusted to minimize regular seasonal fluctuations in the data in order to show only activity related to the business cycle.

Data Sources

Except for the following, the data source for all series in this publication is the Virginia Employment Commission (VEC)/ Economic Information & Analytics (EIA) Current Employment Statistics (CES) program.

U.S. Department of Labor:

Insured Unemployed Rate

VEC/EIA Local Area Unemployment Statistics (LAUS):

Total Unemployment Rate

VEC/EIA Data Collections Unit (DCU):

Average Weekly Initial Claims

Unemployment Insurance Final Payments

Bureau of Labor Statistics' Local Area Unemployment Statistics program, <https://www.bls.gov/lau/stalt.htm>:

Alternative Measures

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