

# Virginia Employment Commission

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## Virginia's December Unemployment Rate Increased to 3.0 Percent; Labor Force Participation Rate Increased to 63.7 Percent with Employment Up by 4,485

RICHMOND— Virginia's seasonally adjusted unemployment rate increased in December to 3.0 percent, which is 0.3 of a percentage point below the rate from a year ago. According to household survey data in December, the labor force increased by 9,611 to 4,357,319 as the number of unemployed residents increased by 5,126 to 128,912. The number of employed residents increased by 4,485 to 4,228,407. Virginia's seasonally adjusted unemployment rate continues to be below the national rate, which decreased to 3.5 percent.

The Commonwealth's labor force participation rate increased to 63.7 percent in December. The labor force participation rate measures the proportion of the civilian population age 16 and older that is employed or actively looking for work.

Virginia's nonagricultural employment, from the monthly establishment survey, increased by 100 jobs in December to 4,097,900. November's preliminary estimate was revised upward by 2,700, reducing that month's job losses. In December, private sector employment increased by 600 jobs to 3,369,400 while public sector employment declined by 500 to 728,500. A decrease within that sector occurred in federal government (-1,500 jobs), while state government grew by (+1,000 jobs), and local government held steady.

Employment rose in four of eleven major industry sectors, held steady in two, and declined in five. The largest job gain during December occurred in Miscellaneous Services (+1,800 jobs) to 191,500. The second largest increase was in Construction (+1,100 jobs) to 210,500. Finance was third (+500) jobs, to 205,000. The other increase was in Trade, Transportation, and Utilities with an increase of (+200) jobs to 670,900. Mining and Logging at 7,400 and Information at 70,600 had no change.

(more)

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The largest decrease was in Education and Health Services, (-1,200 jobs) to 571,300. The second largest decrease occurred in Manufacturing, (-900 jobs) to 240,200. The third largest loss occurred in Leisure and Hospitality, (-700 jobs) to 408,500. Other losses included Government, (-500 jobs) to 728,500 and Professional and Business Services, (-200 jobs) to 793,500.

### Nonfarm Employment in Virginia\* Seasonally Adjusted

| Industry                             | Employment       |                  |                  | November 2022 to<br>December 2022 |          | December 2021 to<br>December 2022 |          |
|--------------------------------------|------------------|------------------|------------------|-----------------------------------|----------|-----------------------------------|----------|
|                                      | December<br>2022 | November<br>2022 | December<br>2021 | Change                            | % Change | Change                            | % Change |
| Total Nonfarm                        | 4,097,900        | 4,097,800        | 3,994,400        | 100                               | 0.0%     | 103,500                           | 2.6%     |
| Total Private Sector                 | 3,369,400        | 3,368,800        | 3,280,900        | 600                               | 0.0%     | 88,500                            | 2.7%     |
| Goods-Producing                      | 458,100          | 457,900          | 446,600          | 200                               | 0.0%     | 11,500                            | 2.6%     |
| Mining                               | 7,400            | 7,400            | 7,100            | 0                                 | 0.0%     | 300                               | 4.2%     |
| Construction                         | 210,500          | 209,400          | 204,500          | 1,100                             | 0.5%     | 6,000                             | 2.9%     |
| Manufacturing                        | 240,200          | 241,100          | 235,000          | -900                              | -0.4%    | 5,200                             | 2.2%     |
| Service-Providing                    | 3,639,800        | 3,639,900        | 3,547,800        | -100                              | 0.0%     | 92,000                            | 2.6%     |
| Private Service-Providing            | 2,911,300        | 2,910,900        | 2,834,300        | 400                               | 0.0%     | 77,000                            | 2.7%     |
| Trade, Transportation, and Utilities | 670,900          | 670,700          | 662,000          | 200                               | 0.0%     | 8,900                             | 1.3%     |
| Information                          | 70,600           | 70,600           | 67,600           | 0                                 | 0.0%     | 3,000                             | 4.4%     |
| Finance                              | 205,000          | 204,500          | 210,000          | 500                               | 0.2%     | -5,000                            | -2.4%    |
| Professional and Business Services   | 793,500          | 793,700          | 783,600          | -200                              | 0.0%     | 9,900                             | 1.3%     |
| Education and Health Services        | 571,300          | 572,500          | 539,300          | -1,200                            | -0.2%    | 32,000                            | 5.9%     |
| Leisure and Hospitality Services     | 408,500          | 409,200          | 385,300          | -700                              | -0.2%    | 23,200                            | 6.0%     |
| Miscellaneous Services               | 191,500          | 189,700          | 186,500          | 1,800                             | 0.9%     | 5,000                             | 2.7%     |
| Government                           | 728,500          | 729,000          | 713,500          | -500                              | -0.1%    | 15,000                            | 2.1%     |
| Federal Government                   | 185,600          | 187,100          | 186,000          | -1,500                            | -0.8%    | -400                              | -0.2%    |
| State Government                     | 161,400          | 160,400          | 153,800          | 1,000                             | 0.6%     | 7,600                             | 4.9%     |
| Local Government                     | 381,500          | 381,500          | 373,700          | 0                                 | 0.0%     | 7,800                             | 2.1%     |

 $<sup>*</sup>Current\ month's\ estimates\ are\ preliminary.$ 

From December 2021 to December 2022, the VEC estimates that establishments in Virginia gained 103,500 jobs, an increase of 2.6%. In December, the private sector recorded an over-the-year gain of 88,500 jobs, while employment in the public sector increased by 15,000 jobs.

Compared to a year ago, on a seasonally adjusted basis, ten of eleven major industry divisions experienced employment increases while one saw an employment decrease. The largest absolute over-the-year job gain occurred in Education and Health Services, up 32,000 jobs (+5.9%). The second largest over-the-year job gain occurred in Leisure and Hospitality, up 23,200 jobs (+6.0%). The third largest over-the-year job gain occurred in Government, up 15,000 jobs (+2.1%). Other job gains occurred in Professional and Business Services (+9,900 jobs); Trade, Transportation, and Utilities (+8,900 jobs); Construction

(+6,000 jobs); Manufacturing (+5,200 jobs); Miscellaneous Services (+5,000 jobs); Information (+3,000 jobs); and Mining and Logging (+300 jobs). The only job loss occurred in Finance, with a decrease of (-5,000) jobs. Within Government, Local Government (+7,800 jobs), State Government (+7,600 jobs), and Federal Government (-400 jobs).

Total Nonfarm Employment in Virginia\* Seasonally Adjusted

| Area  | Employment       |                  |                  | November 2022 to<br>December 2022 |          | December 2021 to<br>December 2022 |          |
|---|------------------|------------------|------------------|-----------------------------------|----------|-----------------------------------|----------|
|   | December<br>2022 | November<br>2022 | December<br>2021 | Change                            | % Change | Change                            | % Change |
| Virginia  | 4,097,900        | 4,097,800        | 3,994,400        | 100                               | 0.0%     | 103,500                           | 2.6%     |
| Blacksburg-Christiansburg-Radford<br>MSA                            | 82,400           | 82,500           | 80,700           | -100                              | -0.1%    | 1,700                             | 2.1%     |
| Charlottesville MSA   | 119,700          | 119,800          | 117,100          | -100                              | -0.1%    | 2,600                             | 2.2%     |
| Harrisonburg MSA  | 70,100           | 70,200           | 69,100           | -100                              | -0.1%    | 1,000                             | 1.4%     |
| Lynchburg MSA   | 104,700          | 104,300          | 102,300          | 400                               | 0.4%     | 2,400                             | 2.3%     |
| Northern Virginia MSA   | 1,532,600        | 1,533,100        | 1,501,900        | -500                              | 0.0%     | 30,700                            | 2.0%     |
| Richmond MSA  | 678,400          | 680,200          | 668,700          | -1,800                            | -0.3%    | 9,700                             | 1.5%     |
| Roanoke MSA   | 161,200          | 160,600          | 159,400          | 600                               | 0.4%     | 1,800                             | 1.1%     |
| Staunton-Waynesboro MSA   | 51,800           | 52,200           | 51,000           | -400                              | -0.8%    | 800                               | 1.6%     |
| Virginia Beach-Norfolk-Newport<br>News, Virginia/North Carolina MSA | 793,700          | 794,200          | 773,500          | -500                              | -0.1%    | 20,200                            | 2.6%     |
| Winchester, Virginia/West Virginia<br>MSA                           | 69,300           | 69,200           | 68,300           | 100                               | 0.1%     | 1,000                             | 1.5%     |

<sup>\*</sup>Current month's estimates are preliminary.

Seasonally adjusted total nonfarm employment data is produced for ten metropolitan areas. In December, three metropolitan areas experienced over-the-month job gains and seven experienced declines. The largest absolute job increase occurred in Roanoke (+600 jobs). The next largest absolute job gain occurred in Lynchburg (+400 jobs). The third largest increase occurred in Winchester (+100 jobs).

The largest absolute job decrease occurred in Richmond (-1,800 jobs). The next largest absolute job losses occurred in Virginia Beach-Norfolk-Newport News and Northern Virginia (-500 jobs apiece). The third largest decrease occurred in Staunton-Waynesboro (-400 jobs). The other decreases include Blacksburg-Christiansburg-Radford, Charlottesville, and Harrisonburg (-100 jobs apiece).

Over-the-year, seasonally adjusted total nonfarm employment increased in all ten metropolitan areas. The Northern Virginia metropolitan area experienced the largest absolute job gain, up 30,700 jobs. Virginia Beach-Norfolk-Newport News was next, with a gain of 20,200 jobs. Richmond was third, with a gain of 9,700 jobs. Other over-the-year job gains occurred in Charlottesville (+2,600 jobs), Lynchburg (+2,400 jobs), Roanoke (+1,800 jobs), Blacksburg-Christiansburg-Radford (+1,700 jobs), Harrisonburg and Winchester (+1,000 jobs apiece), and Staunton-Waynesboro (+800 jobs).

#### NOT SEASONALLY ADJUSTED DATA

Virginia's unadjusted unemployment rate decreased 0.4 of a percentage point in December to 2.6 percent. This is 0.1 of a percentage point lower than the rate from a year ago. Compared to a year ago, the number of unemployed decreased by 3,018, household employment increased by 92,771, and the labor force increased by 89,753. Virginia's not seasonally adjusted unemployment rate continues to be below the national unadjusted rate, which decreased in December to 3.3 percent.

Compared to last month, the December unadjusted workweek for Virginia's 156,200 manufacturing production workers decreased by 0.4 of an hour to 41.4 hours. Average hourly earnings of private-sector production workers increased by \$0.20 to \$22.89 in December and average weekly earnings decreased by \$0.79 to \$947.65.

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Technical note: Estimates of unemployment and industry employment levels are obtained from two separate monthly surveys. Resident employment and unemployment data are mainly derived from the Virginia portion of the national Current Population Survey (CPS), a household survey conducted each month by the U.S. Census Bureau under contract with BLS, which provides input to the Local Area Unemployment Statistics (LAUS) program (often referred to as the "household" survey). Industry employment data is mainly derived from the Current Employment Statistics (CES) survey, a monthly survey of approximately 18,000 Virginia businesses conducted by BLS, which provides estimates of employment, hours, and earnings data broken down by industry for the nation as a whole, all states and most major metropolitan areas (often referred to as the "establishment" survey). Both industry and household estimates are revised each month based on additional information from updated survey reports compiled by the BLS. For national figures and information on how COVID-19 affected collection of the BLS establishment and household surveys in April 2020, refer to the BLS December 2022 Employment Situation press release for details.

The statistical reference week for the household survey this month was the week of December 11 -17, 2022.

The Virginia Employment Commission plans to release the December local area unemployment rates on Wednesday, February 1, 2023. The data will be available on our website <a href="www.VirginiaWorks.com">www.VirginiaWorks.com</a>. The January 2023 statewide unemployment rate and employment data for both the state and metropolitan areas are scheduled to be released on Monday, March 13, 2023.