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Virginia Job Openings and Layoffs Up in July

—Latest BLS Jobs Openings and Labor Turnover Survey Indicates Active Labor Market in July
with Increases in Job Openings, Hires and Job Separations —

RICHMOND— Virginia Works (the Virginia Department of Workforce Development and Advancement) announced today that the U.S. Bureau of Labor Statistics' July 2024 Job Openings and Labor Turnover Survey (JOLTS) reports a large increase in Virginia layoffs and discharges after many months of calm.

According to the most recent BLS JOLTS survey data, the number of July 2024 layoffs and discharges in Virginia rose by 30,000 over the month and compared with five years earlier. BLS JOLTS data provides information on all the pieces that go into the net change in the number of jobs. These components include job openings, hires, layoffs, voluntary quits, and other job separations (which includes retirements and worker deaths). Putting those components together reveals the overall change in payroll employment. JOLTS data is seasonally adjusted and describes conditions on the last business day of the month. Current month's data are preliminary and the previous month's data have been revised.

On the last business day in July, there were 273,000 **job openings** in Virginia, seasonally adjusted, an increase of 28,000 from June's revised figure. The number of U.S. job openings was little changed at 7.7 million and was down by 1.1 million over the year. The number of job openings decreased in health care and social assistance (-187,000); state and local government, excluding education (-101,000); and transportation, warehousing, and utilities (-88,000). Job openings increased in professional and business services (+178,000) and in federal government (+28,000). Significant

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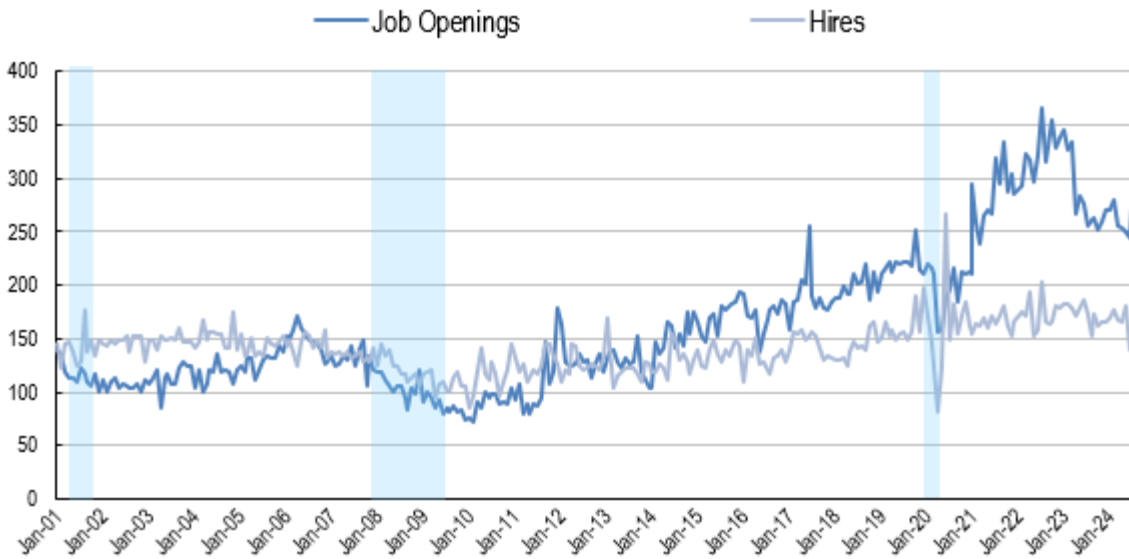
Richmond, VA

VRC/TDD VA Relay 711 Equal Opportunity Employer/Program



Virginia job openings and hires, January 2001 to July 2024 (in thousands)

In July 2024, there were 273,000 job openings in Virginia, seasonally adjusted, up 28,000 from July's 2024's revised job openings number. Job openings were seven percent higher over-the-year, but 23 percent higher than July 2019.



Source: DWDA analysis of Bureau of Labor Statistics (BLS), Job Openings and Labor Turnover Survey (JOLTS) data. Seasonally adjusted. Shaded areas represent economic recessions.

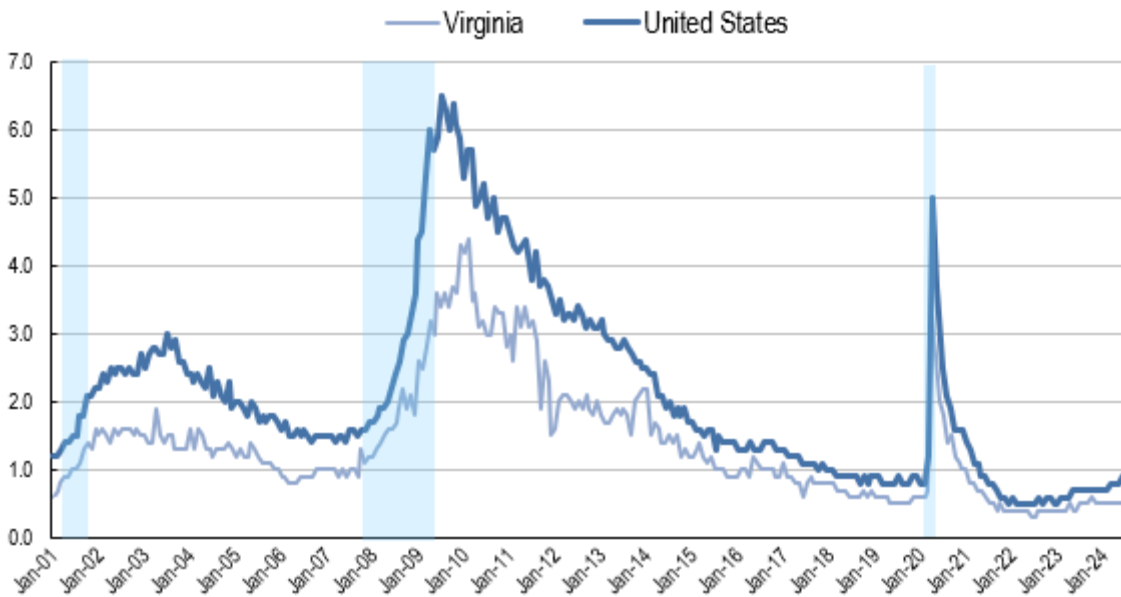
decreases in the job openings level occurred in New York (-91,000), Minnesota (-41,000), and Massachusetts (-37,000). Significant increases occurred in Virginia (+28,000) and in Louisiana and Oklahoma (+14,000 each).

In Virginia, the July **job openings rate** was six percent, up nearly half of a percentage point from June's rate. Nationwide, the job openings rate, at 4.6 percent, changed little in July. Significant decreases in job openings rates occurred in Minnesota (-1.3 percentage points) and in Massachusetts and New York (-0.9 point each). A large increase occurred in Oklahoma (+0.7 point).

The **number of hires** in Virginia rose to 152,000 in July, an increase of 12,000 over the month but down by 22,000 from July 2023. JOLTS defines hires as all additions to the payroll during the month. The number of hires was 43 percent lower than the series high of 267,000 set in June 2020. In July, the U.S. number of hires changed little at 5.5 million. Hires increased in accommodation and food services (+156,000) but decreased in federal government (-8,000). Notable increases in the hires level occurred in California (+119,000), Pennsylvania (+38,000), and Michigan (+29,000). A significant decrease occurred in Arkansas (-19,000). In Virginia, the 3.6 **hires rate** increased from June's revised 3.3 percent rate, which essentially equaled the U.S. rate, which changed little at 3.5 percent. Notable increases in the hires rate occurred in California and Michigan (+0.7 percentage points each), as well as in Minnesota and Pennsylvania (+0.6 point each). A significant decrease occurred in Arkansas (-1.3 points).

The Unemployed Per Job Opening Ratio, January 2001 to July 2024

In July 2024, there were 0.5 unemployed per job opening in the Commonwealth, compared to nationwide, with 0.8 unemployed per job opening. These ratios have been little changed for several months.



Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

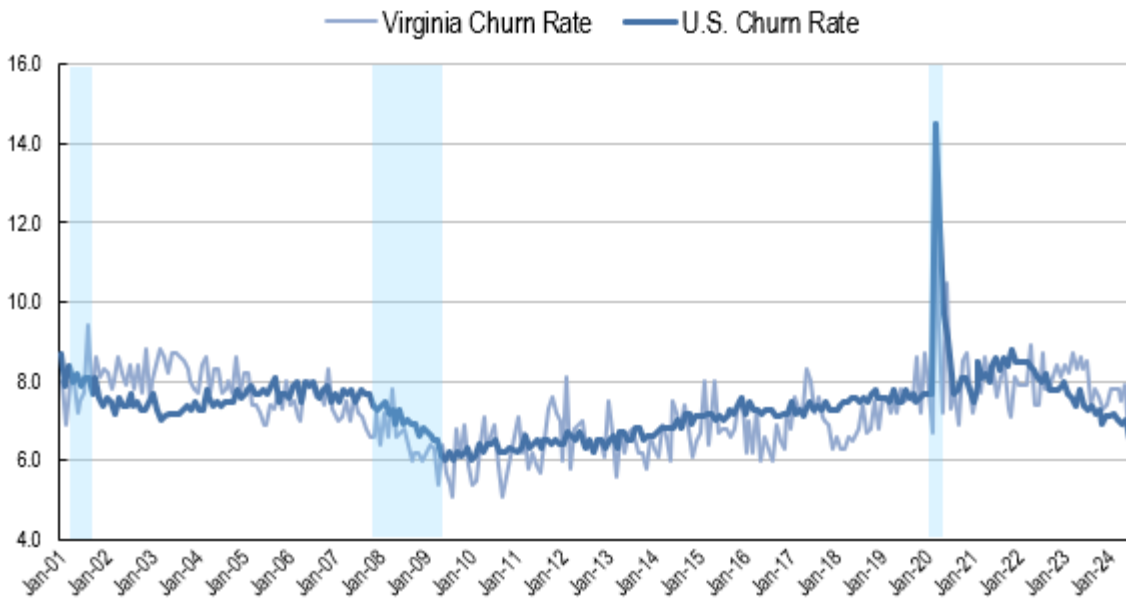
The Virginia **hires-per-job-openings (HPJO) ratio** was unchanged in July at six hires for every ten job openings. This measure shows the rate of hiring compared to open jobs and is a proxy for time to fill positions.

In July 2024, there were 0.5 **unemployed per job opening** in the Commonwealth, compared to 0.8 unemployed per job opening nationwide. In Virginia, the unemployed per job opening ratio (sometimes called the ‘job seekers ratio’) peaked at 4.4 unemployed per job opening in February 2010 during the Great Recession, while the number of unemployed workers per job opening stood at 0.3 in April 2020 during the height of pandemic employment impacts.

Total job separations in Virginia increased by 58,000 to 196,000. Nationwide, the number of total separations in July increased to 5.4 million (+336,000). Total separations increased in health care and social assistance (+108,000). Notable increases in the total separations level occurred in Florida (+74,000), Virginia (+58,000), and Pennsylvania (+53,000). A large decrease occurred in Texas (-65,000). The Virginia **total separations rate** jumped to 4.6 percent, a significant increase over the month. The U.S. total separations rate was little changed at 3.4 percent. Notable increases in total separations rates occurred in North Dakota (+2.0 percentage points) and Virginia (+1.4 points), as well as in Colorado and New Mexico (+1.0 point each). A large decrease occurred in Texas (-0.5 point).

The Churn Rate, January 2001 to July 2024

In July 2024, the churn rate increased to 8.2 percent in the Commonwealth. Nationwide, the rate of movement from job edged up to 6.9 percent but has trended downward since the beginning of 2022. A large increase Virginia total separations helped to push up the churn rate.



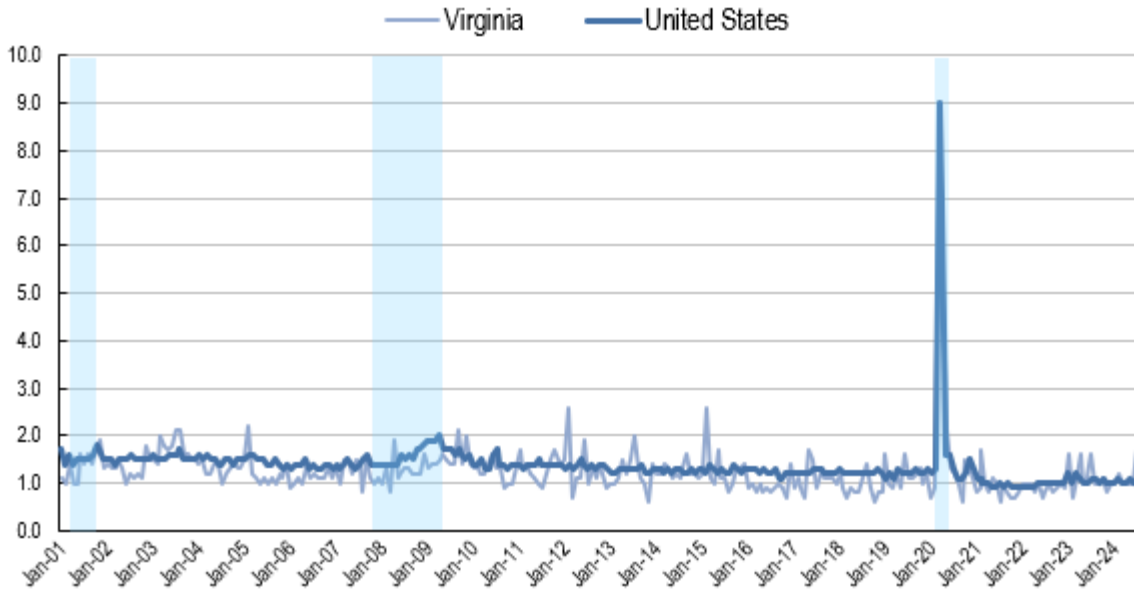
Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data.
Shaded areas represent economic recessions.

An estimated 105,000 workers quit jobs from Virginia employers in July. The **number of quits** increased 23,000 from June's revised figure. This was lower by four percent over-the-year but seven percent higher than five years earlier. Quits, a component of total separations, are voluntary separations initiated by the employee. Nationwide in July, the number of quits was essentially unchanged at 3.3 million but was down by 338,000 over the year. Quits significantly increased in information (+16,000). The largest increases in the quits level occurred in Florida (+63,000), Virginia (+23,000), and Pennsylvania (+22,000). The largest decreases occurred in Texas (-45,000), New York (-32,000), and Illinois (-29,000). The **quits rate** in the Commonwealth rose to 2.5 percent and remained at levels seen over the last two years. Over the month, the U.S. quits rate changed little at 2.1 percent. The largest increases in quits rates occurred in Colorado (+0.7 percentage point) and in Florida and Virginia (+0.6 point each). The decreases occurred in Illinois (-0.4 point), as well as in New York and Texas (-0.3 point each). In July, the quits rate significantly decreased for establishments with 1 to 9 employees.

The number of **layoffs and discharges** in Virginia was 73,000 in July, an increase of 30,000 from June's 43,000 revised estimate. This was up 12 percent over the year and approached the highest level since 2020. Layoffs and discharges are countercyclical, which means that layoffs typically increase during economic contractions and decrease during economic expansions. Nationwide in July, the number of layoffs and discharges changed little at 1.8 million. Layoffs and discharges increased in accommodation and food services (+75,000) and in finance and insurance (+21,000). The largest increases in the layoffs and

The Rate of Layoffs and Discharges, January 2001 to July 2024

In July 2024, the layoff and discharge rate in Virginia stood at 1.7%, jumping higher over the month, resulting in a higher rate than nationwide. The Virginia layoff rate had held steady for many months at below longterm trends.



Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

discharges level occurred in Virginia (+30,000), Pennsylvania (+29,000), and Michigan (+16,000). A large decrease occurred in Oklahoma (-9,000).

The **Virginia layoffs and discharges rate** rose to 1.7 percent in July. The U.S. rate was little changed at 1.1 percent. The largest increases occurred in North Dakota (+1.6 percentage points), Virginia (+0.7 point), and South Dakota (+0.6 point). A large decrease occurred in Oklahoma (-0.5 point).

The July **‘churn’ rate** (the sum of the hires rate and total separations rate) in Virginia rose by 1.7 percentage points from June’s revised 6.5 percent figure, the fastest pace in a year. The hires rate rose but the total job separations increase was the main driver of the acceleration in July’s churn rate. While more volatile month-to-month, Virginia’s pace has been more active for over a year.

On the last business day of July, Virginia’s labor market conditions deviated from recent trends as the pace of movement from job to job quickened to the fastest pace in a year. Contributing to this was a spike in the numbers of layoffs and discharges in July. Layoffs, a relatively quiet component of the JOLTS survey since 2022, jumped by 70 percent over the month and compared to July 2019. State JOLTS measures can be volatile month-to-month and the JOLTS layoff figure might recede to its low recent trend but it could also reflect published business closure notices in recent months.

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Job Openings

Job openings include all positions that are open on the last business day of the reference month. A job is open only if it meets the following three conditions: (1) A specific position exists and there is work available for that position; the position can be full time or part time, and it can be permanent, short term, or seasonal; (2) the job could start within 30 days, whether or not the employer can find a suitable candidate during that time; and (3) the employer is actively recruiting workers from outside the establishment to fill the position. Excluded are positions open only to internal transfers, promotions or demotions, or recalls from layoffs.

Hires

Hires include all additions to the payroll during the entire reference month, including newly hired and rehired employees; full-time and part-time employees; permanent, short-term, and seasonal employees; employees who were recalled to a job at the location following a layoff (formal suspension from pay status) lasting more than 7 days; on-call or intermittent employees who returned to work after having been formally separated; workers who were hired and separated during the month; and transfers from other locations. Excluded are transfers or promotions within the reporting location, employees returning from a strike, and employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

Separations

Separations include all separations from the payroll during the entire reference month and are reported by type of separation: quits, layoffs and discharges, and other separations. Quits include employees who left voluntarily, except for retirements or transfers to other locations. Layoffs and discharges include involuntary separations initiated by the employer, including layoffs with no intent to rehire; layoffs (formal suspensions from pay status) lasting or expected to last more than 7 days; discharges resulting from mergers, downsizing, or closings; firings or other discharges for cause; terminations of permanent or short-term employees; and terminations of seasonal employees (whether or not they are expected to return the next season). Other separations include retirements, transfers to other locations, separations due to employee disability, and deaths. Excluded are transfers within the same location, employees on strike, and employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

*Excerpted from U.S. Bureau of Labor Statistics, Handbook of Methods, "Job Openings and Labor Turnover Survey: Concepts," <https://www.bls.gov/opub/hom/jlt/concepts.htm>.

Virginia Works plans to release the August 2024 analysis of the BLS Job Openings and Labor Turnover Survey for Virginia on Tuesday October 22, 2024. The data for all states and the U.S. will be available on the BLS website JOLTS page, at <https://www.bls.gov/jlt/>. BLS is scheduled to release the August JOLTS data for states on Thursday, October 17, 2024.

Technical note: Effective with the release of May 2024 data on July 24, 2024, the Job Openings and Labor Turnover Survey (JOLTS) state estimates have been benchmarked and revised to include the annual benchmark revisions to JOLTS national estimates, the Current Employment Statistics (CES) employment estimates, and the Quarterly Census of Employment and Wages (QCEW) data. Seasonally adjusted and not seasonally adjusted data from January 2019 forward are subject to revision. The Bureau of Labor Statistics (BLS) Job Openings and Labor Turnover Survey (JOLTS) produces monthly data on U.S. and regional job openings, hires, quits, layoffs and discharges, and other separations from a sample of approximately 21,000 establishments. As a supplement, BLS has begun publishing state estimates that provide monthly information that can be used to better understand the dynamic activity of businesses in state economies that leads to aggregate employment changes. For more information on the program's concepts and methodology, see "Job Openings and Labor Turnover Survey: *Handbook of Methods*" (Washington, DC: U.S. Bureau of Labor Statistics, July 13, 2020), <https://www.bls.gov/opub/hom/jlt/home.htm>. For more information on BLS' state JOLTS estimates, see https://www.bls.gov/jlt/jlt_statedata.htm. *Definitions of JOLTS terms**