

# VIRGINIA



# EMPLOYMENT MONTHLY

## January 2023



## Virginia's Employment Summary for December and a Look Back at 2022

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

- 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.
- From January 2022 TO December 2022, the VEC estimates that establishments in Virginia gained 104,300 jobs, an increase of 2.6 percent. The private sector recorded a gain of 82,100 jobs, while employment in the public sector increased by 22,200 jobs.
- During the same January 2022 to December 2022 period, on a seasonally adjusted basis, ten of eleven major industry divisions realized recovery in employment levels while one industry experienced contraction. The largest gains in the period occurred in education and health services, up 26,900 jobs (+4.9%). The second gain occurred in government, up 22,200 jobs (+3.1%). The third largest gain occurred in leisure and hospitality, up 20,500 jobs (+5.3%). Other job gains occurred in professional and business services (+10,300 jobs); trade, transportation, and utilities (+6,400 jobs); construction (+6,000 jobs); miscellaneous services (+5,200 jobs); manufacturing (+5,100 jobs); information (+3,300 jobs); and mining and logging (+400 jobs). The only job loss occurred in finance (-2,000 jobs).
- Comparing December 2022 figures to December 2021, 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. For more details, visit the Virginia Employment Commission's website at [vec.virginia.gov](https://www.vec.virginia.gov/).

## Virginia Employment - December 2022 (seasonally adjusted)

<b>United States Unemployment Rate</b> (December 2021 - December 2022 percentage point)	<b>3.5%</b> (-0.4)
<b>Virginia Unemployment Rate</b> (December 2021 - December 2022 percentage point)	<b>3.0%</b> (-0.3)
<b>Civilian Labor Force</b> (December 2021 - December 2022 Change)	<b>4,357,319</b> (2.3%)
<b>Labor Force Participation Rate</b> (December 2021 - December 2022 percentage point)	<b>63.7%</b> (1.1)
<b>Total Nonfarm Employment</b> (December 2021 - December 2022 Change)	<b>4,097,900</b> (2.6%)
<b>Number of Establishments, 2nd Quarter 2022</b> (2nd Quarter 2021 - 2nd Quarter 2022 Change)	<b>320,590</b> (9.0%)
<b>Average Weekly Wage, 2nd Quarter 2022</b> (2nd Quarter 2021 - 2nd Quarter 2022 Change)	<b>\$1,316</b> (4.7%)

## Unemployment Rates (percent) November 2022 (not seasonally adjusted) (November 2021 - November 2022 percentage point)

<b>Virginia</b>	<b>3.0 (-0.2)</b>
Blacksburg-Christiansburg-Radford MSA	<b>2.8 (0.5)</b>
Bristol MSA (VA part)	<b>3.2 (0.4)</b>
Charlottesville MSA	<b>2.8 (0.4)</b>
Harrisonburg MSA	<b>2.9 (0.6)</b>
Lynchburg MSA	<b>3.3 (0.4)</b>
Northern VA MSA (VA part)	<b>2.6 (0.2)</b>
Richmond MSA	<b>3.2 (0.1)</b>
Roanoke MSA	<b>3.0 (0.3)</b>
Staunton-Waynesboro MSA	<b>2.7 (0.3)</b>
Virginia Beach-Norfolk-Newport News, Virginia/NC MSA (VA part)	<b>3.4 (0.0)</b>
Winchester, Virginia/WV MSA (VA part)	<b>2.6 (0.4)</b>

<https://www.vec.virginia.gov/> • [www.VirginiaWorks.com](https://www.VirginiaWorks.com)



Economic Information & Analytics Division  
6606 West Broad St., Richmond, VA 23230

## Was Virginia's Labor Market in 2022 as Unusual as It Seemed?

*Timothy Aylor, Senior Economist - [timothy.aylor@vec.virginia.gov](mailto:timothy.aylor@vec.virginia.gov)*

To many Virginia employers and other observers, labor market conditions in 2022 seemed unusually tight. For example, the Commonwealth's unemployment rate in the closing months of 2022 hovered around 2.8%. This was especially welcome news considering the rate had receded all the way down from the historic 11.6% rate set in April 2020. Given this positive trend, why did labor markets seem so out of kilter?

While the falling unemployment rate had returned to pre-pandemic levels, the number of job openings climbed to record levels in 2022. Taken together, were these a signal that we were in an economic expansion or an economic downturn? Or a shift to some new condition in the labor market in which it became less efficient in matching labor demand with available labor supply? Economists often use data visualizations of the 'Beveridge curve' for insights into which of these may have occurred.

The Beveridge curve, named after a 20th Century British economist, graphically illustrates the inverse relationship between the unemployment rate (a measure of available labor supply) and the job openings rate (a measure of unmet labor demand). The 'curve' is composed of charted data points from specific time periods. Data points located in the lower right often represent recessionary periods, with greater unemployment and reduced job openings. Data points located in the upper left often represent expansionary periods, with lower unemployment and increased job openings. Outward shifts of the curve itself to the upper right can indicate lesser efficiency in matching the hiring needs of employers with the skills of available, unemployed workers.

One data component of the Beveridge curve is more well-known than the other. The unemployment rate represents the number of unemployed people as a percentage of the labor force and measures the share of workers who do not currently have a job but are actively looking for work. According to VEC household survey data, Virginia's seasonally adjusted unemployment rate increased in December to 3.0 percent, but continued to be below the national rate, which decreased to 3.5 percent. The Commonwealth's unemployment rate remained in a narrow range of 2.6% and 3.0% for much of 2022. Such low levels are often an indication of a strong labor market at, or close to, full employment. The job openings rate is the percentage of job openings to total payroll employment and comes from the BLS JOLTS program. In November, the Virginia job openings rate fell by 1.3 percentage point from 8.0 in October to 6.7%. This was the lowest rate in a year but still very elevated. Historically, Virginia's job opening rate has usually been higher, for various reasons, than nationwide.

Estimating the number of unemployed per job opening is a way of analyzing how tight a labor market is, with a low ratio evidence of many employers chasing few available workers. In November of last year, there was less than one unemployed worker per two job openings in the Commonwealth, as had been the case during most of last year. This period marked the measure's low point, going back to January 2001 when BLS began collecting the data. In Virginia, the unemployed per job opening 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 3.3 in April 2020 during the height of pandemic employment impacts.

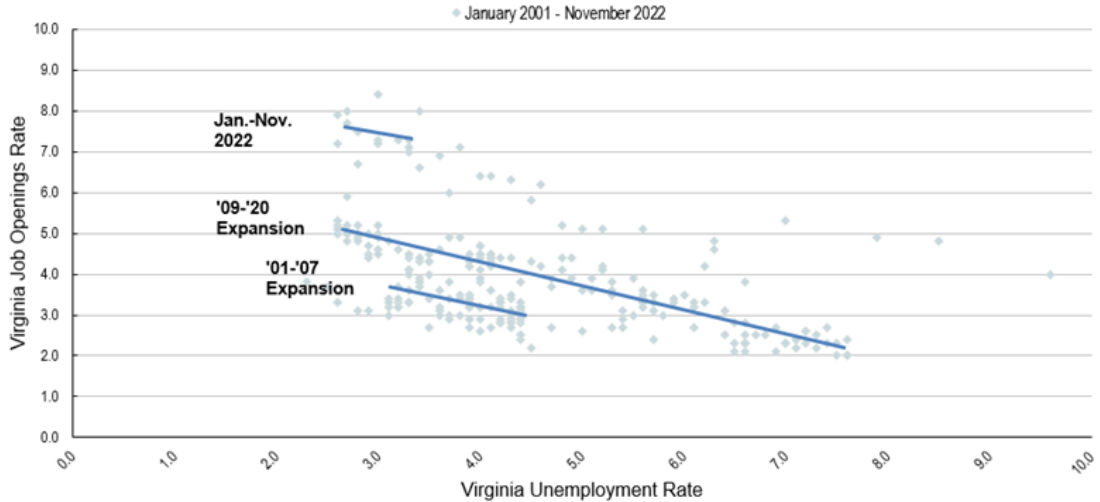
Considering that 2022's inverse relationship between unemployment (low) and job openings (high) indicated economic strength, was that the case? A leading measure of the Commonwealth's economic activity, GDP-by-State figures from the Bureau of Economic Analysis (BEA), may affirm that. But it depends upon the quarter. Third quarter GDP figures from 2022 were positive in Virginia, as real gross domestic product (GDP) increased by an annual rate of +2.2%, compared to at an annual rate of +3.2% nationwide. Industry gains were led by white collar service industries, health care, and retail trade while construction was the biggest drag on growth.



Since this could indicate an economy in expansion, does comparing the Beveridge curve for January through November 2022 with recent expansionary periods (2001 – 2007 and 2009 – 2020) provide additional evidence? It does, in that the unemployment rate was lower than was typically the case during previous expansions while the job openings rate was much higher than in either expansionary period.

### Chart 1. Beveridge Curves for Jan.-Nov. 2022 and Recent Economic Expansions

During the first eleven months of 2022, the Virginia unemployment rate was lower than was typically the case during previous expansions while the Virginia job openings rate was much higher than in either expansionary period.



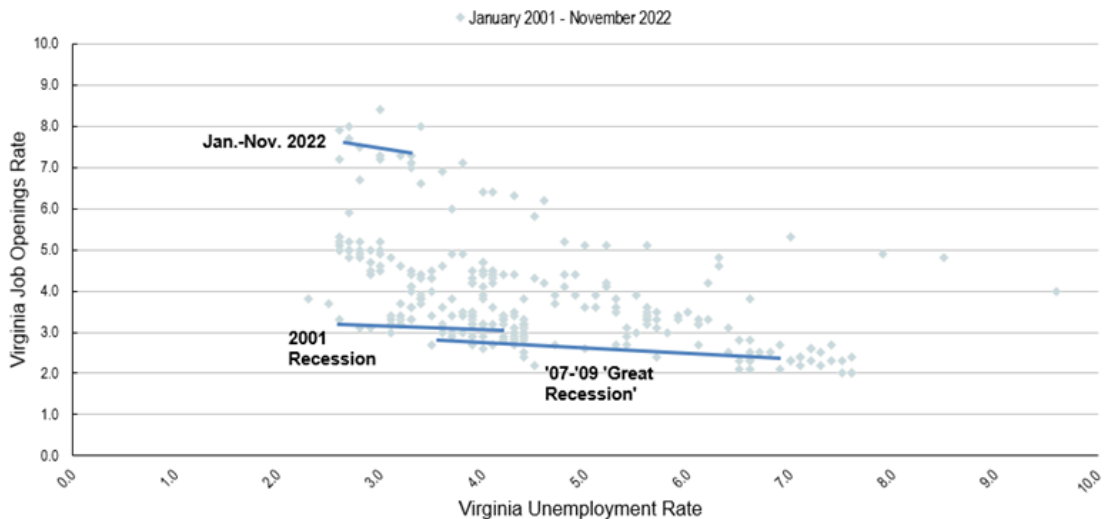
Sources: Author's analysis of BLS Job Openings and Labor Turnover Survey (JOLTS) and Local Area Unemployment Statistics (LAUS) data. NBER business cycle data determined expansion and contraction periods. Chart Beveridge curves are represented by OLS linear regression trend lines of grouped data points for given time periods

While these things may be true, the 2022 economy didn't feel very strong to many Virginians and the Virginia GDP-by-State figures declined during the first and second quarters of last year. It performed a little slower than nationwide in the second quarter 2022, as real gross domestic product (GDP) decreased at an annual rate of -0.9% compared to an annual rate of -0.6% nationwide. The second quarter was impacted by the cooling residential real estate market and was also held back by industries affected by inflation and supply chain disruptions like manufacturing, wholesale trade, and retail trade.

Given the two quarters of negative GDP growth in the first half of 2022, how does the Beveridge curve for January through November 2022 stack up against those of recent recessions (the 2001 recession and the '07-'09 Great Recession)? Comparing them indicates that the Virginia economy in 2022 differed from them in that unemployment was lower while the ratio of job openings to total payroll jobs was much higher than was the case during either contractionary economic period. Because it was so anomalous, the Beveridge curve for the 2020 Pandemic recession was not included in the chart.

### Chart 2. Beveridge Curves for Jan.-Nov. 2022 and Recent Economic Recessions

For the first eleven months of 2022, the Virginia economy differed from those of recent recessions in that unemployment was lower while the ratio of job openings to total payroll jobs was much higher than was the case during the 2001 Recession and the '07-'09 'Great Recession.'

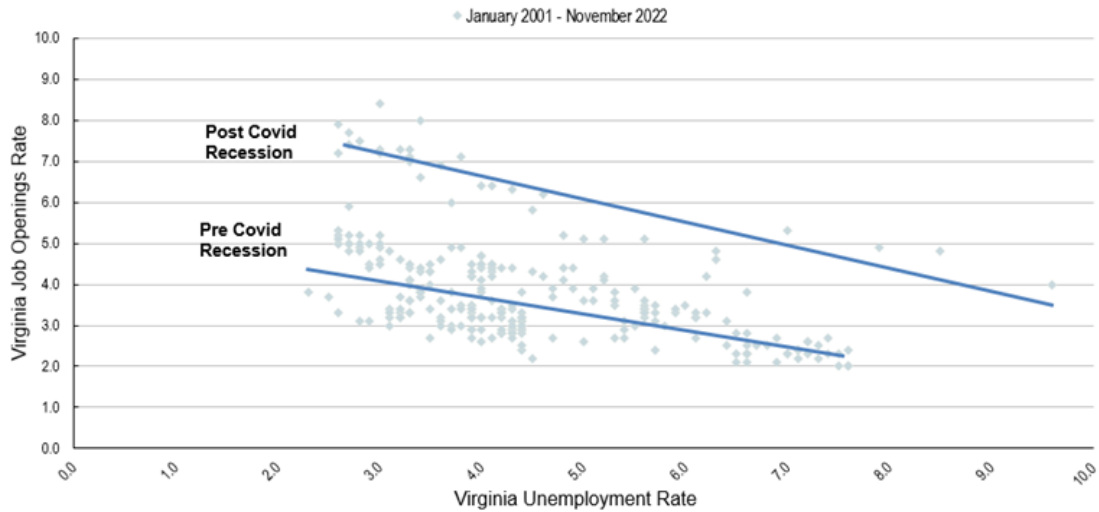


Sources: Author's analysis of BLS Job Openings and Labor Turnover Survey (JOLTS) and Local Area Unemployment Statistics (LAUS) data. NBER business cycle data determined expansion and contraction periods. Chart Beveridge curves are represented by OLS linear regression trend lines of grouped data points for given time periods



### Chart 3. Beveridge Curves Showing Pre and Post Pandemic Recession Conditions

The post-Covid recession Beveridge curve, when compared with the pre-Covid curve, appears to have shifted significantly upward to the right, an indication of increased turbulence and upheaval in job markets coming out the 2020 Covid recession.



Sources: Author's analysis of BLS Job Openings and Labor Turnover Survey (JOLTS) and Local Area Unemployment Statistics (LAUS) data. NBER business cycle data determined expansion and contraction periods. Chart Beveridge curves are represented by OLS linear regression trend lines of grouped data points for given time periods.

Though 2022's labor market tightness more closely resembled recent expansionary periods than recessionary periods, its Beveridge curve indicates that it was distinct from both. The post-Covid recession Beveridge curve, when compared with the pre-Covid curve, appears to have shifted significantly upward to the right, an indication of increased inefficiency in job markets coming out of the 2020 Covid recession.

The above chart indicates that after the Pandemic recession, more job openings were required to see a reduction in the unemployment rate. Was this shift an outcome of Covid era labor market disruptions? Partially, but the job openings rate has trended upward since the Great Recession of 2007-2009. At the same time, declining labor force participation has been a factor in lowering unemployment rates over that period. Perhaps the dislocation of 2020 and 2021's subsequent reordering of labor markets heightened these trends. However, they appear to have resumed a decade-long trajectory, driven by secular demographic and technological changes and the ongoing challenge of matching the skills of available workers with those that employers are searching for.



# Trust Fund Data - December 2022

## Financial Data

- Trust Fund Balance (millions) \$1,457.4
- Tax Revenue (Monthly) (millions) \$0.1

## Benefits Data

- Benefits Paid (Monthly) (millions) \$13.7
- Average Weekly Benefit \$343.58
- Initial Claims (YTD) 165,937

## Initial and Continued Claims

### Initial Claims:

- There were 12,824 initial claims in December.
- Initial claims increased by 12.8% over the month.
- Year-to-date initial claims were 72.8% lower in December 2022 compared to the same period in 2021.

### Continued Claims:

- There were 53,893 continued claims in December 2022.
- This was a 15.8% increase over-the-month and a 65.1% decrease over-the-year.
- Year-to-date continued claims were 73.5% lower than during the same period in 2021.

\*Claims counts include interstate and intrastate.

Claims Data			
	Initial Claims	Recipients	Final Payments
December 2022	12,824	8,948	964
November 2022	11,369	7,082	853
December 2021	15,982	16,501	911

To receive notice of future issues, please subscribe: <https://www.vec.virginia.gov/press-release-mailing-list>

# Upcoming Events

## Jovie: Childcare Re-imagined Hiring Day

### 2023 Nanny Vacancies We're Hiring!

OPEN POSITION: NANNIES/BABYSITTERS

- Position 1: Full Time GUARANTEE 40 hrs
- Position 2: After School nanny: 20-25 hrs
- Position 3: Part Time Nanny: 2-3 full days a week
- Position 4: PERM PLACEMENT NANNY

Start Early February 2023

WALK IN INTERVIEWS

#### Date:

Tuesday, January 31, 2023 (All day)

#### Address:

Holiday Inn Lobby (Near Ballston Metro)  
4510 N Fairfax Dr  
Arlington, Va 22203  
CALL US 614-600-3211

## Join Our Winning Team As A Client Care Specialist!

### Touch of Grace Living Assistance Services LLC

On the spot hiring will take place on Wednesday, February 8th from 9:00 a.m. to 5:00 p.m.

If you enjoy helping and caring for others, this is the perfect job opportunity for you!

We offer competitive pay, on the job training, benefits and job opportunity growth.

Bring your resume!

#### Date:

Wednesday, February 8, 2023  
9:00 a.m. to 5:00 p.m.

#### Address:

Touch of Grace Living Assistance Services LLC  
13817 Village Mill Place Ste. H  
Midlothian, Virginia 23114  
757-849-3945  
[www.touchofgracescs.com](http://www.touchofgracescs.com)

## Virginia Beach Schools Custodial and Food Services Hiring Fair

Staff will be on site to answer any questions about VBSchools employment and benefits, as well as offering application review and assistance.

We will be offering on-site interviews for the following positions:

- Custodian - starting at \$12.24/hr
- Cafeteria Assistant - starting at \$12.24/hr
- Baker/Cook - starting at \$14.05/hr
- Candidates hired into these positions are eligible for a hiring incentive of up to \$1,500!

Successful interviews will result in an employment letter of intent, contingent upon a successful background/pre-boarding check.

**We recommend completing an employment application ahead of the fair.**

On-site fingerprinting will be available to expedite the hiring process. Please bring one of the following document combinations below:

- Combination 1: Driver's license and Social Security Card
- Combination 2: Driver's license and original birth certificate
- Combination 3: Military ID and Social Security Card
- Combination 4: Military ID and birth certificate
- Combination 5: Passport

Our employees enjoy weekends, holidays, and summers off, paid leave programs, comprehensive benefits and retirement programs, opportunities for career advancement and more.

**Date:**  
Saturday, February 4, 2023  
9:00 a.m. to 11:30 a.m.

**Address:**  
Bayside High School  
4960 Haygood Rd.  
Virginia Beach, VA 23455



## Metalsa Targeted Hiring Event

**Would you like to work in Roanoke VA?**

Metalsa, located in Roanoke VA, will be having a Targeted Hiring Event at two Virginia Career Works locations: Lynchburg and Roanoke (date and addresses below)

**Job Seekers must be fully registered in the Virginia Workforce Connection (VWC) - [www.vawc.virginia.gov](http://www.vawc.virginia.gov).**

**Call 434-439-3046** to obtain an interview time slot in advance.

Metalsa is recruiting for:

- Procurement Operations Coordinator - JO#3229304 – Bachelor's Degree and 3 years of experience.
- Quality Coordinator - JO#3229322 – Bachelor's Degree and 3 years of experience.
- Manufacturing Technicians - JO#3229280 – Starting Pay \$17.09hr. HS/GED, Basic computer knowledge, and 3-5years of manufacturing experience.

Additional information on the jobs can be found on the Virginia Workforce Connection - conduct a job search by the job order number (JO#)

"We provide the automotive industry with metallic structures for heavy and light trucks."

Bring an updated copy of your resume

**Date:**  
January 31st: Lynchburg from 9 a.m. to 1:30 p.m.  
and Roanoke from 10:30 a.m. to 1:30 p.m.

**Address:**  
**Lynchburg**  
3125 Odd Fellows Road  
Lynchburg, VA 24501

**Roanoke**  
3601 Thirlane Road NW  
Suite 2  
Roanoke, VA 24019

**For more Info on Upcoming Job Fairs,  
Visit the Job fair page at**

**<https://www.vec.virginia.gov/job-fairs>**