



COMMONWEALTH of VIRGINIA  
Department of Workforce Development and Advancement

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## Virginia Layoffs and Discharges Declined to 41,000 in August

—Latest BLS Jobs Openings and Labor Turnover Survey Shows Hiring Lower at 163,000—

**RICHMOND**— The Department of Workforce Development and Advancement (DWDA) announced today that the U.S. Bureau of Labor Statistics' August 2023 Job Openings and Labor Turnover Survey (JOLTS) reports a decrease in layoffs and discharges in the Commonwealth.

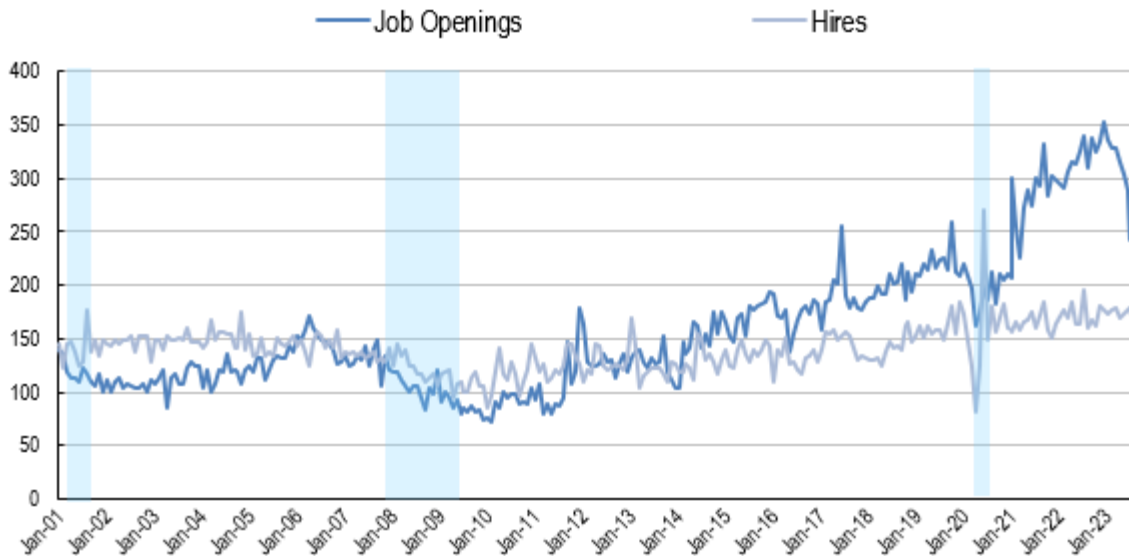
According to the most recent BLS JOLTS survey data, the number of August 2023 job openings in Virginia rebounded by thirteen percent compared to July 2023. Though partially recovering from July's drop, job openings remained eleven percent lower than August 2022. BLS JOLTS data provides information on 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 prior month's data have been revised.

On the last business day in August, there were 274,000 **job openings** in Virginia, seasonally adjusted, a 31,000 increase from July's 2023's revised 243,000 job openings. Nationwide, the number of job openings rose to 9.6 million (+690,000). Over the month, job openings increased in professional and business services (+509,000), finance and insurance (+96,000), state and local government education (+76,000), nondurable goods manufacturing (+59,000), and federal government (+31,000). The largest increases in the job openings level occurred in Illinois (+61,000) and New York (+46,000), as well as in Florida and Ohio (+42,000 each). The largest decreases occurred in New Jersey (-33,000) and New Hampshire (-7,000).

(more)

### Virginia job openings and hires, January 2001 to August 2023 (in thousands)

In August 2023, there were 274,000 job openings in Virginia, seasonally adjusted, a 31,000 increase from July 2023's revised 243,000 job openings. With the partial recovery, job openings remained over twenty percent higher than five years earlier in June 2019.

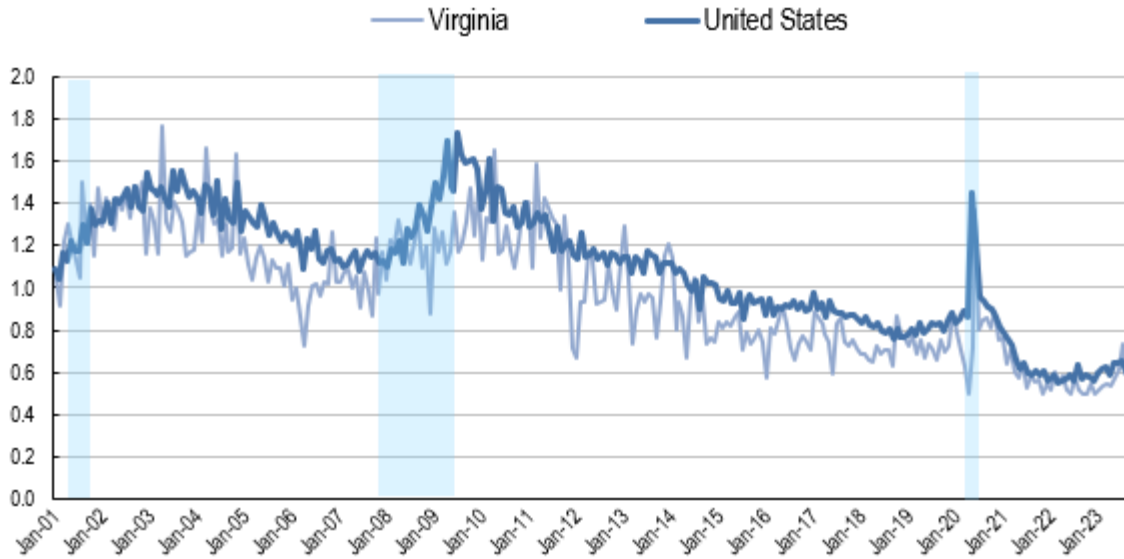


Source: DWDA analysis of Bureau of Labor Statistics (BLS), Job Openings and Labor Turnover Survey (JOLTS) data. Seasonally adjusted. Shaded areas represent economic recessions.

Virginia's **job openings rate** rose 0.7 of a percentage point to 6.2 percent in August. Nationwide, the rate rose to 5.8 percent. The largest increases in job openings rates occurred in Alaska (+3.7 percentage points), Utah (+1.4 points), and Iowa (+1.0 point). Some significant decreases occurred in New Hampshire (-0.9 point) and New Jersey (-0.7 point). The **number of hires** in Virginia edged down to 163,000 in August, a decrease of 16,000 over the month and down by ten percent from August 2019. JOLTS defines hires as all additions to the payroll during the month. The number of hires was up 82,000 from the series low of 81,000 in April 2020. In August, the U.S. number of hires changed little at 5.9 million, with no large industry changes. The largest increases in the hires level occurred in Texas (+86,000), New Jersey (+28,000), and Kentucky (+17,000). A large decrease occurred in California (-109,000). In Virginia, the **hires rate** decreased to 3.9 percent from July's revised 4.3 percent rate. The U.S. hires rate was little changed at 3.7, with little change in the rate among industries. Large increases in the hires rates occurred in Alaska (+0.9 percentage point) and Kentucky (+0.8 point), as well as in New Jersey and Texas (+0.6 point each). A large decrease occurred in California (-0.6 point). In August 2023, the Virginia **'annual fill' rate** (the ratio of 'this month' hires to 'last month' job openings, over the year) remained significantly above the historical, typical level of 1.0 at 1.23. The fill rate is a measure used to evaluate how labor markets differ in the pace that job openings are filled. An annual fill rate near or above 1.0 can indicate that employers are growing more efficient at filling job openings. On the other hand, an annual fill rate of less than 1.0 can indicate a tighter labor market, with employers having greater difficulty filling job openings compared to a year earlier. Going back to 2001, the highest annual fill rate occurred during May 2020 because, after the nationwide

### The Hires-Per-Job-Opening (HPJO) ratio, January 2001 to August 2023

In Virginia, the HPJO ratio in August 2023 returned to 0.6, equivalent to the U.S. rate. This indicates that there were six hires for every ten job openings in Virginia and nationwide. This indicates little change in the ability of employers to staff.



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

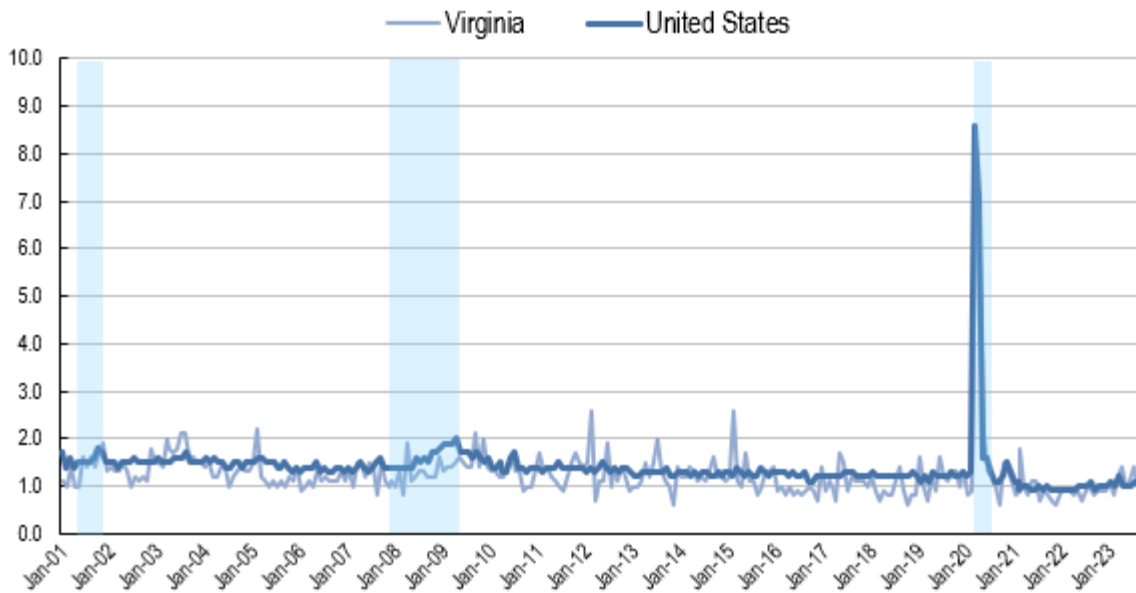
shutdown due to the COVID-19 pandemic, employers across the country sought to quickly hire for vacated positions. The lowest fill rate in Virginia occurred in June 2021. During that time, there were many factors that hindered the filling of vacant positions by employers, such as health concerns, employee skills, and childcare needs, but the biggest factor was the comparison against the historic re-hiring hike the year before.

The **hires-per-job-openings (HPJO) ratio** fell in August to 59 percent, equal to the rate nationwide. This measure shows the rate of hiring compared to open jobs and is a proxy for time to fill positions. This was a drop from July, which was the highest rate since March 2021. For nearly two years, the rate has hovered between five and six hires for every ten job openings in the Commonwealth.

In August, the number of **total separations** in Virginia decreased by 11,000 to 164,000. This was lower over the month but a seven percent increase over the year. Nationwide, the number of total separations in August edged up to 5.7 million. Over the month, the number of total separations significantly increased in accommodation and food services (+105,000) but decreased in information (-41,000) and federal government (-8,000). The largest increases occurred in Illinois (+67,000), Minnesota (+19,000), and Louisiana (+13,000). The largest decreases in the total separations level occurred in New Jersey (-32,000), Massachusetts (-25,000), and Connecticut (-13,000). The Virginia **total separations rate** decreased from 4.2 to 3.9 percent. The U.S. total separations rate in August was unchanged at 3.6 percent.

### The Rate of Layoffs and Discharges, January 2001 to August 2023

In August 2023, the layoff and discharge rate in Virginia stood at 1.0%. The U.S. layoff rate held steady at about the same level in recent months and remained below longterm trends.

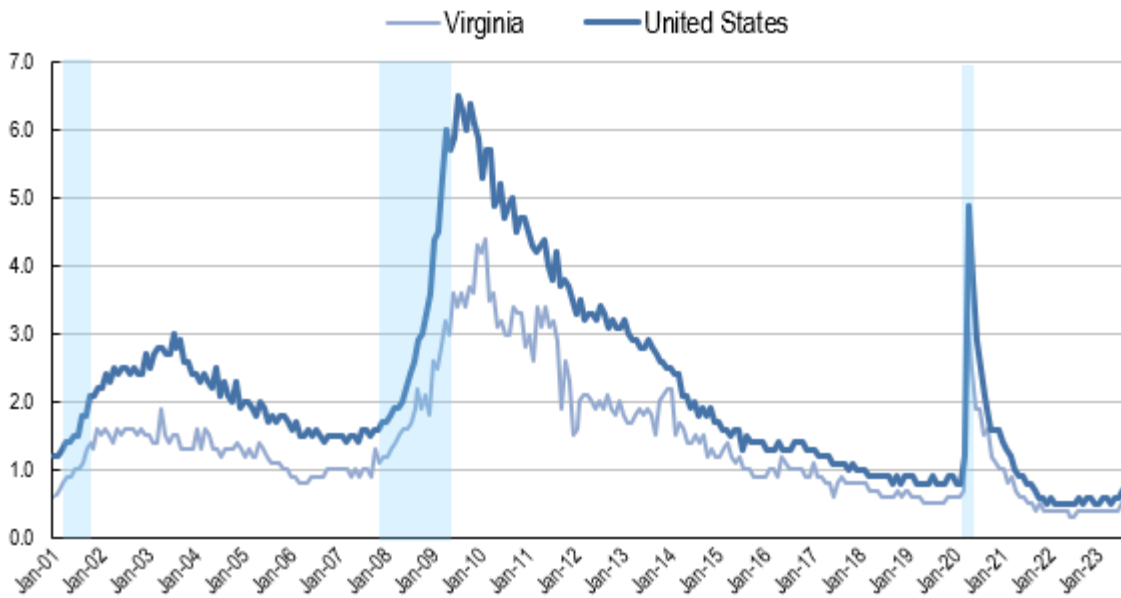


Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data.  
Shaded areas represent economic recessions.

The largest increases in total separations rates occurred in Illinois (+1.1 percentage points) and in Alaska, Nebraska, and North Dakota (+0.9 point each). The largest decreases occurred in New Hampshire (-1.0 point) as well as in Connecticut, Massachusetts, and New Jersey (-0.7 point each). An estimated 113,000 workers quit jobs from Virginia employers in August. The **number of quits** rose by 4,000 from July's revised figure of 109,000. That was a 7.6 percent decrease over-the-year but a 3.7 percentage increase from five years earlier. Quits, a component of total separations, are voluntary separations initiated by the employee. They can be seen as a leading indicator of wage trends in that it includes workers who quit to move to another job. Nationwide, in August, the number of quits was little changed at 3.6 million (+19,000). The number of quits increased in accommodation and food services (+88,000); finance and insurance (+28,000); state and local government, excluding education (+21,000); and arts, entertainment, and recreation (+18,000). The number of quits decreased in information (-30,000). The largest increases in the quits level occurred in Texas (+37,000), Illinois (+28,000), and Colorado (+15,000). The largest decreases occurred in Florida (-57,000), New York (-20,000), and New Jersey (-19,000). Slightly higher than nationwide, the **quits rate** in the Commonwealth edged up to 2.7 percent and remained at levels seen over the last two years. Over the month, the national quits rate changed little at 2.3 percent. The largest increases in quits rates occurred in North Dakota (+0.7 percentage point) as well as in Louisiana and Nebraska (+0.6 point each). The largest decreases occurred in Connecticut and Florida (-0.6 point each) and in New Jersey (-0.5 point).

### The Unemployed Per Job Opening Ratio, January 2001 to August 2023

In August 2023, there were 0.4 unemployed per job opening in the Commonwealth, compared to nationwide, with 0.7 unemployed per job opening. The gap has been much larger at times over the past twenty years.



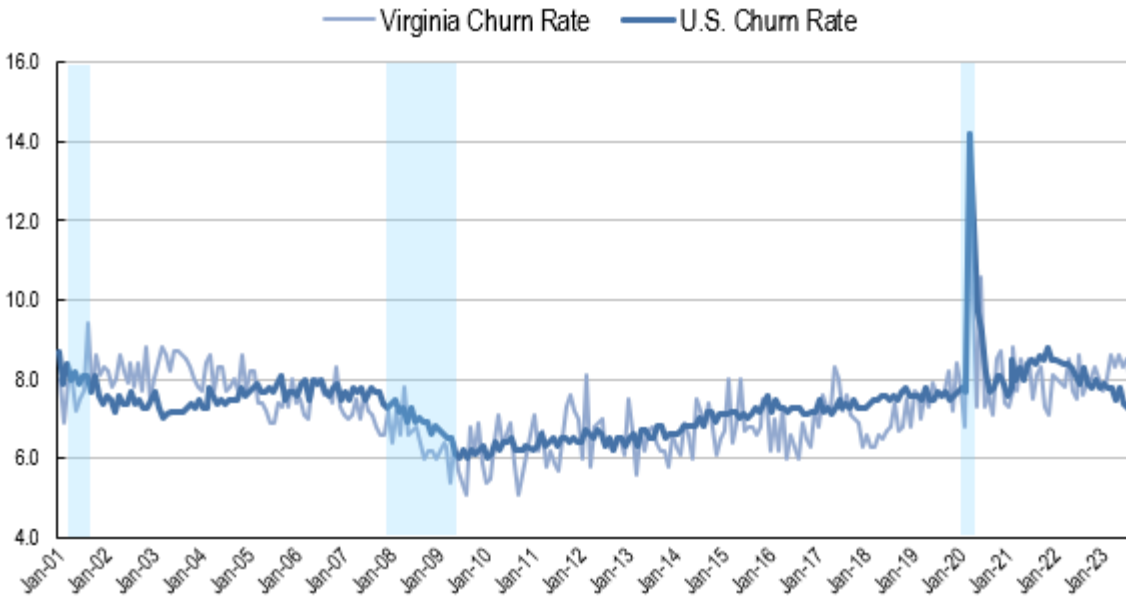
Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

The number of **layoffs and discharges** in Virginia fell by 16,000 to 41,000 in August. This was an increase of five percent over the year, but still at low, pre-Pandemic levels. Layoffs and discharges are countercyclical, which means that layoffs typically increase during economic contractions and decrease during economic expansions. In August, the number of U.S. layoffs and discharges changed little at 1.7 million. The largest decreases in the layoffs and discharges levels occurred in Massachusetts (-24,000), New Jersey (-20,000), and Virginia (-16,000). The largest increases occurred in Illinois (+37,000), New York (+29,000), and Minnesota (+25,000). The **Virginia layoffs and discharges rate** was one percent, while it remained at 1.1 percent nationwide. In August, the layoffs and discharges rate for establishments with 1 to 9 employees decreased.

In August 2023, there were four unemployed workers per ten job openings in the Commonwealth, within the 0.4 range that it has hovered around since 2021. That period marked the lowest rates since January 2001, when BLS began collecting the data. 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. The number of unemployed workers per job opening stood at 3.2 in April 2020 during the height of pandemic employment impacts. Across the U.S., there was a ratio of unemployed people to job openings of 0.7 in July, unchanged over the month. The ratio of unemployed people per job opening has been below 1.0 since July 2021. The number of unemployed people per job opening nationwide reached its highest level of 6.5 in July of 2009, at the height of the Great Recession.

### The Churn Rate, January 2001 to August 2023

In August 2023, the churn rate slowed to 7.80 in the Commonwealth, one half of a point faster than the national rate. The rate of movement from job to job nationwide has trended downward in recent months while Virginia's churn rate has held steady.



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

The August 2023 **churn rate** (the sum of the hires rate and the total separations rate) slowed significantly to 7.8 from July's revised 8.5 rate in Virginia yet indicating still-elevated velocity of rotation into and out of jobs. Nationwide's churn rate was 7.3, which was unchanged over the month but showed a full point deceleration over the year. An elevated churn rate indicates a labor market with a high hires rate, a high separations rate, or both. It can signify that workers are moving more frequently into and out of jobs in the labor market. Conversely, a low churn rate indicates a labor market with a low hires rate, a low separations rate, or both. Labor markets with the most churn may also have more seasonal employment patterns not fully captured by seasonal adjustment factors, which can lead to more frequent job-to-job movement.

On the last business day in August 2023, Virginia JOLTS data showed continued strength in one measure in particular—layoffs and discharges. August's estimate of 41,000 fell to its lowest level in 2023. Labor market strength remained evident in the Commonwealth as the number of unemployed per job opening remained low while the number of job quits as a percentage of all separations remained high. This indicates that many workers continued to look for and find better job opportunities, especially in pandemic impacted industries like leisure and hospitality. Other indicators indicated moderating conditions, like trends in the ability to fill openings and the slowing pace of job 'churn.' But these may be positive trends for employers because they indicate more stability in the ability to staff.

### 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>.

The Department of Workforce Development and Advancement (DWDA) plans to release the September 2023 analysis of the BLS Job Openings and Labor Turnover Survey for Virginia on Tuesday, November 21, 2023. 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 September JOLTS data for states on Monday, November 20, 2023.

Technical note: 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](https://www.bls.gov/jlt/jlt_statedata.htm). *Definitions of JOLTS terms\**