



COMMONWEALTH of VIRGINIA
Department of Workforce Development and Advancement

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Virginia Job Hires at 171,000 in January

—Latest BLS Jobs Openings and Labor Turnover Survey Shows Sustained Strength at the Beginning of the New Year—

RICHMOND— Virginia Works (the Virginia Department of Workforce Development and Advancement) announced today that the U.S. Bureau of Labor Statistics' January 2024 Job Openings and Labor Turnover Survey (JOLTS) reports small increases in Virginia hires and quits.

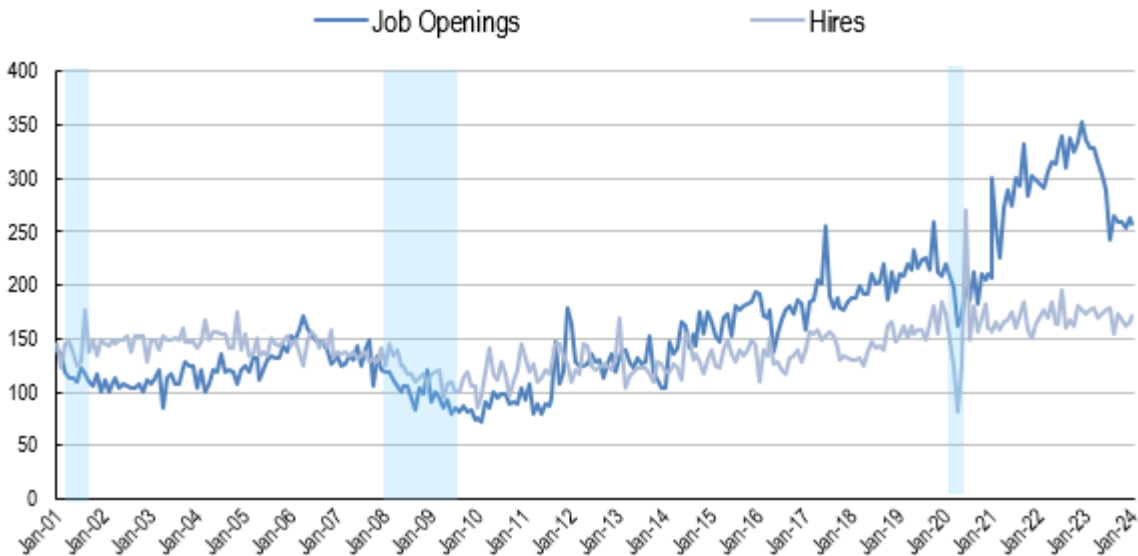
According to the most recent BLS JOLTS survey data, the number of January 2024 quits in Virginia increased by 6,000, or 6.3%, over the month and over the year. BLS JOLTS data provides information on all the pieces that go into the net change in the number of jobs. These components include job openings, 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 January, there were 257,000 **job openings** in Virginia, seasonally adjusted, a 6,000 decrease from December's 2023's revised 263,000 job openings. The number of U.S. job openings changed little at 8.9 million; this measure is down from a series high of 12.2 million in March 2022. U.S. job openings increased in nondurable goods manufacturing (+82,000) but decreased in private educational services (-41,000). The largest increases in the job openings level occurred in New York (+82,000), Maryland (+50,000), and Oregon (+41,000). The largest decreases occurred in Texas (-62,000), Colorado (-34,000), and Michigan (-24,000).

(more)

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

In January 2024, there were 257,000 job openings in Virginia, seasonally adjusted, a 6,000 decrease from December's 2023's revised 263,000 job openings. Job openings were nearly a quarter lower over-the-year, but 22% higher than five years earlier in January 2019.



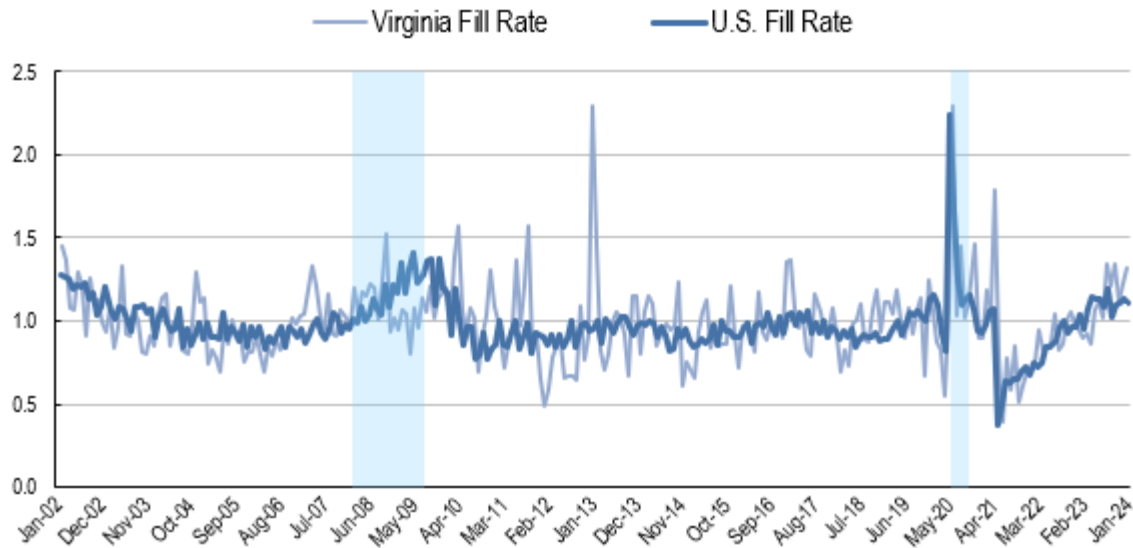
Source: DWDA analysis of Bureau of Labor Statistics (BLS), Job Openings and Labor Turnover Survey (JOLTS) data. Seasonally adjusted. Shaded areas represent economic recessions.

In Virginia, the January **job openings rate** was 5.8%, down 0.1 points from December. The U.S. job openings rate was unchanged at 5.3 percent in January 2024. The job openings rate decreased for establishments with 5,000 or more employees. In January, job openings increased in nondurable goods manufacturing (+82,000) but decreased in private educational services (-41,000). The largest increases in job openings rates occurred in Oregon (+1.9 percentage points), Maryland (+1.6 points), and Missouri (+1.2 points). The decrease occurred in Colorado (-1.0 point).

The **number of hires** in Virginia increased to 171,000 in January, an increase of 6,000 over the month but a decreased of 3,000 from January 2023. JOLTS defines hires as all additions to the payroll during the month. The number of hires was 37 percent lower than the series high of 271,000 set in June 2020. Nationwide in January, the number of hires was little changed at 5.7 million. Hires decreased in state and local government education (-37,000). The largest increases in the hires level occurred in Pennsylvania (+57,000), North Carolina (+28,000), and Oregon (+19,000). The decreases occurred in Florida (-94,000), Texas (-64,000), and Arkansas (-10,000). In Virginia, the 4.1 **hires rate** was little up from December's revised 3.9 percent rate. In January, the U.S. rate was little changed at 3.6 percent. The increases in the hires rate occurred in Oregon (+1.0 percentage point), Pennsylvania (+0.9 point), and Iowa (+0.7 point). The decreases occurred in Florida (-0.9 point) and Texas (-0.5 point). The Virginia **hires-per-job-openings (HPJO) ratio** edged up to .67 percent. Nationwide, it has hovered around two hires per three openings over the past year. This measure shows the rate of hiring compared to open jobs and is a proxy for time to fill positions.

The Annual Fill Rate, January 2002 to January 2024

In January 2024, the ability to hire for open positions continued to trend in a positive direction in Virginia and nationwide compared to a year earlier. Data indicates filling positions was easier in recent months compared to last year.



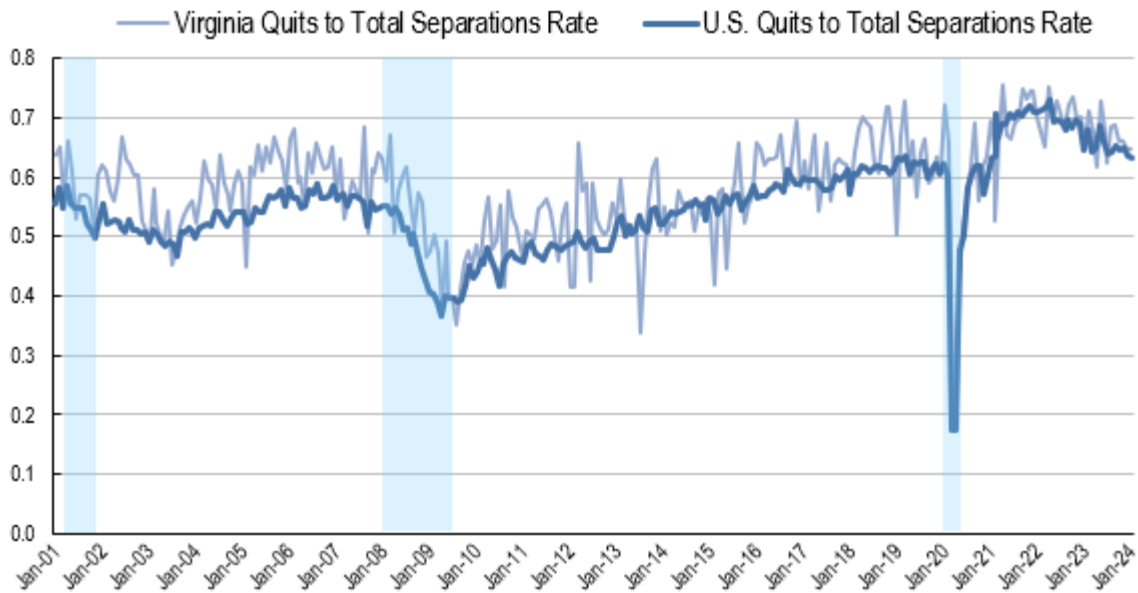
Source: DWDA analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey data. Shaded areas represent economic recessions.

In January 2024, 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 1.32. 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 June 2020 because, after the nationwide 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.

Total separations in Virginia increased by 9,000 to 156,000. Nationwide, the number of total separations in January changed little at 5.3 million. Over the month, the number of total separations decreased in health care and social assistance (-86,000) and in federal government (-8,000). The largest increases in the total separations level occurred in Colorado (+23,000), Oregon (+19,000), and Iowa (+9,000). Significant decreases occurred in Tennessee (-25,000) and Alaska (-3,000). The Virginia **total separations rate** increased from 3.5 to 3.7 percent. The U.S. total separations rate was unchanged at 3.4 percent. The increases in total separations rates occurred

Quits as a Percentage of Total Separations, January 2001 to January 2024

In January 2024, the share of quits to total separations was unchanged at 65 percent in Virginia. The falling trend indicates reduced confidence in workers' ability to leave their job for a better job. Its level is in line with the indicator's longterm trends.



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

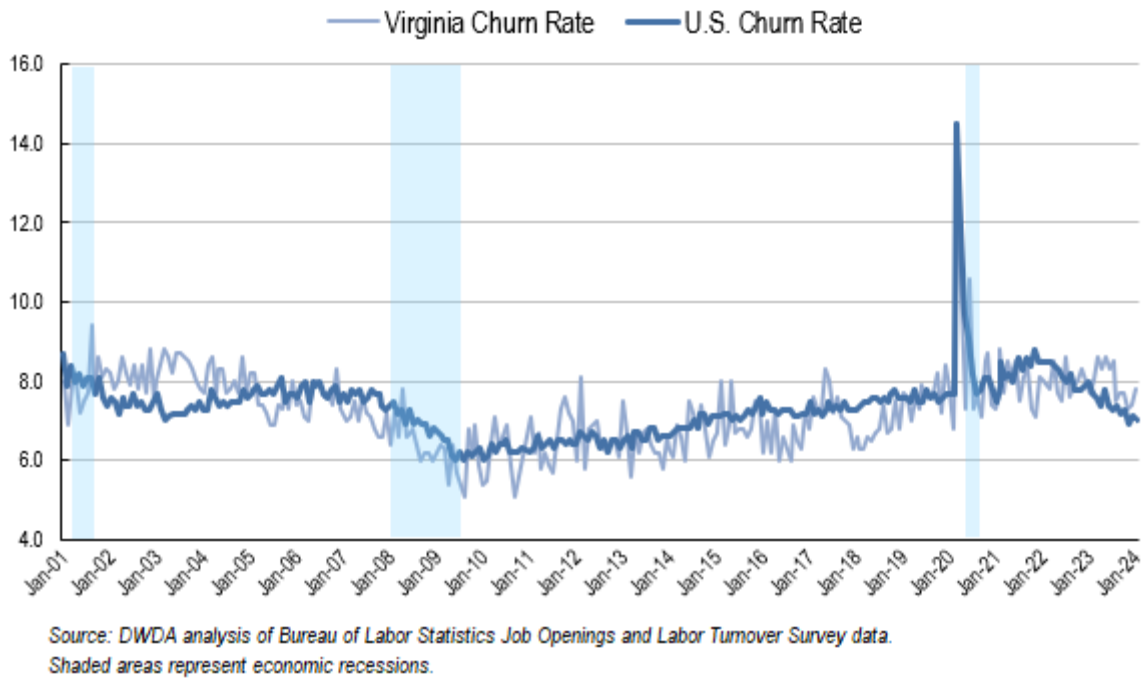
in Oregon (+1.0 percentage point), Colorado (+0.8 point), and Iowa (+0.6 point). The decreases occurred in Alaska (-0.9 point) and Tennessee (-0.8 point).

An estimated 101,000 workers quit jobs from Virginia employers in December. The **number of quits** increased by 6,000 from December's revised figure of 95,000. That was a 6.3 percent increase over-the-year and a 28 percent increase from five years earlier. Quits, a component of total separations, are voluntary separations initiated by the employee. Nationwide, the number of quits changed little at 3.4 million. The number of quits increased in information (+23,000) but decreased in real estate and rental and leasing (-16,000). The largest decreases in the quits level occurred in Georgia (-23,000), Tennessee (-16,000), and Minnesota (-15,000). The increases occurred in Colorado (+19,000) and Oregon (+9,000). The **quits rate** in the Commonwealth edged up to 2.4 percent and remained at levels seen over the last two years. Over the month, the U.S. rate was little changed at 2.1 percent. The decreases in quits rates occurred in North Dakota (-0.7 percentage point) and in Georgia and Minnesota (-0.5 point each). The increases occurred in Colorado (+0.7 point) and Oregon (+0.5 point).

The number of **layoffs and discharges** in Virginia was unchanged at 43,000 in January. This was little changed over the year, but over a third lower than five years earlier. Layoffs and discharges are countercyclical, which means that layoffs typically increase during economic contractions and decrease during economic expansions. In January, the number of U.S. layoffs and discharges changed little at 1.6 million, and the rate was 1.0 percent for the third month in a row. The number of layoffs and discharges decreased in state

The Churn Rate, January 2001 to January 2024

In January 2024, the churn rate rose to 7.8 in the Commonwealth. Nationwide, the rate of movement from job was little changed at 7.1 and has trended downward since the beginning of 2022.



and local government education (-19,000) but increased in mining and logging (+7,000). Significant decreases in the layoffs and discharges level occurred in Indiana and Ohio (-16,000 each) and in Alaska (-3,000). The increases occurred in Oregon (+8,000) and Delaware (+3,000). The **Virginia layoffs and discharges rate** remained to one percent, while the U.S. rate was unchanged at one percent for the third month in a row. The decreases occurred in Alaska (-0.9 percentage point), Indiana (-0.5 point), and California (-0.2 point). The increase occurred in New Jersey (+0.3 point).

The January **‘churn rate’** (sum of the hires rate and total separations rate) nationwide indicated a continued deceleration of movement of workers from job to job since the beginning of 2022. While more volatile month-to-month, Virginia’s pace has been more resilient extending back to the pandemic year of 2020.

On the last business day of January 2024, Virginia’s labor market largely followed recent trends, with little dramatic change over the month. JOLTS data indicated its balance, with gradually increasing labor supply yet continued strong need among employers to fill open positions. Employers continued making headway toward staffing stability, with hires growing as a percentage of job openings. This has largely been driven by job openings trending downward yet remaining more elevated than before the pandemic. The rate of job separations due to layoffs remained comparable to pre-pandemic trends. Adding these things together shows that, at the beginning of the new year, Virginia’s labor market remained strong but not overheated.

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 February 2024 analysis of the BLS Job Openings and Labor Turnover Survey for Virginia on Friday, April 19, 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 January JOLTS data for states on Wednesday, April 17, 2024.

Technical note: January's JOLTS analysis reflects revisions to U.S. figures that were made to the CES employment data in their annual benchmarking process. State revisions will be included in the May data release. 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**