



Virginia Economic Update

January 28, 2016

Summary

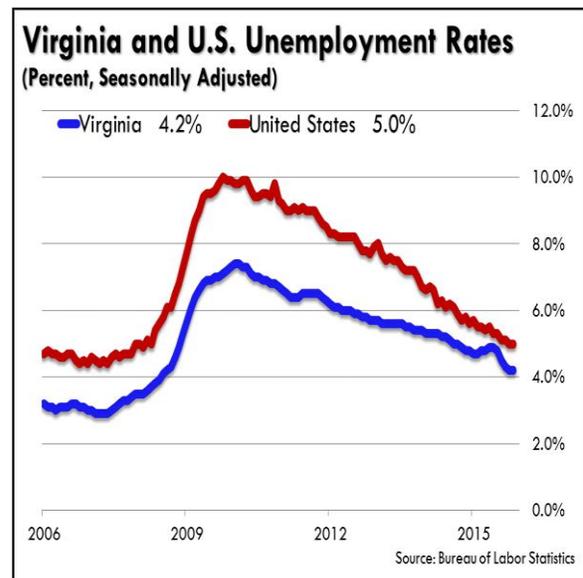
Nonfarm payroll employment in Virginia increased by 6,800 jobs and the unemployment rate increased to 4.2 percent in December according to data released by the Bureau of Labor Statistics (BLS).

Virginia Unemployment Rate

During December, the unemployment rate in Virginia increased to 4.2 percent. The number of people counted as unemployed increased by 1,200 in December to 176,500, while the labor force increased by 9,000 to 4,231,800.

The 10-year peak for the unemployment rate in Virginia was 7.4 percent in February 2010. The series high for the unemployment rate in Virginia occurred in December 1982 when the unemployment rate reached 7.9 percent. The 10-year low for the unemployment rate in Virginia was 2.9 percent in May 2007. The series low for the unemployment rate in Virginia occurred in November 2000 when the unemployment rate reached 2.1 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



Virginia Payroll Employment

Virginia nonfarm payrolls increased by 6,800 jobs, or 0.2 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 15,700. Over the past 12 months nonfarm payrolls in Virginia increased by 58,700, or 1.5 percent. Virginia nonfarm payroll employment has increased in 8 of the past 12 months.

Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

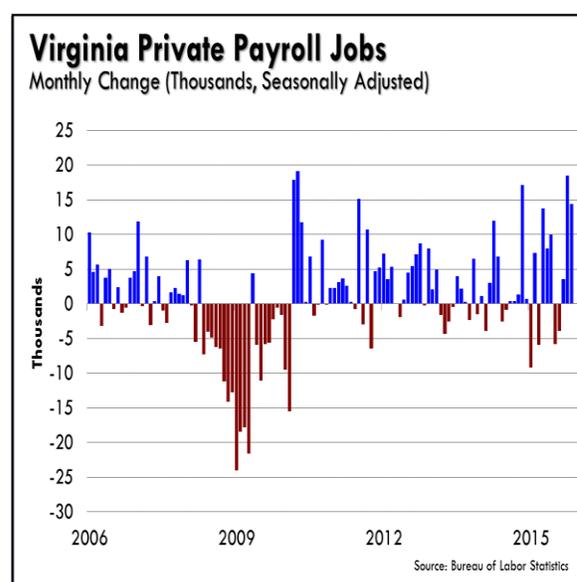
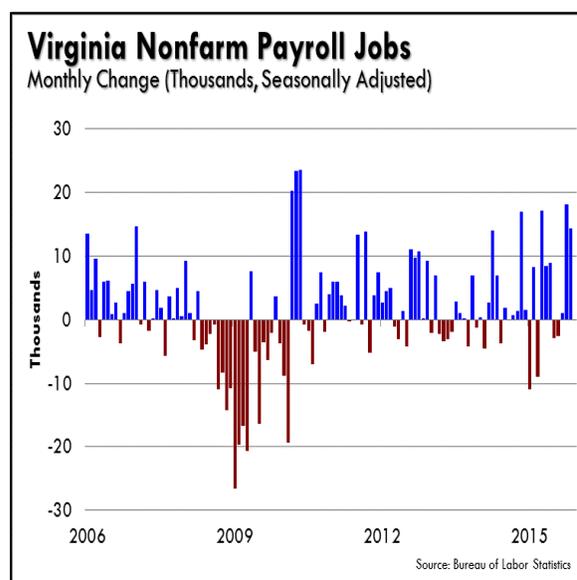
During December, Virginia private-sector payrolls increased by 7,100, or 0.2 percent. Private-sector payrolls increased by 16,400 jobs in the prior month. Over the past 12 months, private-sector payrolls in Virginia increased by 59,700, or 1.9 percent. Virginia private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Virginia decreased by 300, or 0 percent. Federal government payroll employment decreased by 300 or 0 percent. State government payroll employment increased by 500, or 0.3 percent, while local government payroll employment decreased by 500 or 0.1 percent.

Over the past year, total government payroll employment decreased by 1,000 or 0.1 percent. State government payroll employment increased by 1,700 or 1.0 percent. Local government payroll employment decreased by 2,800 or 0.7 percent.

The best performing sectors on a seasonally adjusted basis during December were professional and business services (+6,800) and leisure and hospitality (+1,100). The



poorest performing sectors during the month were manufacturing (-1,800) and trade, transportation, and utilities (-900).

The best performing sectors during the last twelve months were professional and business services (+25,300) and education and health services (+8,700). The poorest performing sectors for the year were government (-1000) and trade, transportation, and utilities (+700).

Other Virginia Labor Force Statistics

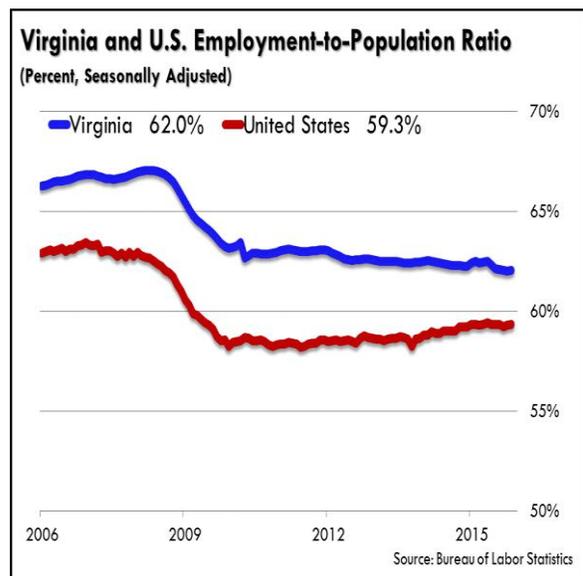
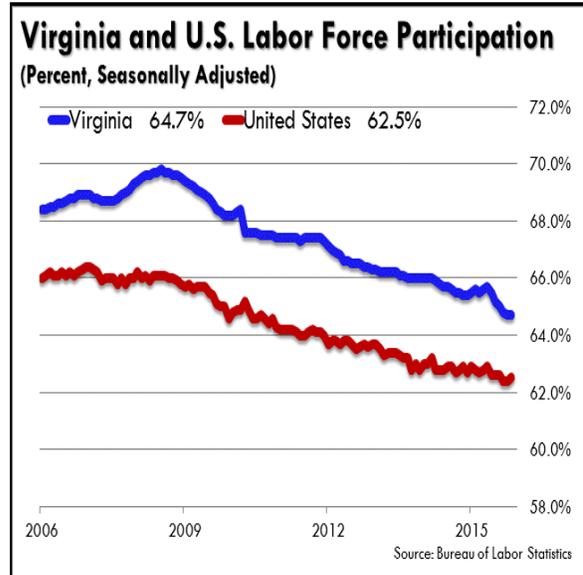
The labor force participation rate in Virginia increased to 64.8 percent in December. The labor force participation rate in Virginia has decreased from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Virginia was 69.8 percent in July 2008. The series high for the labor force participation rate in Virginia occurred in May 1992, when the labor force participation rate hit 71.5 percent. The 10-year low for the labor force participation rate was 64.7 percent in November 2015.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Virginia civilian noninstitutionalized population 16 years and older counted as employed, increased to 62.1 percent in December.

The 10-year high for the employment-to-population ratio in Virginia was 67.1 percent in April 2008. The series high for the employment-to-population ratio in Virginia occurred in December 1989 when the employment-to-population ratio hit 67.2 percent. The 10-year low for the employment-to-population ratio was 62.0 percent in



October 2015. The series low for the employment-to-population ratio occurred in September 1982 when the employment-to-population ratio hit 61.0 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.