



Virginia Economic Update

August 21, 2015

Summary

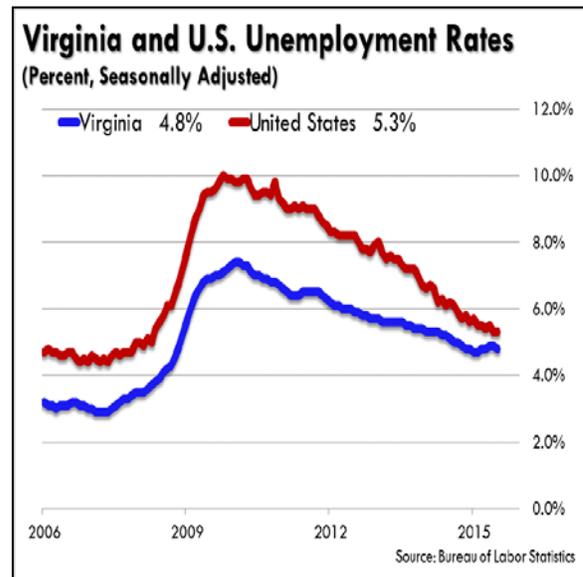
Nonfarm payroll employment in Virginia declined by 2,500 jobs and the unemployment rate fell to 4.8 percent in July according to data released by the Bureau of Labor Statistics (BLS).

Virginia Unemployment Rate

During July, the unemployment rate in Virginia declined by 0.1 percentage point to 4.8 percent. The number of people counted as unemployed fell by 4,741 in July to 202,729, while the labor force fell by 15,457 to 4,244,150. Among the 50 states and the District of Columbia, 21 posted lower unemployment rates for the month than Virginia. A year earlier, the unemployment rate in Virginia stood at 5.1 percent.

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 5.3 percent in July. July's unemployment rate was 0.9 percentage point lower than a year earlier when the rate stood at 6.2 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Virginia Payroll Employment

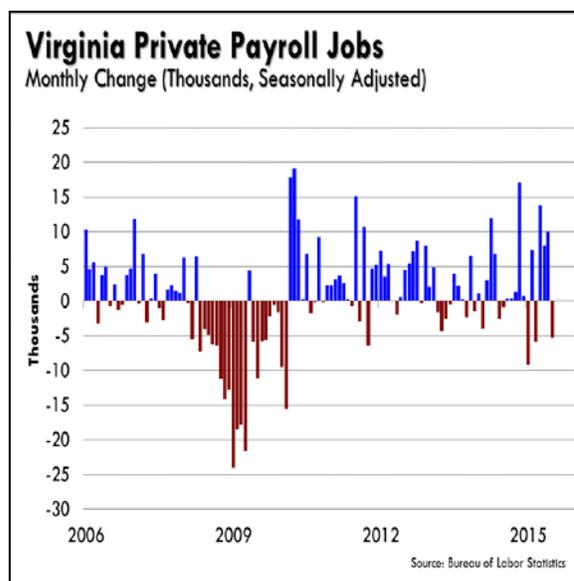
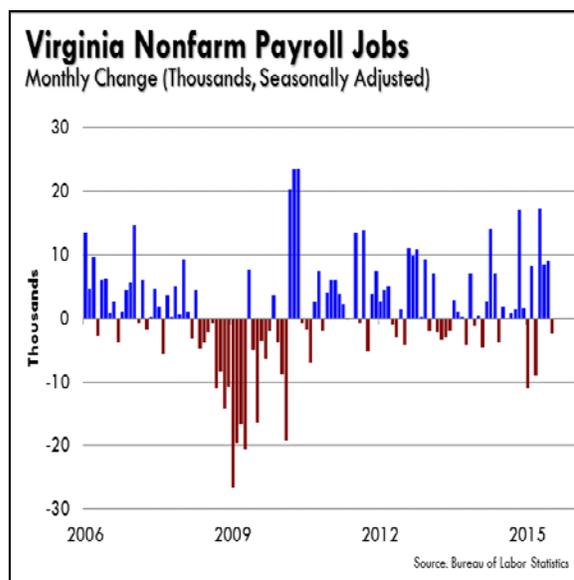
Virginia nonfarm payrolls declined by 2,500 jobs, or 0.07 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls increased by 8,900. Over the past 12 months nonfarm payrolls in Virginia increased by 40,700, or 1.08 percent. Virginia nonfarm payroll employment has increased in 8 of the past 12 months.

Nationally nonfarm payrolls increased by 215,000 jobs in July, or 0.15 percent. Over the 12 month period ending in July 2015, nonfarm payrolls grew by 2,915,000 jobs, or 2.09 percent. Virginia ranks 36th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, Virginia private sector payrolls declined by 5,300, or 0.17 percent. Private sector payrolls increased by 10,000 jobs in the prior month. Over the past 12 months, private sector payrolls in Virginia increased by 38,500, or 1.25 percent. Virginia private sector payroll employment has increased in 9 of the past 12 months.

Nationally, private sector payroll jobs increased by 210,000 in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,853,000 private sector payroll jobs, an increase of 2.43 percent. Virginia ranks 37th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During July, total government payroll employment in Virginia increased by 2,800, or 0.40 percent. Federal government payroll employment increased by 800, or 0.47 percent. State government payroll employment increased by 2,500, or 1.55 percent, while local government payroll employment declined by 500, or 0.13 percent.



Over the past year, total government payroll employment increased by 2,200, or 0.31 percent. State government payroll employment increased by 1,000, or 0.61 percent. Local government payroll employment declined by 700, or 0.19 percent.

The best performing sectors on a seasonally adjusted basis during July were Total Government (+2,800) and Financial Activities (+1,100). The poorest performing sectors during the month were Leisure & Hospitality (-4,100) and Professional & Business Services (-2,400).

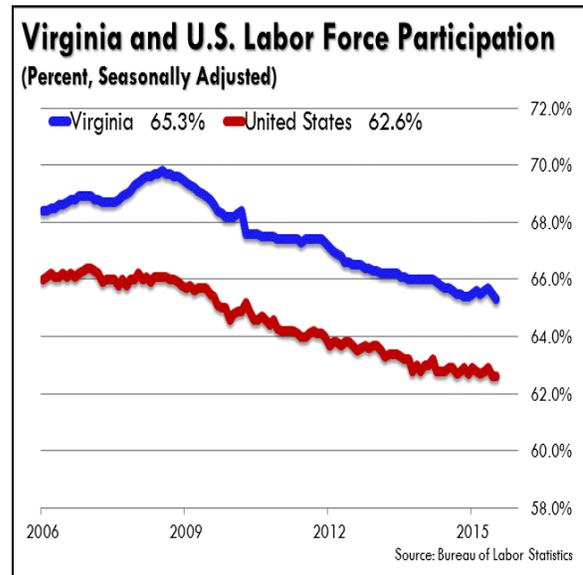
The best performing sectors during the last twelve months were Educational & Health Services (+10,300) and Construction (+9,900). The poorest performing sectors for the year were Mining & Logging (-1,100) and Information (+400).

Other Virginia Labor Force Statistics

The labor force participation rate in Virginia declined to 65.3 percent in July from 65.5 percent the prior month. Among the 50 states and the District of Columbia, 17 have a higher labor force participation rate than Virginia. The labor force participation rate in Virginia is unchanged 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 65.3 percent in July 2015. The series low for the labor force participation rate occurred in November 1976 when the labor force participation rate hit 65.2 percent.

The national labor force participation rate remained at 62.6 percent in July. That rate is 0.2 percentage point lower than a year earlier. The rate for June and July are the lowest recorded since October 1977.



The employment-to-population ratio, or the percentage of the Virginia civilian noninstitutionalized population 16 years and older counted as employed, declined to 62.1 percent in July from 62.3 percent the prior month. Among the 50 states and the District of Columbia, 17 have higher employment-to-population ratios than Virginia. The employment-to-population ratio in Virginia is 0.2 percentage point lower than a year earlier.

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 62.1 percent in July 2015. The series low for the employment-to-population ratio occurred in November 1982 when the employment-to-population ratio hit 61.0 percent.

The national employment-to-population ratio held steady at 59.3 percent in July. At 59.3 percent, the national employment-to-population ratio is below its level of 59.4 percent 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 August is scheduled for release on Friday, September 18. The national employment situation report for August will be released on Friday, September 4.

