



4th Quarter 2023

VIRGINIA

EMPLOYMENT INDICATORS

A Publication of Virginia Works

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York River

Quarterly Employment Indicators for Virginia

Fourth Quarter Summary:

The employment situation in Virginia continues to strengthen. More people are entering the labor force and employment is setting new all-time highs. Retail Trade had the largest quarter-over-quarter increase at 17,800 jobs or 4.6%. Second was Transportation, Warehousing, and Utilities, with an increase of 8,200 jobs or 5.1%. Private Education and Health Services was third, with an increase of 6,600 jobs or 1.1%. Other increases were in: Total Government, up 5,700 jobs, Manufacturing, up 2,800 jobs, Wholesale Trade, up 1,700 jobs, Miscellaneous Services, up 400 jobs, and Information, up 300 jobs.

Five industries saw declines over the quarter. The largest job losses were in Professional and Business Services, down 3,700 jobs or -0.5%. Second largest was Leisure and Hospitality, down 3,100 jobs or -0.9%. The third largest decrease was in Construction, down 300 jobs or -0.1% over the quarter. Other job losses were in: Finance, down 200 jobs, and Mining and Logging, down 100 jobs.

Year-over-year employment saw increases in nine industries and decreases in four. The biggest gain was in Private Education and Health Services with 5.7%, and the biggest loss was from Mining and Logging with a decrease of 1.4%.

Household conditions also improved. In December, Virginia's unadjusted unemployment rate was 2.7%, which is far below the historic high of 10.8% during COVID, lower than the U.S.'s rate of 3.5%, and the same rate we were at before COVID in February of 2020.

Around the State Highlights

Northern Virginia

The largest metropolitan statistical area (MSA) in terms of employment, Northern Virginia ended the fourth quarter of 2023 at 1,585,000 nonfarm payroll jobs in December. This was a gain of 10,000 jobs (+0.63 percent) over the end of the third quarter of 2023 and a gain of 27,900 jobs (+1.8 percent) over the year.

Trade, Transportation, and Utilities led the fourth quarter's job gain, increasing 9,300 jobs over the quarter. It was followed by Finance, up 2,800 jobs and Private Education and Health Services, up 2,300 jobs. The largest decrease was from Leisure and Hospitality, down 2,200 jobs.

Richmond

The Richmond MSA ended the fourth quarter at 718,700 payroll jobs in December. Seasonally unadjusted, this was an increase of 7,400 jobs (+1.0 percent), compared to September 2023. Richmond added 11,600 jobs (+1.6 percent) over the year.

Trade, Transportation, and Utilities also led Richmond's job gain, increasing 6,100 jobs over the quarter. It was followed by Total Government, up 2,200 jobs and Private Education and Health Services, up 1,900 jobs. The largest decrease was from Professional and Business Services, down 1,500 jobs.

Virginia Beach-Norfolk-Newport News

Virginia Beach-Norfolk-Newport News had 816,200 payroll jobs in December 2023. This was an increase of 6,700 jobs (+0.83 percent) over the quarter, compared to the end of September, and an increase of 17,600 jobs (+2.2 percent) over the year.

Trade, Transportation, and Utilities led Virginia Beach-Norfolk-Newport News's job gain, increasing 5,800 jobs over the quarter. It was followed by Private Education and Health Services, up 1,600 jobs and Mining, Logging, and Construction, up 900 jobs. The largest decrease was from Professional and Business Services, down 1,800 jobs.



Downtown Lynchburg

Charlottesville

Charlottesville ended the fourth quarter of 2023 at 126,300 nonfarm payroll jobs in December. This was a gain of 900 jobs (+0.72 percent) over the end of the third quarter of 2023 and a gain of 3,500 (+2.9 percent) over the year.

Trade, Transportation, and Utilities also led Charlottesville's job gain, increasing 700 jobs over the quarter. It was followed by Private Education and Health Services, up 400 jobs. And tied for third highest, all up 100 jobs were Information, Miscellaneous Services, and Total Government. The largest decrease was from Professional and Business Services, down 300 jobs.

Roanoke

Roanoke ended the fourth quarter of 2023 at 168,300 nonfarm payroll jobs in December. This was a gain of 2,100 jobs (+1.3 percent) over the end of the third quarter of 2023 and a gain of 3,200 (+1.9 percent) over the year.

Trade, Transportation, and Utilities led Virginia Roanoke's job gain, increasing 1,300 jobs over the quarter. It was followed by Private Education and Health Services and Total Government, both up 100 jobs. Financial Activities, Leisure and Hospitality, Miscellaneous Services, and Professional and Business Services tied for the largest decrease, down 100 jobs.

Lynchburg

Lynchburg ended the fourth quarter of 2023 at 106,000 nonfarm payroll jobs in December. This was a gain of 1,400 jobs (+1.3 percent) over the end of the third quarter of 2023 and a gain of 1,400 jobs (+1.3 percent) over the year.

Trade, Transportation, and Utilities also led Lynchburg's job gain, increasing 800 jobs over the quarter. It was followed by Private Education and Health Services, up 400 jobs and Total Government, up 300 jobs. The largest decrease was in Leisure and Hospitality, down 300 jobs.

Blacksburg-Christiansburg-Radford

Blacksburg-Christiansburg-Radford ended the fourth quarter of 2023 at 86,700 nonfarm payroll jobs in December. This was a gain of 300 jobs (+0.4 percent) over the end of the third quarter of 2023 and a gain of 4,000 (+4.8 percent) over the year.

Harrisonburg

Harrisonburg ended the fourth quarter of 2023 at 73,400 nonfarm payroll jobs in December. This was a gain of 1,100 jobs (+1.5 percent) over the end of the third quarter of 2023 and a gain of 1,700 jobs (+2.4 percent) over the year.

Winchester

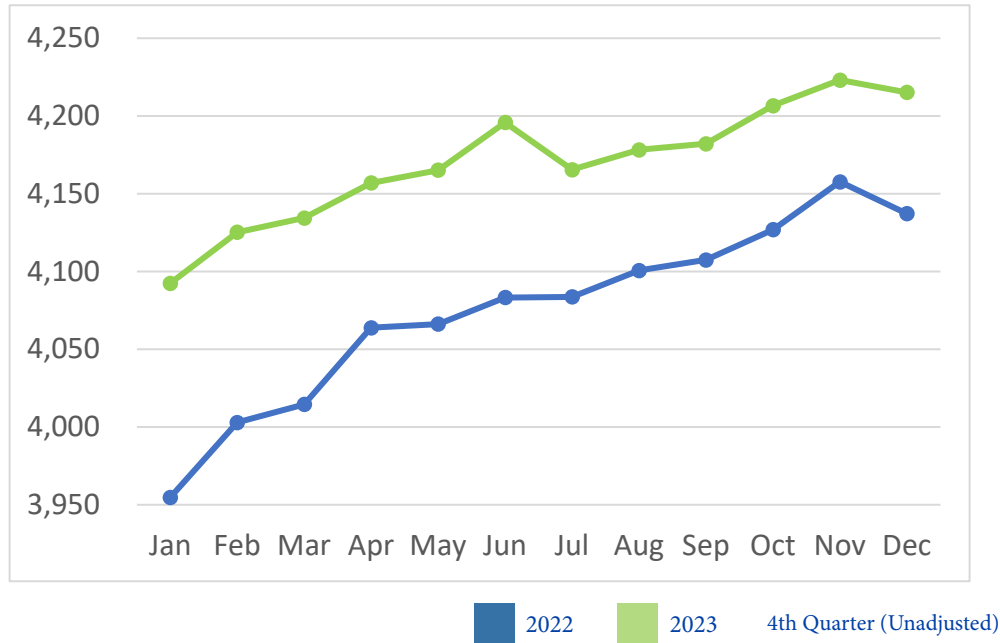
Winchester ended the fourth quarter of 2023 at 73,100 nonfarm payroll jobs in December. This was a gain of 1,000 jobs (+1.4 percent) over the end of the third quarter of 2023 and a gain of 2,200 jobs (+3.1 percent) over the year.

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Employment Indicators

Total Nonfarm Employment and Unemployment

Nonagricultural Wage and Salary Employment
(Thousands)



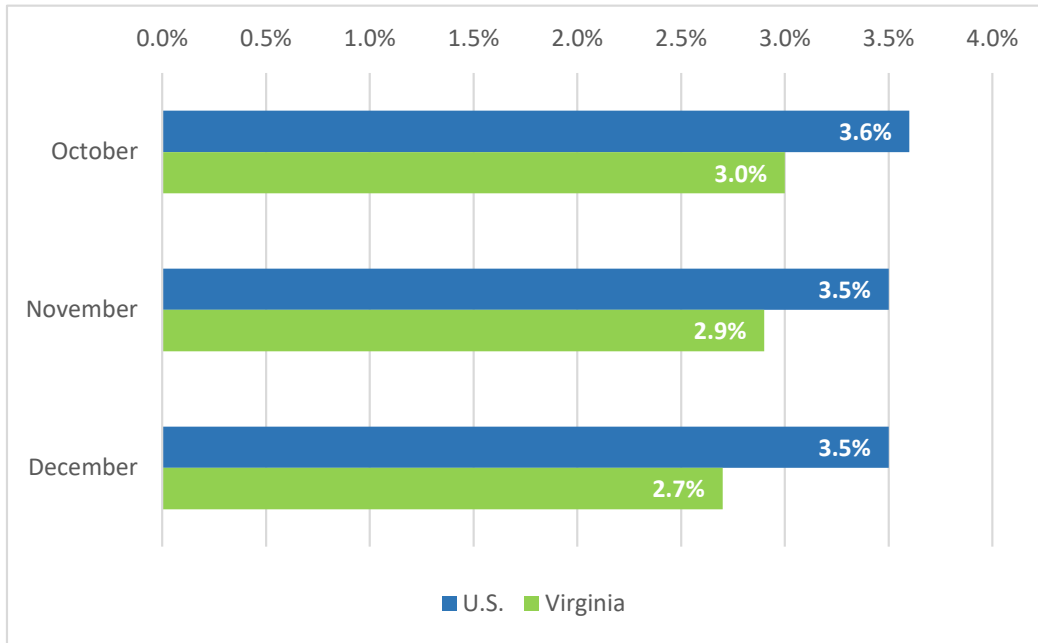
Virginia vs. U.S. Employment/Unemployment

Month	Virginia		U.S.	
	Employment	Unemployment	Employment	Unemployment
October	4,436,269	136,043	161,676,000	6,098,000
November	4,435,433	131,268	162,149,000	5,827,000
December	4,412,610	121,971	160,754,000	5,907,000

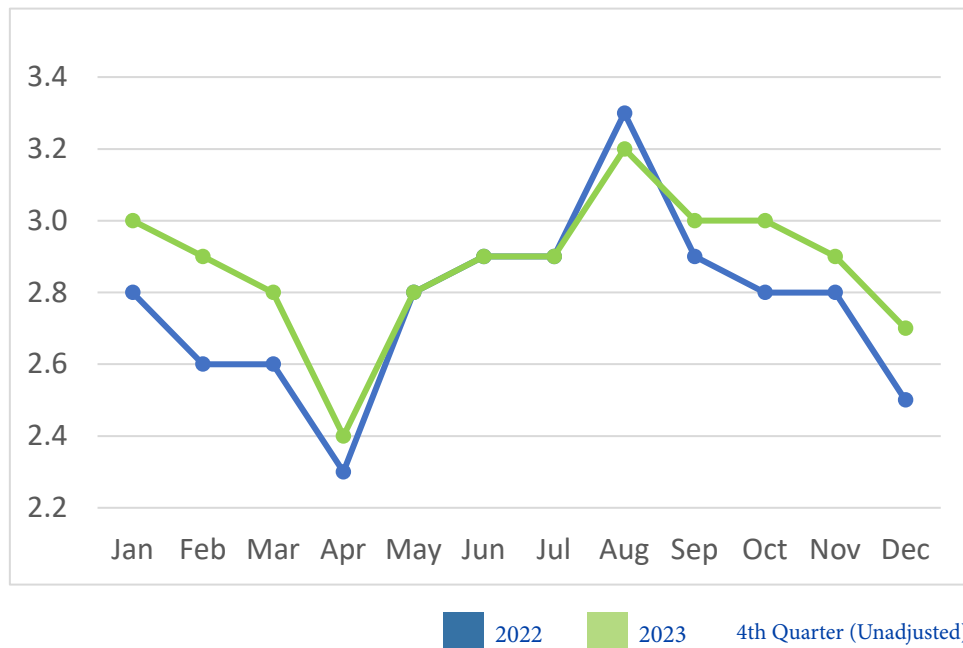
Sources: Department of Workforce Development and Advancement, Economic Information & Analytics, Current Employment Statistics, Local Area Unemployment Statistics, and Bureau of Labor Statistics.

4th Quarter Unemployment (Unadjusted)

Virginia vs. U.S. Monthly Unemployment Rates



Total Unemployment Rate
(Percent)

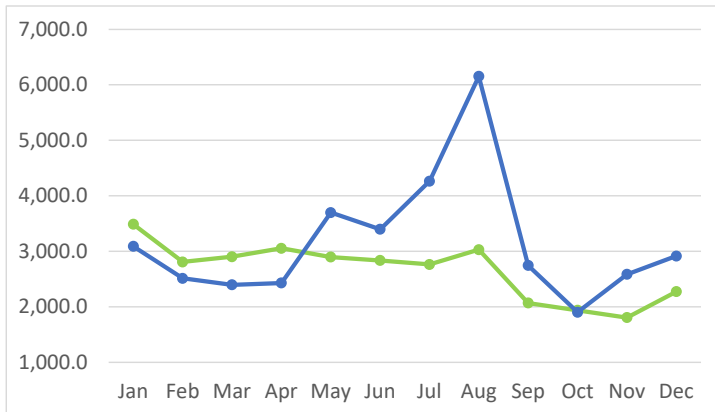


2022 2023 4th Quarter (Unadjusted)

Sources: Department of Workforce Development and Advancement, Economic Information & Analytics, Local Area Unemployment Statistics, and Bureau of Labor Statistics.

Unemployment Insurance

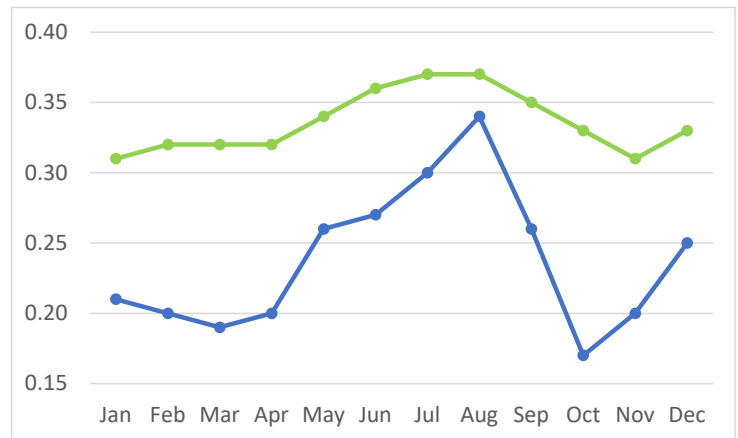
Average Weekly Initial Claims



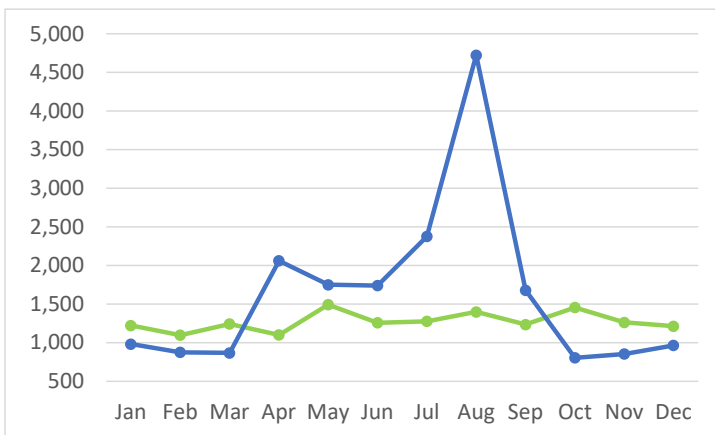
INSURED UNEMPLOYED : The average weekly number of weeks claimed for the three months of the quarter.

INSURED UNEMPLOYMENT RATE (IUR): The rate computed by dividing Insured Unemployed for the current quarter by Covered Employment for the first four of the last six completed quarters.

Insured Unemployment Rate (Percent)



Unemployment Insurance Final Payments



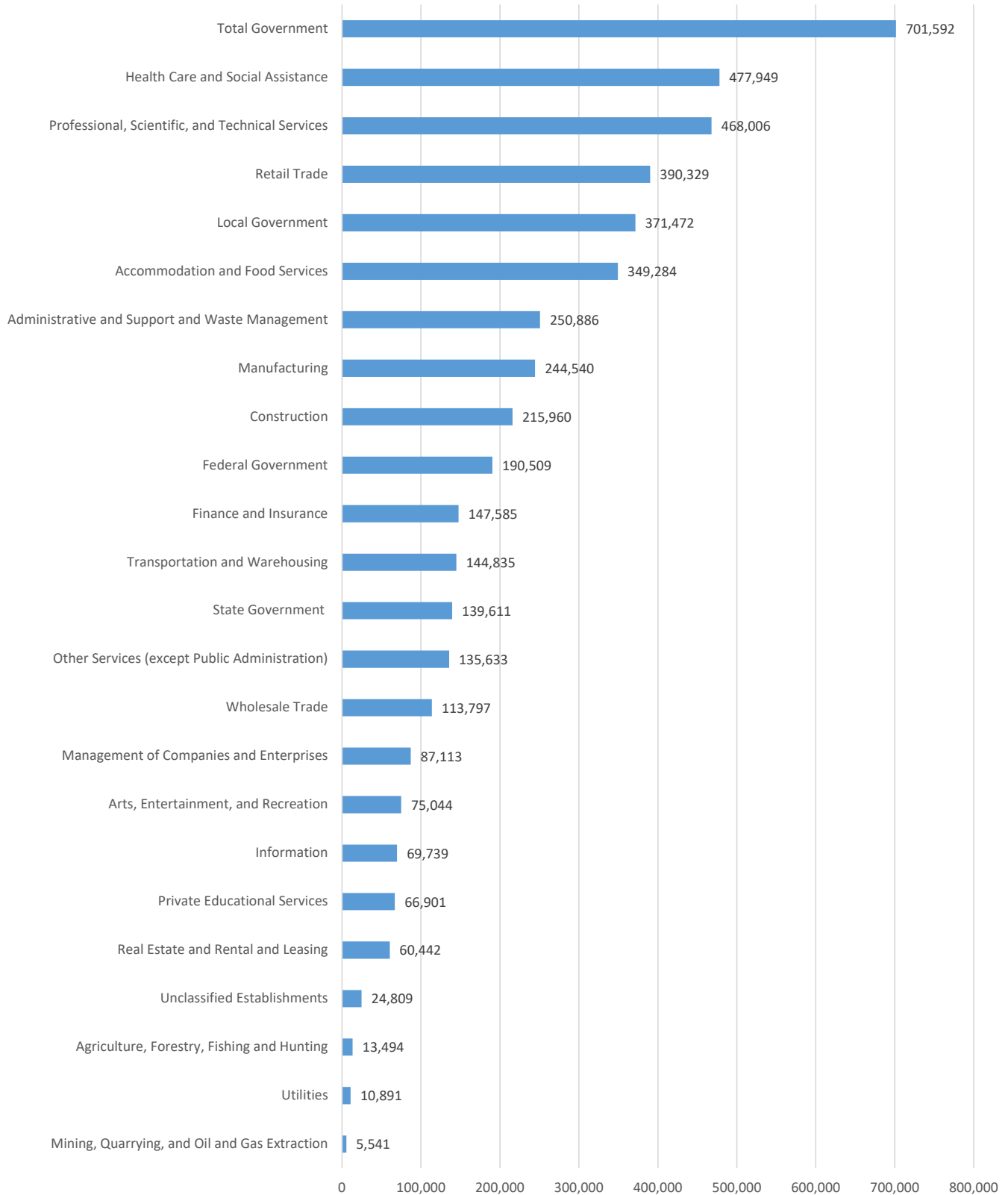
■ 2022
 ■ 2023
 4th Quarter (Unadjusted)

Data Scientist: Kyle Davis Kyle.Davis@vec.virginia.gov

Sources: Department of Workforce Development and Advancement, Economic Information & Analytics, Unemployment Insurance, and Bureau of Labor Statistics.

Employment by Industry

3rd Quarter 2023



All Industry Total: 4,054,369
(Not Seasonally Adjusted)

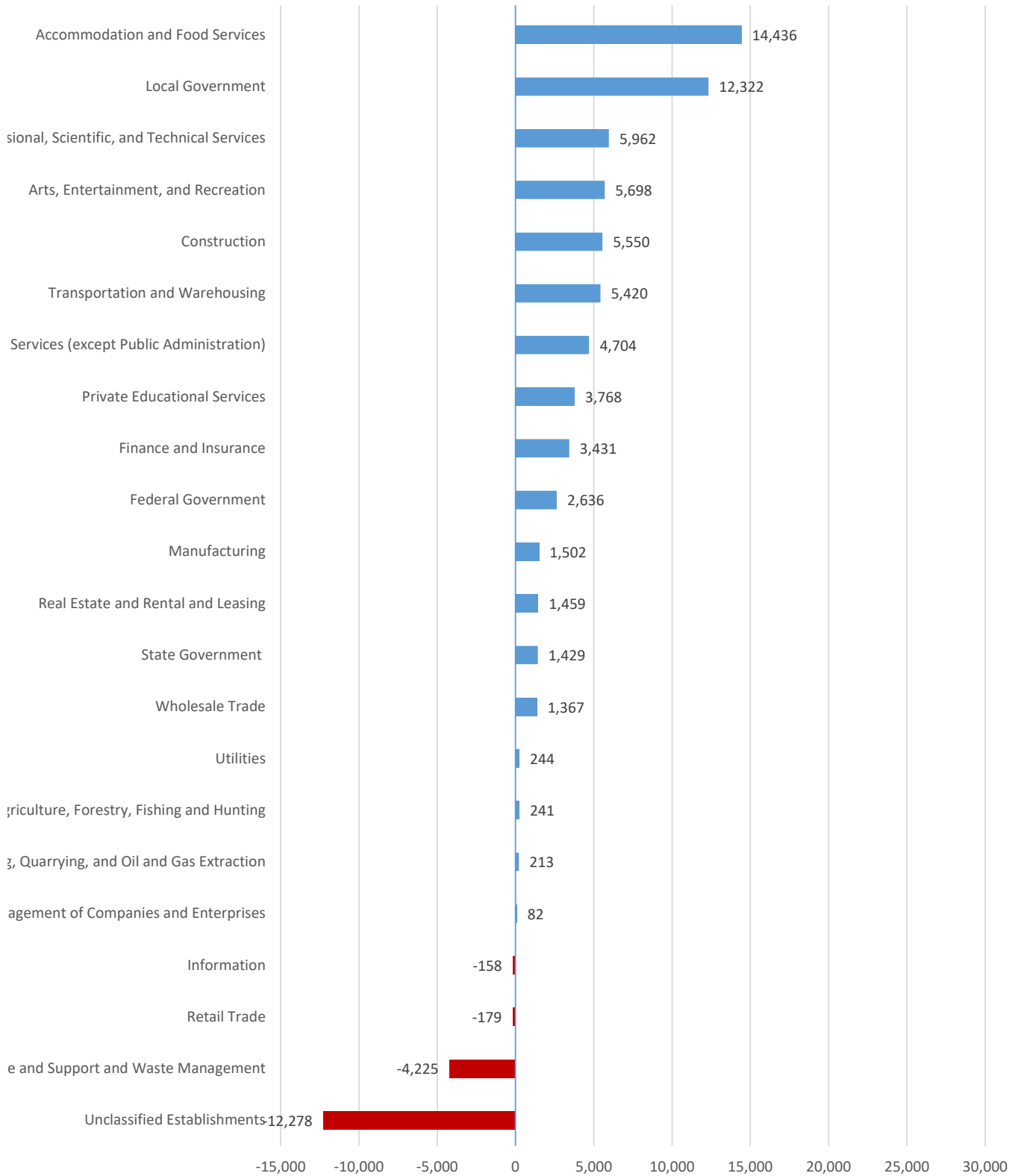
Economist: Erica Lashley erica.lashley@vec.virginia.gov

Note: Total Government includes: public education, federal, state, and local governments.

Source: Department of Workforce Development and Advancement, Economic Information & Analytics: Quarterly Census of Employment and Wages (QCEW), 3rd Quarter 2023

Employment Change

3rd Quarter 2022 - 3rd Quarter 2023



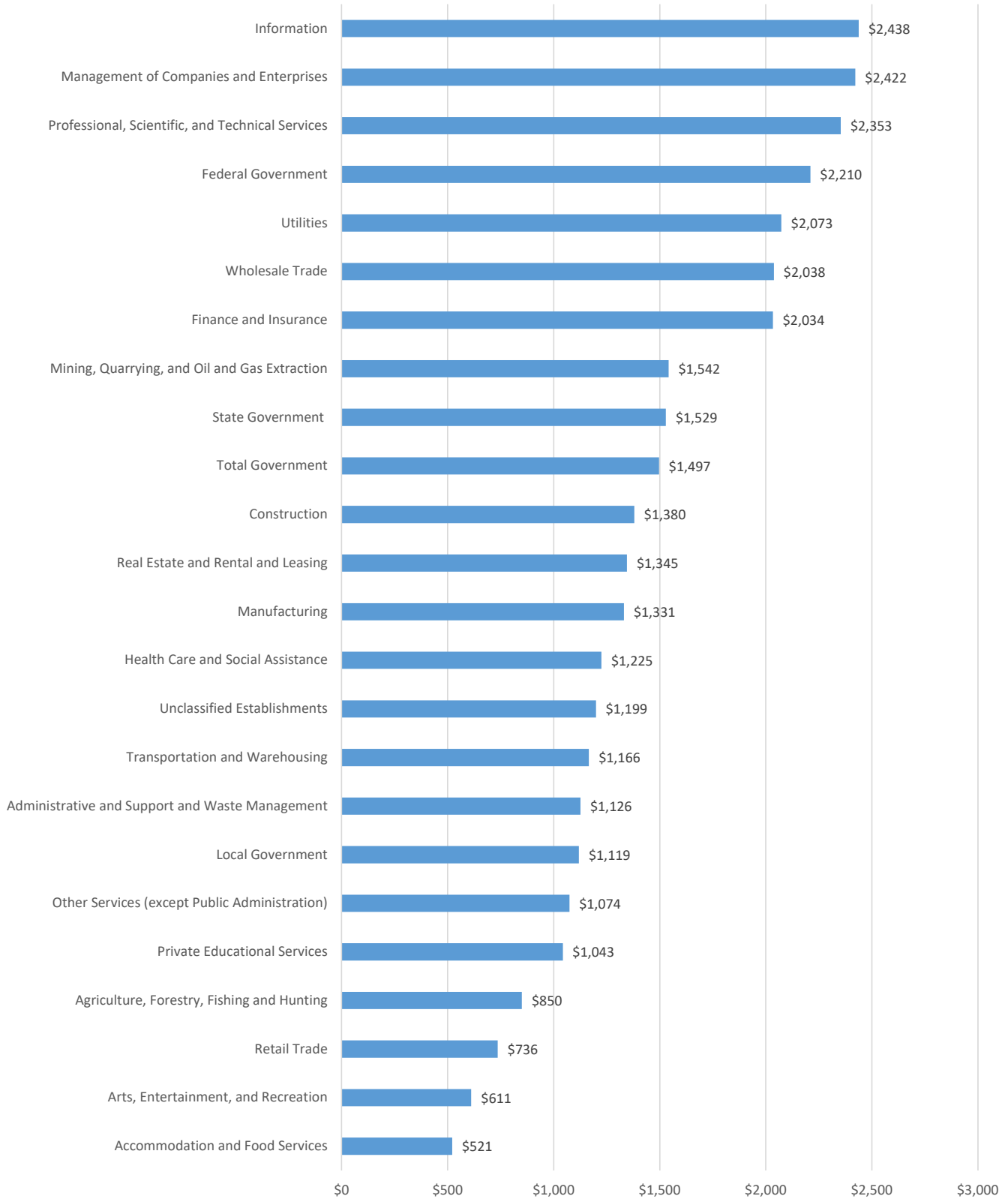
All Industry Total: 77,925
(Not Seasonally Adjusted)

Note: Total Government includes: public education, federal, state, and local governments.

Source: Department of Workforce Development and Advancement, Economic Information & Analytics: Quarterly Census of Employment and Wages (QCEW), 3rd Quarter 2023

Average Weekly Wage by Industry

3rd Quarter 2023



All Industry Total: \$1,383

(Not Seasonally Adjusted)

Note: Total Government includes: public education, federal, state, and local governments.

Source: Department of Workforce Development and Advancement, Economic Information & Analytics: Quarterly Census of Employment and Wages (QCEW), 3rd Quarter 2023

4th Quarter 2023 Total Nonfarm Employment by Metropolitan Statistical Area (MSA)

(Not Seasonally Adjusted)



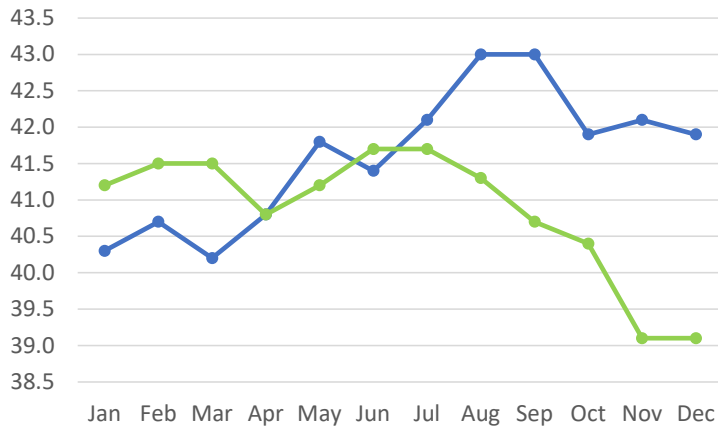
Area	Employment (end of quarter)	Previous Quarter (end of quarter)	Previous Year (end of quarter)	Over-the-Quarter Change	Over-the-Quarter (Percent)	Over-the-Year Change	Over-the-Year (Percent)
Blacksburg-Christiansburg-Radford	86,700	86,400	82,700	300	0.35%	4,000	4.84%
Charlottesville	126,300	125,400	122,800	900	0.72%	3,500	2.85%
Harrisonburg	73,400	72,300	71,700	1,100	1.52%	1,700	2.37%
Lynchburg	106,000	104,600	104,600	1,400	1.34%	1,400	1.34%
Richmond	718,700	711,300	707,100	7,400	1.04%	11,600	1.64%
Roanoke	168,300	166,200	165,100	2,100	1.26%	3,200	1.94%
Staunton	54,400	53,900	53,800	500	0.93%	600	1.12%
Virginia Beach-Norfolk-Newport News	816,200	809,500	798,600	6,700	0.83%	17,600	2.20%
Winchester	73,100	72,100	70,900	1,000	1.39%	2,200	3.10%
Northern Virginia	1,585,000	1,575,000	1,557,100	10,000	0.63%	27,900	1.79%
Virginia	4,215,200	4,182,100	4,137,200	33,100	0.79%	78,000	1.89%

Source: Department of Workforce Development and Advancement, Economic Information & Analytics: Current Employment Statistics (CES) Seasonally Unadjusted - (Not Preliminary)

Industry Focus: Manufacturing

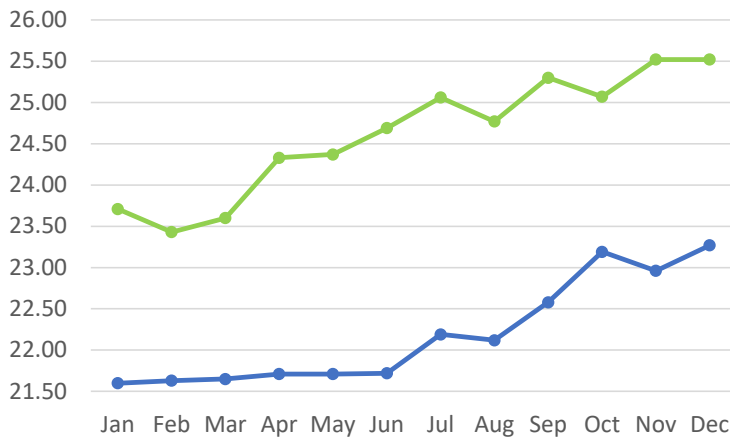
Manufacturing Production Worker Indicators

Average Weekly Hours



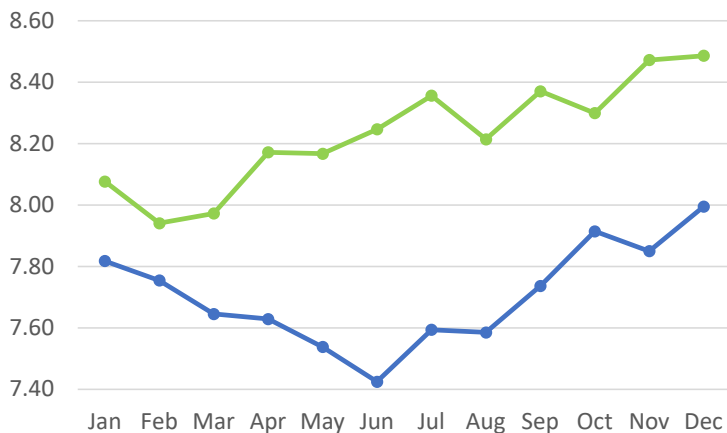
4th Quarter	
October	40.4
November	39.1
December	39.1

Average Hourly Earnings (Dollars)



4th Quarter	
October	25.07
November	25.52
December	25.52

Inflation-adjusted Average Hourly Earnings (1982-84 Dollars)

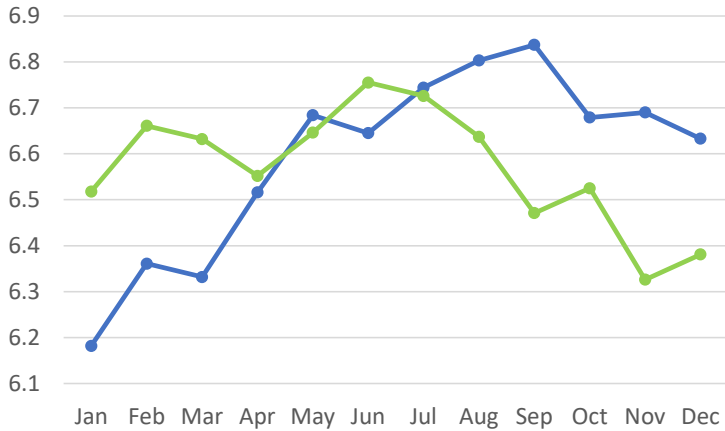


4th Quarter	
October	8.30
November	8.47
December	8.49

■ 2022
 ■ 2023
 4th Quarter (Unadjusted)

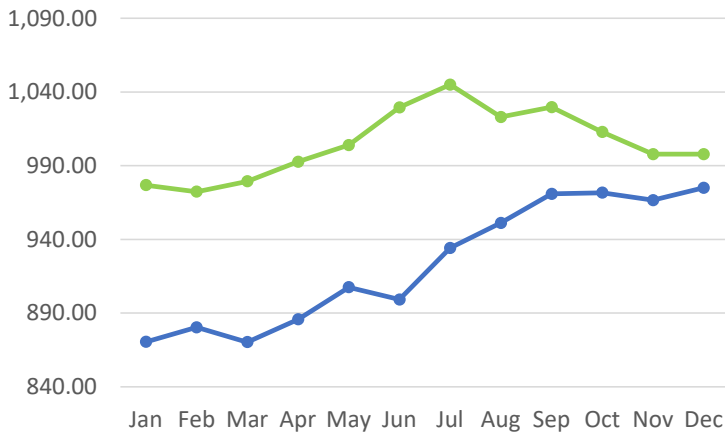
Manufacturing Production Worker Indicators (cont.)

Total Production Hours
(Millions)



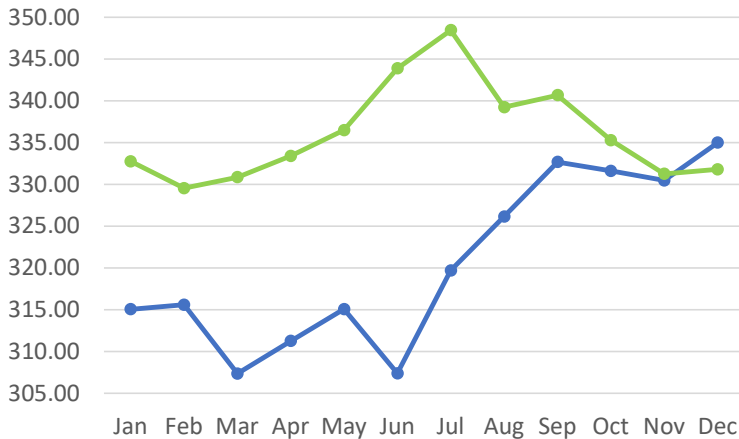
4th Quarter	
October	6.5
November	6.3
December	6.4

Average Weekly Earnings
(Dollars)



4th Quarter	
October	1,012.83
November	997.83
December	997.83

Inflation-adjusted Average Weekly Earnings
(1982-84 Dollars)



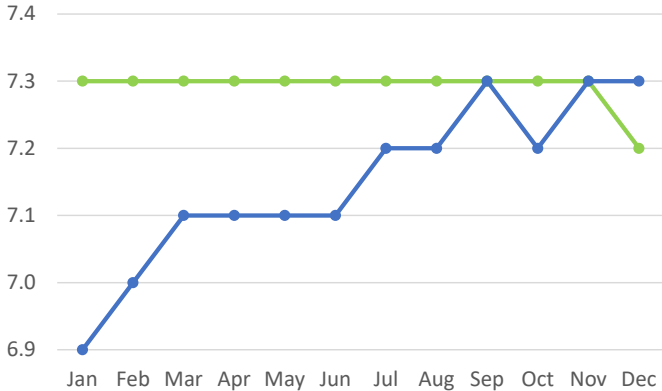
4th Quarter	
October	335.30
November	331.26
December	331.80

2022 2023 4th Quarter (Unadjusted)

Sources: Department of Workforce Development and Advancement, Current Employment Statistics.

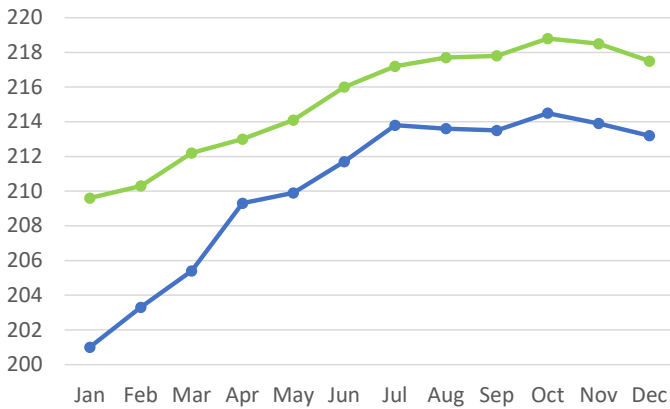
Quarterly Industry Report

Mining and Logging Employment
(Thousands)



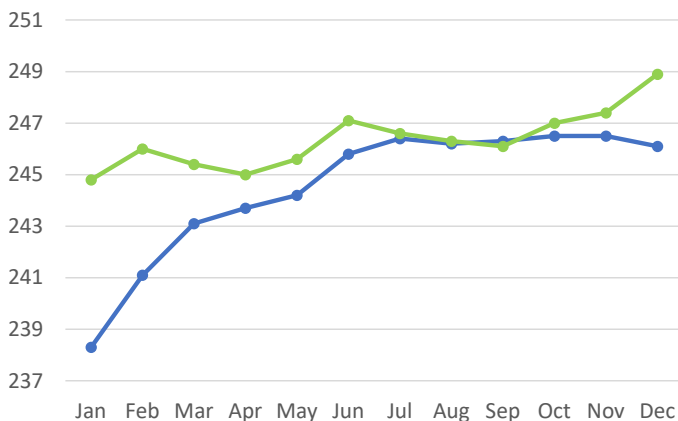
While 2022 saw a slight upward trend in Mining and Logging, the year 2023 was a period of stability for the industry. Employment in Mining and Logging held steady at 7,300 until a slight decrease of 100 in December. This was a 1.37% decrease over the quarter and over the year, ending at 7,200 jobs. Over the long term, employment in the Mining and Logging industry has seen a gradual decline since 1990, especially when it comes to coal mining, influenced by regulatory changes and a shift toward greener, alternative energy sources.

Construction Employment
(Thousands)



Settling at 217,500 jobs by December 2023, the construction industry saw a slight dip in employment during fourth quarter 2023, down by 300 jobs or 0.14% from the end of the third quarter. Compared to the end of fourth quarter 2022, there was an increase of 2.02% or 4,300 jobs. This reflects a largely positive trajectory for the year, mirroring the patterns observed in 2022. The construction employment landscape for 2023 showcased a generally upward trend, hitting its annual high at the onset of the fourth quarter in October. This consistent pattern underscores the industry's resilience and its capacity to maintain growth momentum despite minor setbacks, suggesting a robust underlying demand for construction services and projects throughout the year.

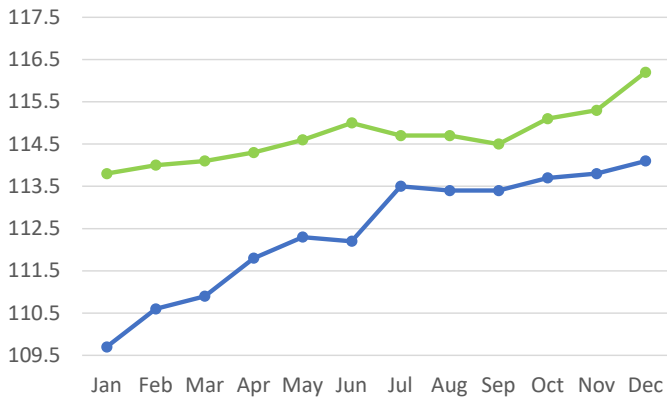
Manufacturing Employment
(Thousands)



Manufacturing employment in Virginia ended on a positive note for 2023, having increased both quarterly and annually by 2,800 jobs or 1.14%. By the end of fourth quarter 2023, employment in manufacturing reached 248,900, exemplifying the general upward trend exhibited in both 2022 and 2023. Although the growth rate in 2023 was slightly slower compared to the more substantial rise in 2022, possibly due to staffing and supply chain challenges, the sector still showed resilience and continued expansion.

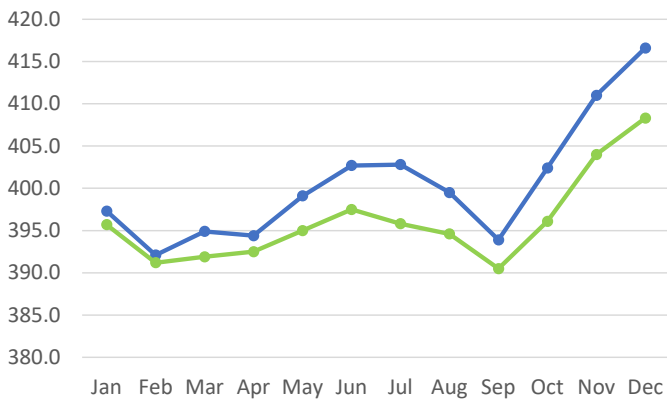
■ 2022 ■ 2023 ■ 4th Quarter (Unadjusted)

Wholesale Trade Employment (Thousands)



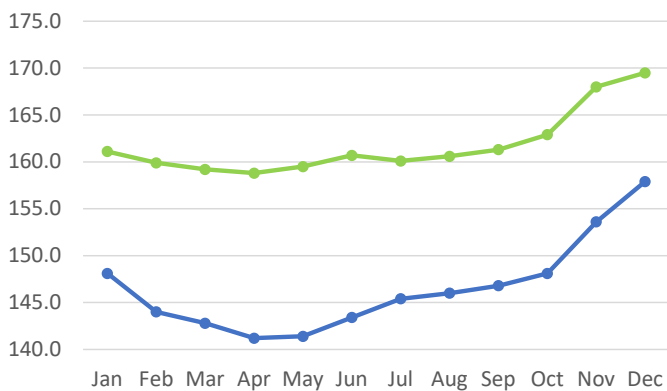
The Wholesale Trade sector in Virginia demonstrated consistent growth through the fourth quarter of 2023, with employment averaging 115,500 and culminating in 116,200 jobs by December. This represents an increase of 1,700 jobs or 1.48% from the end of the third quarter, and 1.84% growth, or 2,100 jobs, from the end of the previous year. The growth trend in 2023, while slightly slower than in 2022, signals a resilient expansion pace within the industry, reflecting steady economic contributions and a positive labor market within the state's wholesale sector.

Retail Trade Employment (Thousands)



Retail Trade employment in 2023 mirrored the trends of 2022, with typical seasonal hiring surges in the fourth quarter, largely driven by holiday shopping. Since the end of third quarter 2023, employment rose by 17,800 jobs or 4.56%, ending the fourth quarter at 408,300 jobs. However, throughout 2023, making monthly year-over-year comparisons, employment figures were consistently slightly below those of 2022. In fact, the Retail Trade industry experienced the largest percentage loss over the year than all other major industry sectors in Virginia. This year-over-year decline of 1.99%, accounting for a reduction of 8,300 jobs, may reflect broader economic trends, such as increased online shopping, which can reduce the need for in-store staff. Other potential influences include changes in consumer spending habits, economic uncertainty, and increased efficiency and automation within the retail sector.

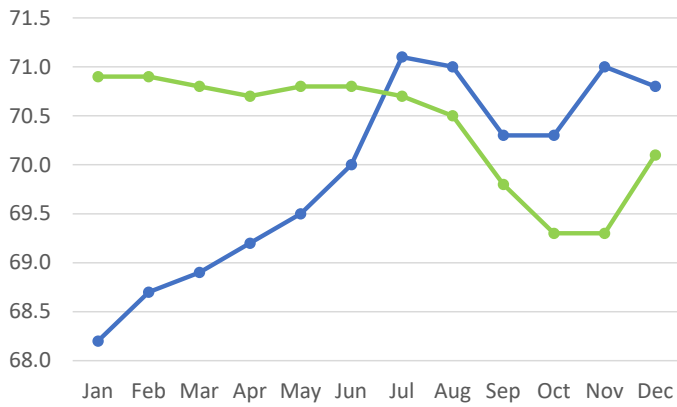
Transportation, Warehousing, and Utilities Employment (Thousands)



By the end of fourth quarter 2023, the Transportation, Warehousing, and Utilities sector saw significant growth, with employment reaching 169,500. This was a 5.08% increase from the end of the third quarter's 161,300 jobs. This sector typically experiences seasonal hiring increases, particularly in the fourth quarter, due to heightened demand in logistics and distribution linked to retail activity. The year 2023 not only adhered to these expected trends but also surpassed the employment levels of 2022, indicating an industry in expansion. The impressive over-the-year job growth of 7.35%, or 11,600 jobs, underscores the sector's robust performance. This industry notably experienced the largest percentage growth of the major industry sectors and the second highest net growth.

2022 2023 4th Quarter (Unadjusted)

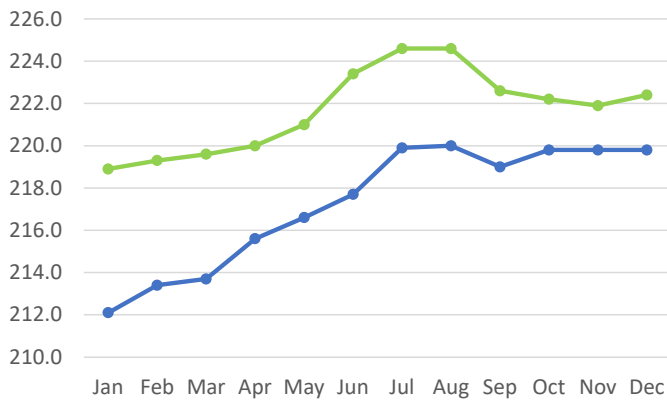
Information Employment (Thousands)



Information employment ended 2023 at 70,100 jobs, gaining a modest 300 jobs over the quarter, a very slight increase (.43%). Over the year, however, the Information industry lost 700 jobs, amounting to a 0.99% decline. Significant gains in the first half of 2022 were followed by a period of stabilization and then a decrease of 700 jobs from June to December 2023.

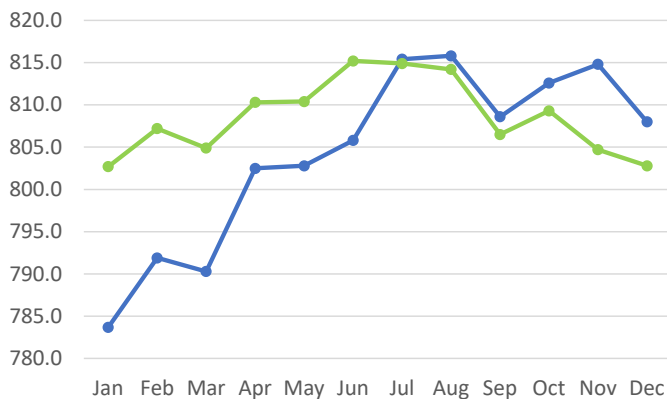
The Information sector often includes jobs in telecommunications, media, data processing, and other information services. The year-over-year decline in employment may reflect broader economic shifts and evolving consumer behaviors, such as a surge in streaming services over traditional cable, greater reliance on cloud-based solutions, and a shift towards digital platforms for news and entertainment, alongside technological advancements..

Finance Employment (Thousands)



Employment in Finance maintained stability through the fourth quarter of 2023. Mirroring the seasonal patterns seen in 2022, the sector experienced an employment boost at the start of the third quarter, leveling off as the year progressed into the fourth quarter. Over the quarter, Finance lost 200 jobs, ending the quarter at 222,400 jobs, accounting for a mere 0.09% loss. With an over-the-year job gain of 2,600, or 1.18%, the overall trend in the industry is one of small and consistent growth.

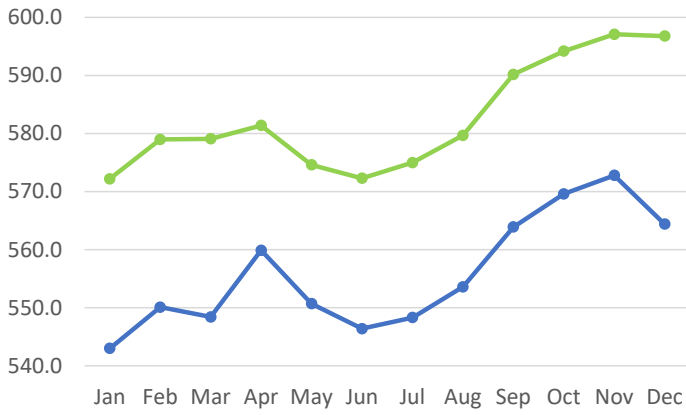
Professional and Business Services Employment (Thousands)



The Professional and Business Services industry, the largest major industry sector in the state at 802,800 jobs, dipped slightly both over the year and over the quarter, beginning a new trend that contrasts the generally upward one of 2022 and the last ten years. From the end of third quarter to the end of the fourth quarter, the industry contracted slightly, losing 3,700, or .46% of jobs. Over the year, employment in Professional and Business Services edged down .64% or 5,200 jobs. Changes in the business environment, such as a move towards remote work, could have impacted the traditional growth patterns observed over the past decade, leading to a reassessment of staffing needs and operational structures within companies.

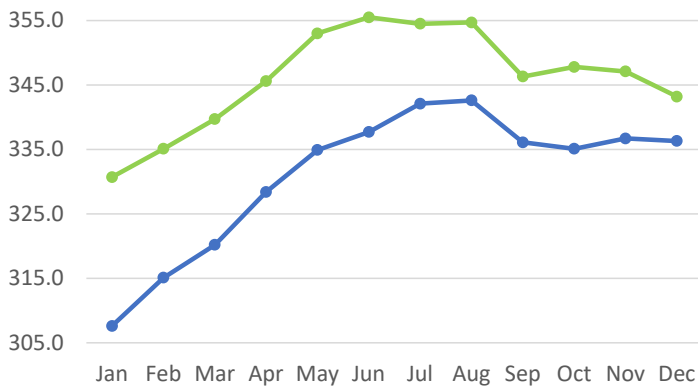
2022 2023 4th Quarter (Unadjusted)

Private Education and Health Services Employment (Thousands)



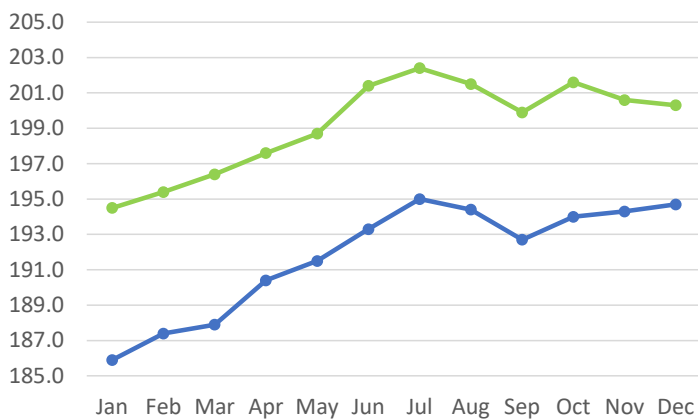
Typical seasonal patterns were observed in both 2022 and 2023 in the Private Education and Health Services industry, with growth boosted at the start of the school year near the end of the third quarter. At 596,800 jobs, this industry represents the second largest industry sector in the state. While the quarterly change from September to December only amounted to 1.12%, or 6,600 jobs, the year over year growth was the highest of all industry sectors in the state, adding 32,400 jobs. At 5.74% of jobs, this is the second highest year-over-year percentage growth of the industry sectors compared in this publication. This is strongly driven by the Health Care and Social Assistance industry, which has seen rapid growth over the past three years.

Leisure and Hospitality Services Employment (Thousands)



Ending the fourth quarter at 343,200 jobs, employment in Leisure and Hospitality Services edged down by 3,100 jobs or .90% since September. This is a seasonal trend as the industry typically sees its boost in the summertime. Over the year, the industry experienced a 2.05% increase in employment, adding 6,900 jobs, a rate consistent with the last three years, but a rate that is lowering closer to that of pre-pandemic years, representing slow but stable growth.

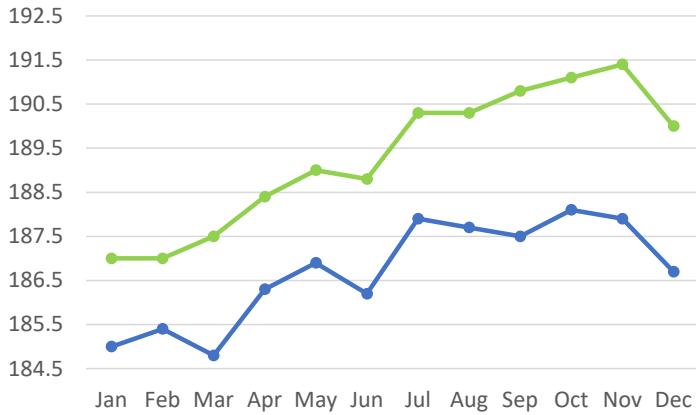
Miscellaneous Services Employment (Thousands)



Employment in Miscellaneous Services edged up .20% over the quarter, ending fourth quarter 2023 at 200,300. This was a gain of 400 jobs. Miscellaneous Services generally sees peak employment during the summer months, so small over-the-quarter growth was not unexpected for the fourth quarter. Over the year, the industry has added 5,600 jobs, or 2.88%. This industry sector encompasses a wide range of industries not covered by other NAICS codes, including repair and maintenance, personal and laundry services, and religious, grantmaking, civic, professional, and similar organizations.

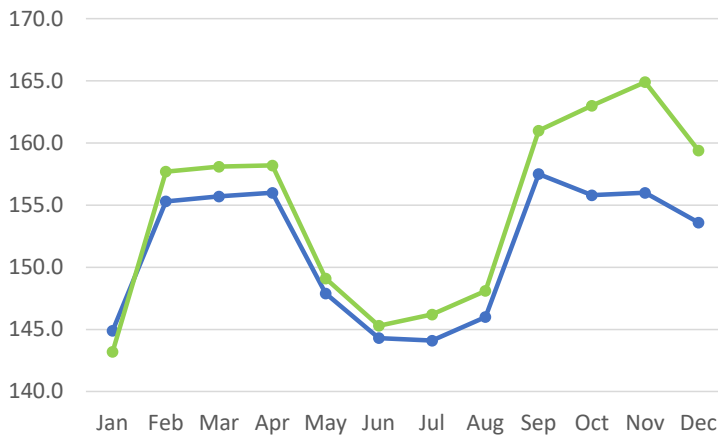
■ 2022 ■ 2023 4th Quarter (Unadjusted)

Federal Government Employment (Thousands)



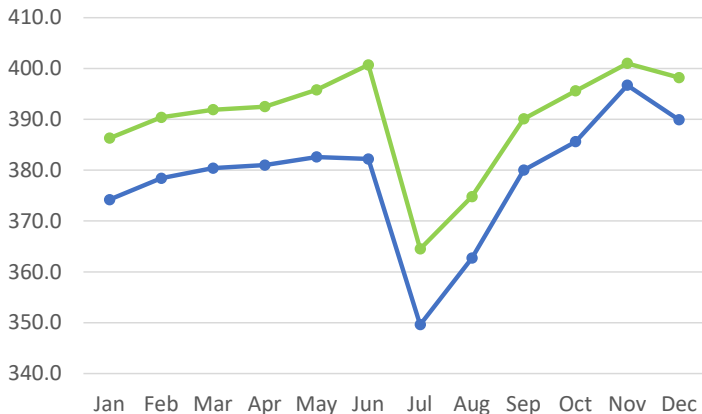
Ending the quarter at 190,000, employment in Federal Government increased at a year-over-year rate of 1.77%, an addition of 3,300 jobs. Between the end of the third and fourth quarter, Federal Government lost 800 jobs, a very slight decrease amounting to only .42%. Long term and overall, there is strong and steady growth in this industry sector.

State Government Employment (Thousands)



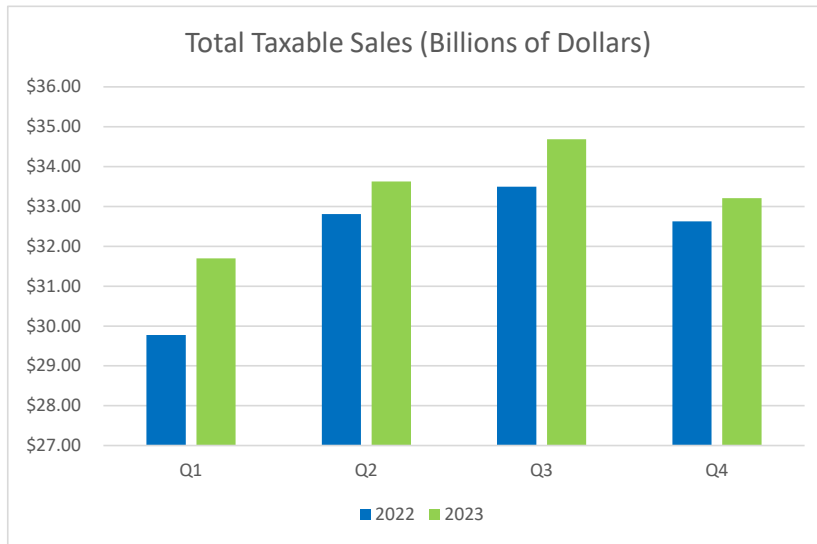
State Government employment is quite volatile in that it is subject to clear seasonal patterns, with a dip from the end of the second quarter to the end of the third quarter. At 159,400 jobs, State Government employment lost 1,600 jobs over the quarter (.99%) but gained 5,800 over the year (3.78%). This year-over-year growth rate was the third largest of the industry sectors compared in this publication, and the net gain in jobs was the fifth largest.

Local Government Employment (Thousands)

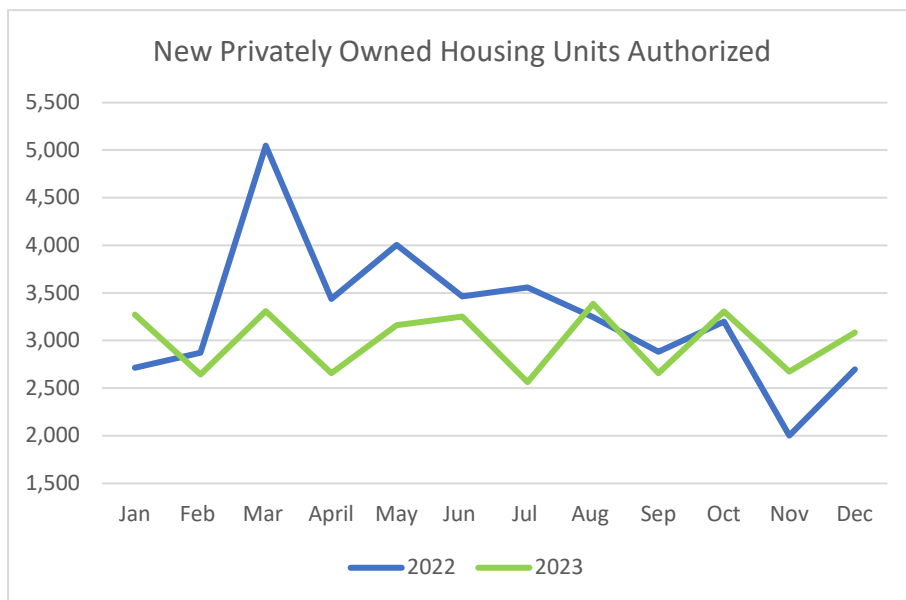


The Local Government sector saw steady employment growth of 2.13% over the year and 2.08% over the quarter. This was a net gain of 8,100 jobs over the quarter and 8,300 over the year. Typically, Local Government sees a large dip in employment around July and August. Making up for that loss quickly over the fourth quarter, employment in this industry displays slow and steady growth over the long term.

Quarterly Business Indicators



Source: <https://ceps.coopercenter.org/taxable-sales>



Source: <https://www.census.gov/construction/bps/statemonthly.html>

Data Summary and Sources



Seasonal Adjustment

To correlate changes in a time series and changes in the business cycle, it is desirable to eliminate, insofar as possible, the effect of irrelevant factors from the data comprising the series. Series labeled “adjusted” that are published in the Virginia Employment Indicators have been adjusted to minimize regular seasonal fluctuations in the data in order to show only activity related to the business cycle.

Data Sources

Except for the following, the data source for all series in this publication is the Virginia Works (VW)/ Economic Information & Analytics (EIA) Current Employment Statistics (CES) program.

U.S. Department of Labor:
Insured Unemployed Rate

VW/EIA Local Area Unemployment Statistics (LAUS):
Total Unemployment Rate

VW/EIA Data Collections Unit (DCU):

Average Weekly Initial Claims
Unemployment Insurance Final Payments

Bureau of Labor Statistics’ Local Area Unemployment Statistics program, <https://www.bls.gov/lau/stalt.htm>:
Alternative Measures

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