



COMMONWEALTH of VIRGINIA

Virginia Employment Commission

703 East Main Street

John R. Broadway
Commissioner

Post Office Box 1358
Richmond, Virginia 23218-1358

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Contact: Ann D. Lang, Senior Economist
Economic Information Services Division
(804) 786-3177 or (804) 786-7496

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Virginia's Seasonally Adjusted Unemployment Rate Remains Unchanged at 6.2 Percent in December

- Unadjusted December rate was up 0.4 percentage point to 6.1 percent—
- Nonfarm employment lost 7,100 jobs between November and December—

RICHMOND—Virginia's seasonally adjusted unemployment rate remained unchanged this month at 6.2 percent, following decreases the previous two months, and was 0.4 percentage point below the year-ago December rate of 6.6 percent. The number of unemployed decreased by 1,726, while the labor force increased by 8,555, as an additional 10,281 people reported that they were working. However, the changes this month in the number of unemployed or household employment were not large enough to cause the unemployment rate to fall. Virginia's seasonally adjusted unemployment rate continues below the national rate, which fell 0.2 percentage point in December to 8.5 percent.

Virginia's unadjusted unemployment rate increased 0.4 percentage point this month to 6.1 percent, but was 0.3 percentage point below the December 2010 rate. The unemployment rate increased as the number of people seeking work rose by 14,952, or 6.2 percent, and the labor force increased by only a slight 1,789, as 13,163 fewer people reported working. Virginia's not seasonally adjusted unemployment rate continues below the national unadjusted rate, which increased to 8.3 percent in December from 8.2 percent in November.

The number of Virginians receiving a regular unemployment benefit payment was 54,434 in December 2011, which was up from 51,569 in November 2011, but down from 66,484 in December 2010. Cumulative initial claims for December 2011 totaled 35,552, compared to 32,642 in November 2011 and 41,286 in December 2010.

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NONFARM EMPLOYMENT BY INDUSTRY
(Not seasonally adjusted)

Nonfarm payroll employment decreased by 7,100 jobs in December 2011 to 3,680,100, but was 35,600 jobs, or 1.0 percent, above a year ago. Prior to the recession, nonfarm employment usually increased over the November-to-December period. However, for the last four years, employment has declined over this period. Following October's downward revision, November's nonfarm employment gain was revised upward by 3,200 jobs, for a November monthly job gain of 8,300 instead of the first reported job gain of 5,100. From November 2011 to December 2011, eight major industry divisions experienced employment losses and three experienced employment gains. **Total government** employment fell by 2,900 jobs to 717,200. State and local government employment decreased by 3,700 jobs, reflecting the start of year-end holiday breaks at schools and budget cuts. Seasonal reductions lowered **construction** employment by 2,700 jobs to 180,300. **Manufacturing** employment declined by 1,900 jobs to 229,100, with almost three-quarters of the loss in non-durable goods manufacturing. The **leisure and hospitality** sector experienced seasonal reductions of 1,600 jobs to 324,800 at resort hotels, tourist attractions, and recreation facilities. **Miscellaneous services** declined by 1,000 jobs to 184,700, with losses in all subsectors. **Professional and business services** employment declined by 700 jobs to 667,100, with the losses in administrative and support and waste management services (-3,900 jobs) outweighing the gains in professional, scientific, and technical services (+2,300 jobs) and in management of companies (+900 jobs). Other losses were 500 jobs in **finance** and 100 jobs in **mining**.

Trade and transportation added 3,900 jobs in December to 645,000, as merchants and shippers hired extra holiday workers. Other employment gains occurred in information and in private education and health services. Employment in the **information** sector increased by 300 jobs to 72,300. **Private education and health services** employment increased by 100 jobs to 470,400, with job gains in health care and social assistance (+1,700 jobs) offsetting the job losses that occurred in private education (-1,600 jobs) as a result of the start of year-end holiday breaks at private schools.

In the year-over-year comparison (December 2010 to December 2011), nonfarm payroll employment was up 35,600 jobs, or 1.0 percent. Over-the-year employment growth has improved since the summer and is approaching the modest over-the-year growth experienced at the beginning of the year. Compared to a year ago, seven major industry divisions experienced employment gains, three experienced employment losses, and **mining** employment remained unchanged. **Professional and business services** employment increased by 14,400 jobs, or 2.2 percent, from December a year ago, with strong job gains in professional, scientific, and technical services (+11,500 jobs) and in management of companies (+2,800 jobs). **Total government** employment grew by 7,300 jobs, or 1.0 percent, over the year, with job gains at all levels of government. **Leisure and hospitality** employment increased by 6,500 jobs, or 2.0 percent, from December

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2010, with the majority of the gains in accommodation and food services. **Private education and health services** employment increased by 6,400 jobs, or 1.4 percent, from last December, with the job gains in health care and social assistance (+8,600 jobs) outweighing the losses in private education (-2,200 jobs). **Trade and transportation** employment increased by 4,300 jobs, or 0.7 percent, from a year ago, with strong gains in retail trade and transportation employment. **Finance** employment was up 2,600 jobs, or 1.5 percent, from December 2010. **Miscellaneous services** experienced over-the-year employment gains of 1,800 jobs, with over-the-year growth of 1.0 percent.

The largest employment decline from last December occurred in **information**, down 4,000 jobs, or 5.2 percent. Other losses were 2,500 jobs, or 1.4 percent, in **construction**; and 1,200 jobs, or 0.5 percent, in **manufacturing**.

Nonfarm Employment in Virginia*

Industry	Employment			November 2011 to December 2011		December 2010 to December 2011	
	December 2011	November 2011	December 2010	Change	% Change	Change	% Change
Total Nonfarm	3,680,100	3,687,200	3,644,500	-7,100	-0.2%	+35,600	+1.0%
Mining	10,400	10,500	10,400	-100	-1.0%	+0	+0.0%
Construction	180,300	183,000	182,800	-2,700	-1.5%	-2,500	-1.4%
Manufacturing	229,100	231,000	230,300	-1,900	-0.8%	-1,200	-0.5%
Trade, Transportation, and Utilities	645,000	641,100	640,700	+3,900	+0.6%	+4,300	+0.7%
Information	72,300	72,000	76,300	+300	+0.4%	-4,000	-5.2%
Finance	178,800	179,300	176,200	-500	-0.3%	+2,600	+1.5%
Professional and Business Services	667,100	667,800	652,700	-700	-0.1%	+14,400	+2.2%
Private Education and Health Services	470,400	470,300	464,000	+100	+0.0%	+6,400	+1.4%
Leisure and Hospitality Services	324,800	326,400	318,300	-1,600	-0.5%	+6,500	+2.0%
Miscellaneous Services	184,700	185,700	182,900	-1,000	-0.5%	+1,800	+1.0%
Government	717,200	720,100	709,900	-2,900	-0.4%	+7,300	+1.0%
Federal Government	174,400	173,600	173,800	+800	+0.5%	+600	+0.3%
State Government	160,000	161,900	159,300	-1,900	-1.2%	+700	+0.4%
Local Government	382,800	384,600	376,800	-1,800	-0.5%	+6,000	+1.6%

*Current month's estimates are preliminary.

Virginia's 181,200 manufacturing production workers earned an average weekly wage of \$736.49 this December, which was \$5.46 higher than the November weekly wage, but \$20.59 lower than the December 2010 weekly wage. The average production workweek, at 40.4 hours, was 0.1 hour shorter than the November workweek, but 0.7 hour longer than the December 2010 workweek. The average hourly factory pay rate in December was \$18.23, \$0.18 above the November rate, but \$0.84 below the December 2010 rate.

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The statistical reference week this month was the week of December 4-10, 2011.

The Virginia Employment Commission plans to release the December local area unemployment rates on Wednesday, February 1, 2012. The data will be available on our website, www.VirginiaLMI.com.

The January statewide unemployment rate and employment data for both the state and metropolitan areas are scheduled to be released on Tuesday, March 13, 2012.

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