



Economic Overview And Outlook: Virginia

JOBS

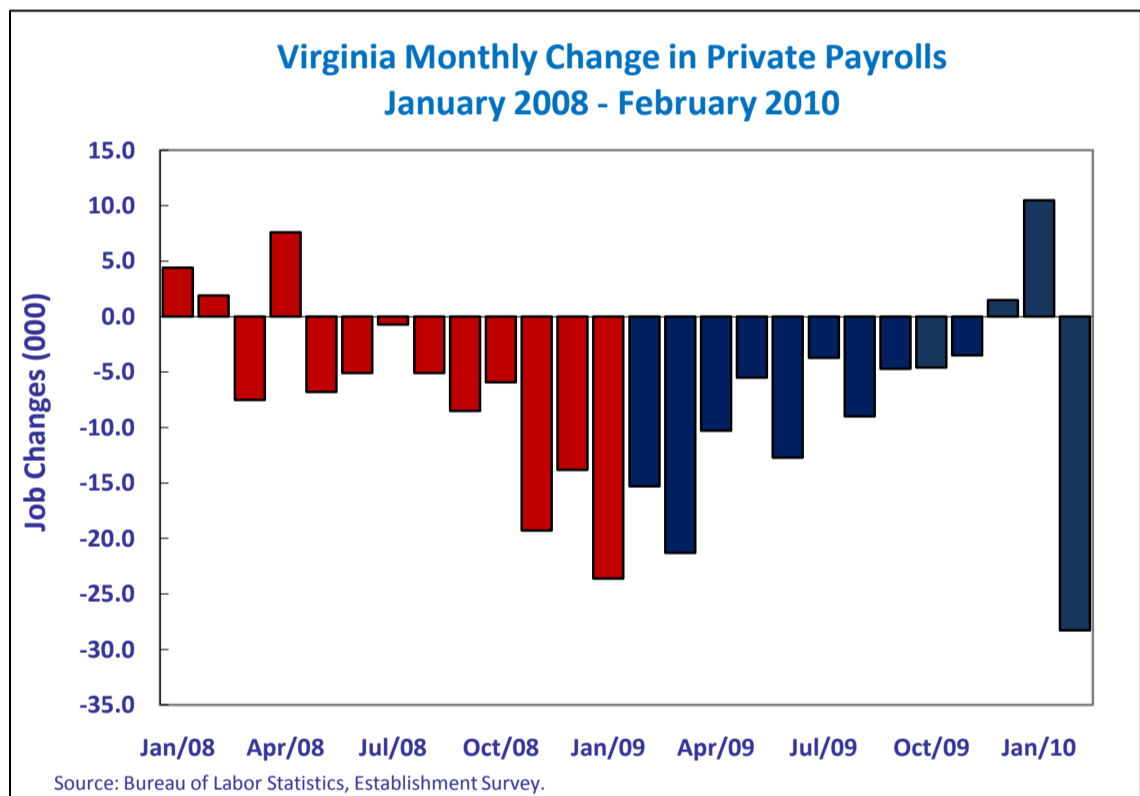
- Across the country, job losses have slowed dramatically since President Obama took office, nearly coming to a halt. Congress and the Administration worked swiftly to pass the American Recovery and Reinvestment Act, which has boosted employment by an estimated 2 million jobs since it was enacted.
- The President's Council of Economic Advisers estimates that investments made through the Recovery Act have boosted employment in Virginia by 48,000 jobs through the 4th quarter of 2009.
- In Virginia, employees in construction, manufacturing, and information services faced the largest job losses (as a percent of employment within an industry) over the recession.
- While job losses nationwide have dissipated, the weakness in the labor market has been compounded by lackluster job creation in the private sector during the previous administration's eight-year tenure.
- As the economy recovers from the Great Recession, service-providing industries are projected to add the most jobs between 2008 and 2018, with the largest gains in professional and business services, education, health care and social assistance, and State and local government. Within the goods-producing sector of the economy, only the construction industry is projected to add jobs above its 2008 level.

EMPLOYMENT

- The unemployment rate in Virginia was 7.2 percent in February 2010, up 4.0 percentage points from December 2007, surpassing its most recent peak of 6.9 percent reached in January 2010.
- 298,000 Virginia residents were counted among the unemployed in Virginia during February 2010.

EARNINGS

- Between the start of the recession in the 4th quarter of 2007 and the 1st quarter of 2009, inflation-adjusted total personal income in the United States declined 2.5 percent. Most recently, in the 4th quarter of 2009, total personal income remained 2.8 percent below the 4th quarter 2007 peak.



- Real per capita personal income (in 2005 \$) in Virginia was \$40,292.90 in the 4th quarter of 2009, down from \$40,815.70 in the 4th quarter of 2007.

HOUSING

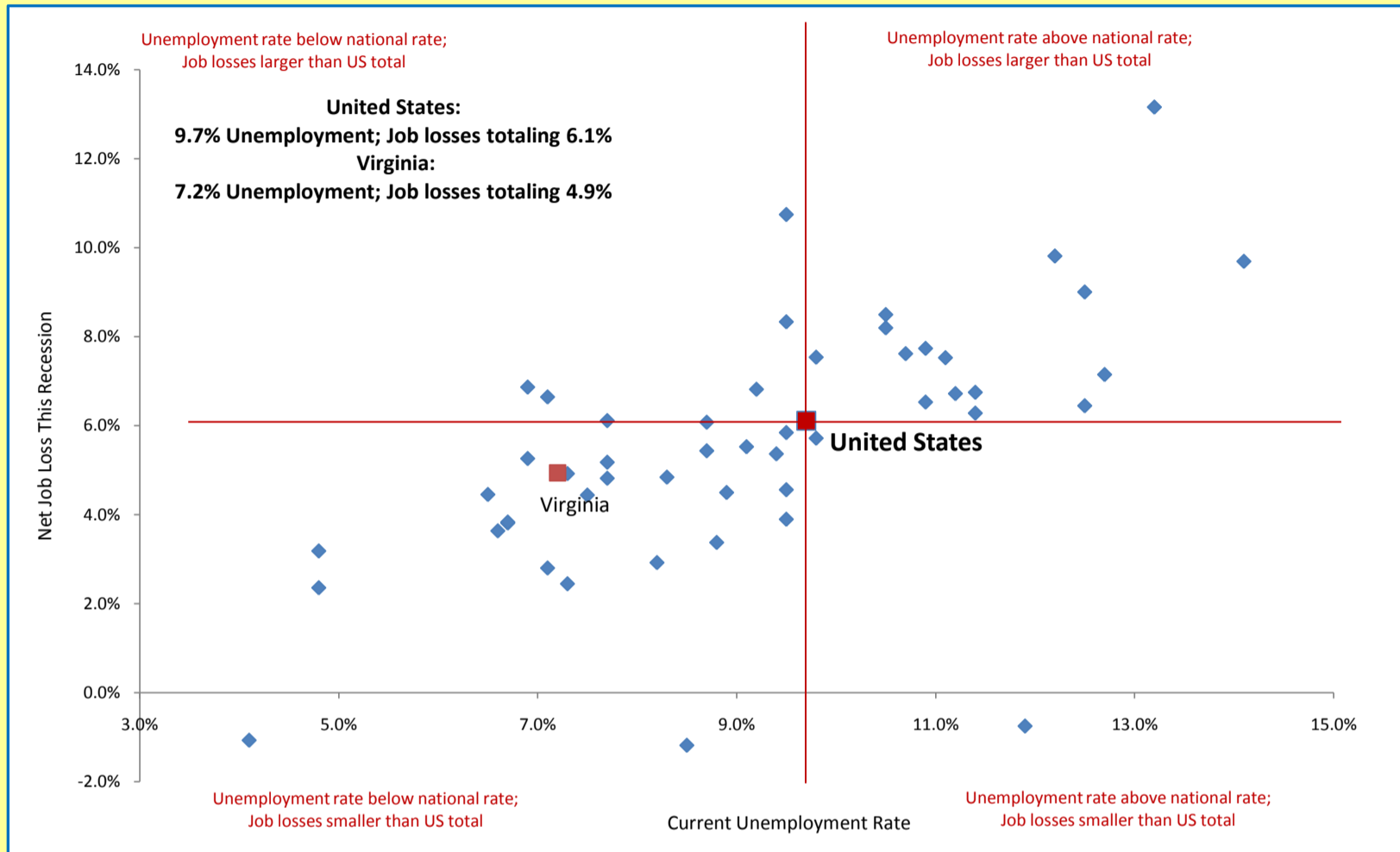
- Actions taken by Congress and the Administration have stabilized plummeting home prices, which fell 30.8 percent nationwide from the peak in March 2006 to the trough in April 2009. In Virginia, home prices fell 31 percent between February 2006 and February 2009, peak to trough. Most recently, home prices decreased 0.24 percent in the state between November and December 2009.
- The median price of single-family homes in Virginia was \$355,000 in 2008, compared to \$250,000 nationwide.
- As of the 4th quarter of 2009, 2.1 percent of all mortgages, including 9.4 percent of subprime mortgages, were in foreclosure in Virginia.
- Housing starts in Virginia totaled 15,060 units (seasonally adjusted annual rate) in February 2010, a decrease of 27.4 percent from January.
- Within the South census region, which includes Virginia, sales of new single-family homes totaled 146,000 units in February 2010, a decrease of 4.6 percent from January. Sales of existing single-family homes decreased 2.4 percent to 1,650,000 units (at seasonally adjusted annual rates) from January to February 2010.

How Does Virginia Compare To Other States?

Workers across the country have been hard hit by the Great Recession. This chart allows you to compare Virginia to other states using two metrics.

The current unemployment rate (measured along the horizontal axis) serves as a gauge of current labor market conditions faced by residents, while the proportion of jobs lost within Virginia over the course of the recession (shown along the vertical axis) measures the toll the recession has taken on the job supply in Virginia.

States falling in the upper right quadrant have lost a disproportionate share of jobs, relative to the total United States, and have unemployment rates higher than the national unemployment rate. States falling in the lower left quadrant have unemployment rates lower than the national average and smaller job losses over the recession.



STATE QUICK FACTS

		Virginia	United States
Unemployment Rates	February 2008	3.3%	4.8%
	February 2009	6.1%	8.2%
	February 2010	7.2%	9.7%
Percent of Population Who Are Veterans	2008	12.4%	9.8%
Veterans' Unemployment Rate	2009	5.3%	8.1%
Median Household Income	2000	\$ 58,993	\$ 52,532
	(2008 \$) 2008	\$ 61,710	\$ 51,233
Poverty Rate	2000	8.1%	11.6%
	2008	9.5%	12.9%
No Health Insurance	2000	11.4%	13.9%
	2008	13.6%	15.3%

Prepared by the Majority Staff of the Joint Economic Committee