



Economic Overview And Outlook: Virginia

JOBS

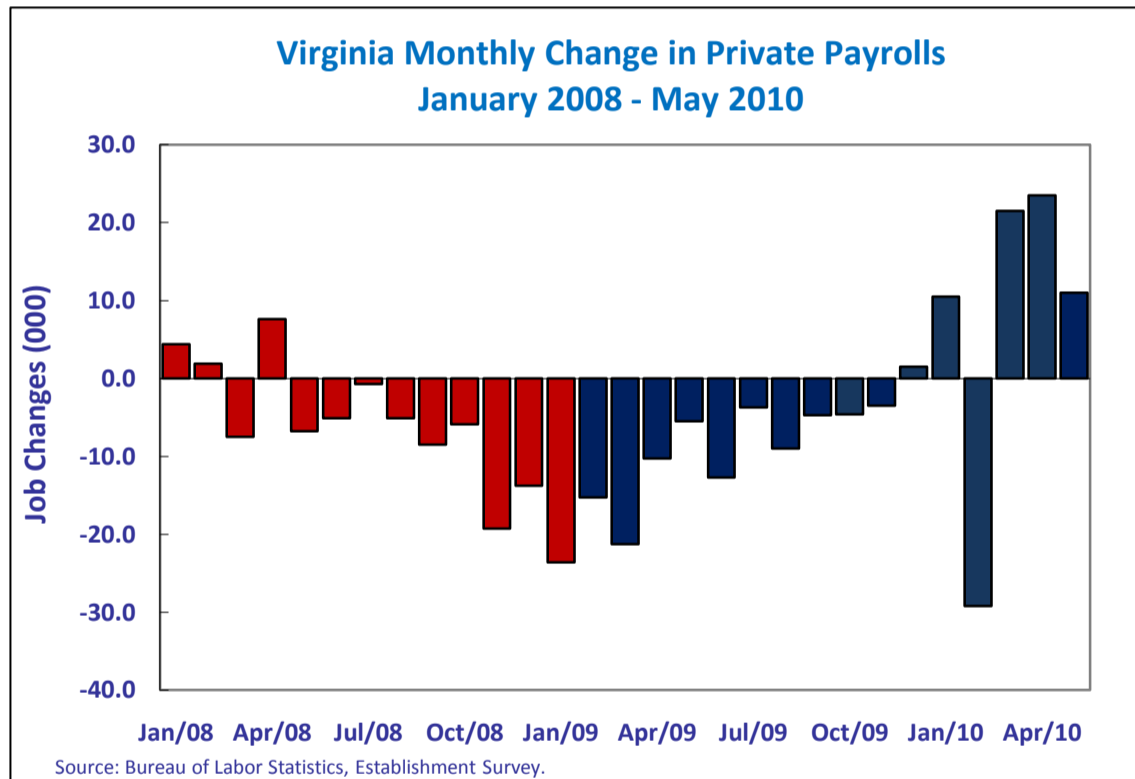
- Across the country, job losses have slowed dramatically since President Obama took office, nearly coming to a halt. Congress and the Administration worked swiftly to pass the American Recovery and Reinvestment Act, which has boosted employment by an estimated 2.8 million jobs since it was enacted.
- The President's Council of Economic Advisers estimates that investments made through the Recovery Act have boosted employment in Virginia by 66,000 jobs through the 1st quarter of 2010.
- In Virginia, employees in the construction, information services, and manufacturing sectors faced the largest job losses (as a percent of employment within an industry) over the recession. In 2010, the following sectors in Virginia experienced the greatest employment increases: other services; leisure and hospitality; and government.
- 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 7.1 percent in May 2010, up 3.9 percentage points from December 2007, but down from its most recent peak of 7.3 percent reached in March 2010.
- 299,000 Virginia residents were counted among the unemployed in Virginia during May 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 1st quarter of 2010, total personal income remained 2.6 percent below the 4th quarter 2007 peak.



- Real per capita personal income (in 2005 \$) in Virginia was \$39,998.80 in the 1st quarter of 2010, down from \$40,534.50 in the 1st quarter of 2008.

HOUSING

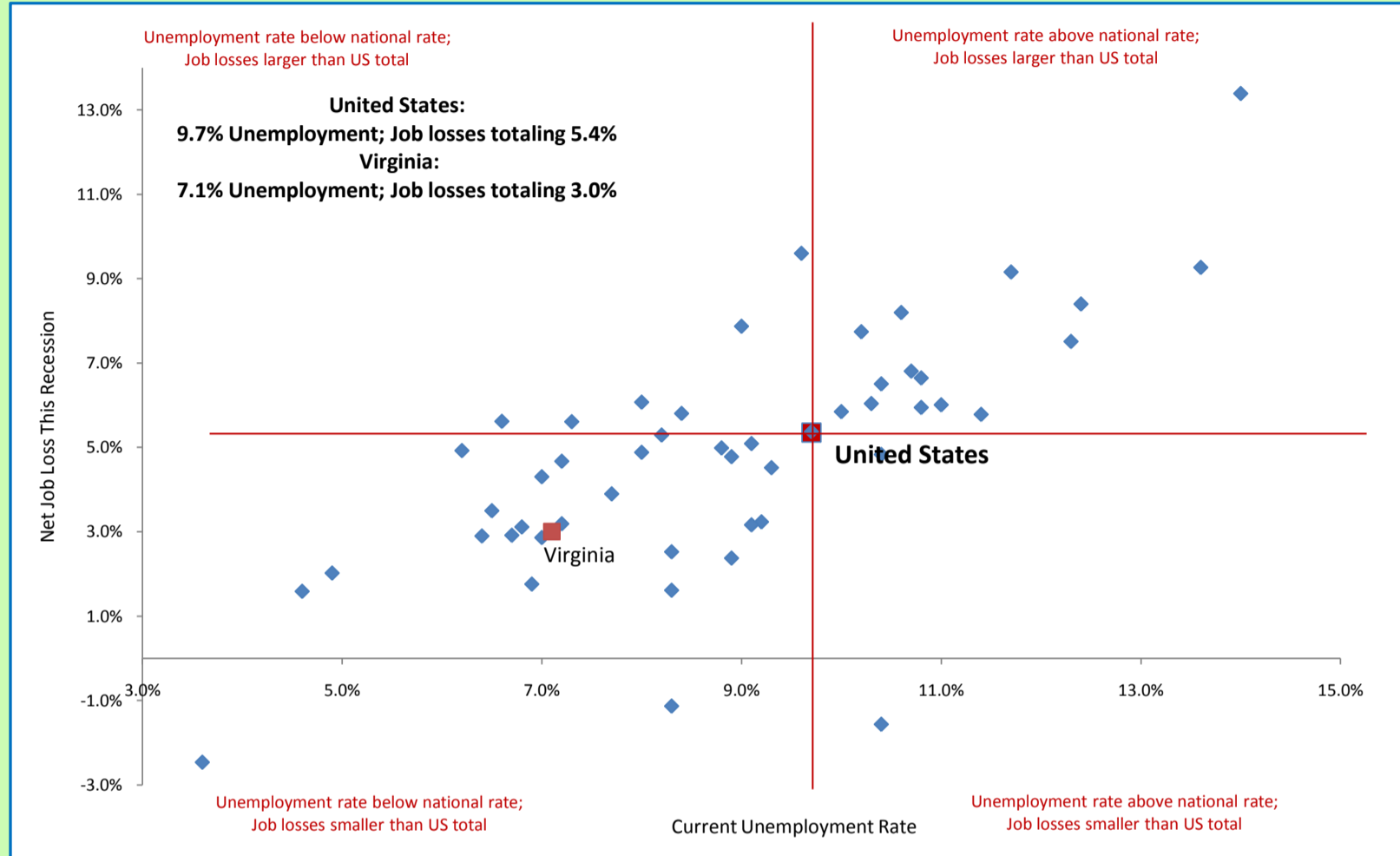
- National home prices, including distressed sales, increased 2.6 percent in April 2010 from April 2009 compared to 2.3 in March. In Virginia, home prices experienced a sharp improvement of 6.5 percent in April 2010 from April 2009 compared with March's year over year increase of 6.8 percent.
- The median price of single-family homes in Virginia was \$355,000 in 2008, compared to \$250,000 nationwide.
- As of the 1st quarter of 2010, 2.1 percent of all mortgages, including 8.6 percent of subprime mortgages, were in foreclosure in Virginia.
- Housing starts in Virginia totaled 26,970 units (seasonally adjusted annual rate) in April 2010, an increase of 6.9 percent from March.
- Within the South census region, which includes Virginia, sales of new single-family homes totaled 278,000 units in April 2010, an increase of 10.8 percent from March. Sales of existing single-family homes increased 9.6 percent to 1,940,000 units (at seasonally adjusted annual rates) from March to April 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		
May 2008	3.6%	5.4%
May 2009	6.8%	9.4%
May 2010	7.1%	9.7%
Percent of Population Who Are Veterans		
2008	12.4%	9.8%
Veterans' Unemployment Rate		
2009	5.3%	8.1%
Median Household Income		
(2008 \$) 2000	\$ 58,993	\$ 52,532
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%

For more Virginia specific labor statistics or additional information, please refer to the Virginia office:
<http://www.vawc.virginia.gov/analyzer/default.asp>