



For Immediate Release

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Hampton Roads Labor Market Update

Unemployment Rate Increased Slightly and Labor Force Declined in October 2016

Newly released non-seasonally adjusted data from the Bureau of Labor Statistics show that the overall size of the civilian labor force in the Hampton Roads region declined by 1,293 workers in October 2016 when compared to October 2015. The overall size of the civilian labor force declined from 832,766 workers in October 2015 to 831,473 workers in October 2016. The civilian labor force continues to contract in Hampton Roads with declines of 3,880 workers in September 2016 relative to September 2015 and 7,962 workers in August 2016 relative to August 2015.

The unemployment rate of 4.6% for the Hampton Roads region in October 2016 represents a slight increase from 4.5% observed in October 2015. This unemployment rate also represents no change from the unemployment rate of 4.6% in August and September of 2016. The number of unemployed workers increased from 37,539 in October 2015 to 38,411 in October 2016.

Data on the number of jobs also released earlier by the Bureau of Labor Statistics highlight the slow recovery in jobs in Hampton Roads. Total nonfarm employee payrolls, or the number of jobs, in Hampton Roads in October 2016 were estimated to be 774,000 compared to 769,700 in October 2015. This represents a growth of 4,300 jobs or a yearly growth rate of 0.56% in total nonfarm payrolls from October 2015 to October 2016. Total nonfarm employee payrolls continued to remain below the peak observed in July 2007 prior to the Great Recession.

Overall, we believe the data show a slowing of economic growth in Hampton Roads in the second half of 2016. While the 2015 real Gross Domestic Product (GDP) growth estimates recently released by the Bureau of Economic Analysis were unexpectedly high, we continue to expect that these numbers will be revised downward. For 2016, we continue to forecast real GDP growth of 1.38% for the Hampton Roads region.

The Center for Economic Analysis and Policy in the Strome College of Business at Old Dominion University undertakes a wide range of economic, demographic, transportation and defense-oriented studies. For sixteen years, the Center and its predecessors have produced the highly regarded State

of the Region Report for Hampton Roads and economic forecasts for the region.