

ODU's Dragas Center for Economic Analysis and Policy Projects

Continued Rise in Unemployment in Virginia

106,723 file initial unemployment claim. Continued claims still rising.

Norfolk, VA – (April 16, 2020) – Newly released seasonally adjusted data from the U.S. Department of Labor shows 4.9 million individuals filed initial claims nationally for the week ending April 11, a decline of 1.2 million claims from the previous week. Over the last four weeks, more than 20 million Americans have filed for unemployment insurance.

“The number of initial unemployment claims over the last four weeks is staggering, wiping away almost all of the job gains of the last decade,” said Robert McNab, director of the Dragas Center.”

In Virginia, nonseasonally adjusted unemployment claims fell from the record 147,369 observed last week to 104,619. Over the last four weeks, 410,762 Virginians filed an initial claim. We estimate that unemployment in the Commonwealth likely exceeded 10% in March and will approach 13% at the end of April if layoffs continue near their current pace.

In cities and counties across the Commonwealth, initial claims declined from the previous week. Of the 133 independent cities and counties in Virginia, only seven experienced an increase. Patrick County had the largest numerical increase, from 205 to 241. Fairfax County (-6,847), Virginia Beach (-2,868), and Prince William County (-2,825) experienced the largest numerical decreases.

While the growth in claims slowed from previous weeks, we project double-digit unemployment rates in many of Virginia's cities and counties by the end of April. Returning to the levels of employment observed in February will likely take 24 to 48 months, if not more, given the experience of the Commonwealth in previous recessions.

As social distancing measures remain in effect, unemployment claims continue to spread to industries not initially impacted. Virginia's Employment Commission attributed a significant portion of claims this week to layoffs in the mining industry.

Note: Advance claims are not directly comparable to claims reported in prior weeks. Advance claims are reported by the state liable for paying the unemployment compensation, whereas previous weeks' reported claims reflect claimants by state of residence. In addition, claims reported as "workshare equivalent" in the previous week are added to the advance claims as a proxy for the current week's "workshare equivalent" activity.