

## FOR IMMEDIATE RELEASE

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### **ODU's Dragas Center for Economic Analysis and Policy Estimates Hampton Roads Unemployment Rate Now Tops 10%**

*Initial unemployment claims in the region increase to 29,961, a 24% jump from the previous week.*

**Norfolk, VA** – (April 10, 2020) – Nonseasonally adjusted data from Virginia's Employment Commission shows initial unemployment claims continued to climb for the cities and counties in the Virginia Beach-Norfolk-Newport News ("Hampton Roads") Metropolitan Statistical Area. For the week ending April 4, 29,961 individuals filed initial claims for unemployment insurance, an increase of 5,904 claims from the prior week.

In February, the unemployment rate in Hampton Roads was 3.0% with 26,302 individuals reporting they were unemployed and seeking work. Over the last three weeks, 64,963 residents of the region filed an initial unemployment claim. We estimate that the unemployment rate in Hampton Roads rose to approximately 10.6%.

"The change in economic conditions is historic and stunning in its speed," said Professor Robert McNab, director of the Dragas Center. "In the aftermath of the Great Recession, the unemployment rate in Hampton Roads reached 7.8% in February 2010, two years after the financial crisis. Three weeks have almost erased all the gains in employment over the last decade."

Initial unemployment claims increased in all but one of Hampton Roads' cities and counties. Claims in Virginia Beach increased from 7,386 to 8,754 and in Norfolk from 3,446 to 4,190. Chesapeake and Newport News also observed significant increases in claims from the previous week. One glimmer of good news is that the rate of growth in claims slowed from the previous week for all cities and counties.

We project that layoffs will continue to rise as social distancing measures remain in effect, spreading to other industries not initially impacted. The Virginia Employment Commission attributed a significant portion of this week's initial claims to layoffs in the manufacturing, transportation and health-care sectors. With significant declines in hotel occupancy and projections of declining international trade volumes, the region will be challenged in the coming weeks. National data suggest, however, that many layoffs are characterized as temporary and we expect hiring to restart once social distancing measures are no longer deemed necessary to control the spread of COVID-19.

Note 1: 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.

Note 2: Data from the Virginia Employment Commission. Reported state totals will vary because not all reported claims are included in the announced data. Only intrastate claims are included in the data.

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### **About the Dragas Center for Economic Analysis and Policy:**

The Dragas 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 two decades, the Center and its predecessors have produced the highly regarded State of the Region Report for Hampton Roads and economic forecasts for the region. If you would like more information about this topic, please contact Robert M. McNab (831-917-2455, [rmcnab@odu.edu](mailto:rmcnab@odu.edu)) or Dominique Johnson (757-506-1565, [d1johnson@odu.edu](mailto:d1johnson@odu.edu)).

### **About Old Dominion University:**

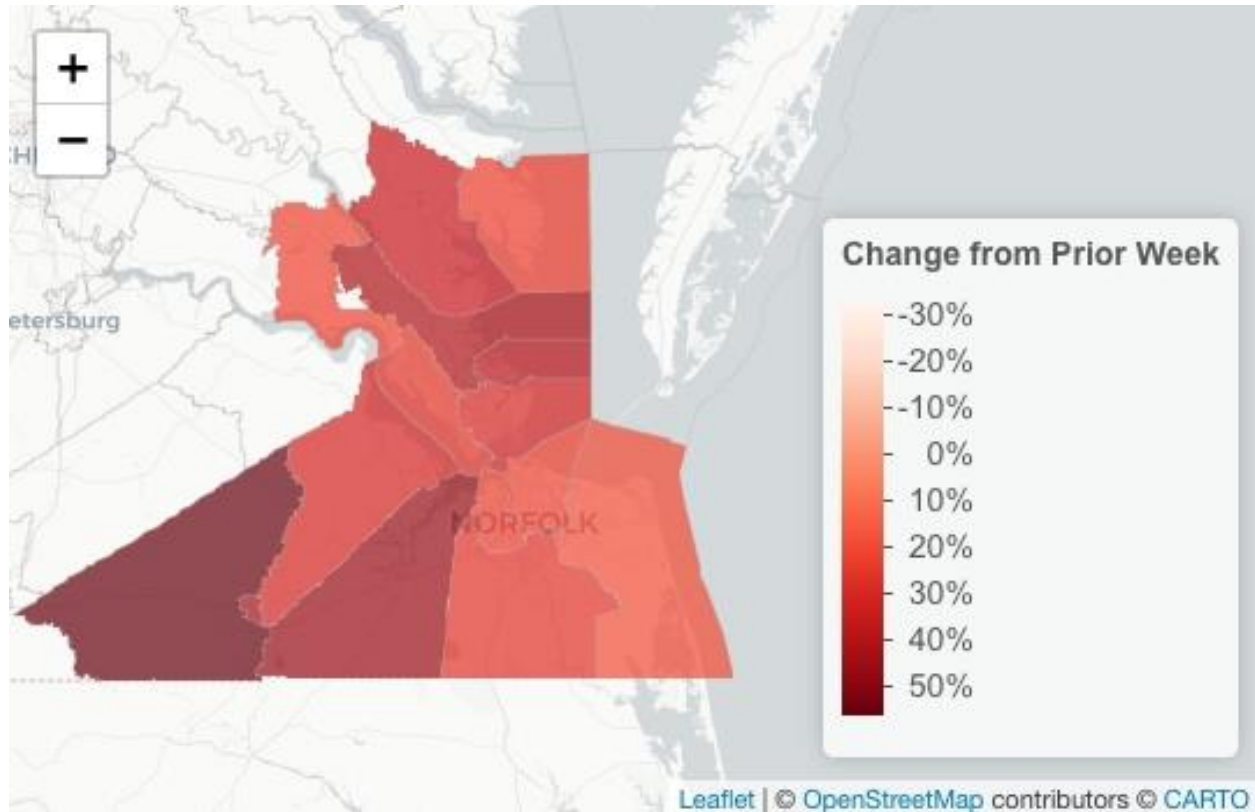
Old Dominion University is Virginia's entrepreneurial-minded doctoral research university with more than 24,000 students, rigorous academics, an energetic residential community and initiatives that contribute \$2.6 billion annually to the Commonwealth's economy.

**Table 1**  
**Initial Unemployment Claims**  
**Week Ending March 28<sup>th</sup> and April 4<sup>th</sup>**  
**Hampton Roads Metropolitan Area Cities and Counties**

	<b>Initial Claims for Week Ending March 28</b>	<b>Initial Claims for Week Ending April 4</b>	<b>Change from Prior Week</b>	<b>Percent Change from Prior Week</b>
<b>Gloucester</b>	447	602	155	34.7%
<b>Isle of Wight</b>	360	472	112	31.1%
<b>James City</b>	1,635	1,988	353	21.6%
<b>Mathews</b>	96	118	22	22.9%
<b>Southampton</b>	75	117	42	56.0%
<b>York</b>	553	786	233	42.1%
<b>Chesapeake</b>	2,919	3,702	783	26.8%
<b>Franklin City</b>	103	149	46	44.7%
<b>Hampton</b>	1,864	2,421	557	29.9%
<b>Newport News</b>	2,902	3,667	765	26.4%
<b>Norfolk</b>	3,446	4,190	744	21.6%
<b>Poquoson</b>	122	169	47	38.5%
<b>Portsmouth</b>	1,240	1,523	283	22.8%
<b>Suffolk</b>	864	1,273	409	47.3%
<b>Virginia Beach</b>	7,386	8,754	1,368	18.5%
<b>Williamsburg</b>	45	30	-15	-33.3%
<b>Hampton Roads</b>	24,057	29,961	5,904	24.5%

Source: Virginia Employment Commission (VEC), Dragas Center for Economic Analysis and Policy. Initial Claims for week ending April 4<sup>th</sup> are advanced estimates subject to revisions, and therefore not directly comparable to prior weeks. September 2018 definition of the Virginia portion of Virginia Beach-Norfolk-Newport News MSA. Only Virginia localities are included in this table.

**Graph 1**  
**Initial Unemployment Claims**  
**Week Ending April 4<sup>th</sup>: Percent Change from Prior Week**  
**Hampton Roads Metropolitan Area Cities and Counties**



Source: Virginia Employment Commission (VEC), Dragas Center for Economic Analysis and Policy. Initial Claims for week ending April 4<sup>th</sup> are advanced estimates subject to revisions, and therefore not directly comparable to prior weeks. September 2018 definition of the Virginia portion of Virginia Beach-Norfolk-Newport News MSA. Only Virginia localities are included in this graphic.