



For Immediate Release

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Virginia Has Long Way to Go to Regain Jobs

New Report documents modest jobs recovery in Virginia and the challenges ahead

RICHMOND, VA— The recession has created such an enormous jobs gap in Virginia that the state needs to add over 263,000 jobs in order to return to pre-recession employment levels, according to a new report released today by The Commonwealth Institute for Fiscal Analysis. Unfortunately, recent jobs growth has been mixed with some high growth months and others with sluggish growth. As Governor McDonnell travels to Washington to testify before Congress on the policies that foster and sustain job growth in Virginia, this new information on the state of Virginia's jobs picture provides sobering information on the challenges ahead for the state.

“To fill the current jobs gap by 2012, Virginia would need to add roughly 24,906 jobs per month every month this year. To fill it by 2013, we would need to add roughly 13,929 jobs per month every month of the next two years,” explained Michael Cassidy, President of The Commonwealth Institute. But under the McDonnell administration (February 2010-December 2010, the last month for which figures are available), the Commonwealth saw just 5,036 net jobs added per month. At this rate, it will take Virginia well into 2022 to dig out of the hole created by the Great Recession, according to the report.

“The bigger problem,” says Cassidy, “is the fastest average monthly job growth ever in a year, going all the way back to 1939, was only 10,683 jobs back in 1996 and 1997.”

In addition to analyzing the number of jobs necessary to fill the jobs gap, the report also documents the challenging jobs situation facing the state in other areas including:

- Virginia's weak recovery has seen a few months of extremely high net gains in jobs but not consistently enough to make a return to pre-recession unemployment levels realistic anytime soon.
- Most Virginia industries continue to employ fewer workers now than before the downturn. The hardest hit industries are Construction, Manufacturing, and Retail Trade.
- Virginia's unbalanced job growth poses some challenges for the workers currently trying to navigate the state's labor market. Of the seven sectors with net jobs gains, two are the lowest paying industries in the state's economy and five pay average weekly wages below the statewide average of \$929.

“Workers and their families from across the state have been battered by the recession,” said Cassidy. “We need to keep our eyes on achieving a return to sustained jobs growth in areas with good wages. We just aren't there yet.”

The complete report, *In Fits and Starts: Virginia's Modest Jobs Recovery and the Challenges Ahead*, is available at www.thecommonwealthinstitute.org.

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About The Commonwealth Institute

The Commonwealth Institute for Fiscal Analysis provides credible, independent and accessible information and analyses of fiscal and economic issues with particular attention to the impacts on low- and moderate-income persons. Our products inform fiscal and budget policy debates and contribute to sound decisions that improve the well-being of individuals, communities and Virginia as a whole. Visit www.thecommonwealthinstitute.org for more information.

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