

# Special Report: Employment Revision

By Greg Grootendorst, Chief Economist and James Clary, Economist



Good news! Hampton Roads payroll employment figures have been revised upward by 8,200 jobs (7,400 on a seasonally adjusted basis).

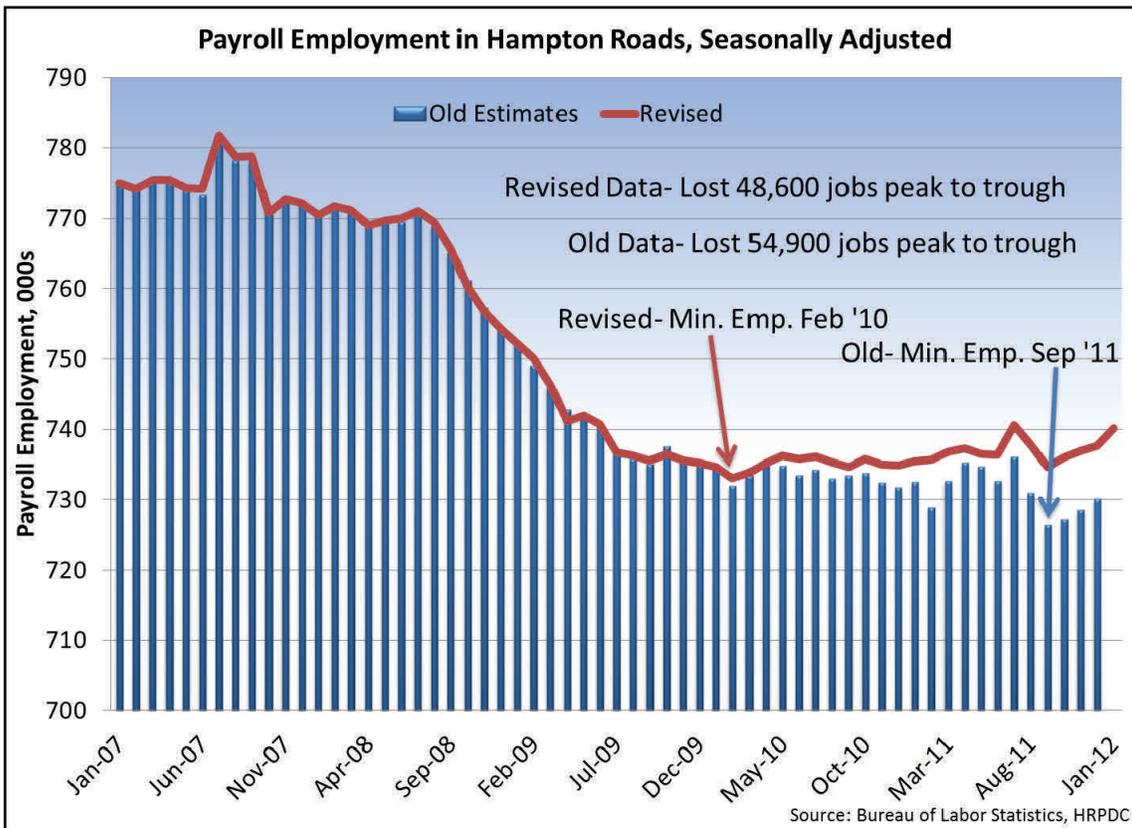
The Bureau of Labor Statistics (BLS) releases monthly metropolitan payroll employment estimates (with assistance from the Virginia Employment Commission for regions in the Commonwealth). The employment data report on the national, state, and regional level serves as the most important indicator for estimating the current economic condition. The employment report moves financial markets and interest rates worldwide.

This data, while very important, is subject to revisions, and in the case of economic turning points, these revisions can be very significant as the payroll data comes from a survey of employees and thus can suffer from sample bias. The BLS revises the data annually, primarily through the use of unemployment insurance records. This year's revision shows that Hampton Roads experienced a level of sustained job growth since the end of the recession, indicating that the region has taken steps on the path to economic recovery. This revision illustrates that the employment decline was slightly less severe than first estimated, and that the low point in regional employment was in February 2010 rather than September of 2011.

H.R. Dec. '10 Payroll Employment by Industry

Industries with Significant Revisions	Old Est.	Revised	Change
Leisure & Hospitality	78,100	83,100	5,000
Retail Trade	83,300	88,100	4,800
Education & Health Services	95,700	97,100	1,400
Administrative & Support Serv.	45,900	44,100	(1,800)
Ship and Boat Building	26,500	25,000	(1,500)
Federal	52,500	51,600	(900)

Source: Bureau of Labor Statistics, HRPDC



Source: Bureau of Labor Statistics, HRPDC

The revision indicates that the region's tourism and retail industries had much higher employment than previously estimated. A few industries had their employment revised downward with the revision, particularly administrative services and boat building.

The most recent release from the BLS indicates that seasonally adjusted payroll employment is currently at 740,100, which is 41,600 below peak employment of 781,700 from July of 2007.