



Three things to know about Virginia's jobs picture

By Kaitlyn Speer
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ALEXANDRIA, Va. — Gov. Terry McAuliffe in news releases has boasted job creation and business investment, but here are three things you might want to know about the *real* job situation in Virginia:

1. Virginia saw 2,008 layoffs or business closures since the end of May, according to the Virginia Workforce Network's Rapid Response program at Virginia's Community Colleges,

WARN notices are part of the Worker Adjustment and Retraining Notification Act, which gives instructions on the way layoffs should be handled. It requires most employers with 100 or more employees to provide notification 60 calendar days in advance of plant closings and mass layoffs, according to the U.S. Department of Labor's website.

Workers have to be full-time for a WARN notice to be filed.

Jameo Pollock, former Central Virginia Rapid Response coordinator and the Workforce Development Training Coordinator, said the number of layoffs is similar across the board for each region in the state.

The Central Virginia region encompasses 26 cities and counties, and there tends to be more WARN notices in places such as Chesterfield and Richmond, according to Pollock. But he's optimistic about the job outlook in Virginia.

"Three years ago we had more WARN notices than the last two years combined," he said. In 2011 his region had 31 WARN notices; 2012 and 2013 had 17 each.

2. McAuliffe boasted 4,238 new jobs in Virginia since the end of May. The largest investment, \$2 billion, was from a Chinese company, Shandong Tranlin Paper Co., Ltd.

International investment is up 214 percent, according to Suzanne Clark, a spokeswoman for the Virginia Economic Development Partnership. A total of \$5.48 billion in capital investment was announced in fiscal 2014, along with 18,751 jobs, according to Clark.

Watchdog.org also reported in June about a deal in which Virginia gave nearly \$1.2 million to a company that reported a net income loss of \$197 million after taxes this first quarter and was investigated by the Department of Justice and the U.S. Securities and Exchange Commission.

“This deal is just one in a long line of sweetheart deals made between the commonwealth of Virginia and businesses,” said Nicole Kaeding, a budget analyst for the Cato Institute. “Unfortunately for taxpayers, these sort of deals are mutually beneficial for policymakers and businesses. The policymakers get to say that they brought jobs to the area while businesses get to operate with lower costs.”

Some of the business incentives used to lure businesses to Virginia include: Grants from the Governor’s Opportunity fund, corporate income tax credits, sales and use tax exemptions, property tax exemptions and foreign trade zones.

3. Keith Hall, a senior research fellow at George Mason’s Mercatus Center in Fairfax, told Watchdog.org last month it’s better to look at the total non-farm payroll jobs to get an accurate picture of the job situation. Some 8,600 non-farm jobs were created since June 2013. Other interesting statistics include a loss of 2600 government jobs and a loss of 15,300 jobs in professional and business services in the past year.

Despite the increase in jobs, one economist does think there’s room for improvement.

“The governor or president cannot do much but accurate reporting,” said Brian Baugus, professor of economics at Regent University in Virginia Beach. “And a favorable tax and regulatory climate can go a long way to help.”

To help promote business investment in Virginia, the VEDP has worked on an aggressive national and global marketing outreach program, according to VEDP spokeswoman Suzanne Clark.

“Virginia’s leaders are committed to business’s needs, free enterprise and maintaining a profit-friendly environment,” she said in an email to Watchdog.org. “It is critical that Virginia tell this story to the global business community.”