

# Jobs Count

The aim of **Jobs Count** is to provide a monthly update of the state of working West Virginia.

[www.jobscount.org](http://www.jobscount.org)

west virginia  
Center on  
Budget & Policy

## August 2012 Update

### Job Losses Continue to Pile Up in August

August marked the seventh straight month of job losses for West Virginia, as total nonfarm employment fell by 2,300 jobs. August was also the third straight month with job losses over 2,000, which hasn't happened since 2009. Total nonfarm employment is now 750,700, which is 9,600 jobs below its pre-recession level in the state (**Figure 1**). The state's unemployment rate rose to 7.5 percent, its highest level of 2012 (**Table 1**).

### Mining and Logging Hit Hard

The mining and logging sector accounted for more than half of the state's job losses in August, with the sector losing 1,600 jobs, a decline of 5.2 percent. Employment in mining and logging is now at its lowest level in over two years.

The professional and business services and education and the leisure and hospitality sectors also saw large losses, losing 1,200 jobs each. The other services sector also lost 500 jobs.

### Meager Growth for Construction

The construction sector was the only employment sector with growth over one percent, adding 500 jobs. The government sector also added 1,100 jobs, for an increase of 0.7 percent. The state's other employment sectors saw either no or negligible growth.

### 2011 Gains Nearly Erased

After averaging 1,050 jobs gained per month in 2011, the state has lost an average of 1,262 jobs per month in 2012. So far, January is the only month of job growth this year. If this trend continues in the coming months, the state will lose all of the jobs it gained in 2011 (**Figure 2**).

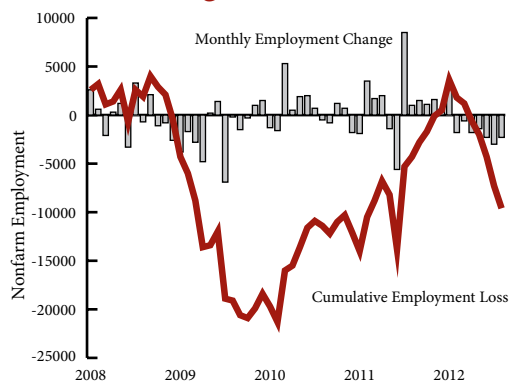
TABLE 1

### August's Unemployment Highest of 2012

	December 2007	August 2012	Change	Percent Change
Unemployment	4.1%	7.5%	3.4%	
Total Jobs	760,300	750,700	-9,600	-1.26%
Manufacturing	57,800	47,400	-10,400	-17.99%
Construction	38,100	36,200	-1,900	-4.99%
Mining/Logging	28,800	29,000	200	.7%

FIGURE 1

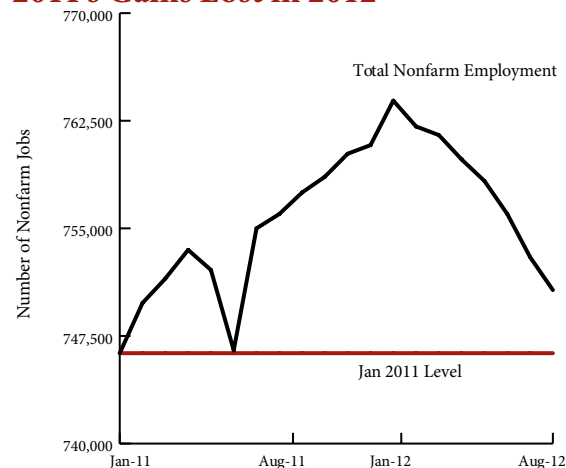
### Seventh Straight Month of Jobs Loss



Source for Table 1 and Figure 1: Bureau of Labor Statistics, Local Area Unemployment Statistics, Seasonally Adjusted.

FIGURE 2

### 2011's Gains Lost in 2012



Source: WVCPB Analysis of Bureau of Labor Statistics, Current Employment Statistics Data.

## A Closer Look

### Low-Income Occupations Contribute to State's Low Median Income

On September 20, 2012, the American Community Survey reported that the median household income in West Virginia was \$38,482 in 2011.<sup>1</sup> Median household income measures the income of the typical household - the household in the middle of the income distribution - and serves as a good barometer of how the middle class is faring. Among its neighboring states, West Virginia had the lowest median household income (**Figure 3**). In fact, West Virginia had the second lowest median household income in the nation behind Mississippi.

One reason for the state's low median household income is the high number of workers in low-wage jobs compared to other states. According to the U.S. Department of Health and Human Services, a low-wage job is one that pays below the federal poverty threshold for a family of four.<sup>2</sup> In 2011, this was an annual income of \$22,350.<sup>3</sup>

According to data from the Occupational Employment Statistics from the Bureau of Labor Statistics, approximately 23.1 percent of occupations in West Virginia paid an average annual wage below this amount in 2011 (**Figure 4**). Nationally, only 13.5 percent of workers were in jobs that paid below \$22,350 per year. Surrounding states like Kentucky and Ohio also had high shares of low-wage workers and low median household incomes. Maryland had the lowest share of low-wage workers and boasted the highest median household income in the area.

The share of workers in low-wage jobs in West Virginia has remained fairly consistent since the economic recession began in 2008. In 2009, approximately 23.2 percent of workers in the state made below the federal poverty threshold for a family of four. In 2010, the share was 24.3 percent.

<sup>1</sup> U.S. Census Bureau, American Community Survey, 2011.

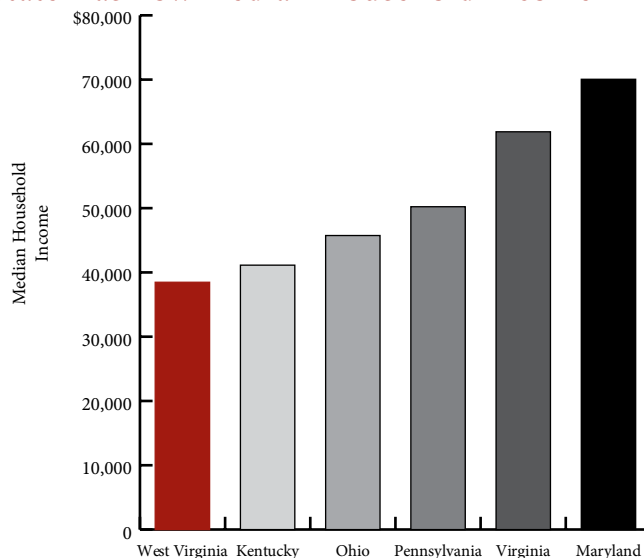
<sup>2</sup> U.S. Department of Health and Human Services, "Who are Low-Wage Workers?," February 2009. Retrieved from [aspe.hhs.gov/hsp/09/lowwageworkers/rb.pdf](http://aspe.hhs.gov/hsp/09/lowwageworkers/rb.pdf)

<sup>3</sup> U.S. Department of Health and Human Services, 2011 Poverty Guidelines.

In order to move more of West Virginia's workers out of low-wage jobs, the state will need to make improvements in postsecondary education and skills development, economic development, and work support systems.

FIGURE 3

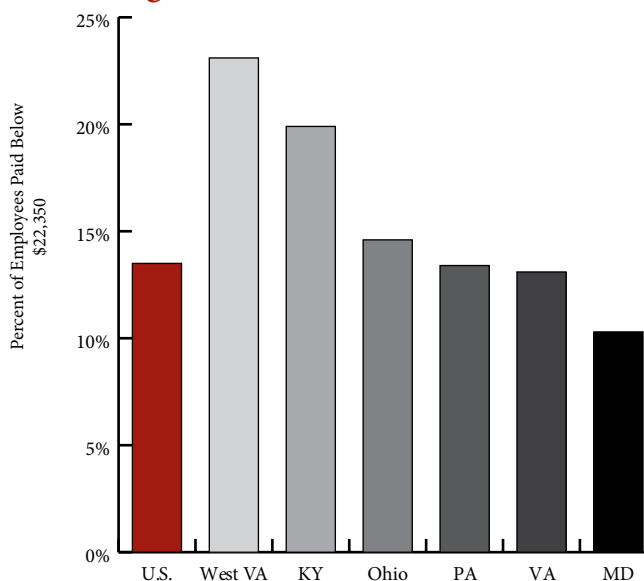
#### State Has Low Median Household Income



Source: WVCPB Analysis of American Community Survey Data, 2011.

FIGURE 4

#### West Virginia Has Higher Share of Low-Wage Workers



Source: WVCPB Analysis of Occupational Employment Statistics, May 2011.

The West Virginia Center on Budget and Policy is a nonprofit, nonpartisan research organization. Our aim is to support public policies that contribute to a shared prosperity for all West Virginians. We study critical issues, share what we learn with the public and policymakers, and work with diverse groups on sound solutions to economic and social problems.