

# 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

## February 2012 Update

### Job Growth Trend Reversed in February

After seven months of job growth, West Virginia experienced its worst month of job growth since last June, losing 1,300 jobs in February (**Figure 1**). Total nonfarm employment now stands at 762,600 (**Table 1**). Despite this job loss, there were a few bright spots in February. West Virginia's total nonfarm employment still remains higher than its pre-recession levels, and the state's unemployment rate fell to 7.2 percent. In addition, the number of unemployed workers in the state fell by 1,904, while the labor force grew by 1,365.

### Most Employment Sectors Lost Jobs

Seven of the ten major employment sectors saw losses in February, with the biggest losses in the mining and logging sector and the trade, transportation, and utilities sector. Both sectors lost 900 jobs. Losses in other sectors were not as large, with the government sector losing 300 jobs, and the financial activities, leisure and hospitality, and other services sectors losing 200 jobs apiece.

The education and health services sector saw positive growth in February, adding 1,100 jobs, the best performance of the month. Two of the sectors hit hardest by the recession, construction and manufacturing, each added 100 jobs. The professional and business services sector also added 100 jobs.

### Uneven Impact of Recession and Recovery

The recession and recovery have impacted West Virginia's employment sectors unequally. Although total nonfarm employment is now higher than before the recession, not every sector of the economy has recovered (**Figure 2**). This means that the composition of West Virginia's economy has changed and will likely continue to do so in the future.

For example, the mining and logging sector has seen the strongest recovery, adding 5,200 jobs since the beginning of the recession, an increase of 18.1 percent. On the other hand, manufacturing is still 15.6 percent below pre-recession levels, with 9,000 fewer jobs.

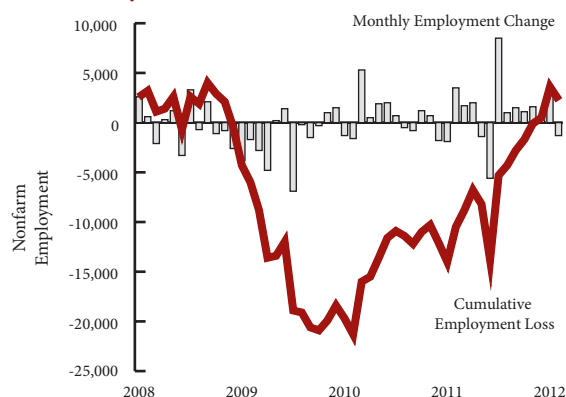
TABLE 1

### Unemployment Continues to Fall

	December 2007	February 2012	Change	Percent Change
Unemployment	4.1%	7.2%	3.1%	
Total jobs	760,300	762,600	2,300	0.3%
Manufacturing	57,800	48,800	-9,000	-15.6%
Construction	38,100	34,400	-3,700	-9.7%
Mining/Logging	28,800	34,000	5,200	18.1%

FIGURE 1

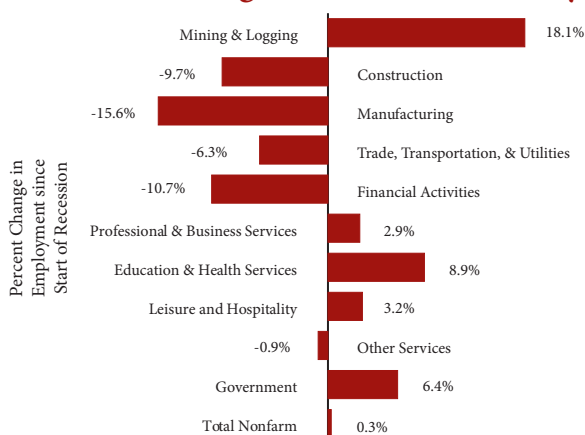
### February Ended Trend of Job Growth



Source for Table 1 and Figure 1: Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted. Unemployment figures from BLS, Local Area Unemployment Statistics.

FIGURE 2

### Recession Changed the State's Economy



Source: Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted.

## A Closer Look

### Unemployment and the Job Shortage

As West Virginia's unemployment rate has slowly inched downwards over the past six months, the job market for the state's unemployed workers has also seen improvement. In the November 2011 Jobs Count, it was estimated that there were five unemployed workers for each job opening in the state for the month of October. This ratio was only slightly better than at the beginning of 2011, when there were an estimated 5.2 workers for every job opening in the state.

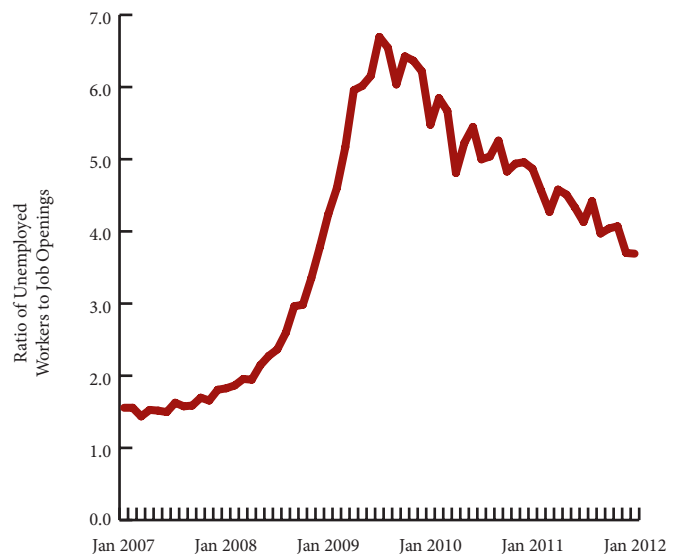
With 5,300 jobs added from October 2011 to January 2012, and the state's unemployment rate dropping from 7.9 percent to 7.4 percent, the ratio of unemployed workers to job openings has improved substantially. In January, the number of unemployed workers for each job opening fell to 4.1, a decrease of more than 20 percent.<sup>1</sup>

Nationwide, the ratio of unemployed workers to job openings has been declining steadily since the end of the recession. The job shortage peaked in July 2009, when there were 6.7 unemployed workers for every job opening in the country. Since then, the ratio has fallen steadily, dropping to 3.7 unemployed workers for every job opening in January (**Figure 3**). However, the ratio is still more than double its pre-recession level, suggesting that the job market is still challenging for unemployed workers in the nation and in West Virginia.

Even as the economy improves and demand for goods and services increases, there are still not enough jobs for all willing and able workers. At the current pace of job growth, it may still be years before there are enough jobs for all of the available workers.

<sup>1</sup> Bureau of Labor Statistics, Job Opening and Labor Turnover Survey, January 2012. The Conference Board Help Wanted OnLine® (HWOL), March 2012. Note: Based on the Job Openings and Labor Turnover Survey (JOLTS), there were 3.69 unemployed workers in the United States for every available job opening in January. JOLTS does not have state level data. The HWOL data contain national and state estimates for the number of unemployed workers per job opening, although the data are not as comprehensive as JOLTS. According to the HWOL data for January 2012, there were 2.91 unemployed workers for each job opening nationally and 3.25 for every job opening in West Virginia. Taking the ratio of the HWOL national estimate to the JOLTS estimate and applying it to the HWOL West Virginia estimate, it is estimated that there are 4.12 unemployed workers in West Virginia for every job opening.

FIGURE 3  
**National Job Shortage Shows Signs of Improvement**



Source: WVCBP analysis of data from the Bureau of Labor Statistics, Job Opening and Labor Turnover Survey, January 2012; and from the U.S. Census Bureau, Current Population Survey.

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.