

# 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

## July 2011 Update

### State Loses 2,300 Jobs in July, Recovery Still Weak

Total nonfarm employment in West Virginia fell in July by 2,300, mostly due to the loss of 3,500 government jobs. Over the last three months, non-farm employment has dropped by 3,700, while the state has added 2,200 jobs since the beginning of 2011. The state's unemployment rate dropped from 8.5 percent to 8.1 percent from June to July (**Table 1**). Unfortunately, the drop in the unemployment rate was due to more than 6,000 workers leaving the labor force in July.

#### Construction Continues to Rebound

Employment in the construction industry is continuing to show signs of improvement, adding 700 jobs in July. Over the last six months, construction employment has increased by eight percent (2,400 jobs). This performance was far better than the national average of just 0.5 percent over the last six months. Despite this good performance, the construction industry employs 5,700 less workers than it did at the beginning of the recession (**Figure 1**). The manufacturing industry added 100 jobs in July, increasing the total number of manufacturing jobs to 49,700. Mining and logging employment held steady at 32,200.

#### How Does WV Job Growth Compare to Neighboring States?

Despite losing 2,300 jobs in July, the Mountain State has suffered less job loss than surrounding states since the beginning of the recession. West Virginia has seen its job base shrink about 1.4 percent compared to the regional average of 3.3 percent. Ohio suffered the greatest loss in the region, shedding about 5.7 percent or more than 300,000 jobs, while Pennsylvania lost approximately 116,400 jobs, or two percent of its job base since the recession's start (**Table 2**).

In spite of outperforming other states in the region, West Virginia's growth over the last year was slower than many of its neighboring states. From July 2010 to July 2011, the annual rate of job growth was less than one-half percent, a gain of just 1,500, while both Kentucky and Pennsylvania both grew by nearly two percent.

Table 1

#### Total Number of Jobs Dips, While Unemployment Drops Slightly

	Dec. 2007	July 2011	Change	Percent Change
Unemployment	4.1%	8.1%	4.0%	
Total jobs	760,300	749,900	-10,310	-1.4%
Manufacturing	57,900	49,700	-8,200	-14.2%
Construction	38,200	32,500	-5,700	-14.9%
Mining/Logging	28,800	32,200	3,400	11.8%

Source: Bureau of Labor Statistics, Current Employment Statistics, Seasonally Adjusted. Unemployment figures from BLS, Local Area Unemployment Statistics.

Figure 1

#### 10,400 Jobs Lost in Recession

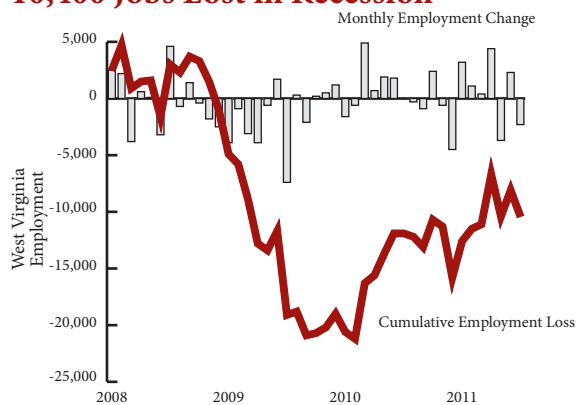


Table 2

#### Mountain State Outperforming Region Non-Farm Employment Change in Thousands

	Dec 07	July 11	Percent Change
Kentucky	1,869	1,798	-3.8%
Maryland	2,613	2,522	-3.5%
Ohio	5,421	5,113	-5.7%
Pennsylvania	5,809	5,693	-2.0%
Virginia	3,766	3,641	-3.3%
West Virginia	760	749	-1.4%

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

# A Closer Look

## The Great Recession is Still Plaguing West Virginia

When the recession began in December 2007, West Virginia had 760,300 jobs (Table 3). Since then, West Virginia has experienced 19 months of job loss. The state's employment trough occurred in February 2010 when West Virginia had 21,200 fewer jobs than it did before the recession started. Now in July 2011, West Virginia has 10,400 fewer jobs.

West Virginia's jobs deficit, or the difference between the number of jobs West Virginia has and the number it needs to regain its pre-recession employment rate, is 20,300. That number includes the 10,400 jobs that the state lost plus the 9,900 jobs it needs to keep up with the 1.3 percent growth in population experienced in the 43 months since the recession began.

West Virginia has not recovered from the Great Recession. Although the state has outperformed much of the country, job losses in the last three months have led to an increase in the jobs deficit. West Virginia still has thousands of workers willing and able to work who cannot find sufficient work.

The recently negotiated federal debt deal could also further damage the state's weak recovery. As elected officials at both the state and federal level make policy choices to deal with the jobs crisis, they should avoid decisions that threaten to throw even this very tentative recovery into reverse. Putting workers back to work needs to be the primary goal for lawmakers.

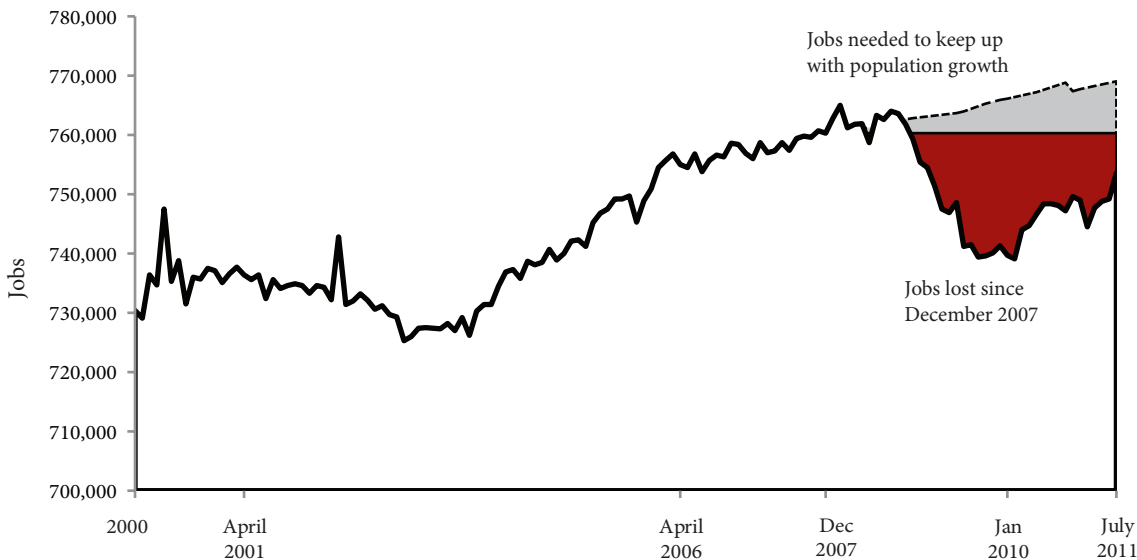
Table 3  
**West Virginia's Jobs Deficit**

Number of Jobs, December 2007: Start of the Recession	760,300
Number of Jobs, February 2010: Labor Market Trough	739,100
Jobs Lost Since Recession's Start	21,200
Number of Jobs, July 2011	749,900
Jobs Lost Since Recession's Start	10,400
West Virginia Population Growth Since December 2007	1.3%
Number of Jobs Needed to Accommodate Population Growth	9,900
Jobs Deficit (Jobs Lost + Jobs to Keep Up with Growth)	20,300

Source: Economic Policy Institute Analysis of BLS data, July 2011.

Figure 2

### West Virginia Needs 20,300 Additional Jobs to Fill Jobs Deficit



Source: Figure 2 recreated from Economic Policy Institute's Job Watch, July 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.