

Harrison County Economic Monitor



Bureau of Business & Economic Research

West Virginia University College of Business & Economics

Volume 3, Number 2 • January 2011

Harrison County Weathers Recession Better Than State And Nation

By George W. Hammond

The Great Recession hit the state and national economies hard, but Harrison County came through the downturn in much better shape. For instance, the state economy lost 17,900 jobs from 2008 to 2009, which translated into a rate of decline of 2.3 percent. National job losses came at an even more rapid rate, at -4.3 percent. In contrast, nonfarm payroll employment in Harrison was stable during the same period.

Likewise, the state unemployment rate skyrocketed from 2008 to 2009, rising from 4.3 percent to 7.9 percent. The national rate rose from 5.8 percent to 9.3 percent during the same period. The Harrison County unemployment rate also rose rapidly during the 2008-2009 period, increasing from 3.8 percent to 6.7 percent. Even so, the Harrison County rate remained well below the state and national averages.

The state and national economies began to generate job growth again in 2010 and Harrison County added jobs as well. Table 1 shows growth in non-seasonally adjusted jobs from the third quarter of 2009 to the same quarter of 2010. As the table shows, Harrison County added 150 jobs during the past four quarters, which translates into a growth rate of 0.4 percent. That was just above the state rate of growth during the period (of 0.3 percent) and double the national rate job growth (of 0.2 percent).

Table 1
Job Growth By Industry
Harrison County, W.Va., And U.S.
 Non-seasonally Adjusted, Third Quarter 2009 To Third Quarter 2010

	Harrison County		W.Va.	U.S.
	Job Change	Growth Rate(%)	Growth Rate(%)	Growth Rate(%)
Total	150	0.4	0.3	0.2
Mining and Logging	7	0.9	5.1	8.9
Construction	-250	-13.6	2.7	-4.5
Manufacturing	57	3.2	1.0	0.0
Trade, Trans., & Util.	-137	-1.8	-2.2	-0.1
Information	-20	-3.0	0.3	-2.1
Financial Activities	20	1.8	-2.4	-1.6
Prof. & Business Services	20	0.8	0.1	2.0
Education & Health Care	-20	-0.4	1.5	2.0
Leisure & Hospitality	-90	-2.8	0.7	0.4
Other Services	10	0.4	1.4	0.2
Government	563	6.9	0.0	-0.5

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As the table shows, job growth in Harrison County during the past year was concentrated in government employment. This reflects strong job gains in federal and local government during the period. While government employment has helped to stabilize overall county employment during the downturn, it is important to recognize that government growth may not continue at the same pace in the future. For instance, recent changes to the state's U.S. congressional delegation may affect the ability of the region to attract federal funds. In contrast, construction; trade, transportation, and utilities; and leisure and hospitality posted the largest job losses during the past year. Recent declines in construction employment likely reflect the completion of a large hospital project in the county. Job losses in the overall trade, transportation, and utilities sector were driven by declines in transportation and utilities, as well as wholesale trade.

The Harrison County unemployment rate rose by 0.7 percent from the third quarter of 2009 to the same quarter of 2010, hitting 7.5 percent on a non-seasonally adjusted basis. West Virginia posted a similar increase of 0.5 percent (to 8.6 percent), while the national rate was down a modest 0.1 percent during the period (to 9.5 percent). The unemployment rates for the county, state, and nation, remain at relatively high levels. This reflects the slow rebound from the Great Recession so far.

The value of new construction starts in Harrison County surged during the first nine months of 2010, to \$102.4 million dollars at an annual rate, according to data from FW Dodge. That was nearly triple the 2009 level of \$36.7 million. Construction starts rose in all three sectors (residential, nonresidential, and infrastructure), although the largest increase came in nonresidential starts (including parking structures).

Low Health Care Costs In Harrison County

By Amy Higginbotham

Health care has been at the center of recent political debate in the United States. With health care costs on the rise nationwide, Harrison County residents were fortunate to have lower than average health care costs in the third quarter of 2010. In addition, according to the ACCRA Cost of Living Index, the overall cost of living in Harrison County was below average for the nation in the third quarter of 2010.

The ACCRA Cost of Living Index, which is compiled by the Council for Community and Economic Research, compares the cost of living in over 300 urban areas throughout the nation each quarter. The index is a compilation of prices for 60 goods and services found in each area. These goods and services fall into one of the following categories: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services. An index of 100 is the average for participating areas meaning that an index of over 100 indicates a higher than average cost in the area.

For Harrison County, the total cost of living in the third quarter of 2010 was 4.5 percent below the national average, as shown in Table 2. Harrison County's cost of living was between 2.0 and 5.9 percent higher than Charleston and Martinsburg-Berkeley County, but was 5.0 percent below Morgantown. The highest cost of living among participating cities in the nation was in New York (Manhattan), New York, where the cost of living was 117.7 percent higher than in Harrison County.

Table 2
ACCRA Cost of Living Third Quarter 2010

Metropolitan Area	Composite Index (100%)	Grocery Items (13%)	Housing (29%)	Utilities (10%)	Transportation (9%)	Health Care (4%)	Misc. Goods & Services (35%)	Estimated 2009 MSA Population
West Virginia Urban Areas								
Harrison County*	95.5	94.0	92.2	93.1	104.4	90.8	97.2	92,441
Charleston	93.6	89.7	90.6	97.2	104.8	93.5	92.7	304,214
Martinsburg-Berkeley County	90.2	93.4	82.2	88.0	104.4	98.9	90.4	266,149
Morgantown	100.5	92.1	110.0	90.8	99.7	94.5	99.4	120,327
Other Metropolitan Statistical Areas								
Ashland, OH	90.2	104.8	72.4	95.8	99.3	88.0	95.4	55,044
Dodge City, KS	89.9	90.6	77.0	85.4	96.2	90.8	100.3	33,692
Kodiak, AK	129.9	150.6	123.1	137.3	148.0	132.6	118.1	13,346
Paducah, KY	88.5	94.0	79.3	94.6	87.8	90.2	92.6	98,609
Staunton-Augusta County, VA	96.8	101.7	94.3	98.5	91.7	100.0	98.0	118,147
Tupelo, MS	88.8	91.3	70.8	113.9	93.5	89.8	94.4	134,161
Major U.S. Metro Areas								
Baltimore, MD	118.3	112.6	150.5	113.5	103.6	97.6	101.0	2,690,886
Charlotte, NC	94.1	100.1	81.2	94.8	94.6	110.6	100.9	1,745,524
Dallas, TX	92.9	96.5	70.1	107.1	98.3	104.8	103.2	4,326,384
Denver, CO	103.9	104.1	111.3	98.5	95.6	108.1	101.4	2,552,195
Detroit, MI	97.1	93.0	88.8	128.6	103.8	92.9	94.4	1,925,848
New York (Manhattan), NY	207.9	147.9	370.5	172.8	113.6	127.1	141.5	19,069,796
Orlando, FL	98.1	97.4	82.2	109.3	98.8	98.0	109.1	2,082,421
Pittsburgh, PA	91.6	103.5	75.4	95.8	104.1	90.1	95.7	2,354,957
Richmond, VA	102.6	101.7	102.7	110.5	96.6	109.9	101.7	1,238,187
Seattle, WA	119.8	109.3	136.5	86.9	117.6	121.9	119.9	2,611,012
Washington, DC	141.3	107.9	232.0	98.5	105.7	103.1	104.1	5,476,241

* ACCRA pricing was completed for the Clarksburg Metropolitan Statistical Area which includes all of Harrison County.
Source: ACCRA Cost of Living Index: Comparative Data for 314 Urban Areas Volume 43(3); U.S. Census Bureau

Harrison County's below average cost of living was due to below average costs for grocery items, housing, utilities, health care, and miscellaneous goods and services. The only cost category that was above average for Harrison County was transportation costs. Transportation costs, which include the price of gasoline and a tire alignment, were 4.4 percent above the national average.

In terms of health care costs, Harrison County was 9.2 percent below the national average in the third quarter of 2010. The health care cost of index is composed of prices for an office visit at an optometrist and doctor, a teeth cleaning, Advil, and a prescription of Lipitor. Harrison County had lower than average costs for all of the health care items except an office visit to an optometrist, which was 7.9 percent above the national average (Table 3). The price of a visit to the dentist (for an adult teeth cleaning) and Advil in the third quarter in Harrison County was not only below the national average but also the lowest among the participating areas within the state.

Table 3
Health Care Costs In The Third Quarter Of 2010

	Optometrist (Office Visit)	Doctor (Office Visit)	Dentist (Adult Teeth Cleaning)	Ibuprofen (200 mg, 111 tablets, Advil)	Atorvastatin Calcium (20 mg, 30 tablets, Lipitor)
Harrison County	\$94.62	\$88.00	\$60.49	\$8.87	\$146.93
Charleston	\$94.40	\$81.83	\$63.71	\$9.10	\$159.97
Martinsburg - Berkeley County	\$62.50	\$91.25	\$73.00	\$8.97	\$163.92
Morgantown	\$63.50	\$74.85	\$84.00	\$8.95	\$140.39
Pittsburgh, PA	\$72.60	\$69.20	\$72.00	\$8.21	\$151.05
Washington, DC	\$75.79	\$89.20	\$87.40	\$9.69	\$151.29
New York (Manhattan), NY	\$148.50	\$116.53	\$116.25	\$9.37	\$159.98
Average	\$87.66	\$90.16	\$79.08	\$9.33	\$150.86
Minimum	\$48.00	\$59.00	\$54.25	\$6.26	\$113.98
Maximum	\$183.33	\$150.50	\$136.60	\$12.96	\$169.00

While the ACCRA Cost of Living Index is a helpful tool in comparing the cost of living across urban areas within the United States, the index is not applicable to all individuals and does not consider all costs. The ACCRA Cost of Living Index measures the costs incurred by professional households in the top income quintile for each area. Also, the cost of living index does not capture state and local taxes which are an integral part of the cost of living in an area.

Harrison County Economic Indicators

(Data Not Seasonally Adjusted)

Region/Indicator	Year			Quarter				
	2007	2008	2009	2009:3	2009:4	2010:1	2010:2	2010:3
Harrison County								
Total Nonfarm Employment*	34,427	34,903	34,913	35,063	35,013	34,630	34,863	35,213
Total Nonfarm Employment (%)	-0.3	1.4	0.0	-2.8	-0.6	-4.3	2.7	5.3
Nat. Res. and Mining	731	784	758	767	717	760	763	773
Construction	1,654	1,718	1,733	1,837	1,737	1,513	1,573	1,587
Manufacturing	2,211	2,051	1,871	1,753	1,810	1,813	1,803	1,810
Trade, Trans., and Util.	7,683	7,833	7,463	7,447	7,413	7,357	7,317	7,310
Information	670	675	676	677	647	640	640	657
Financial Activities	1,108	1,078	1,090	1,090	1,083	1,097	1,103	1,110
Prof. & Bus. Servs.	2,514	2,543	2,449	2,463	2,507	2,433	2,433	2,483
Educ. & Health Servs	5,015	5,118	5,348	5,397	5,437	5,403	5,347	5,377
Leisure and Hospitality	3,013	2,972	3,063	3,180	3,007	2,970	3,060	3,090
Other Services	2,251	2,281	2,298	2,310	2,317	2,323	2,333	2,320
Total Government	7,579	7,856	8,167	8,143	8,343	8,317	8,497	8,707
Unemployment Rate (%)	3.9	3.8	6.7	6.8	7.3	9.0	7.3	7.5
Residential Const. Contracts (\$ mil. AR)	23	22	14	19	11	22	31	21
Non-Building Const. Contracts (\$ mil. AR)	19	30	16	3	11	46	11	42
Non-Residential Const. Contracts (\$ mil. AR)	204	10	5	11	5	102	1	32
Total Const. Contracts (\$ mil. AR)	246	63	34	33	28	170	43	94
Population	68,049	68,598	68,911	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	33,190	35,140	n/a	n/a	n/a	n/a	n/a	n/a
West Virginia								
Total Nonfarm Employment (thous.)	758.3	762.0	744.1	741.2	743.0	722.6	743.6	743.6
Total Nonfarm Employment (%)	0.3	0.5	-2.3	-4.7	0.9	-10.5	12.1	0.0
Unemployment Rate (%)	4.2	4.3	7.9	8.1	8.3	10.5	8.6	8.6
Residential Const. Contracts (\$ mil. AR)	968	506	319	429	293	252	552	347
Non-Building Const. Contracts (\$ mil. AR)	3,000	1,000	2,120	2,646	3,065	892	1,126	537
Non-Residential Const. Contracts (\$ mil. AR)	915	460	537	458	602	565	1,229	673
Total Const. Contracts (\$ mil. AR)	4,883	1,966	2,976	3,534	3,959	1,708	2,907	1,557
Housing Price Index (1980Q1=100.0)	228.2	229.6	227.5	225.0	225.1	224.9	226.8	226.6
Housing Price Index (%)	2.8	0.6	-0.9	-7.4	0.2	-0.2	3.3	-0.4
Population	1,811,198	1,814,873	1,819,777	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	29,839	31,513	32,067	n/a	n/a	n/a	n/a	n/a
United States								
Total Nonfarm Employment (thous.)	137,598	136,790	130,920	130,028	130,769	128,219	130,895	130,274
Total Nonfarm Employment (%)	1.1	-0.6	-4.3	-4.5	2.3	-7.6	8.6	-1.9
Unemployment Rate (%)	4.6	5.8	9.3	9.6	9.5	10.4	9.5	9.5
Housing Price Index (1980Q1=100.0)	380.3	368.1	353.3	347.2	345.4	340.8	339.5	343.1
Housing Price Index (%)	1.7	-3.2	-4.0	-9.5	-2.1	-5.2	-1.6	4.3
Population	301,579,895	304,374,846	307,006,550	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	39,458	40,673	39,626	n/a	n/a	n/a	n/a	n/a

Notes:

Construction data is from FW Dodge. Monthly data is reported at annual rate. AR indicates annual rate
 Per Capita Personal Income is from www.bea.gov , Population is based on Census estimates on July 1 of that year
 Employment data is from the Bureau of Labor Statistics and WORKFORCE West Virginia
 Housing Price Index is from the Federal Housing Finance Agency. www.fhfa.gov
 Data compiled by WVU Bureau of Business and Economic Research, www.bber.wvu.edu
 *Total nonfarm employment may not equal industry sums

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