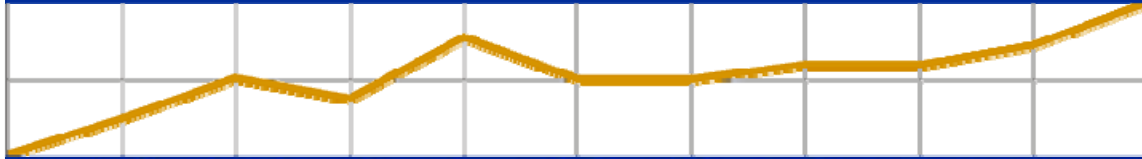


Harrison County Economic Monitor



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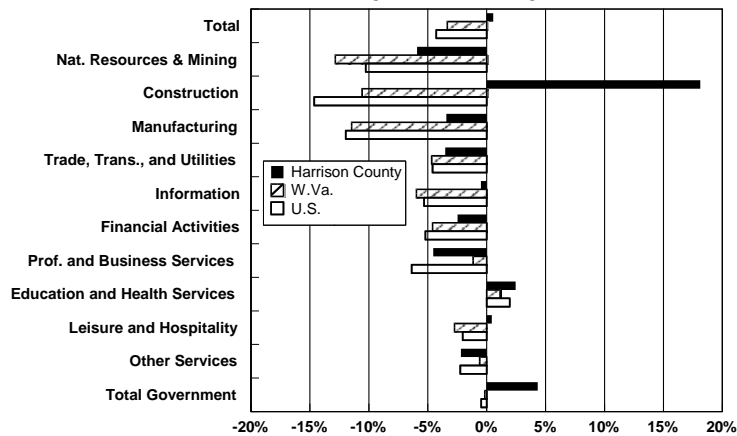
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Harrison County Manages Small Employment Gain, Beats State And National Averages

By George W. Hammond and Peter Shirley

Harrison County job growth outperformed the state and the nation in the third quarter of 2009. Indeed, from the third quarter of 2008 to the third quarter of 2009, Harrison County added jobs at a rate of 0.6 percent. In contrast, West Virginia jobs declined by 3.3 percent and the nation lost jobs at a 4.3 percent rate. As Figure 1 shows, three industries added jobs from the third quarter of 2008 to the third quarter of 2009 in Harrison County: construction, education and health services, and total government. West Virginia and the nation, conversely, only added jobs in the education and health services sector.

Figure 1
Employment Growth By Industry
Harrison County, W.Va., And U.S.
Third Quarter 2008 To Third Quarter 2009



Construction was the fastest growing sector in Harrison County from the third quarter of 2008 to the third quarter of 2009, adding jobs at a rate of 18.1 percent. Total government had the second fastest growth at 4.3 percent, followed by education and health services at 2.5 percent. In the future, look for construction and government employment to expand rapidly, as the Biometrics Technology Center is constructed on the campus of the FBI Criminal Justice Information Services Center.

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The fastest job loss in Harrison County came in the natural resources and mining sector, where jobs were lost at a rate of -5.9 percent from the third quarter of 2008 to the third quarter of 2009. Similarly, West Virginia's fastest job loss was also in the natural resources and mining sector at -12.9 percent. The nation experienced a dramatic loss of jobs in the natural resources and mining sector as well, declining by -10.3 percent from the third quarter of 2008 to the third quarter of 2009.

Professional and business services had the second fastest job loss in Harrison County from the third quarter of 2008 to the third quarter of 2009 at -4.5 percent. Trade, transportation, and utilities (-3.5 percent), manufacturing (-3.4 percent), financial activities (-2.5 percent), and other services (-2.2 percent) also had significant job losses from the third quarter of 2008 to the third quarter of 2009.

The unemployment rate for Harrison County in the third quarter of 2009 was 7.0 percent, double the unemployment rate in the third quarter of 2008 of 3.5 percent. However, this 3.5 percentage point increase in the unemployment rate is smaller than both the 3.6 percentage point increase in the unemployment rate in the United States, where the unemployment rate increased to 9.6 percent in the third quarter of 2009 from 6.0 percent in the third quarter of 2008, and the 4.4 percentage point increase in the unemployment rate in West Virginia, in which the state's unemployment rate in the third quarter of 2008 of 3.9 percent increased to 8.3 percent in the third quarter of 2009.

The total value of new construction starts in Harrison County was \$37.9 million from January through October of 2009. This is a decline of -43.7 percent from Harrison County's total new construction start value from January through October 2008 of \$67.3 million. This decline in construction starts came from all three sectors (nonbuilding, nonresidential, and residential). Total construction starts for the state increased by 16.5 percent from \$2.08 billion in January through October 2008 to \$2.43 billion from January through October 2009, with all of the increase coming from nonbuilding activity (especially the utility sector).

What Do Lettuce, Coca Cola, And Advil Have In Common?

By Amy Higginbotham

Lettuce, Coca Cola, and Advil: they are not ingredients for a recipe or a science experiment, but rather items that are cheap to buy in Harrison County. According to the ACCRA Cost of Living Index for the third quarter of 2009, the prices of a head of lettuce, a two liter of Coca Cola, and 100 tablets of Advil in Harrison County were the cheapest of all participating areas in the state.

As shown in Table 1, Harrison County was the cheapest of the four areas in the state to buy a few items found at the grocery store: lettuce, Coca Cola, and Advil. The prices of these three items in the county were also below the national average. In fact, the price of a bottle of Advil (100 tablets) in Harrison County was 8 percent below the national average and 12 percent below the average price found in Martinsburg-Berkeley County. The prices of a head of iceberg lettuce and a 2 liter of Coca Cola were 46 percent and 57 percent below the maximum price found in the United States during the third quarter.

While the county had low prices for certain items its total cost of living was also low. For the third quarter of 2009, Harrison County had a cost of living 5 percent below the national average, according to the ACCRA Cost of Living Index. This index is comprised of prices of approximately 60 goods and services found in each of the 315 participating urban areas throughout the United States. Prices are collected during the same 3 day time span each quarter

and include items from each of the following categories: grocery items, housing, utilities, transportation, health care, and miscellaneous goods and services. The average index is 100 meaning that an index for an area, like Harrison County, that is below 100 is characterized as having below average cost of living.

Table 1
Cost of Living Price Comparison

Third Quarter 2009			
	Lettuce (head, iceberg)	Coca Cola (2-liter)	Advil (200mg, 100 tablets)
Harrison County	\$1.10	\$1.08	\$8.68
Charleston	\$1.29	\$1.25	\$8.74
Martinsburg - Berkeley County	\$1.49	\$1.31	\$9.89
Morgantown	\$1.36	\$1.28	\$8.47
Pittsburgh, PA	\$1.49	\$1.32	\$8.89
Washington, DC	\$1.69	\$1.53	\$9.46
New York (Manhattan), NY	\$2.05	\$2.17	\$9.83
Average	\$1.28	\$1.42	\$9.44
Minimum	\$0.75	\$0.92	\$7.47
Maximum	\$2.05	\$2.49	\$13.79

Harrison County's total cost of living was not only below the national average but also below the cost of living in Morgantown (Table 2). However, the cost of living in the county for the third quarter was 2.4 percent above Charleston and 10.6 percent above Martinsburg-Berkeley County. Compared to areas with the same level of urbanization, Harrison County's cost of living was average. Kodiak, AK had a significantly higher cost of living for that type of urban area while the cost of living in Ashland, OH was actually 9.1 percent below Harrison County. The highest cost of living for the quarter was found in New York (Manhattan), NY at an index 114.7 percent above the national average and Pueblo, CO had the lowest cost of living.

Table 2
ACCRA Cost of Living
Third Quarter 2009

	Composite Index (100%)	Grocery Items (13%)	Housing (29%)	Utilities (10%)	Transportation (9%)	Health Care (4%)	Misc. Goods & Services (35%)	Estimated 2008 MSA Population
Metropolitan Area								
West Virginia Urban Areas								
Harrison County*	95.0	96.1	93.0	96.9	102.5	90.1	93.8	92,212
Charleston	92.8	89.0	89.6	97.7	97.9	91.3	94.0	303,944
Martinsburg-Berkeley County	85.9	88.3	82.5	78.4	99.8	96.3	84.4	263,753
Morgantown	101.2	96.0	112.4	94.4	102.5	97.1	95.4	118,506
Other Micropolitan Statistical Areas								
Ashland, OH	86.4	97.5	70.3	114.0	96.7	92.7	84.0	55,125
Dodge City, KS	89.6	91.8	84.6	79.4	90.3	89.8	95.9	33,293
Kodiak, AK	123.7	139.6	124.6	128.2	133.2	131.1	111.7	13,049
Paducah, KY	89.0	98.1	75.9	97.2	89.2	93.4	94.0	98,093
Staunton-Augusta County, VA	94.9	93.4	94.4	94.1	94.0	96.2	96.2	117,170
Tupelo, MS	87.5	91.8	72.5	103.3	97.4	87.6	91.0	133,318
Major U.S. Metro Areas								
Baltimore, MD	120.9	113.4	158.1	121.9	102.5	96.9	99.9	2,667,117
Charlotte, NC	94.5	96.4	80.4	98.2	99.6	110.1	101.3	1,701,799
Dallas, TX	91.0	98.2	69.7	106.2	96.1	102.4	99.5	4,226,003
Denver, CO	104.3	99.4	106.6	105.0	96.5	105.4	106.4	2,506,626
Detroit, MI	103.8	100.3	110.4	128.9	98.7	95.5	94.5	1,949,929
New York (Manhattan), NY	214.7	146.8	391.4	158.5	127.3	133.6	140.9	19,006,798
Orlando, FL	98.8	98.4	88.3	105.2	106.9	95.0	104.2	2,054,574
Pittsburgh, PA	90.4	98.5	73.1	89.6	108.8	92.7	96.5	2,351,192
Richmond, VA	106.6	107.0	104.0	107.2	102.0	111.5	109.6	1,225,626
Seattle, WA	121.7	118.2	147.4	85.9	114.5	122.8	113.6	2,559,174
Washington, DC	138.5	115.1	218.9	101.9	107.1	103.2	102.5	5,358,130

* ACCRA pricing was completed for the Clarksburg Micropolitan Statistical Area which includes all of Harrison County.
Source: ACCRA Cost of Living Index: Comparative Data for 315 Urban Areas Volume 42(3); U.S. Census Bureau

While the ACCRA Cost of Living Index is an excellent tool to use to measure the cost of living differences among urban areas across the United States, it should be used with caution. The ACCRA Cost of Living Index measures the cost of living for professional households in the top 20 percent income bracket for the area. The index also does not include taxes or non-consumer expenditures a household of this type may incur in each of the areas that participate in the survey.

Harrison County Economic Indicators

(Data Not Seasonally Adjusted)

Region/Indicator	Year							
	2006	2007	2008	2008:3	2008:4	2009:1	2009:2	2009:3
Harrison County								
Total Nonfarm Employment*	34,532	34,427	34,847	35,040	34,950	34,340	34,900	35,233
Total Nonfarm Employment (%)	0.1	-0.3	1.2	-0.8	-1.0	-6.8	6.7	3.9
Nat. Res. and Mining	763	731	778	790	797	800	763	743
Construction	1,705	1,654	1,708	1,710	1,693	1,487	1,890	2,020
Manufacturing	2,343	2,211	2,045	2,043	2,053	2,107	1,983	1,973
Trade, Trans., and Util.	7,460	7,683	7,814	7,870	7,797	7,460	7,573	7,593
Information	682	670	679	673	667	660	653	670
Financial Activities	1,106	1,108	1,078	1,077	1,070	1,063	1,053	1,050
Prof. & Bus. Servs.	2,571	2,514	2,553	2,567	2,517	2,410	2,443	2,450
Educ. & Health Servs	5,058	5,015	5,103	5,143	5,133	5,190	5,177	5,270
Leisure and Hospitality	3,033	3,013	2,976	3,043	2,970	2,947	3,040	3,057
Other Services	2,241	2,251	2,279	2,280	2,280	2,237	2,253	2,230
Total Government	7,576	7,579	7,838	7,847	7,977	7,973	8,073	8,187
Unemployment Rate (%)	4.4	4.0	3.8	3.5	3.6	5.9	7.0	7.0
Residential Const. Contracts (\$ mil. AR)	26	23	22	40	13	8	18	19
Non-Building Const. Contracts (\$ mil. AR)	13	19	30	9	13	24	24	3
Non-Residential Const. Contracts (\$ mil. AR)	18	204	10	1	15	2	1	11
Total Const. Contracts (\$ mil. AR)	58	246	63	51	41	34	43	33
Population	68,324	68,254	68,853	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	30,827	32,627	n/a	n/a	n/a	n/a	n/a	n/a
West Virginia								
Total Nonfarm Employment (thous.)	756.0	758.3	761.1	764.5	765.7	737.7	741.7	738.9
Total Nonfarm Employment (%)	1.3	0.3	0.4	0.5	0.7	-13.8	2.2	-1.5
Unemployment Rate (%)	4.6	4.3	4.3	3.9	4.0	7.0	8.5	8.3
Residential Const. Contracts (\$ mil. AR)	1,226	968	512	470	237	214	339	394
Non-Building Const. Contracts (\$ mil. AR)	920	2,450	997	1,255	836	649	2,125	2,577
Non-Residential Const. Contracts (\$ mil. AR)	1,030	914	455	476	320	421	457	445
Total Const. Contracts (\$ mil. AR)	3,176	4,333	1,964	2,201	1,393	1,283	2,921	3,415
Housing Price Index (1980Q1=100.0)	223.7	230.4	233.4	231.9	231.5	234.5	232.0	227.8
Housing Price Index (%)	6.8	3.0	1.3	-5.1	-0.7	5.3	-4.2	-7.0
Population	1,806,760	1,809,836	1,814,468	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	28,722	30,144	31,641	n/a	n/a	n/a	n/a	n/a
United States								
Total Nonfarm Employment (thous.)	136,086	137,598	137,066	137,057	136,764	132,172	132,560	131,203
Total Nonfarm Employment (%)	1.8	1.1	-0.4	-2.9	-0.9	-12.8	1.2	-4.0
Unemployment Rate (%)	4.6	4.6	5.8	6.0	6.6	8.8	9.1	9.6
Housing Price Index (1980Q1=100.0)	374.1	381.4	370.9	364.8	365.0	367.5	358.6	350.0
Housing Price Index (%)	7.3	1.9	-2.7	-8.9	0.2	2.8	-9.4	-9.2
Population	298,362,973	301,290,332	304,059,724	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	37,728	39,430	40,208	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 the all-transaction index 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

Harrison County Economic Monitor

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