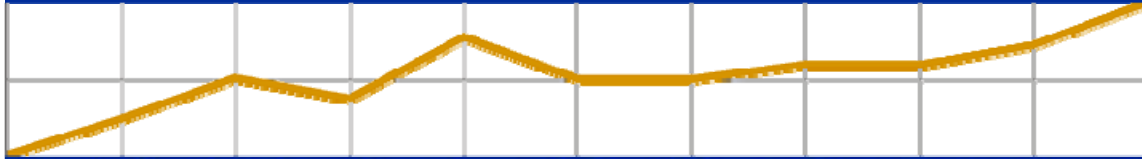


Harrison County Economic Monitor



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Harrison County Jobs Down Slightly In First Half Of 2010

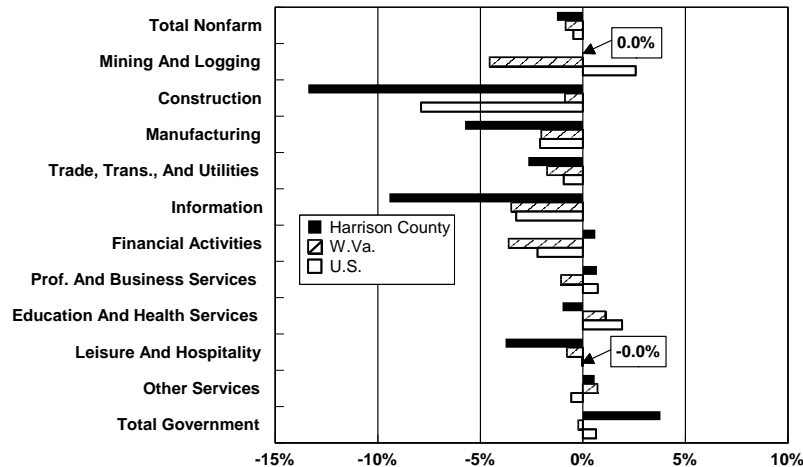
By George W. Hammond and Peter Shirley

Nonfarm payroll jobs (nonseasonally adjusted) in Harrison County declined at a rate of -1.3 percent in the second quarter of 2010, compared to the same quarter in 2009. That was a faster rate of decline than either the state (-0.8 percent) or the nation (-0.5 percent) recorded. However, the drop comes on the heels of a 1.1 percent year-to-year gain in the first quarter, which far outpaced continued strong losses for the state and nation.

On average for the first half of 2010, nonfarm payroll jobs were down slightly (-0.1 percent) in Harrison County compared to the same period in 2009. However, this was much better than the performance of the state (-1.7 percent) and the nation (-1.4 percent). Overall, Harrison County has come through the downturn in better shape than the state or the nation.

As Figure 1 shows, Harrison County's construction employment declined at a -13.4 percent rate from the second quarter of 2009 to the second quarter of 2010, a faster decline than either the state (-0.9 percent) or nation (-7.9 percent). Harrison County also experienced job losses in trade, transportation and utilities; leisure and hospitality; manufacturing; information; and health care.

Figure 1
Employment Growth By Industry
Harrison County, W.Va., And U.S.
 Second Quarter 2009 To Second Quarter 2010



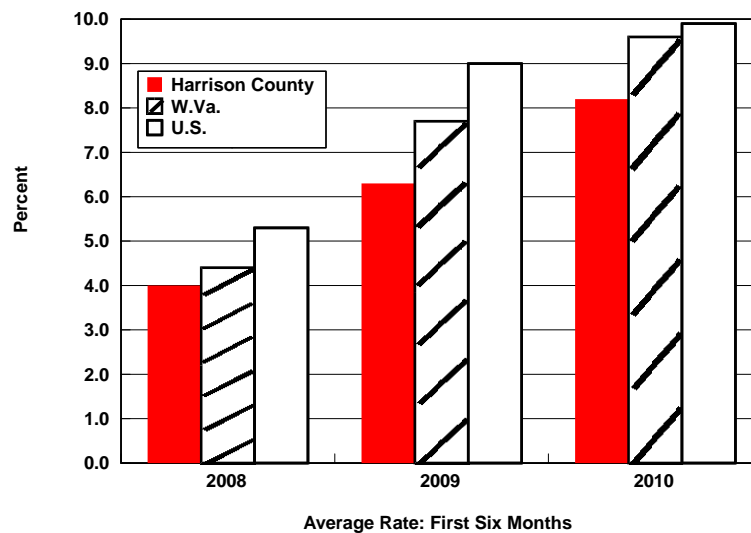
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However, the county also added jobs in several sectors, with government job growth generating the most growth. Federal and local government employment added the most during the past four quarters, with the Federal employment gains partly reflecting temporary Census workers. Professional and business services; other services (including membership organizations, laundry services, and personal care, among others); and financial activities added small numbers of jobs in the second quarter of 2010. Employment was flat in mining and logging.

As Figure 2 shows, unemployment rates for Harrison County, the state, and the nation remained high in the first half of 2010. On average during the first half of 2010 the nonseasonally-adjusted unemployment rate in Harrison County hit 8.2 percent, which was far above the 4.0 percent and 6.3 percent levels during the first half of 2008 and 2009, respectively. The same pattern of rapidly rising unemployment rates characterizes both the state and national economies during the past two years. Note also, that the Harrison County unemployment rate remains well below the state (9.6 percent) and national (9.9 percent) rates, which again suggests that the county has come through the downturn in somewhat better shape.

Figure 2
Unemployment Rates Remain High
So Far In 2010



Low Cost Of Living And Low Cost Of Veggies In Harrison County

By Amy Higginbotham

Harrison County is known for being the birthplace of Stonewall Jackson, being the home of the Italian Heritage Festival and, during the second quarter of 2010, for having a cost of living below the national average. According to the ACCRA Cost of Living Index, the total cost of living in Harrison County was 4.6 percent below the national average. Of the three participating cities in the state, Harrison County was also the cheapest place in which to buy vegetables.

During the second quarter of 2010, three West Virginia areas participated in the ACCRA Cost of Living Index: Harrison County, Martinsburg-Berkeley County, and Morgantown. Of those areas, Morgantown had the highest cost of living at 100.8 (Table 1). Harrison County's total index was 95.4 which was 55 percent below the highest cost area (Manhattan). Harrison County's below average cost of living was due to below average costs for grocery items, housing, utilities, health care, and miscellaneous good and services. The only above average cost category for Harrison County was transportation, where the average costs for tire balancing and gasoline in the area were higher than average.

Table 1
ACCRA Cost of Living Second 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*	95.4	98.3	93.7	91.4	102.0	89.2	95.4	92,441
Martinsburg-Berkeley County	89.9	88.6	83.6	85.1	105.7	100.5	90.4	266,149
Morgantown	100.8	96.3	112.5	88.9	100.8	97.0	96.3	120,327
Other Micropolitan Statistical Areas								
Ashland, OH	87.8	97.4	71.5	90.4	95.7	89.5	94.7	55,044
Dodge City, KS	88.0	88.6	76.1	82.5	97.8	88.5	96.6	33,692
Kodiak, AK	128.5	149.2	131.8	131.5	137.9	128.6	112.8	13,346
Paducah, KY	86.4	93.7	74.6	96.1	87.9	92.6	89.8	98,609
Staunton-Augusta County, VA	96.2	99.1	92.8	100.6	96.8	97.8	96.2	118,147
Tupelo, MS	87.9	91.4	73.3	106.9	94.5	85.8	91.5	134,161
Major U.S. Metro Areas								
Baltimore, MD	119.3	111.0	156.3	110.9	103.5	97.5	100.4	2,690,886
Charlotte, NC	92.6	95.4	79.7	88.8	95.7	110.0	100.9	1,745,524
Dallas, TX	91.9	96.3	69.6	105.0	102.3	103.1	100.9	4,326,384
Denver, CO	103.4	99.5	108.8	102.0	95.4	103.0	103.7	2,552,195
Detroit, MI	98.2	93.0	94.7	130.9	98.0	93.1	93.8	1,925,848
New York (Manhattan), NY	209.7	153.0	365.2	172.0	120.9	132.3	146.7	19,069,796
Orlando, FL	97.1	97.1	85.3	108.5	100.4	96.2	103.2	2,082,421
Pittsburgh, PA	91.8	104.2	75.1	96.7	104.1	89.4	96.2	2,354,957
Richmond, VA	104.4	102.4	105.3	114.3	100.1	113.4	101.7	1,238,187
Seattle, WA	120.2	115.7	137.3	86.1	118.6	119.5	117.8	2,611,012
Washington, DC	139.7	106.9	226.0	97.0	110.6	103.8	103.7	5,476,241

* 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 314 Urban Areas Volume 43(2); U.S. Census Bureau

Grocery items in Harrison County were 1.7 percent below the national average during the second quarter. Grocery items include 26 items typically found in grocery stores across the country. Of those 26 items, the cost of vegetables either fresh, frozen or canned were cheaper in Harrison County than those same vegetables in Martinsburg-Berkeley County and Morgantown (Table 2). The most notable price difference was for a 5 pound bag of potatoes. In Harrison County, potatoes were on average \$2.87, which was 24 percent below potato prices in Morgantown and \$0.49 below the price in Martinsburg-Berkeley County.

Table 2
Average Vegetable Prices Second Quarter 2010

	Potatoes (5lb bag)	Iceberg Lettuce (per head)	Sweet Peas (15-15.25 can, Del Monte or Green Giant)	Frozen Corn (16oz, whole kernel)
Harrison County	\$2.87	\$1.20	\$1.03	\$1.15
Martinsburg - Berkeley County	\$3.26	\$1.32	\$1.04	\$1.22
Morgantown	\$3.77	\$1.29	\$1.05	\$1.27
Pittsburgh, PA	\$4.99	\$1.63	\$1.15	\$1.33
Washington, DC	\$3.53	\$1.79	\$0.92	\$1.64
New York (Manhattan), NY	\$5.09	\$2.42	\$1.57	\$2.73
Average	\$2.69	\$1.33	\$1.03	\$1.39
Minimum	\$1.50	\$0.90	\$0.54	\$0.89
Maximum	\$6.04	\$2.42	\$1.59	\$2.75

The ACCRA Cost of Living Index is a useful tool for comparing costs across the country. However, the ACCRA index does not capture taxes, such as property taxes, and is specific to costs incurred by professional households in the top 20% income group in each area.

Harrison County Economic Indicators

(Data Not Seasonally Adjusted)

Region/Indicator	Year			Quarter				
	2007	2008	2009	2009:2	2009:3	2009:4	2010:1	2010:2
Harrison County								
Total Nonfarm Employment*	34,427	34,903	34,913	35,310	35,063	35,013	34,630	34,863
Total Nonfarm Employment (%)	-0.3	1.4	0.0	12.8	-2.8	-0.6	-4.3	2.7
Nat. Res. and Mining	731	784	758	763	767	717	760	763
Construction	1,654	1,718	1,733	1,817	1,837	1,737	1,513	1,573
Manufacturing	2,211	2,051	1,871	1,913	1,753	1,810	1,813	1,803
Trade, Trans., and Util.	7,683	7,833	7,463	7,520	7,447	7,413	7,357	7,320
Information	670	675	676	707	677	647	640	640
Financial Activities	1,108	1,078	1,090	1,097	1,090	1,083	1,097	1,103
Prof. & Bus. Servs.	2,514	2,543	2,449	2,417	2,463	2,507	2,433	2,433
Educ. & Health Servs	5,015	5,118	5,348	5,397	5,397	5,437	5,403	5,343
Leisure and Hospitality	3,013	2,972	3,063	3,180	3,180	3,007	2,970	3,060
Other Services	2,251	2,281	2,298	2,320	2,310	2,317	2,323	2,333
Total Government	7,579	7,856	8,167	8,183	8,143	8,343	8,317	8,493
Unemployment Rate (%)	3.9	3.8	6.7	6.5	6.8	7.3	9.0	7.3
Residential Const. Contracts (\$ mil. AR)	23	22	14	18	19	11	22	31
Non-Building Const. Contracts (\$ mil. AR)	19	30	16	24	3	11	46	11
Non-Residential Const. Contracts (\$ mil. AR)	204	10	5	1	11	5	102	2
Total Const. Contracts (\$ mil. AR)	246	63	34	43	33	28	170	45
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	750.2	741.2	743.0	722.6	743.9
Total Nonfarm Employment (%)	0.3	0.5	-2.3	4.5	-4.7	0.9	-10.5	12.3
Unemployment Rate (%)	4.2	4.3	7.9	8.0	8.1	8.3	10.5	8.6
Residential Const. Contracts (\$ mil. AR)	968	506	319	339	429	293	252	447
Non-Building Const. Contracts (\$ mil. AR)	3,000	1,001	2,105	2,125	2,587	3,065	892	1,107
Non-Residential Const. Contracts (\$ mil. AR)	915	460	540	669	458	610	565	1,067
Total Const. Contracts (\$ mil. AR)	4,883	1,967	2,963	3,133	3,474	3,968	1,708	2,620
Housing Price Index (1980Q1=100.0)	228.9	230.9	228.4	230.1	226.3	225.3	226.6	n/a
Housing Price Index (%)	3.0	0.9	-1.1	-2.8	-6.5	-1.6	2.2	n/a
Population	1,811,198	1,814,873	1,819,777	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	30,121	31,634	32,219	n/a	n/a	n/a	n/a	n/a
United States								
Total Nonfarm Employment (thous.)	137,598	136,790	130,920	131,534	130,028	130,769	128,219	130,927
Total Nonfarm Employment (%)	1.1	-0.6	-4.3	0.6	-4.5	2.3	-7.6	8.7
Unemployment Rate (%)	4.6	5.8	9.3	9.1	9.6	9.5	10.4	9.5
Housing Price Index (1980Q1=100.0)	380.9	369.6	354.9	357.6	349.1	346.9	341.5	n/a
Housing Price Index (%)	1.8	-3.0	-4.0	-9.2	-9.2	-2.5	-6.1	n/a
Population	301,579,895	304,374,846	307,006,550	n/a	n/a	n/a	n/a	n/a
Per Capita Personal Income (\$)	39,392	40,166	39,138	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

Harrison County Economic Monitor

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