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# North Central Region and Morgantown MSA Outlook

FORECAST: 2005-2009

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## Executive Summary

The North Central Region, composed of the Clarksburg micropolitan area, the Fairmont micropolitan area, and the Morgantown MSA, has far outpaced state economic growth since 2000. Indeed, the region added jobs at an average annual rate of 1.3 percent during the 2000-2004 period, in contrast to net job losses for the state and the nation. The region added jobs in most sectors during the period, but the fastest growth was concentrated in professional and business services (call centers and high-tech), construction, health care, and leisure and hospitality. The region has posted positive population growth during the 2000-2003 period, outpacing state gains, but falling well short of the national average. In addition, per capita personal income growth in the region has exceeded state and national gains during the last five years, reflecting strong job growth. Finally, the region's unemployment rate averaged 4.2 percent in 2004, well below the state (5.2 percent) and national (5.5 percent) averages.

Within the region, the fastest growth lately has come in the Morgantown MSA, with job growth in the combined Monongalia and Preston County area averaging 2.2 percent per year since 2000. The strongest job gains in the MSA came in professional and business services, construction, government, and health care. In addition, the MSA has registered very strong population gains since 2000, with the MSA growth rate (0.8 percent per year) far exceeding the state rate of 0.1 percent and coming close to the national rate of 1.0 percent. The MSA also experienced the fastest per capita income growth (5.6 percent per year) during the last five years and the lowest unemployment rate (3.5 percent) in 2004 of any of the labor markets in the North Central Region.

The national forecast, through 2009, calls for continued steady national growth. This sets the stage for strong growth in the region. Job growth is forecast to accelerate from 1.3 percent per year during the 2000-2004 period to 1.6 percent per year during the forecast. All major sectors are forecast to add jobs during the next five years, with the strongest job growth expected to come in construction, professional and business services, and health care. This strong job growth, which exceeds expected state and national growth, generates continued population and per capita personal income growth, while driving the region's unemployment rate down from 4.2 percent in 2004 to 3.1 percent by 2009.

The forecast calls for the Morgantown MSA to continue its strong growth performance, far exceeding expected state and national job growth. Overall, MSA job growth is forecast to average 2.2 percent per year, with the strongest job growth expected in construction, professional and business services, and health care, although all major sectors are expected to add jobs. This job

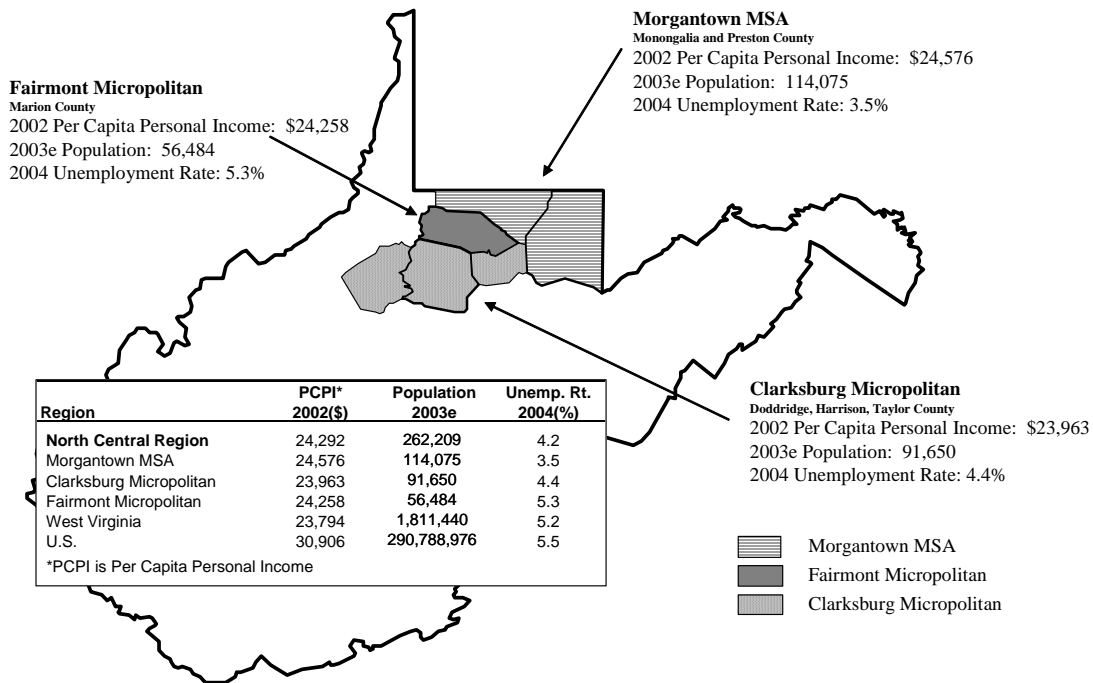
growth contributes to strong population and income growth, as well as to a declining unemployment rate.

Overall, the North Central Region is well positioned to continue to outperform the state and in some cases the nation. The region as a whole and the Morgantown MSA in particular boast a significant concentration of highly educated residents. This will be a key component of future economic growth, particularly with respect to gains in high-paying service sector jobs. The region and the MSA also continue to invest in productive infrastructure, with expansions and renovations planned for the region's retail, education, health care and medical research, high-tech, and tourism sectors. Indeed, the value of construction starts in the region has risen from \$210 million in 2002 to \$268 million in 2004, according to FW Dodge. These investments set the stage for continued growth regionally and in the MSA.

### North Central Region and Morgantown MSA in Perspective

The North Central Region is comprised of six West Virginia counties: Monongalia, Preston, Marion, Doddridge, Harrison, and Taylor. The six counties in the North Central Region also comprise one metropolitan statistical area (MSA) and two micropolitan statistical areas. Monongalia and Preston Counties form the Morgantown MSA. Marion County also defines the Fairmont micropolitan area and Doddridge, Harrison, and Taylor Counties compose the Clarksburg micropolitan area. Figure 1 shows the composition of the North Central Region.

**Figure 1**  
**North Central Region**



According to the U.S. Census Bureau, the North Central Region has an estimated 2003 population of 262,209, which translates into or 14.5 percent of the state's population (of 1,811,440 in 2003). As Table 1 shows, the North Central Region has a higher average annual population growth rate of during the 2000 to 2003 period (0.3 percent per year), than did the state (0.1 percent), but the region's growth rate fell well below the national growth rate of 1.0 percent per year. Within region, Monongalia County had the highest average annual population growth rate from 2000 to 2003 with a rate of 1.0 percent, equal to national growth. Harrison County (-0.3 percent per year) and Marion County (loss of 33 residents) posted a negative growth since 2000.

**Table 1**  
**North Central Region Selected Economic Indicators by County**

	Population			Value of New Const. Contracts	Per Capita Personal Income		Nonfarm Job Growth	Unempl. Rate	Median Household Income	Educational Attainment
	Census	Av. An. G.R.	Median Age	Mil. \$	Av. An. G.R.		Av. An. G.R.			
	2003e	2000-2003(%)	2000	2004	2002(\$)	1997-2002(%)	1999-2004(%)	2004(%)	1999(\$)	2000(%)
Doddridge, W.Va.	7,491	0.3	38.7	4.7	18,437	4.8	3.2	3.5	26,744	10.2
Harrison, W.Va.	68,032	-0.3	39.2	47.0	25,817	4.0	0.7	4.6	30,562	16.3
Marion, W.Va.	56,484	0.0	39.9	29.3	24,258	4.9	0.1	5.3	28,626	16.0
Monongalia, W.Va.	84,370	1.0	30.4	93.5	26,022	5.4	2.0	2.7	28,625	32.4
Preston, W.Va.	29,705	0.5	39.1	79.5	20,496	5.9	0.5	6.0	27,927	10.8
Taylor, W.Va.	16,127	0.1	39.1	13.8	18,704	4.5	1.2	4.3	27,124	11.3
Clarksburg MicroSA	91,650	-0.2	--	65.5	23,963	4.0	0.8	4.4	--	14.9
Fairmont MicroSA	56,484	0.0	--	29.3	24,258	4.9	0.1	5.3	--	16.0
Morgantown MSA	114,075	0.8	--	172.9	24,576	5.6	1.8	3.5	--	26.0
<b>North Central Region</b>	262,209	0.3	--	267.8	24,292	4.9	1.1	4.2	--	19.6
West Virginia	1,811,440	0.1	38.9	2,079.4	23,794	4.3	0.1	5.2	29,696	14.8
U.S.	290,788,976	1.0	35.3	--	30,906	4.1	0.4	5.5	41,994	24.4

Population data are estimates from U.S. Census Bureau

Value of new construction contracts data are from FW Dodge. Morgantown MSA data sponsored by Bruceton Bank.

U.S. employment data are from the BLS - labor force data.

Per capita personal income data are from the U.S. Bureau of Economic Analysis.

Median household incomes are from the U.S. Census Bureau.

Nonfarm Job data is from BLS and WVBEF.

Educational Attainment measures the percent of the population above age 25 that has earned a bachelor's degree or higher from Census 2000.

Though the North Central Region is growing faster than the state, many counties post relatively high median ages. West Virginia's median age in 2000 was 38.9 years, which means that half of the state's residents were younger than 38.9 years and half of the state's residents were older than 38.9 years. Only two of the component counties of the North Central Region had median ages below the state level in 2000. Monongalia County, the most populous county in the region, had a median age of 30.4 years, well below the state and national median age, which reflects the presence of West Virginia University and its students. Marion County, the third largest county in the region, had the highest median age in the region at 39.9 years; the impact of this is evident in the negative natural increase (more deaths than births) that the county has registered since 2000.

According to Census 2000, 19.6 percent of the North Central Region residents age 25 and older had a bachelor degree or better. Table 1 shows that this rate is well above West Virginia's rate of 14.8 percent but it remains below the national attainment rate of 24.4 percent. The educational attainment rate for the region is sustained by Monongalia County's high rate of 32.4 percent, which is the highest in the state. The North Central Region's educational attainment level of a bachelor degree or better excluding Monongalia County is 14.6 percent which is similar to the state average of 14.8 percent. Doddridge County had the lowest educational attainment rate in the region at 10.2 percent in 2000.

Table 1 displays per capita personal income (PCPI) which is defined as the total personal income of region divided by its population. Personal income includes earnings from work (wages and fringe benefits), asset income (dividends, interest, and rent), and transfer income (Social Security, Medicare, Medicaid, and welfare payments). The North Central Region had PCPI of \$24,292 in 2002, the most recent year for which data are available. The region's PCPI was above West Virginia's PCPI (\$23,794) but was 21.4 percent below the U.S. level of \$30,906. Monongalia County (\$26,022) had the highest PCPI in the region and Doddridge County (\$18,437) had the lowest.

From 1997 to 2002, the North Central Region's PCPI grew at an average annual rate of 4.9 percent. While the North Central Region may have a lower PCPI than the U.S. average, the region had a higher growth rate in PCPI from 1997 to 2002 than the nation (4.1 percent) as well as the state (4.3 percent). In fact only Harrison County had a lower growth rate than the national average. Preston County had the highest growth rate at 5.9 percent followed by Monongalia County with a 5.4 percent rate.

Median household income, also shown in Table 1, is another way to measure and compare regional incomes. Unlike per capita personal income, median household income excludes payments of kind, such as, Medicare and Medicaid and is a measure of income per household rather than per individual. The most recent data on median household income is 1999 from Census 2000, which reports West Virginia's median household income as \$29,696. Of the 6 counties in the North Central Region, only Harrison County (\$30,562) had a median household income greater than the state.

The North Central Region had a wide range of unemployment rates across counties in 2004. Preston County had the highest unemployment rate in 2004 in the region at 6.0 percent while Monongalia County had the lowest at 2.7 percent. As a whole the North Central Region had an unemployment rate of 4.2 percent. Compared to West Virginia and the U.S., the North Central Region is at least 1.0 percent lower than both. West Virginia's unemployment rate of 5.2 percent in 2004 was lower than the U.S. rate of 5.5 percent.

According to data from FW Dodge, the value of new construction contracts (including nonbuilding, nonresidential, and residential projects) hit \$268 million in 2004, rising from \$210 million in 2002. The Morgantown MSA accounted for 64 percent of the value of new construction contracts in the region in 2004, with \$173 million. The Clarksburg micropolitan area posted \$65 million and the Fairmont micropolitan area registered \$29 million in 2004. For the region as a whole, the rising value of construction contracts was driven primarily by rising nonresidential (up \$22 million from 2002 to 2004) and residential contracts (up \$35 million).

In terms of job growth, the region has far outperformed both the state and national economies since 1999, adding jobs at an average annual rate of 1.1 percent. The region's growth rate was higher than that of West Virginia (0.1 percent) and the U.S. (0.4 percent). Doddridge County (3.2 percent) had the highest growth rate among component counties, and Marion County (0.1 percent) had the lowest. Monongalia County also posted strong job growth during the period, adding jobs at a 2.0 percent rate per year.

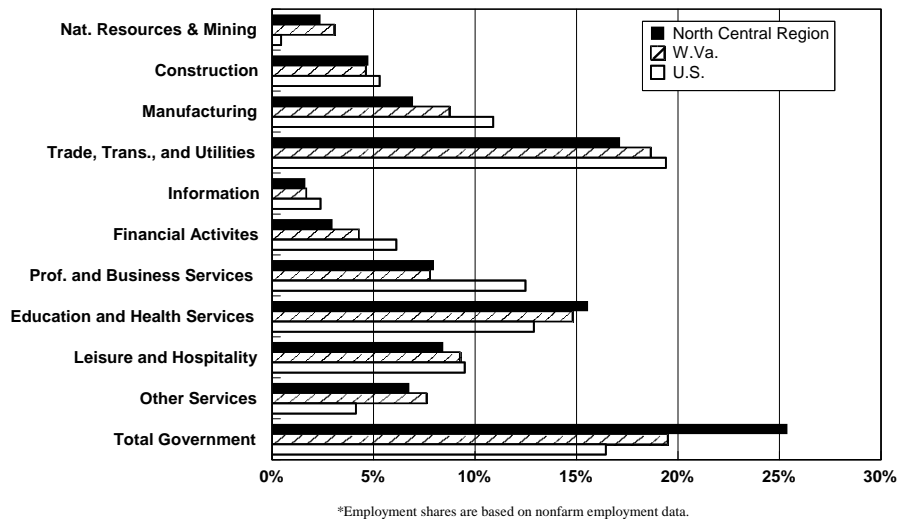
Table 1 also breaks down the North Central Region into its two micropolitan areas (Clarksburg and Fairmont) and its single MSA. As the table shows, recent growth has been strongest in the Morgantown MSA, with population, job, and per capita personal income growth in the MSA outpacing results for either of the two micropolitan areas.

The Morgantown MSA has a PCPI of \$24,576 which is slightly higher than West Virginia's but below the U.S. average \$30,906. This reflects in part the large concentration of college students in the MSA. At 5.6 percent per year during the 1997-2002 period, average annual growth in the MSA was much higher than growth in the North Central Region as a whole, West Virginia, and the U.S. at 4.9 percent, 4.3 percent, and 4.1 percent, respectively.

Figure 2 displays employment shares of major sectors for the North Central Region, West Virginia, and the U.S. based on average annual nonfarm employment data for 2004. The North Central Region has a large share of government jobs compared to West Virginia and the U.S. In the North Central Region 25.4 percent of all jobs are in the government sector compared to 19.5 percent in West Virginia and 16.4 percent in the U.S. This reflects the large federal installations in the region (for instance the FBI Criminal Justice Information Services Center in Harrison County) as well as a concentration of state government jobs (at West Virginia University).

The region, like the state, has a large concentration of employment in natural resources and mining, with 2.4 percent of employment in this sector. The region also boasts a concentration in the education and health services sector (primarily health care), with 15.6 percent of jobs, which exceeds the state and national averages. This in turn reflects the major hospitals in the region.

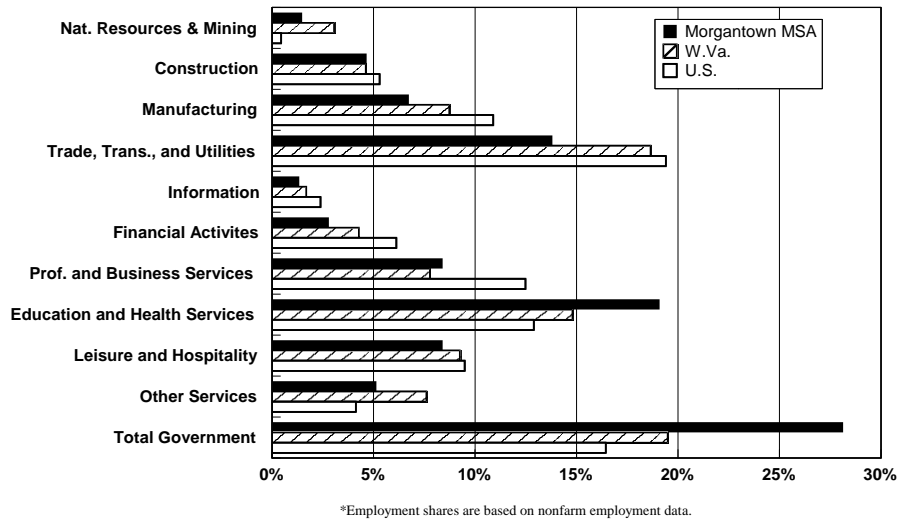
**Figure 2**  
**North Central Region**  
**Employment Shares\* Compared to the State**  
**And Nation for 2004**



The region falls short of the state and national averages in manufacturing and professional and business services employment. Manufacturing in the region includes a wide variety of activities, including pharmaceuticals, transportation equipment, primary and fabricated metals, wood products, and glass products, among others. Professional and business services accounts for about the same share of employment in the region as it does for the state and both fall well short of the national average. This sector includes call center jobs, which rose rapidly during the 1990s, as well as professional and high-tech jobs, such as management, accounting, and engineering services. It also includes computer programming and private-sector jobs associated with the developing biometrics industry in the region.

Figure 3 compares employment shares of the Morgantown MSA with those of West Virginia and the U.S. The Morgantown MSA also displays a strong concentration of jobs in the government sector similar to the North Central Region, which reflects the presence of West Virginia University. In the Morgantown MSA, 28.1 percent of the total jobs are in the government sector. The Morgantown MSA also has an above average concentration of jobs in the education and health services sector compared to the U.S. and West Virginia, due to the major hospitals in the region.

**Figure 3**  
**Morgantown MSA**  
**Employment Shares\* Compared to the State**  
**And Nation for 2004**

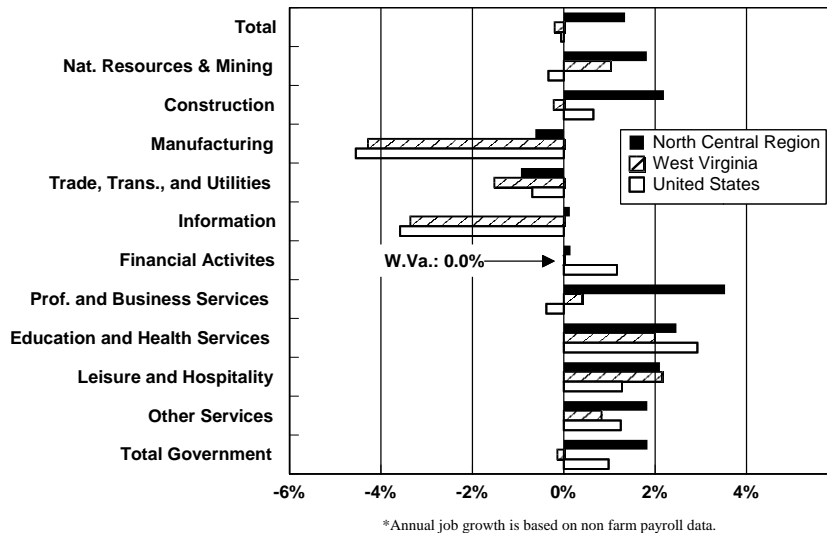


Compared to West Virginia and the U.S., the Morgantown MSA is less concentrated in jobs in manufacturing; trade, transportation, and utilities (as a group and individually); and professional and business services. Manufacturing in the MSA is dominated by the pharmaceuticals sector (Mylan), but also includes concentrations of jobs in wood product (particularly in Preston County), glass products (fiberglass), as well as primary and fabricated metals.

### Recent Developments

From 2000 to 2004 the North Central Region experienced an average annual job growth rate of 1.3 percent, in stark contrast to job losses for the state and the nation. During the same time period, West Virginia lost jobs at a rate of -0.2 percent per year, while the national rate of job loss was -0.1 percent. These state and national job losses were due to the U.S. recession of 2001 which stopped job growth cold. Average annual growth rates from 2000 to 2004 for the North Central Region, West Virginia, and U.S. are displayed in Figure 4 by sector.

**Figure 4**  
**North Central Region**  
**\*Annual Job Growth: 2000-2004**



The professional and business services grew at the highest rate of all NAICS sectors during the last four years. The professional and business services sector in the North Central Region added jobs at an average annual rate of 3.5 percent, which was much higher than the state (0.4 percent) and the U.S. (-0.4 percent) rates. Job gains in this sector in the region were driven by strong gains in call centers (particularly in the Morgantown MSA) and professional and scientific services (particularly in the Fairmont micropolitan area).

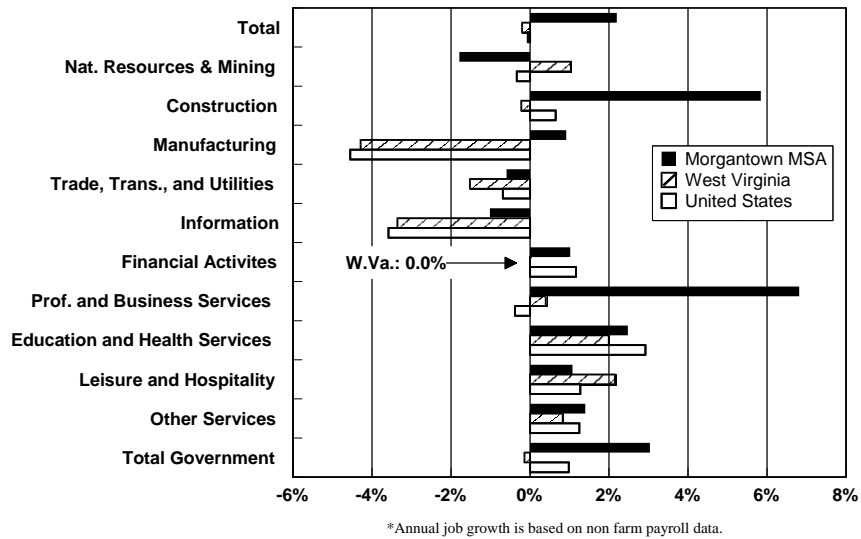
The education and health services sector (2.5 percent) had the second highest growth rate in the North Central Region, reflecting strong job gains nationally, statewide, and in the region in health care. Job growth in hospitals was particularly strong in the Morgantown MSA.

The region also generated solid job gains in leisure and hospitality (including restaurants and hotels/motels), other services (nonprofits, personal services, repair and maintenance), and government (primarily due to gains in state government).

Both West Virginia and the U.S. experienced large declines in the manufacturing sector. The U.S. recorded an average annual loss of 4.6 percent in the manufacturing sector and West Virginia lost an average of 4.3 percent annually. The North Central Region also witnessed a decline in the manufacturing sector with an average annual loss of 0.6 percent. Job losses were spread across many manufacturing sectors in the region, including wood products, primary and fabricated metals, and electrical equipment. North Central Region jobs were flat in information and financial activities during the period.

Figure 5 shows a similar breakdown of job growth by industry for the Morgantown MSA. At 2.2 percent per year from 2000 to 2004, job growth in the MSA exceeded growth for the region as a whole, and thus far exceeded results for the state and nation. Job growth in the MSA was particularly strong in construction and professional and business services, but most sectors posted job gains. In marked contrast to the state and the nation, the MSA generated job gains in manufacturing during the period, with those gains likely concentrated in pharmaceuticals.

**Figure 5**  
**Morgantown MSA**  
**\*Annual Job Growth: 2000-2004**



The Morgantown MSA generated strong job gains in the professional and business services sector from 2000 to 2004, with jobs in this sector rising at an average annual growth rate of 6.8 percent. Gains were spread across the professional and technical services, management services, and call center sectors during the period.

The Morgantown MSA also had strong growth in the construction sector. From 2000 to 2004, the Morgantown MSA had an average annual growth rate of 5.8 percent in the construction sector, reflecting major increases in construction activity in the MSA. Indeed, the value of construction starts (including residential, nonresidential, and nonbuilding) in the MSA has risen from \$72 million in 2000 to \$173 million in 2004, according to data from FW Dodge.

During the period, the MSA posted job losses in natural resources and mining; trade, transportation and utilities; and information. Within trade, transportation and utilities, job losses were concentrated in transportation and utilities, as competition has spurred restructuring.

**Forecast: 2005-2009**

The economy of the North Central Region depends, in part, on the performance of the national economy. This subjects the region to the same risks and opportunities the country faces in the global market place. To gather an accurate picture of what the future holds for the North Central Region, we must think about what the future holds for the U.S.



To this end, we use a national forecast produced by Global Insight, Inc. (a global economic forecasting and consulting firm) in January 2005. As Table 2 shows, Global Insight expects U.S. growth to taper down over the next five years. Real GDP growth is forecast to fall from 4.4 percent in 2004 (the fastest growth rate since 1999) to 3.6 percent in 2005, and then to stabilize around 3.0 percent through the rest of the forecast period (which ends in 2009). Continued, steady output growth creates employment opportunities at a moderate rate, with job growth expected to be 1.8 percent in 2005, 1.5 percent in 2006, and 0.9 percent by the end of the forecast period. This steady job growth is reflected in the unemployment rate which is expected to fall to from 5.5 percent in 2004 to 5.2 percent by 2009.

Gradually slowing real GDP growth is driven by slower consumption spending growth during the forecast, as higher oil prices, rising interest rates, and gradually tightening fiscal policy restrain consumer spending. In addition, housing activity is forecast to decrease, but not to crash, as 30-year fixed mortgage rates rise from 5.84 percent in 2004 to 7.69 percent by 2009.

**Table 2**  
**U.S. Forecast**  
**Global Insight, January 2005**

	Years						
	Actual 2003	Forecast					
	2004	2005	2006	2007	2008	2009	
	Annual Percent Change						
Real GDP	3.0	4.4	3.6	3.3	3.3	3.2	3.2
Industrial Production	0.3	4.1	3.5	3.3	4.2	4.5	4.1
Nonfarm Employment	-0.3	1.0	1.8	1.5	1.1	0.9	0.9
Nominal Personal Income	3.2	5.4	5.2	5.7	5.6	5.8	5.8
Personal Consumption Deflator	1.9	2.2	1.7	1.7	2.0	2.2	2.3
Real Export Growth (GDP Basis)	1.9	8.9	9.8	11.5	11.3	10.1	8.7
Real Import Growth (GDP Basis)	4.4	9.8	6.4	4.4	4.7	4.8	5.1
	Percent						
Unemployment Rate	6.0	5.5	5.3	5.3	5.3	5.3	5.2
Federal Funds Rate	1.13	1.35	2.97	3.60	4.07	4.48	4.72
30-Year Fixed Mortgage Rate	5.82	5.84	6.36	6.71	7.15	7.54	7.69
	Billions of Dollars (FY)						
Federal Budget Surplus (Unified Basis)	-377	-412	-323	-278	-265	-268	-245
	Key Prices						
Trd.Wtd. Value of U.S. Dollar vs Major Trading Partners (2000=1.000)	0.916	0.840	0.759	0.727	0.717	0.720	0.720
Oil - West Texas Intermediate (\$ per barrel)	31.12	41.61	43.04	36.21	34.85	34.14	34.22

In contrast, Global Insight expects faster growth in business fixed investment (plant and equipment) spending, as strong corporate profit growth during the last few years is finally converted into additional investment spending. Further, exports from the U.S. are expected to accelerate, as the depreciation of the U.S. dollar continues.

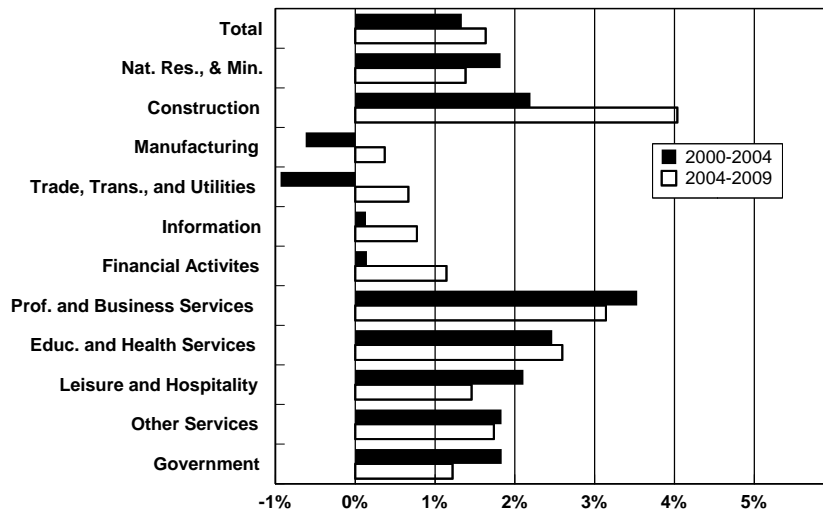
Both monetary policy and fiscal policy are expected to contribute to slower U.S. growth during the forecast. The Federal Reserve is forecast to boost the federal funds rate from 1.35 percent in 2004 to 4.72 percent by 2009. This tightening of credit conditions contributes to higher long-term rates, which in turn restrain growth in consumer spending and reduce housing activity. The federal budget deficit is expected to fall during the forecast, reflecting steady revenue growth and some reduction in spending gains. In addition, oil prices are expected to rise slightly in 2005 to \$43.04 (per barrel of West Texas Intermediate), up significantly from \$31.12 in 2003.

Finally, the record level of the U.S. current account deficit is expected to gradually fall during the forecast, after exceeding 5.0 percent of GDP in 2004. Contributing to this is a continued, gradual depreciation of the U.S. dollar, which makes U.S. exports more competitive abroad while increasing the cost of imports into the U.S. Global Insight expects the trade-weighted value of the U.S. dollar to fall another 14 percent by 2009.

Steady U.S. growth during the next five years sets the stage for continued growth in the North Central Region and the Morgantown MSA. Tables 3 and 4 summarize the forecasts for job growth, the unemployment rate, population, and income for both regions. As the tables show, the outlook calls for each region to continue to grow during the next five years in terms of jobs, population, and inflation-adjusted personal income. Further, each region is expected to continue to outpace expected state gains and to come close to (or exceed) national gains.

As Figure 6 shows, job growth in the North Central Region is forecast to average 1.6 percent per year during the 2004-2009 period. This exceeds expected results for the state and the nation, and represents a small acceleration over average job growth during the last four years. Driving this growth during the forecast are gains in all sectors, with the strongest growth expected to come in construction, professional and business services, and health care.

**Figure 6**  
**North Central Region**  
**Annual Job Growth: History and Forecast**



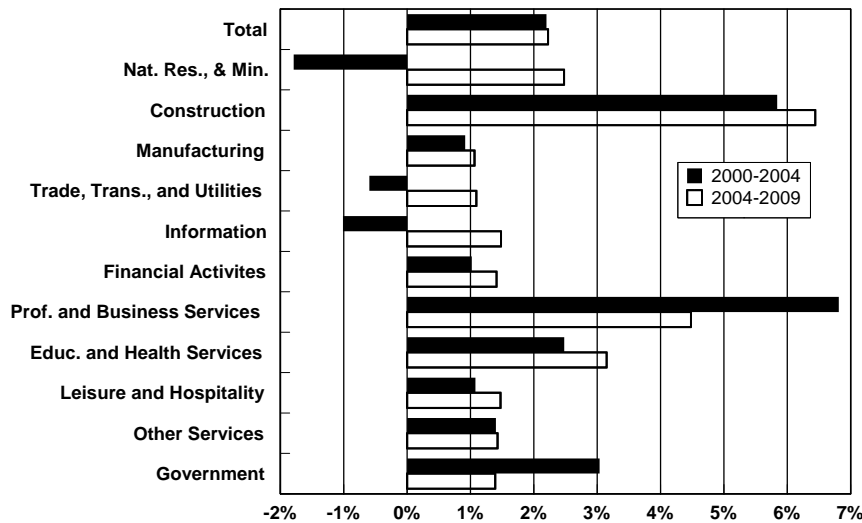
Gains in construction are related to a large number of new projects expected to start during the next five years, including a mix-use (residential, retail, conference center/hotel) development in Harrison County and numerous projects in the Morgantown MSA. Professional and business services job growth is supported in part by rebounding national growth, which should contribute to sustained activity in the call center sector (even in the face of rising international competition). Further, high-tech activity related to the West Virginia High Technology Consortium and the Institute for Scientific Research should also help to generate job growth in this sector in the region. Finally, the developing regional specialization in biometrics should also contribute to gains. Health care jobs in the region are also expected to continue to grow, with hospital expansions planned in the region and continued population growth.

In addition, manufacturing job growth performance is expected to improve from job losses during the 2000 to 2004 period to rough job stability during the forecast. This process should be aided by the falling dollar, which is expected to support U.S. export growth and reduce the competitiveness of foreign imports into the U.S. Natural resources and mining is forecast to continue adding jobs during the forecast, as sustained world growth (particularly in China) is expected to keep raw materials (including coal) prices relatively high.

Solid job gains during the forecast push the regional unemployment rate down from 4.2 percent in 2004 to 3.1 percent during the forecast. In addition, sustained job growth supports inflation-adjusted personal income growth, which is expected to be close to the national average during the next five years. Finally, job and income growth supports population gains in the region, which are expected to come at a faster rate than statewide, but to fall short of national growth. The region's relatively high median age suggests modest natural increase, which will tend to produce slower population gains, even when net migration is positive.

The forecast for the Morgantown MSA calls for strong job gains during the 2004-2009 period, with growth expected to average 2.2 percent per year. Job gains are expected during the forecast in all major sectors and job growth is forecast to far exceed state and national growth. The strongest growth is expected to come in the construction, professional and business services, and health care sectors, as Figure 7 shows. Continued strong gains in construction are related to a number of large projects currently expected to start within the MSA, including a large power plant, major retail expansion, additional hospital and medical research facilities, as well as renovation and expansion of West Virginia University facilities (including the WVU Research Park).

**Figure 7**  
**Morgantown MSA**  
**Annual Job Growth: History and Forecast**



Professional and business services are expected to continue to add jobs at a rapid rate, which reflects the expectation that the MSA will remain competitive in the call center sector and that the high level of education attainment in the MSA will help attract and retain professional/technical activity. Continued job growth in health care reflects strong population gains and expected facilities investments (hospital expansions and investment in medical research, for instance the Blanchette Rockefeller Neurosciences Institute) in the MSA.

In addition, natural resources and mining employment stabilizes during the forecast, reflecting strong U.S. and worldwide demand for coal. Trade, transportation, and utilities jobs rebound, with major retail expansion underway or expected soon within the MSA (for example the University Town Center, Suncrest Town Center, and others) as well as the expected development of the Longview Power plant.

Overall job gains in the MSA drives the unemployment rate down from 3.5 percent in 2004 to 2.8 percent by the end of the forecast. Inflation-adjusted per capita personal income growth exceeds the state rate and matches expected national gains during the 2004-2009 period. This combination of job gains and income growth, along with expected increases in student enrollment at West Virginia University, combine to drive population up significantly during the forecast. Indeed, the MSAs population growth rate during the forecast is expected to match the national rate and to far exceed state results. This growth is due both to positive natural increase in the MSA (more births than deaths) along with positive net migration related to both an increasing student population and to non-student migrants into the MSA.

## **Forecast Data Glossary**

Forecast data for West Virginia and the regional forecasts come from the West Virginia Economic Outlook Project. U.S. forecast data are from Global Insight.

### **Nonfarm Payroll Employment by Industry**

Historical employment data come from the U.S. Bureau of Labor Statistics and the West Virginia Bureau of Employment Programs, Research, Information and Analysis. Data can be found on-line at [www.wvbep.org/bep/LMI/](http://www.wvbep.org/bep/LMI/). Estimates are from a survey of employers. Jobs are counted based on where the establishment is located, not on where the worker lives.

### **Civilian Labor Force, Employment, Unemployment, and the Unemployment Rate**

Historical labor force data are available in the West Virginia County Profiles, published by the Bureau of Employment Programs. These data are available on-line at [www.wvbep.org/bep/LMI/](http://www.wvbep.org/bep/LMI/). Labor force data cover West Virginia residents only. They are counted as participating in the labor force if they are employed or, if unemployed, actively seeking work. The unemployment rate is the number of unemployed residents divided by the labor force.

### **Population**

Historical population estimates are from the U.S. Census Bureau and are available on-line at [www.census.gov](http://www.census.gov). Population data reflect the number of persons whose usual place of residence was within the state or county on July 1. Persons in the military or institutionalized are counted where the military base or institution is located, as long as that is within the U.S.

### **Real Personal Income**

Real personal income is nominal personal income adjusted for the effects of inflation, using the U.S. personal consumption deflator. Personal income includes earnings from work (wages, proprietors' income, fringe benefits); dividends, interest and rent; and transfer income (social security, Medicare, Medicaid, welfare). Historical data are compiled by the U.S. Bureau of Economic Analysis and is available on-line at [www.bea.gov](http://www.bea.gov).

**Table 3  
North Central Region Employment, Population, and Income Forecasts**

	Actual				Forecast			Annual Growth					
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	NC Region 2004-2009*	W.Va.(%) 2004-2009*	U.S.(%) 2004-2009*
Nonfarm Payroll Employment by Industry													
Total	108,140	111,750	112,070	113,080	114,030	115,565	118,109	119,836	121,736	123,660	1,926	1.6	1.2
Goods Producing	15,620	15,960	15,530	15,790	16,060	16,296	16,697	16,951	17,249	17,585	305	1.8	0.6
Nat. Res. & Mining	2,540	2,770	2,730	2,640	2,730	2,754	2,784	2,822	2,868	2,924	39	1.4	-3.2
Construction	4,960	5,330	5,220	5,440	5,410	5,666	6,010	6,189	6,355	6,594	237	4.0	0.2
Manufacturing	8,120	7,860	7,580	7,710	7,920	7,876	7,903	7,939	8,025	8,067	29	0.4	0.1
Service Producing	92,520	95,790	96,540	97,290	97,970	99,269	101,412	102,886	104,488	106,075	1,621	1.6	1.3
Trade, Trans., Util.	20,300	19,880	19,950	19,720	19,550	19,595	19,693	19,861	20,038	20,210	132	0.7	0.9
Information	1,860	1,890	1,800	1,840	1,870	1,884	1,882	1,880	1,880	1,943	15	0.8	1.5
Financial Activities	3,380	3,320	3,390	3,360	3,400	3,441	3,497	3,527	3,553	3,599	40	1.1	0.6
Prof. & Business Serv.	7,920	8,410	8,510	9,110	9,100	9,186	9,551	9,873	10,260	10,622	304	3.1	3.7
Education & Health	16,110	16,850	17,380	17,420	17,760	18,269	18,897	19,362	19,829	20,187	485	2.6	1.4
Leisure & Hospitality	8,850	9,020	9,230	9,510	9,620	9,761	10,003	10,115	10,209	10,341	144	1.5	1.0
Other Services	7,170	7,600	7,610	7,640	7,710	7,795	7,972	8,128	8,267	8,404	139	1.7	0.8
Government	26,930	28,820	28,670	28,690	28,960	29,338	29,918	30,140	30,450	30,769	362	1.2	0.5
Labor Force	123,130	125,970	123,010	121,740	123,700	123,765	124,152	125,564	125,741	126,122	484	0.4	1.3
Employment	117,410	120,850	116,820	115,670	118,540	119,166	119,753	121,024	121,443	122,248	742	0.6	1.4
Unemployment Rate	4.6	4.1	5.0	5.0	4.2	3.7	3.5	3.6	3.4	3.1	-0.2	-5.9	-1.2
Labor Force, Employment, and the Unemployment Rate													
Total Population	259,846	259,848	260,849	262,209	262,785	263,410	264,339	265,461	266,850	268,571	1,157	0.4	0.9
Real Personal Income (Thousands of 2000 Dollars)													
Total	5,765,929	5,964,068	6,119,504	6,208,623	6,276,652	6,399,464	6,613,438	6,791,507	6,974,777	7,178,256	180,321	2.7	3.6
Wage and Salary	2,932,535	3,041,304	3,110,297	3,120,703	3,142,734	3,194,874	3,283,203	3,350,899	3,424,563	3,498,113	71,276	2.2	3.5
Other Labor Income	826,907	849,559	880,510	909,646	934,475	956,938	989,882	1,013,835	1,041,616	1,070,979	27,301	2.8	2.4
Proprietors' Income	411,823	435,127	453,527	468,024	478,759	490,135	505,279	517,986	530,901	544,704	13,189	2.6	3.9
Dividends, Interest, Rent	1,032,822	1,015,831	1,006,498	994,673	978,921	1,002,322	1,020,657	1,043,173	1,072,789	1,119,891	28,194	2.7	3.8
Transfer Income	1,234,009	1,301,879	1,373,687	1,424,903	1,458,504	1,484,208	1,566,174	1,634,594	1,693,664	1,751,815	58,662	3.7	4.0

The North Central Region consists of Doddridge, Harrison, Marion, Taylor, Monongalia, and Preston counties in West Virginia.

\*This column contains the average yearly change during the 2004-2009 period.

West Virginia forecast is from the West Virginia Economic Outlook 2005.

U.S. forecast is from Global Insight, January 2005.

**Table 4**  
**Morgantown MSA Employment, Population, and Income Forecasts**

	Actual				Forecast				Annual Growth					
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Morgantown 2004-2009*	Morgantown (%) 2004-2009*	W.Va.(%) 2004-2009*	U.S.(%) 2004-2009*
Total	49,400	52,310	52,470	53,000	53,890	54,990	56,722	57,992	59,131	60,154	1,253	2.2	0.6	1.2
Goods Producing	6,360	6,390	6,470	6,710	6,940	7,227	7,566	7,745	7,916	8,161	244	3.3	-0.2	0.6
Nat. Res. & Mining	860	950	960	830	800	803	814	834	864	904	21	2.5	0.1	-3.2
Construction	2,000	2,090	2,140	2,380	2,510	2,750	3,055	3,179	3,277	3,430	184	6.4	0.2	1.8
Manufacturing	3,500	3,350	3,370	3,500	3,630	3,673	3,696	3,731	3,775	3,827	39	1.1	-0.6	0.1
Service Producing	43,040	45,920	46,000	46,290	46,950	47,764	49,156	50,247	51,215	51,994	1,009	2.1	0.8	1.3
Trade, Trans., Util.	7,620	7,520	7,580	7,540	7,440	7,486	7,561	7,675	7,771	7,855	83	1.1	0.3	0.9
Information	750	780	720	710	720	744	767	765	754	775	11	1.5	0.4	1.5
Financial Activities	1,450	1,440	1,480	1,470	1,510	1,542	1,586	1,608	1,618	1,620	22	1.4	0.6	0.5
Prof. & Business Serv.	3,480	4,060	4,120	4,320	4,530	4,645	4,886	5,127	5,390	5,640	222	4.5	2.3	3.7
Education & Health	9,330	9,680	10,010	10,020	10,290	10,612	11,059	11,407	11,778	12,015	345	3.1	1.4	1.5
Leisure & Hospitality	4,340	4,560	4,530	4,540	4,530	4,609	4,740	4,800	4,835	4,873	69	1.5	1.2	1.0
Other Services	2,620	2,750	2,730	2,770	2,770	2,791	2,851	2,907	2,946	2,973	41	1.4	0.9	0.8
Government	13,450	15,130	14,830	14,920	15,160	15,335	15,707	15,957	16,122	16,243	217	1.4	-0.1	0.5
Labor Force	53,080	55,290	54,270	53,960	55,330	55,743	56,267	57,326	57,658	58,010	536	1.0	0.5	1.3
Employment	51,430	53,770	52,210	51,760	53,410	54,120	54,649	55,537	55,886	56,362	590	1.1	0.5	1.4
Unemployment Rate	3.1	2.8	3.8	4.1	3.5	2.9	2.9	3.1	3.1	2.8	-0.1	-4.1	0.3	-1.2
Total Population	111,229	112,005	113,021	114,075	114,974	115,849	116,920	118,107	119,367	120,682	1,142	1.0	-0.1	0.9

	Actual				Forecast				Annual Growth					
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Morgantown 2004-2009*	Morgantown (%) 2004-2009*	W.Va.(%) 2004-2009*	U.S.(%) 2004-2009*
Total	2,449,046	2,608,003	2,682,421	2,736,237	2,799,704	2,887,052	3,021,446	3,137,369	3,248,127	3,362,555	112,570	3.7	2.0	3.6
Wage and Salary	1,370,060	1,442,001	1,488,204	1,503,549	1,535,143	1,582,248	1,652,943	1,710,879	1,765,719	1,817,111	56,394	3.4	1.1	3.5
Other Labor Income	384,009	392,891	409,322	426,090	443,932	460,334	483,542	501,475	519,594	537,406	18,695	3.9	1.1	2.4
Proprietors' Income	158,016	198,327	205,143	212,470	219,921	227,965	238,696	247,910	256,308	264,514	8,918	3.8	1.8	3.9
Dividends, Interest, Rent	445,340	442,861	439,245	438,534	435,074	448,205	459,357	472,585	488,715	512,037	15,393	3.3	0.9	3.8
Transfer Income	470,063	499,130	526,272	545,714	562,461	575,936	612,517	644,150	671,973	699,041	27,316	4.4	3.4	4.0

The Morgantown MSA consists of Monongalia and Preston County in West Virginia  
 \*This column contains the average yearly change during the 2004-2009 period.  
 West Virginia forecast is from the West Virginia Economic Outlook 2005.  
 U.S. forecast is from Global Insight, January 2005.

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## **North Central Region and Morgantown MSA Outlook 2005-2009**

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