

# Grant County Labor Market Summary

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College of Business and Economics  
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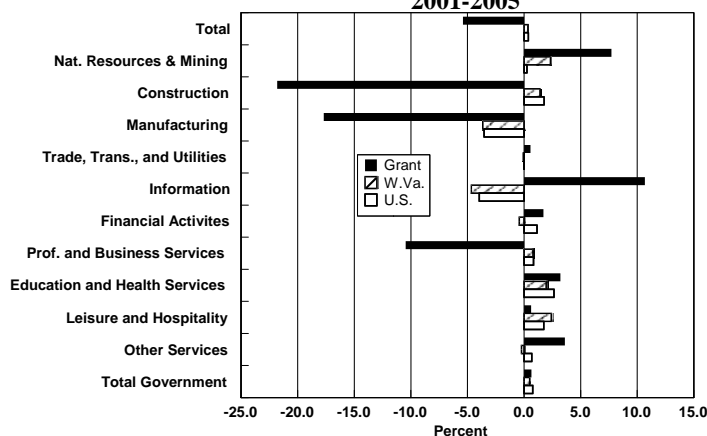
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by  
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Anthony Gregory

This summary provides an overview of the current performance of the Grant County labor market compared to the Potomac Highlands Region, the state of West Virginia, and the U.S. Table 1 below contains summary data for the county, the region, metropolitan areas with component counties in the region, the state, and the nation. The Potomac Highlands Region includes Grant, Hampshire, Hardy, Mineral, and Pendleton counties. Data summarized in this document (and detailed in the associated Excel database) include job growth and wages by industry, the unemployment rate and labor force participation, population growth and demographics, educational attainment, job turnover by industry, farming, and commuting patterns.

Grant County lost just over 1,000 jobs from 2001 to 2004, which translates into an annual rate of job loss of -8.0 percent per year. This is a far greater rate of job loss than was experienced by the Potomac Highlands Region (-0.3 percent), the state (0.0 percent) or the nation (-0.1 percent). However, Grant County employment rebounded in 2005, adding 110 jobs (about half of which came in natural resources and mining). However, job losses during the last four years remain considerable. Figure 1 below shows that the fastest rate of job loss came in construction, manufacturing, and professional and business services (primarily temporary employment services). Job losses in construction reflect the completion of scrubber installation at the Mount Storm power plant. Work on this project produced a major surge in construction jobs, which peaked in 2001. Manufacturing job losses reflect the closure of the Advantage Foods (owned by Perdue Farms) poultry processing plant. In contrast, the county added jobs in natural resources and mining; information; financial activities; health care; leisure and hospitality; other services (repair and maintenance, personal services, and non-profits); and government.

**Figure 1**  
**Annual Job Growth**  
**Grant County, W.Va. and the U.S.**  
**2001-2005**



\*Annual job growth is based on covered employment and wages.

Grant County's nonfarm employment mix is weighted toward mining; construction; trade, transportation, and utilities; and government, with relatively small employment shares in information; financial activities; professional and business services; health care; and leisure and hospitality. Grant County's manufacturing employment share is similar to the nation, with large wood products employers located in the county.

Farming remains an important part of the Grant County economy, with this sector accounting for 9.0 percent of full and part-time employment in 2004 (compared to 2.6 percent for the state). Livestock, primarily poultry, dominates farming activity in the county.

Annual wages per worker in Grant County rose strongly in 2001, with the influx of relatively high-paying construction jobs boosting overall wages. Average annual wages in the county (\$31,610 in 2005) have remained in the neighborhood of the state average since 2001, but remain well below the national average of \$40,671. Indeed, in 2005, annual wages per worker in Grant County were lower than the national average in all NAICS major divisions.

Grant County's unemployment rate spiked up to 6.1 percent by 2005, as we would expect given the job losses during the period. Grant County's unemployment rate remains above the region (4.5 percent), state (5.0 percent), and national (5.1 percent) rates. Even so, the county rate has fallen from a peak of 7.6 percent in 2003. According to U.S. Bureau of the Census data for 2000, the county's labor force participation rate (60.0 percent) is well above the state rate (55.3 percent), just above the region's rate (59.8 percent), but well below the national rate (64.9 percent).

Grant County's labor force has stabilized between 4,000 and 6,000 residents since 1980, reflecting the ups and downs of county job growth. According to the latest estimates, the county's labor force is now 4,990. The labor force includes both employed residents and unemployed residents that are actively seeking work. It excludes unemployed residents that are not actively seeking work.

The county was also a net exporter of employed residents in 2000, with 19.2 percent of employed residents commuting to work in Hardy County. Mineral, Hardy, Pendleton counties in West Virginia and Garrett County in Maryland combined contributed 22.4 percent of the Grant County workforce in 2000.

One important measure of labor market performance is the job turnover rate. This is computed by summing the number of job accessions and job separations per quarter, dividing this sum by two, and then dividing by the number of jobs. According to new data released by U.S. Census Bureau, the county's overall turnover rate is 8.1 percent, which is below the state average of 9.8 percent. This suggests that the county's labor market is a bit more stable than the state average.

Grant County's educational attainment level fell below the region, state and national averages in 2000, measured by the share of population age 25-and-older with an associate's degree or more. However, Potomac State College of West Virginia University, in Mineral County, has granted 708 degrees or certificates during the last five years and Eastern West Virginia Community College, in Hardy County, had undergraduate headcount enrollment of 882 in certificate, associate degree, or non-degree programs in fall 2005.

Grant County has added 386 net new residents since 2000, with 88 of those coming last year. This translates into an average annual growth rate of 0.7 percent per year since 2000, which exceeds the region's growth rate, exceeds the state rate (0.1 percent), but falls below the national growth rate of 1.0 percent.

The county's demographic mix is a bit older than the state and national averages. Grant County's median age in 2000 was 39.3, compared to 38.9 for West Virginia and 35.3 for the U.S. As is true for many counties in West Virginia, Grant County has a smaller share of its population in the younger age groups (school age, 18-24, and 25-44) than is true for the U.S. It has a higher share of residents in the 45-64 and 65-84 age groups, but about the same share as nationally in the 85-and-older age group.

The county's population growth has been reflected in an increase in residential construction contracts, as measured by F.W. Dodge. Indeed, the value of Grant County residential construction contracts has from about \$2.0 million in 2001 to almost \$16 million by 2004 and almost \$10 million in 2005. Part of the increased residential building may be related to second home activity in the county. According to Census 2000, 13.3 percent of homes were for seasonal, recreational, and occasional use, compared to 4.5 percent for the state and 3.3 percent for the nation.

**Table 1**  
**Summary Data for Grant County**

	Grant County	Potomac Highlands Region	Cumberland MSA	Winchester MSA	W.Va.	U.S.
Nonfarm Jobs (Thous., 2005)*	3,683	23,236	37,369	54,055	695,300	131,595,637
Annual Job Growth (2001-2005, %)	-5.4	0.3	0.4	1.8	0.3	0.4
Average Annual Wage Per Worker (2005)	\$31,610	\$26,835	\$28,635	\$33,788	\$31,344	\$40,671
Job Turnover Rate (Four Qtr. Avg., %)**	8.1	--	--	--	9.8	--
Unemployment Rate (2005, %)	6.1	4.5	5.8	2.8	5.0	5.1
Labor Force Participation Rate (2000, %)**	60.0	59.8	57.9	67.6	55.3	64.9
Population (2005)	11,673	81,857	100,667	116,267	1,816,856	296,410,404
Annual Population Growth (2000-2005, %)	0.7	0.6	-0.2	2.3	0.1	1.0
Median Age (2000)	39.3	--	39.1	--	38.9	35.3
Share of residents with:						
Associates Degree or More (2000, %)^	14.2	15.4	20.2	23.0	19.2	30.7
High School Degree or More (2000, %)^	70.8	74.2	80.0	76.4	75.2	80.4
Per Capita Personal Income (2004)	\$23,479	\$22,480	\$23,907	\$28,735	\$25,792	\$33,050
Farm Cash Receipts (2004, \$Mil, Livestk & Crops)	\$34.3	\$236.7	\$14.5	\$44.1	\$467.2	\$250,737.3

\*Quarterly Covered Employment and Wages (QCEW)

\*\*Per quarter, from third quarter 2004 to third quarter 2005. Data for MSAs are W.Va. part only.

\*\*\*Estimated based on institutionalized population for all ages.

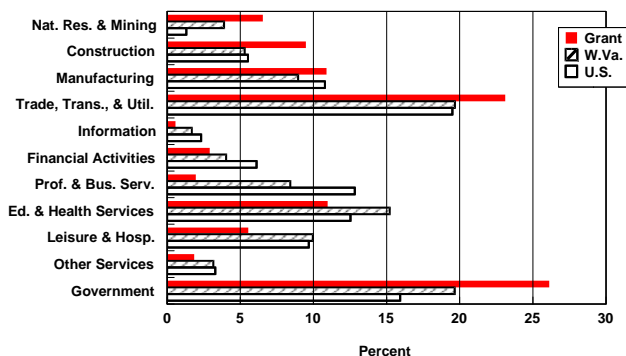
^percent of population age 25 and older.

Potomac Highlands Region includes Grant, Hampshire, Hardy, Mineral, and Pendleton counties in W.Va.

Cumberland MSA includes Mineral County, W.Va. and Allegany County, Md.

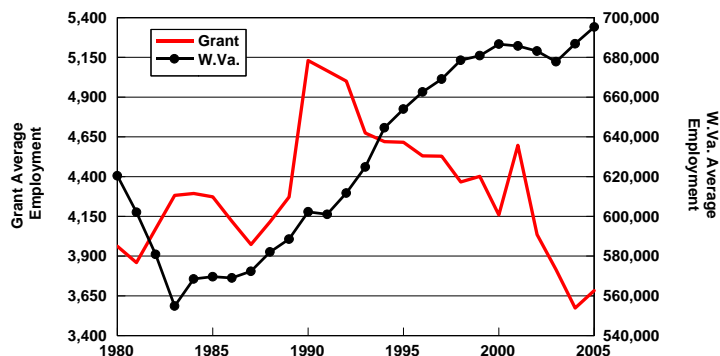
Winchester MSA includes Hampshire County, W.Va., Frederick County, Va., and Winchester City, Va.

**Nonfarm Employment Shares 2005**  
**Grant County, W.Va., and U.S.**



Source: Employment and Wages, Workforce WV

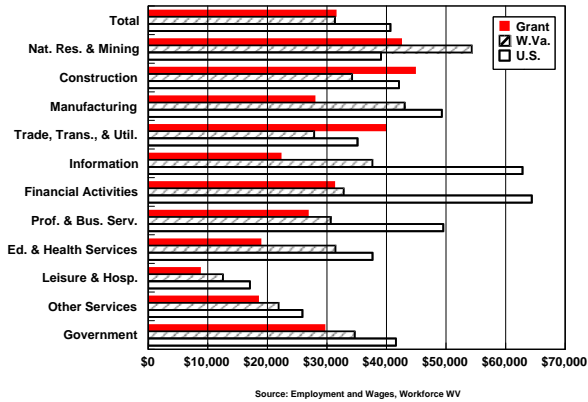
**Employment Trends in**  
**Grant County and W.Va.**



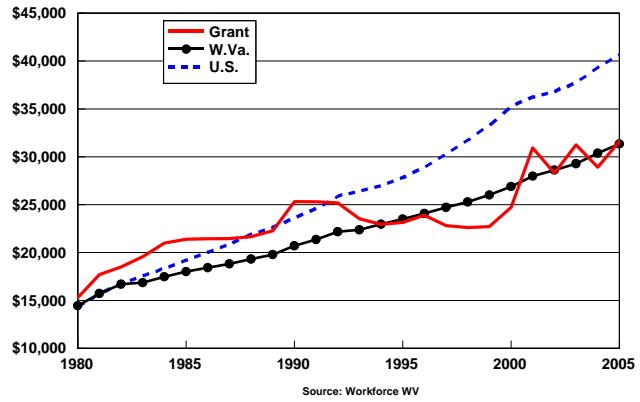
Source: Employment and Wages, Workforce WV

- In Grant County in 2005, the government (26.1 percent) and trade, transportation, and utilities (23.1 percent) sectors accounted for 49.2 percent of employment.
- Compared to West Virginia (8.4 percent) and the U.S. (12.8 percent), Grant County (1.9 percent) has a very small concentration in the professional & business services sector.
- Total employment in Grant County fell to 3,573 in 2004 due to the completion of a major construction project at a power plant and the closure of a major poultry processor in the county. However, the county added 110 jobs last year.

**Annual Wages per Worker 2005  
Grant County, W.Va., and U.S.**

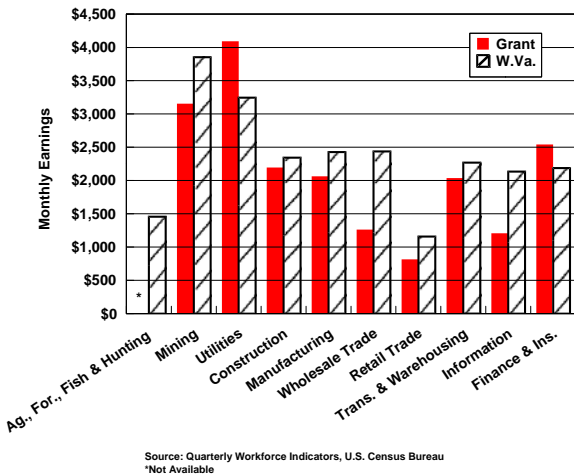


**Total Wages per Worker in  
Grant County, W.Va., and U.S.**

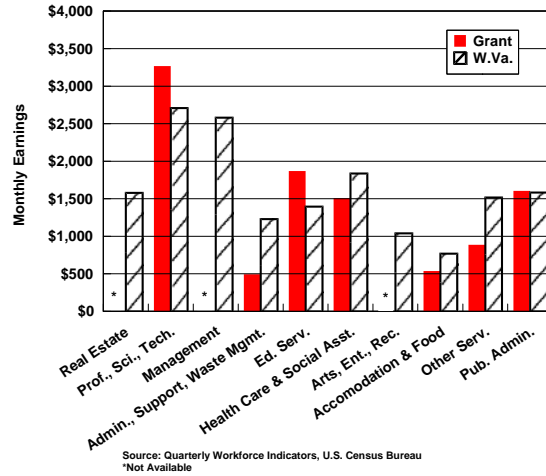


- In 2005 Grant County's average annual wage per worker was \$31,610, which was just above West Virginia (\$31,344) but well below the U.S. (\$40,671).
- Compared to West Virginia and the U.S., Grant County had higher annual wages per worker in construction as well as trade, transportation, and utilities.

**Average New Hire Earnings  
Grant County and W.Va.  
Average from 2004Q3 to 2005Q3**

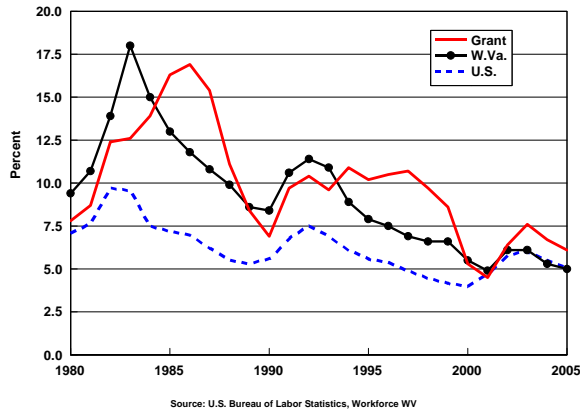


**Average New Hire Earnings  
Grant County and W.Va.  
Average from 2004Q3 to 2005Q3**

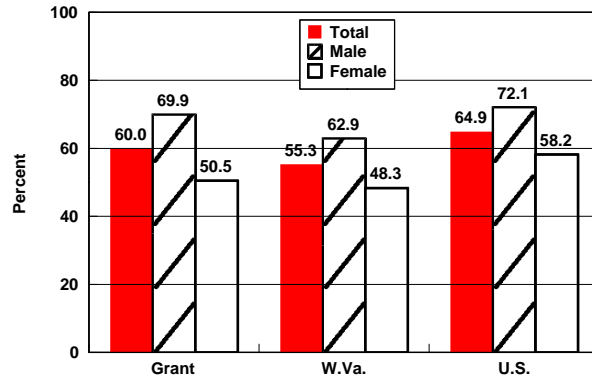


- On average new hires in Grant County in the utilities sector make 26.1 percent more than the West Virginia average in that sector. New hire wages are also significantly higher in the professional, scientific, and technology sector.
- New hires in the wholesale trade; information; administration, support, and waste management; and other services sectors earned significantly less in Grant County than statewide during the third quarter of 2004 to third quarter of 2005 period.
- On average, new hire monthly wages in Grant County, at \$1,745.50, are similar to the state average of \$1,747.75.

**Unemployment Rate Trends in Grant County, W.Va., and U.S.**

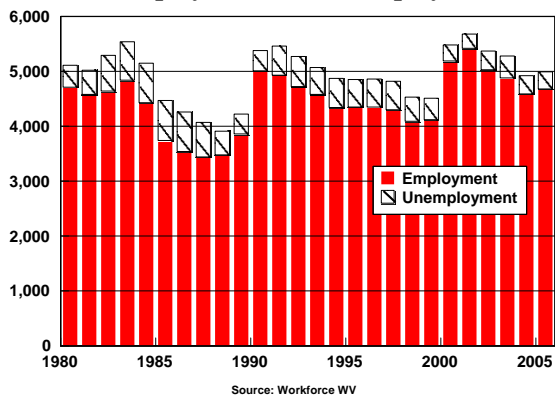


**Labor Force Participation Rates Census 2000**

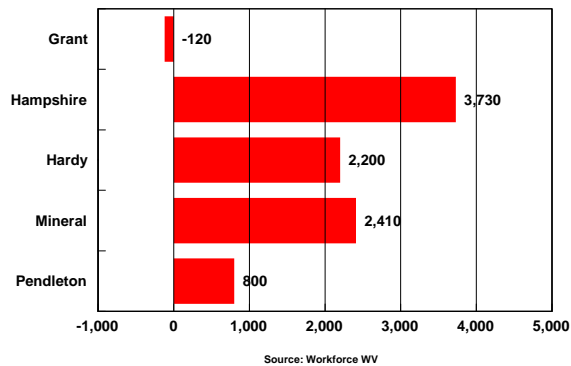


- In 2005 Grant County’s unemployment rate was 6.1 percent, higher than both the state (5.0 percent) and national (5.1 percent) rates. Even so, Grant County’s unemployment rate has fallen from 7.6 percent in 2003.
- At 60.0 percent Grant County’s labor force participation rate was higher than West Virginia’s (55.3 percent) but below the nation’s (64.9 percent).
- Similar to West Virginia and the U.S., there is a gap between the male and female labor force participation rates, but in Grant County the gap of 19.4 percent is larger.

**Grant County Employment and Unemployment**

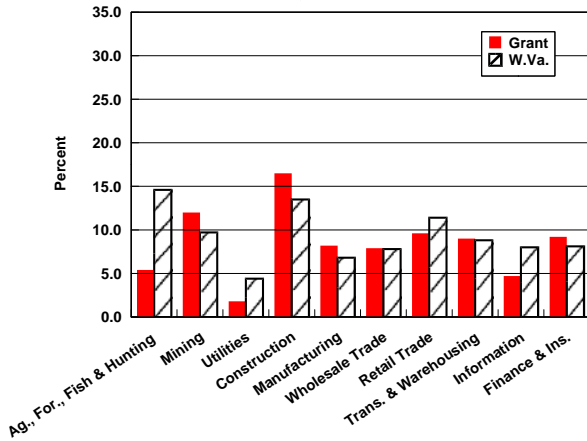


**Potomac Highlands Region Labor Force Growth by County 1980-2005**



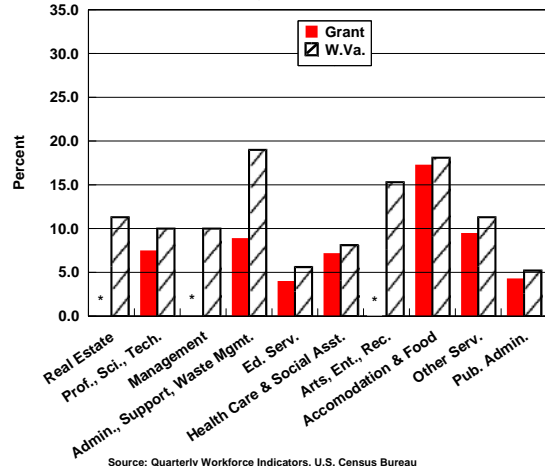
- The Grant County labor force has varied between 4,000 and 6,000 since 1980, but is currently at 4,990.
- The labor force includes both employed residents and unemployed residents that are actively seeking work. It excludes residents that are unemployed, but not actively seeking employment.

**Turnover Rates  
Grant County and W.Va.**  
Average from 2004Q3 to 2005Q3



Source: Quarterly Workforce Indicators, U.S. Census Bureau  
\*Not Available

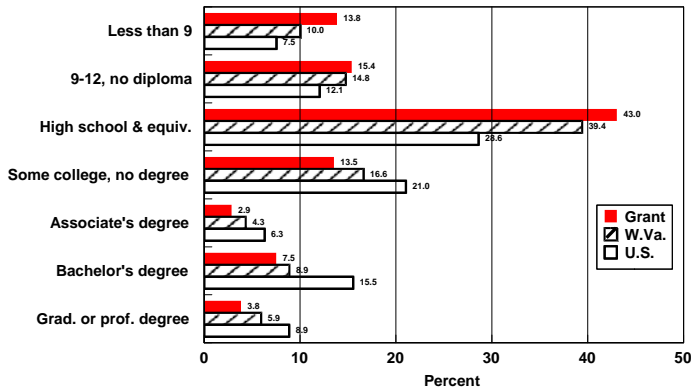
**Turnover Rates  
Grant County and W.Va.**  
Average from 2004Q3 to 2005Q3



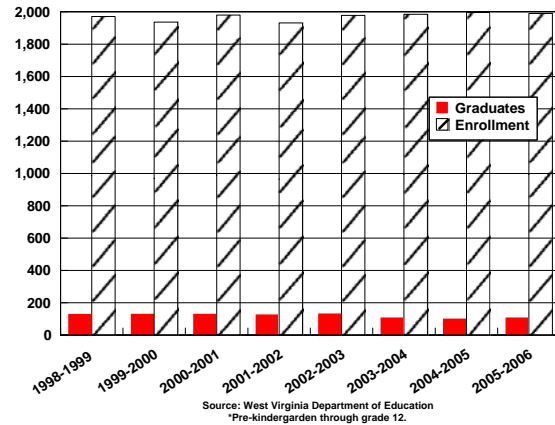
Source: Quarterly Workforce Indicators, U.S. Census Bureau  
\*Not Available

- Grant County has higher turnover rates in the mining (12.0 percent), construction sectors (16.5 percent), manufacturing (8.2 percent), and finance (9.2 percent) sectors, compared to West Virginia.
- For most sectors, Grant County has turnover rates that are similar to or below the state. Across all industries, the Grant County turnover rate 8.1 percent, which is lower than the state average of 9.8 percent.
- The turnover rate is computed by summing the number of job accessions and job separations per quarter, dividing this sum by two, and then dividing by the number of jobs.

**Educational Attainment  
Census 2000**



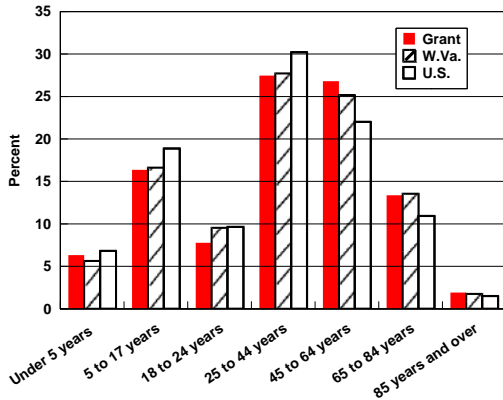
**Grant County School Enrollment\* and Graduates**



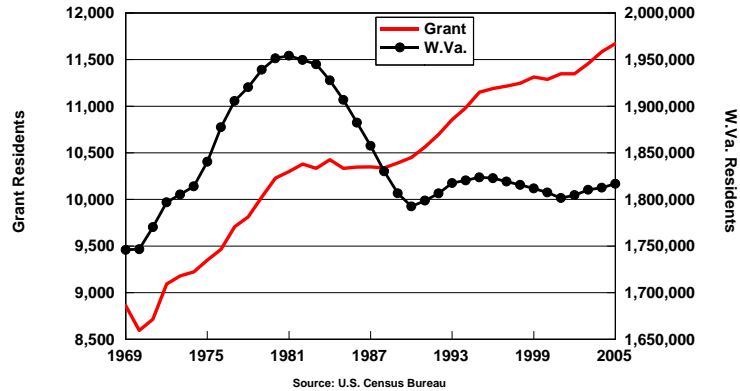
Source: West Virginia Department of Education  
\*Pre-kindergarten through grade 12.

- Grant County, at 11.4 percent, has a lower share of residents with a bachelor's degree or higher than West Virginia (14.8 percent) and the U.S. (24.4 percent).
- Of Grant County's population over the age of 25 years, 43.0 percent stop their education after attaining a high school degree or equivalent.
- Grant County school enrollment totaled almost 2,000 during the 2005-2006 school year, with 109 graduates.

**Population Age Distribution  
Census 2000**

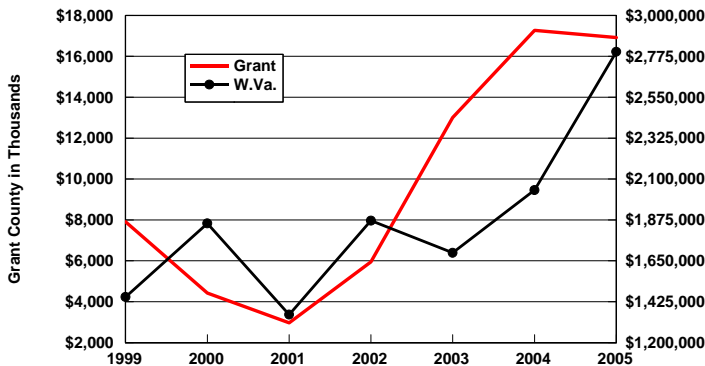


**Population Trends in  
Grant County and W.Va.**

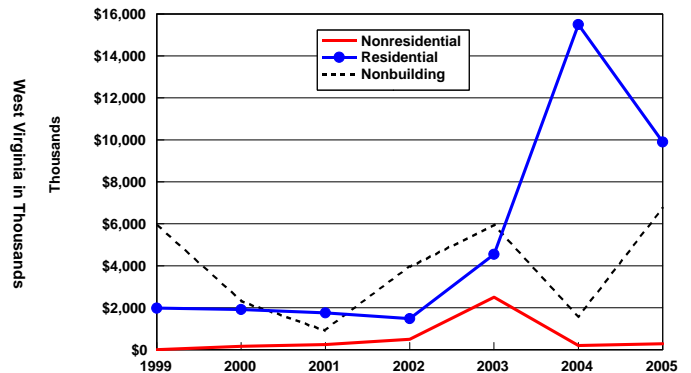


- The population age distribution in Grant County is very similar to that of the state and both have higher median ages (and population shares in the 45-84 age group) than the national average.
- In 2005, Grant County had a population of 11,673 and since 2000 the county has added 386 residents. That translates into an average annual growth rate of 0.7 percent per year, a bit slower than the national growth rate of 1.0 percent and faster than the state rate of 0.1 percent per year.

**Grant County and W.Va.  
Total Value of Construction Starts**  
F.W. Dodge

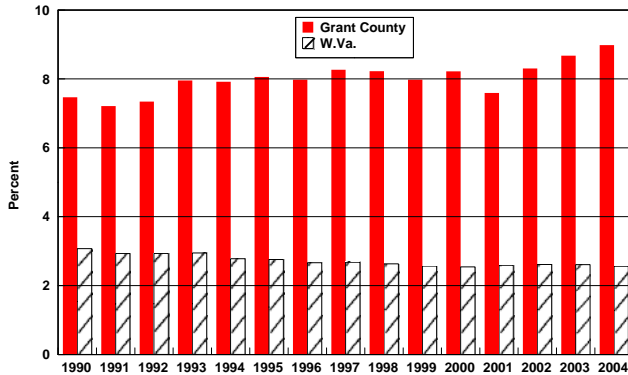


**Grant County, W.Va.  
Value of Construction Starts by Type**  
F.W. Dodge



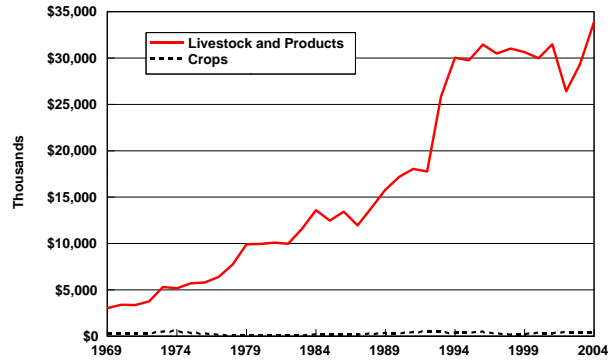
- In 2005 Grant County had a total contract construction value of \$16.9 million, according to data from F.W. Dodge. Grant County's construction contracting has grown rapidly since 2001, increasing at an average annual rate of 55.6 percent.
- Residential construction accounted for 58.5.7 percent of the county's 2005 total contract construction value.
- According to Census 2000, 13.3 percent of homes were for seasonal, recreational, and occasional use, compared to 4.5 percent for the state and 3.3 percent for the nation.

**Farm Employment Shares in Grant County and W.Va.**



Source: Bureau of Economic Analysis

**Farm Cash Receipts in Grant County**



Source: Bureau of Economic Analysis

- Grant County has a larger share of employment in farming than West Virginia. In 2004, 9.0 percent of the county's total full and part-time employment was in farming (as measured by the U.S. Bureau of Economic Analysis). Farming accounted for 2.6 percent of state employment.
- Grant County's farm cash receipts are dominated by livestock and products, primarily poultry, which accounted for 98.8% of farm cash receipts in 2004.

**Top Commuting Destinations for Grant County Residents, 2000**

Counties with 1.0 percent or more

Work County	Number of Employed Residents Traveling to		As a Percentage of Grant County Employed Residents
	Work County	Residents	
Grant County, WV	3,160	64.6	
Hardy County, WV	940	19.2	
Mineral County, WV	152	3.1	
Garrett County, MD	150	3.1	
Allegany County, MD	104	2.1	
Pendleton County, WV	70	1.4	
<b>Total</b>	<b>4,895</b>	<b>100.0</b>	

Source: U.S. Census Bureau, Population Division, Journey-To-Work & Migration Statistics Branch, Census 2000.

Tabulation by the Bureau of Business and Economic Research, West Virginia University

**Top Commuting Sources for Grant County Jobs, 2000**

Counties with 1.0 percent or more

Residence County	Number of Workers Traveling From		As a Percentage of Grant County Workers
	Residence County	Workers	
Grant County, WV	3,160	69.5	
Mineral County, WV	323	7.1	
Hardy County, WV	312	6.9	
Pendleton County, WV	224	4.9	
Garrett County, MD	159	3.5	
Tucker County, WV	80	1.8	
Hampshire County, WV	74	1.6	
Preston County, WV	61	1.3	
Randolph County, WV	52	1.1	
<b>Total</b>	<b>4,544</b>	<b>100.0</b>	

- Hardy County was by far the most popular commuting destination for Grant County residents in 2000.
- Mineral, Hardy, Pendleton counties in West Virginia and Garrett County in Maryland combined contributed 22.4 percent of the Grant County work force in 2000.

**Top 10 Largest Employers in Grant County March 2006**

Rank	Company Name
1	Grant Memorial Hospital
2	Virginia Electric and Power Company
3	Grant County Board of Education
4	Grant County Nursing Home
5	Allegheny Wood Products, Inc.
6	Waco, Inc.
7	Mettiki Coal (WV), LLC
8	Buffalo Coal Company, Inc.
9	Grant County Mulch, Inc.
10	Apcompower, Inc.

Source: Workforce WV

**Industrial, Business, and Technology Parks in Grant County**

Name	City	Miles to Highway*	Total Acreage
Grant County Industrial Park	Petersburg	66	100
Mountain Top Industrial Park	Mt. Storm	29	182

Source: West Virginia Development Office

\*Location to nearest interstate or four lane highway.