

Hardy County Labor Market Summary

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College of Business and Economics
West Virginia University
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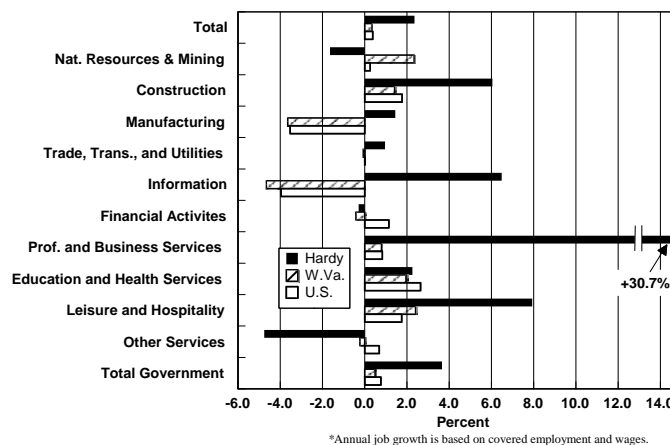
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by
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This summary provides an overview of the current performance of the Hardy County labor market compared to the Potomac Highlands Region, the state of West Virginia, and the U.S. The Potomac Highlands Region includes Grant, Hampshire, Hardy, Mineral, and Pendleton counties. Table 1 below contains summary data for the county, the region, metropolitan areas with component counties in the region, the state, and the nation. 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.

Hardy County added 238 nonfarm jobs from 2004 to 2005, with 196 of those new jobs coming in manufacturing, particularly in the wood products and furniture sector. Since 2001, the county has added 590 jobs, which translates into an average annual growth rate of 2.4 percent. That growth rate far exceeds results for the state (0.3 percent) and the nation (0.4 percent) during the same period. It is also the fastest growth rate posted by any county in the region. As Figure 1 shows, the county added jobs rapidly in professional and business services (which has almost tripled employment since 2001); leisure and hospitality; information; construction; government; and education and health care. Hardy County posted slower gains in manufacturing and trade, transportation and utilities, although the gains in manufacturing are in stark contrast to strong job losses statewide and nationally. The county posted job losses in natural resources and mining and other services (which includes repair and maintenance, personal services, and non-profits). Strong gains in construction reflect infrastructure development in the region (Corridor H) as well as residential building activity. Gains in professional and business services reflects activity at temporary help agencies, while gains in information are likely related to overall population growth in the region.

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



The Hardy County nonfarm employment mix is heavily weighted toward manufacturing, with over half of county nonfarm payroll jobs in this sector. Hardy County manufacturing is dominated by poultry

processing, with Pilgrim's Pride Corporation of West Virginia the largest employer in the county in March 2006, but wood products activity also accounts for a significant share of nonfarm jobs.

Agriculture remains an important sector of the county economy, with farm proprietors in Hardy County accounting for 9.1 percent of total full and part-time employment in 2004. This far exceeded the state share of 2.6 percent. In addition, the county accounted for 27.3 percent of state livestock cash receipts in 2004, with those sales dominated by poultry.

The county has posted solid gains in wages per worker during the last four years, rising from \$21,962 in 2001 to \$24,722 in 2005. Even with that growth, average wages in the region remain well below the Potomac Highlands region average (\$26,835), the state (\$31,344) and the nation (\$40,671).

Further, job gains have contributed to the county's low unemployment rate, even as population rose quickly. At 3.7 percent in 2005, the county's unemployment rate remains well below the Potomac Highlands (4.5 percent), state (5.0 percent), and the nation (5.1 percent). In 2000, the county labor force participation rate was 64.0 percent, well above West Virginia (at 55.3 percent), and close to the national rate of 64.9 percent. Indeed, the participation rate for women in Hardy County is particularly high (at 58.8 percent), which is more than 10 percentage points above the state average and also exceeds the national female participation rate.

Hardy County's labor force has increased by 2,200 since 1980, with growth driven by gains in resident employment. The labor force includes both employed residents, as well as unemployed residents that are actively seeking work. The growth in Hardy County's labor force accounted for 24.4 percent of gains in the Potomac Highlands Region. In 2000, Hardy County drew 2,194 workers from outside the county, while 1,862 Hardy County residents commuted to jobs in other counties.

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 8.7 percent, which is below the state average of 9.8 percent. This suggests that the county's labor market was a bit less dynamic than the state last year.

Hardy County has a relatively large share of residents with a high school degree as their highest level of educational attainment (at 44.6 percent), but relatively low shares of residents with associate's (3.0 percent), bachelor's (5.7 percent), and graduate and professional degrees (3.8 percent) compared to the state and the nation. 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.

Population growth in the county has been strong since 2000, as the county has added 592 net new residents (129 new residents last year). This translates into an annual growth rate of 0.9 percent per year during the last four years, well above the state (0.1 percent) and close to the national average of 1.0 percent per year. Hardy County's median age matched the state in 2000, at 38.9 years, but was well above the national average of 35.3 years. The county contains relatively large concentrations of residents in the 45-64 and 65-84 age groups, with 38.7 percent of residents in these age groups. This is similar to the state share but is well above the national average of 32.9 percent.

Hardy County construction has been very volatile during the 1999-2005 period, according to data from F.W. Dodge. This has been driven by large infrastructure projects in the region, reflecting activity related to Corridor H. Residential construction activity has gradually trended upward since 2001, reflecting population growth and low mortgage rates. It may also reflect increased activity in second home construction. According to Census 2000, 20.0 percent of homes in the county were for seasonal, recreational, or occasional use, compared to 4.5 percent for the state and 3.3 percent for the nation. That ranked Hardy County 6th in the state in 2000.

Table 1
Summary Data for Hardy County

	Hardy County	Potomac Highlands Region	Cumberland MSA	Winchester MSA	W.Va.	U.S.
Nonfarm Jobs (Thous., 2005)*	6,633	23,236	37,369	54,055	695,300	131,595,637
Annual Job Growth (2001-2005, %)	2.4	0.3	0.4	1.8	0.3	0.4
Average Annual Wage Per Worker (2005)	\$24,722	\$26,835	\$28,635	\$33,788	\$31,344	\$40,671
Job Turnover Rate (Four Qtr. Avg., %)**	8.7	--	--	--	9.8	--
Unemployment Rate (2005, %)	3.7	4.5	5.8	2.8	5.0	5.1
Labor Force Participation Rate (2000, %)**	64.0	59.8	57.9	67.6	55.3	64.9
Population (2005)	13,287	81,857	100,667	116,267	1,816,856	296,410,404
Annual Population Growth (2000-2005, %)	0.9	0.6	-0.2	2.3	0.10	1.0
Median Age (2000)	38.9	--	39.1	--	38.9	35.3
Share of residents with:						
Associates Degree or More (2000, %)^	12.5	15.4	20.2	23.0	19.2	30.7
High School Degree or More (2000, %)^	70.3	74.2	80.0	76.4	75.2	80.4
Per Capita Personal Income (2004)	\$22,551	\$22,480	\$23,907	\$28,735	\$25,792	\$33,050
Farm Cash Receipts (2004, \$Mil, Livestk & Crops)	\$109.2	\$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.

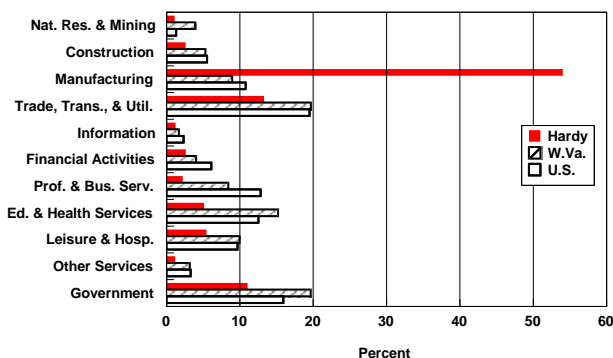
^percent of population age 25 and older.

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.

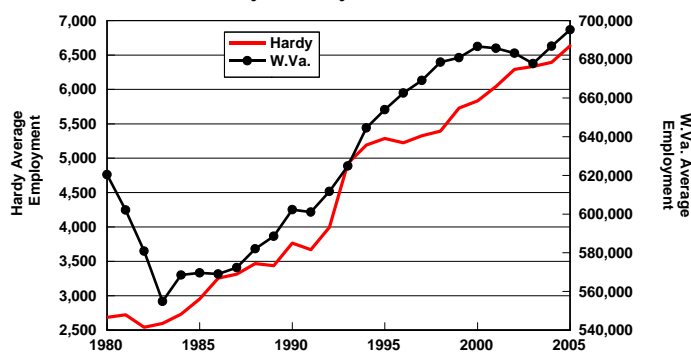
Winchester MSA includes Hampshire County, W.Va., Frederick County, Va., and Winchester City, Va.

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



Source: Employment and Wages, Workforce WV

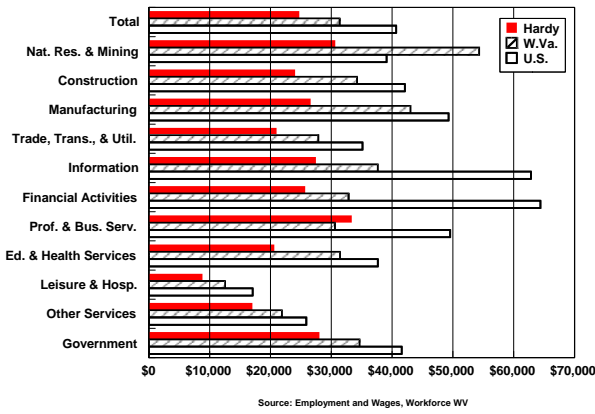
Employment Trends in
Hardy County and W.Va.



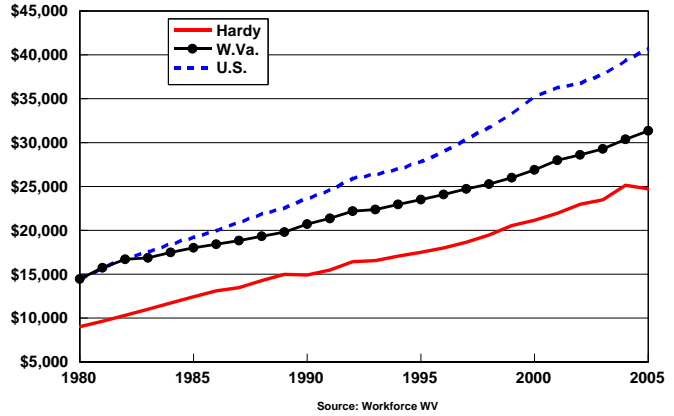
Source: Employment and Wages, Workforce WV

- Manufacturing dominates the Hardy County employment mix, accounting for 54.0 percent of nonfarm employment.
- Hardy County manufacturing is dominated by poultry processing, with Pilgrim's Pride Corporation of West Virginia the largest employer in the county in March 2006, but wood products activity also accounts for a significant share of nonfarm jobs.
- Since 1980, nonfarm employment in Hardy County has grown at an average annual rate of 3.7 percent, much higher than the West Virginia rate of 0.5 percent.

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

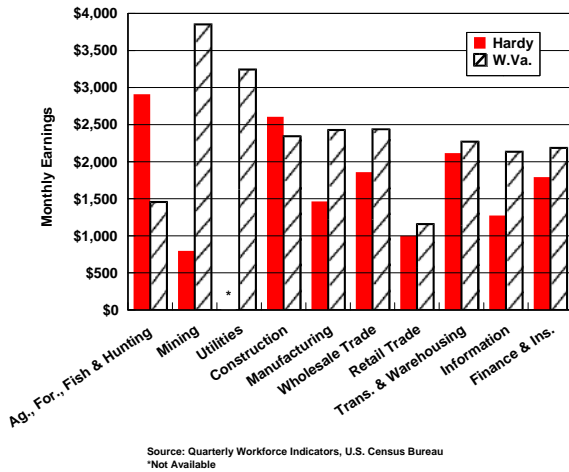


**Total Wages per Worker in
Hardy County, W.Va., and U.S.**

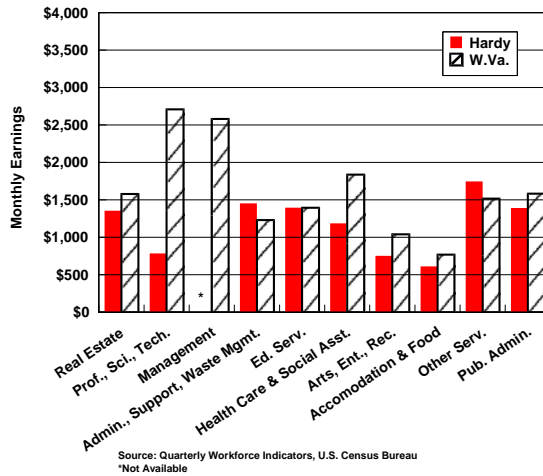


- In 2005, the average annual wage per worker in Hardy County was \$24,722, well below the West Virginia (\$31,344) and U.S. (\$40,671) levels.
- Annual wages in Hardy County are below the U.S. level in every sector and below West Virginia in every sector except professional and business services in 2005.

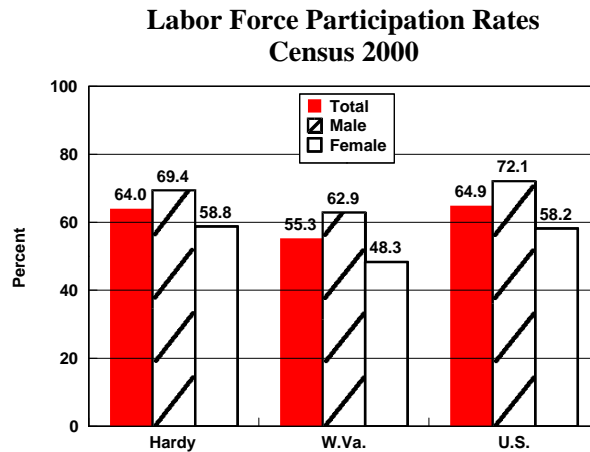
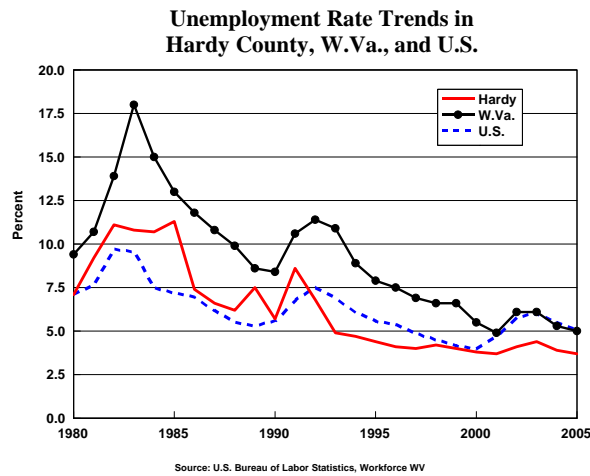
**Average New Hire Earnings
Hardy County and W.Va.
Average from 2004Q3 to 2005Q3**



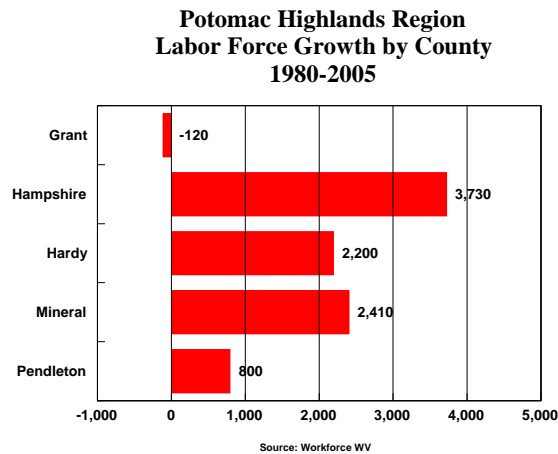
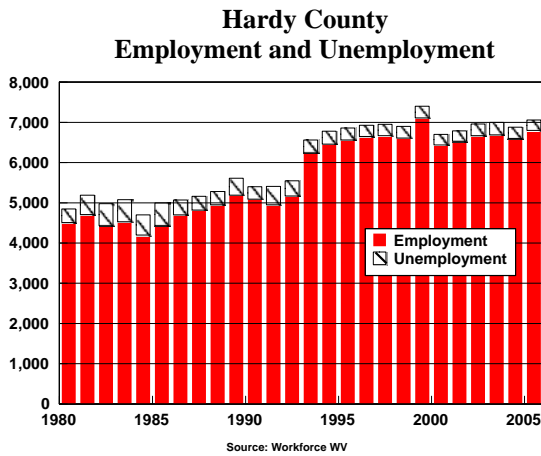
**Average New Hire Earnings
Hardy County and W.Va.
Average from 2004Q3 to 2005Q3**



- Across all industries, Hardy County new hire earnings, at \$1,493.00 per month, are well below the West Virginia average of \$1,747.75.
- New hire earnings are higher than the comparable state level in agriculture, forestry and fishing; construction; administrative, support and waste management; and other services in Hardy County

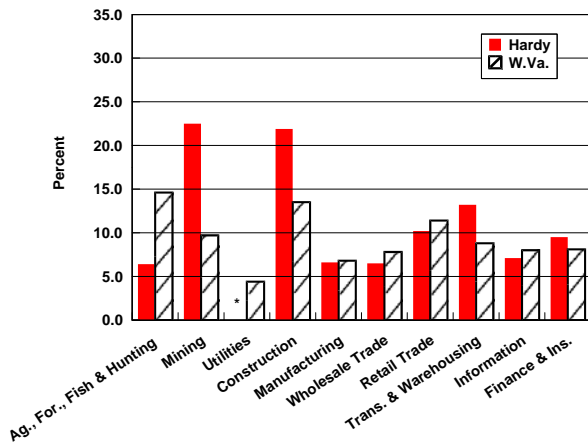


- In 2005, Hardy County’s unemployment rate was 3.7 percent, well below the West Virginia (5.0 percent) and U.S. (5.1 percent) rate.
- Hardy County’s labor force participation rate of 64.0 percent is much higher than the West Virginia average of 55.3 percent, but just below the national average of 64.9 percent.
- At 58.8 percent, Hardy County’s female labor force participates at a higher rate than both the West Virginia (48.3 percent) and U.S. (58.2 percent) averages.



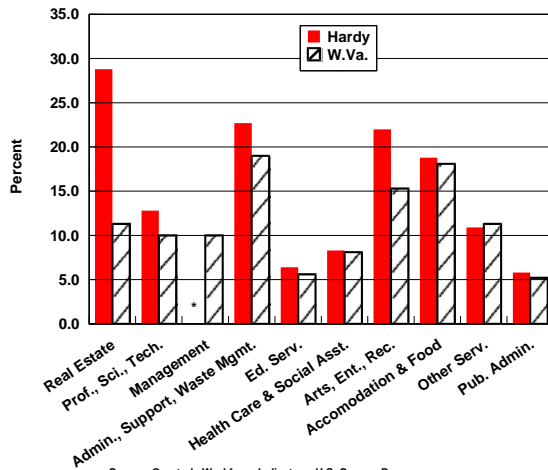
- Hardy County’s labor force has increased by 2,200 since 1980, with growth driven by gains in resident employment.
- The labor force includes both employed residents, as well as unemployed residents that are actively seeking work.
- The growth in Hardy County’s labor force accounted for 24.4 percent of gains in the Potomac Highlands Region.

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



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

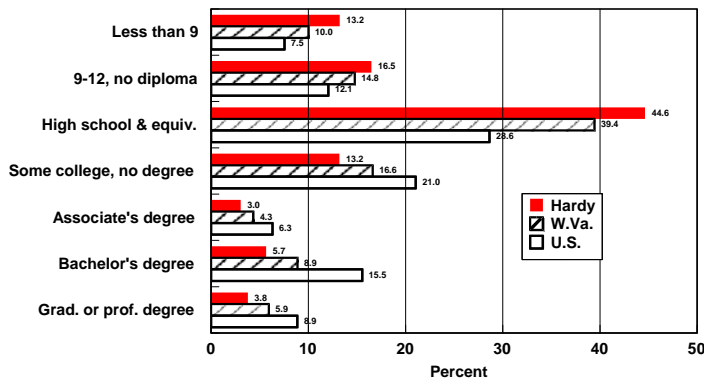
**Turnover Rates
Hardy County and W.Va.**
Average from 2004Q3 to 2005Q3



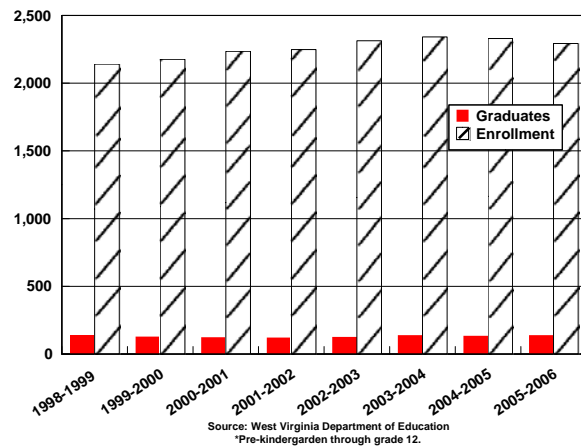
Source: Quarterly Workforce Indicators, U.S. Census Bureau
*Not Available

- Across all industries, the turnover rate in Hardy County is 8.7 percent, compared to 9.8 percent for West Virginia.
- Hardy County recorded the highest turnover rates in real estate; administrative, support and waste management (which includes call centers); mining; arts, entertainment, and recreation; and construction.
- 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**



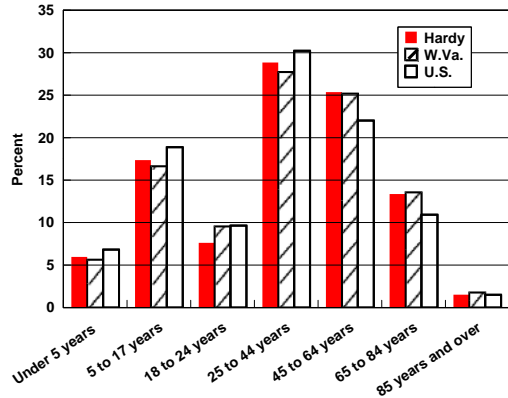
Hardy County School Enrollment and Graduates



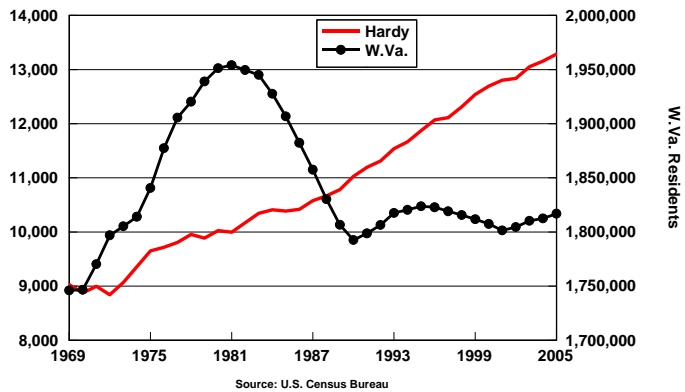
Source: West Virginia Department of Education
*Pre-kindergarten through grade 12.

- In 2000, 9.4 percent of Hardy County residents held a Bachelor's degree or higher level of education. This is lower than the state average of 14.8 percent and much lower than the national rate of 24.4 percent.
- During the 2005-2006 school year, school enrollment in Hardy County hit 2,293 with 139 graduates.

**Population Age Distribution
Census 2000**

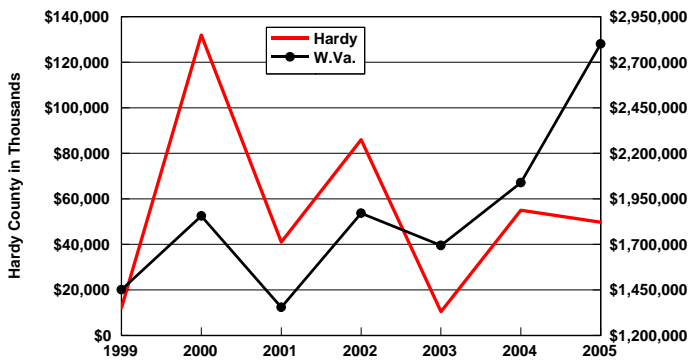


**Population Trends in
Hardy County and W.Va.**

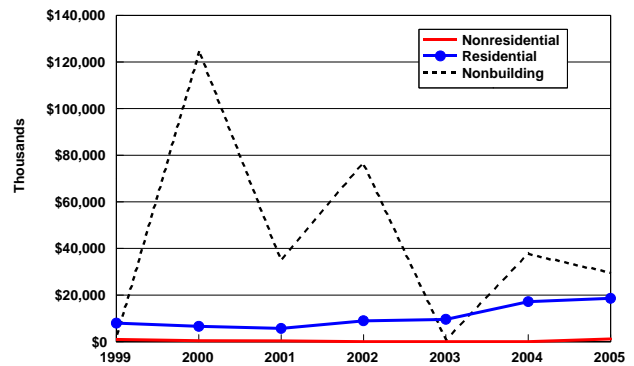


- Similar to the U.S. and West Virginia, the bulk (28.8 percent) of Hardy County's population is located in the 25 to 44 year old age range. Hardy County's second largest concentration occurs in the 45 to 64 age range at 25.4 percent, more than both West Virginia and the U.S.
- Since 1969 the population in Hardy County has grown at an average annual rate of 1.1 percent, much higher than the West Virginia average annual growth rate and similar to the national rate.

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

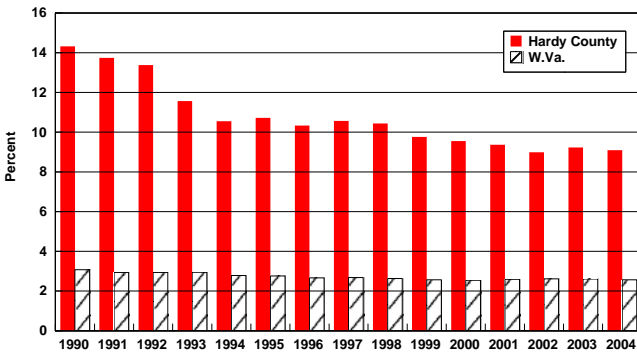


**Hardy County, W.Va.
Value of Construction Starts by Type**
F.W. Dodge



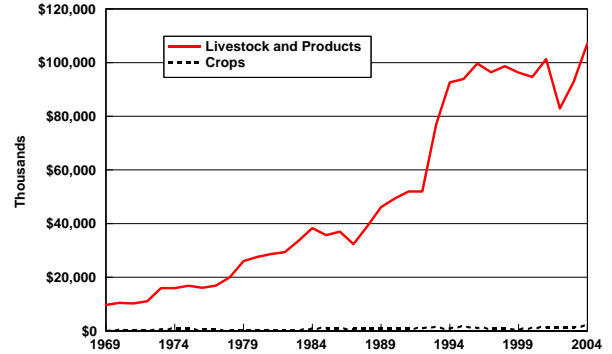
- Total construction value in Hardy County has fluctuated greatly in the last 6 years, with a low of \$10.4 million in 2003 and a high of \$132.0 million in 2000.
- Over the last 6 years, Hardy County construction has been dominated by the nonbuilding sector, with little activity in the nonresidential sector. Residential construction in Hardy County has risen from \$9.6 million in 2003 to \$18.6 million in 2005, reflecting strong population growth and low mortgage interest rates.
- According to Census 2000, 20.0 percent of homes in the county were for seasonal, recreational, or occasional use, compared to 4.5 percent for the state and 3.3 percent for the nation. That ranked Hardy County 6th in the state in 2000.

Farm Employment Shares in Hardy County and W.Va.



Source: Bureau of Economic Analysis

Farm Cash Receipts in Hardy County



Source: Bureau of Economic Analysis

- In 2004, 9.1 percent of Hardy County's full and part-time employment was in the farm sector, more than the West Virginia average of 2.6 percent.
- Cash receipts from livestock and products (primarily poultry) accounted for nearly all of farming receipts in Hardy County in 2004, with a total of \$107.2 million.

Top Commuting Destinations for Hardy County Residents, 2000

Counties with 1.0 percent or more

Work County	Number of Employed Residents Traveling to Work County	As a Percentage of Hardy County Employed Residents
Hardy County, WV	4,150	69.0
Grant County, WV	312	5.2
Frederick County, VA	284	4.7
Shenandoah County, VA	237	3.9
Rockingham County, VA	217	3.6
Hampshire County, WV	155	2.6
Harrisonburg city VA	136	2.3
Winchester city VA	135	2.2
Fairfax County, VA	81	1.3
Total	6,012	100.0

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 Hardy County Jobs, 2000

Counties with 1.0 percent or more

Residence County	Number of Workers Traveling From Residence County	As a Percentage of Hardy County Workers
Hardy County, WV	4,150	65.4
Grant County, WV	940	14.8
Hampshire County, WV	467	7.4
Mineral County, WV	348	5.5
Pendleton County, WV	177	2.8
Allegany County, MD	104	1.6
Total	6,344	100.0

- According to data from Census 2000, 1,862 Hardy County residents commute to work outside the county, while 2,194 residents of other counties commute into Hardy County for work.
- Grant County draws the most Hardy County residents. It also sends the most workers to jobs in the county.

Top 10 Largest Employers in Hardy County March 2006

Rank	Company Name
1	Pilgrim's Pride Corporation of West Virginia
2	American Woodmark Corporation
3	Hardy County Board of Education
4	Wal-Mart Associates, Inc.
5	CPBEC, Inc.
6	South Branch Inn, Inc.
7	Summit Financial Group, Inc.
8	Eastern West Virginia Community & Technical College
9	E.A. Hawse Continuous Care Center
10	Carmir, Inc.

Source: Workforce WV

Industrial, Business, and Technology Parks in Hardy County

Name	City	Miles to Highway*	Total Acreage
Baker Industrial Park	Baker	30	30
Wardensville Industrial Park	Wardensville	18	29.46
Robert C. Byrd-Hardy County Industrial Park	Moorefield	45	61.34

Source: West Virginia Development Office

*Location to nearest interstate or four lane highway.