



West Virginia Economic Update

June 19, 2015

Summary

Nonfarm payroll employment in West Virginia increased by 2,100 jobs and the unemployment rate rose to 7.2 percent in May according to data released by the Bureau of Labor Statistics (BLS).

West Virginia Unemployment Rate

During May, the unemployment rate in West Virginia increased by 0.2 percentage point to 7.2 percent. The number of people counted as unemployed rose by 1,977 in May to 56,411, while the labor force grew by 2,157 to 778,953. Among the 50 states and the District of Columbia, 49 posted lower unemployment rates for the month than West Virginia. A year earlier, the unemployment rate in West Virginia stood at 6.7 percent.

The 10 year peak for the unemployment rate in West Virginia was 8.8 percent in November 2010. The series high for the unemployment rate in West Virginia occurred in February 1983 when the unemployment rate reached 18.8 percent. The 10 year low for the unemployment rate was 4.1 percent in August 2008. This also represents the series low for the unemployment rate in West Virginia. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was inched up to 5.5 percent in May. May's unemployment rate was 0.8 percentage point lower than a year earlier when the rate stood at 6.3 percent. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



West Virginia Payroll Employment

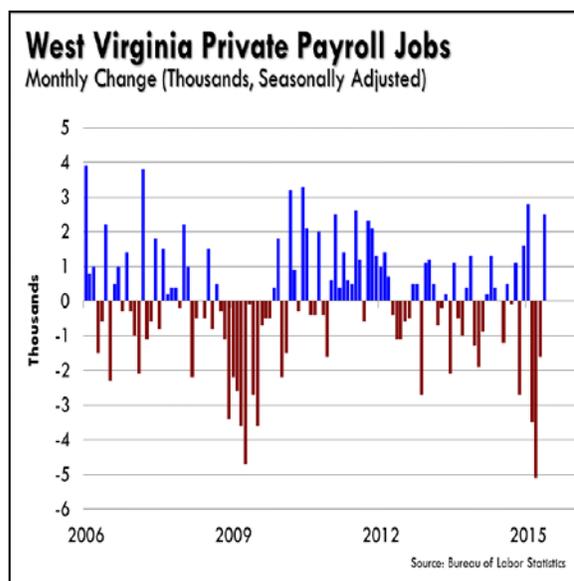
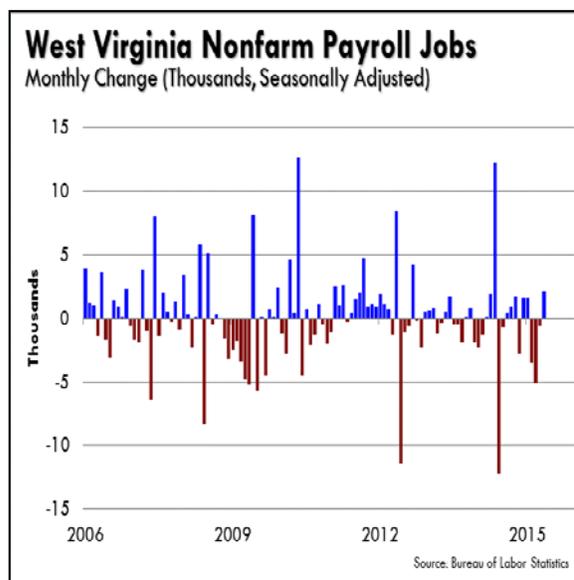
West Virginia nonfarm payrolls increased by 2,100 jobs, or 0.28 percent, on a seasonally adjusted basis during May. In the prior month, nonfarm payrolls declined by 600. Over the past 12 months nonfarm payrolls in West Virginia declined by 16,600, or 2.14 percent. West Virginia nonfarm payroll employment has increased in 6 of the past 12 months.

Nationally nonfarm payrolls increased by 280,000 jobs in May, or 0.20 percent. Over the 12 month period ending in May 2015, nonfarm payrolls grew by 3,058,000 jobs, or 2.21 percent. West Virginia ranks 51st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During May, West Virginia private sector payrolls increased by 2,500, or 0.42 percent. Private sector payrolls declined by 1,600 jobs in the prior month. Over the past 12 months, private sector payrolls in West Virginia declined by 5,700, or 0.93 percent. West Virginia private sector payroll employment has increased in 5 of the past 12 months.

Nationally, private sector payroll jobs increased by 262,000 in May, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,958,000 private sector payroll jobs, an increase of 2.53 percent. West Virginia ranks 51st among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During May, total government payroll employment in West Virginia declined by 400, or 0.26 percent. Federal government payroll employment declined by 300, or 1.30 percent. State government payroll employment was unchanged, while local government payroll employment declined by 100, or 0.12 percent.



Over the past year, total government payroll employment declined by 10,900, or 6.64 percent. State government payroll employment declined by 3,000, or 5.71 percent. Local government payroll employment declined by 7,400, or 8.38 percent.

The best performing sectors on a seasonally adjusted basis during May were Professional & Business Services (+1,000) and Manufacturing (+700). The poorest performing sectors during the month were Total Government (-400) and Leisure & Hospitality (-200).

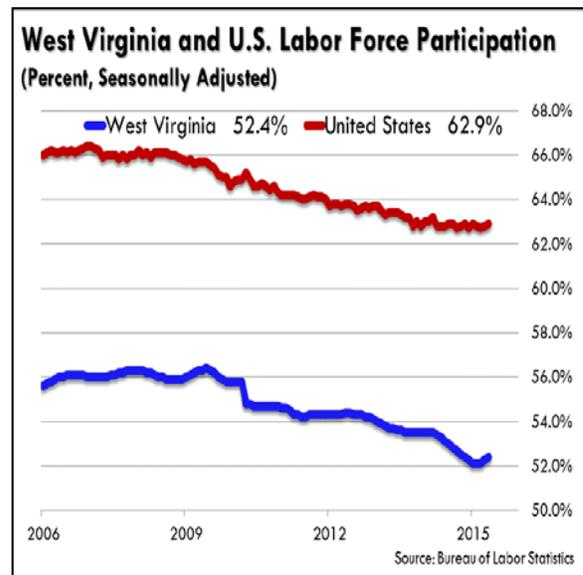
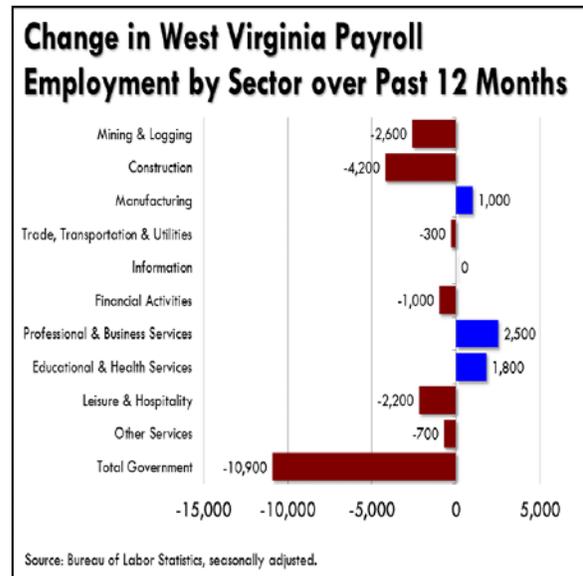
The best performing sectors during the last twelve months were Professional & Business Services (+2,500) and Educational & Health Services (+1,800). The poorest performing sectors for the year were Total Government (-10,900) and Construction (-4,200).

Other West Virginia Labor Force Statistics

The labor force participation rate in West Virginia rose to 52.4 percent in May from 52.3 percent the prior month. At 52.4 percent, West Virginia has the lowest labor force participation rate in the nation. The labor force participation rate in West Virginia is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in West Virginia was 56.4 percent in June 2009. The series high for the labor force participation rate in West Virginia occurred in March 2001 when the labor force participation rate hit 57.0 percent. The 10 year low for the labor force participation rate was 52.1 percent in March 2015. The series low for the labor force participation rate occurred in October 1976 when the labor force participation rate hit 50.3 percent.

The national labor force participation rate rose by 0.1 percentage point to 62.9 percent in May. That rate is 0.1 percentage point higher than a year earlier.



The employment-to-population ratio, or the percentage of the West Virginia civilian noninstitutionalized population 16 years and older counted as employed, rose to 48.7 percent in May from 48.6 percent the prior month. At 48.7 percent, West Virginia has the lowest employment-to-population ratio in the nation. The employment-to-population ratio in West Virginia is 1.0 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in West Virginia was 53.8 percent in March 2008. The series high for the employment-to-population ratio in West Virginia occurred in April 2001 when the employment-to-population ratio hit 54.1 percent. The 10 year low for the employment-to-population ratio was 48.6 percent in April 2015. The series low for the employment-to-population ratio occurred in March 1983 when the employment-to-population ratio hit 42.2 percent.

The national employment-to-population ratio ticked up to 59.4 percent in May. At 59.4 percent, the national employment-to-population ratio has finally risen back to the level it was at when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in May 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for May is scheduled for release on Tuesday, July 21. The national employment situation report for June is scheduled for release on Thursday, July 2. The national employment report is being released on Thursday instead of Friday due to the Independence Day holiday.

