

West Virginia's Growing Economy

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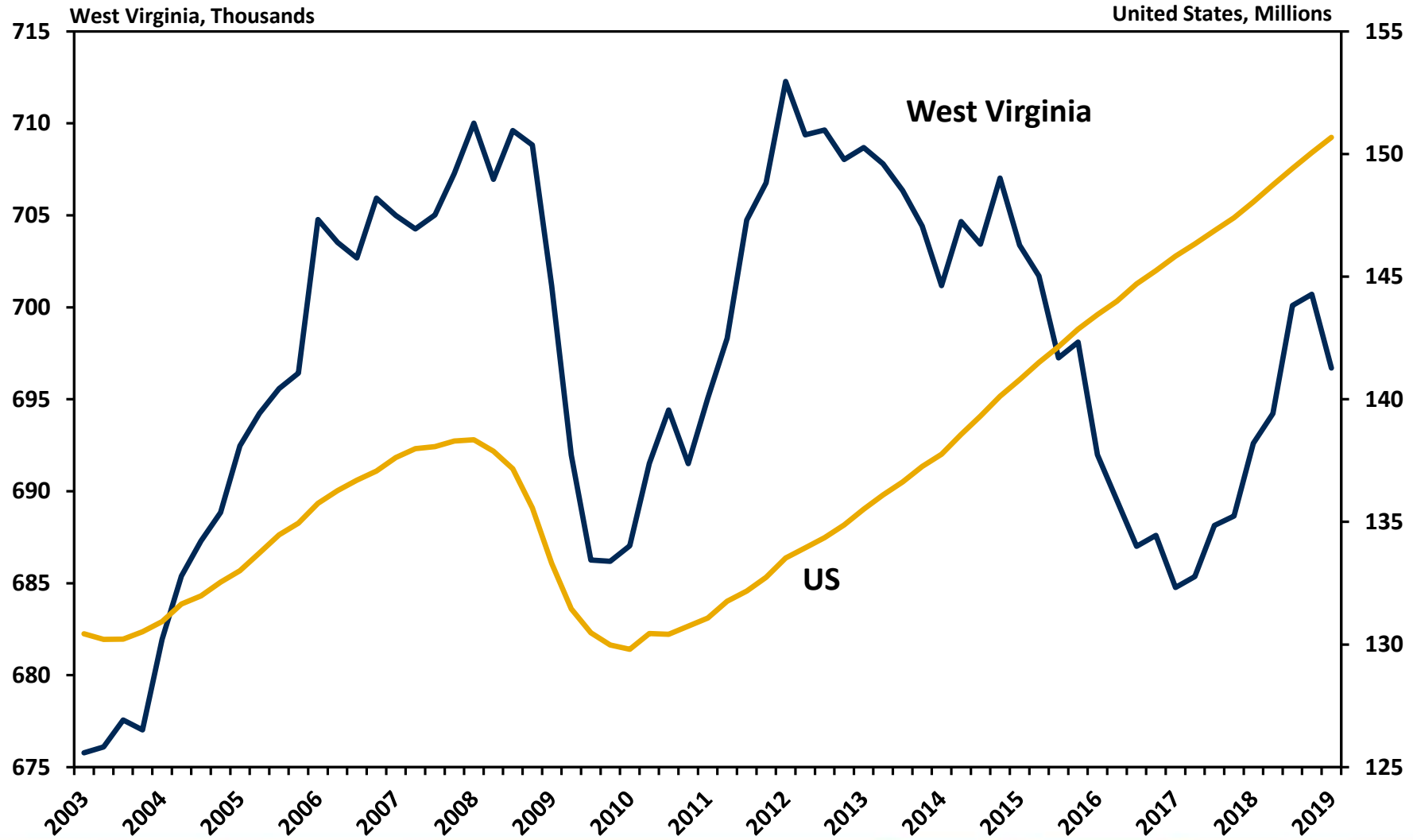
Let's Not Bury the Lead...

- “Celebrate Success” - We have reasons to celebrate!
- But improvement is not happening everywhere.
- Challenges remain.
- How to make our state more attractive to potential businesses, large and small?
- Human Capital

Keys to Understanding Our State

#1 - Recent Statewide Job Trends

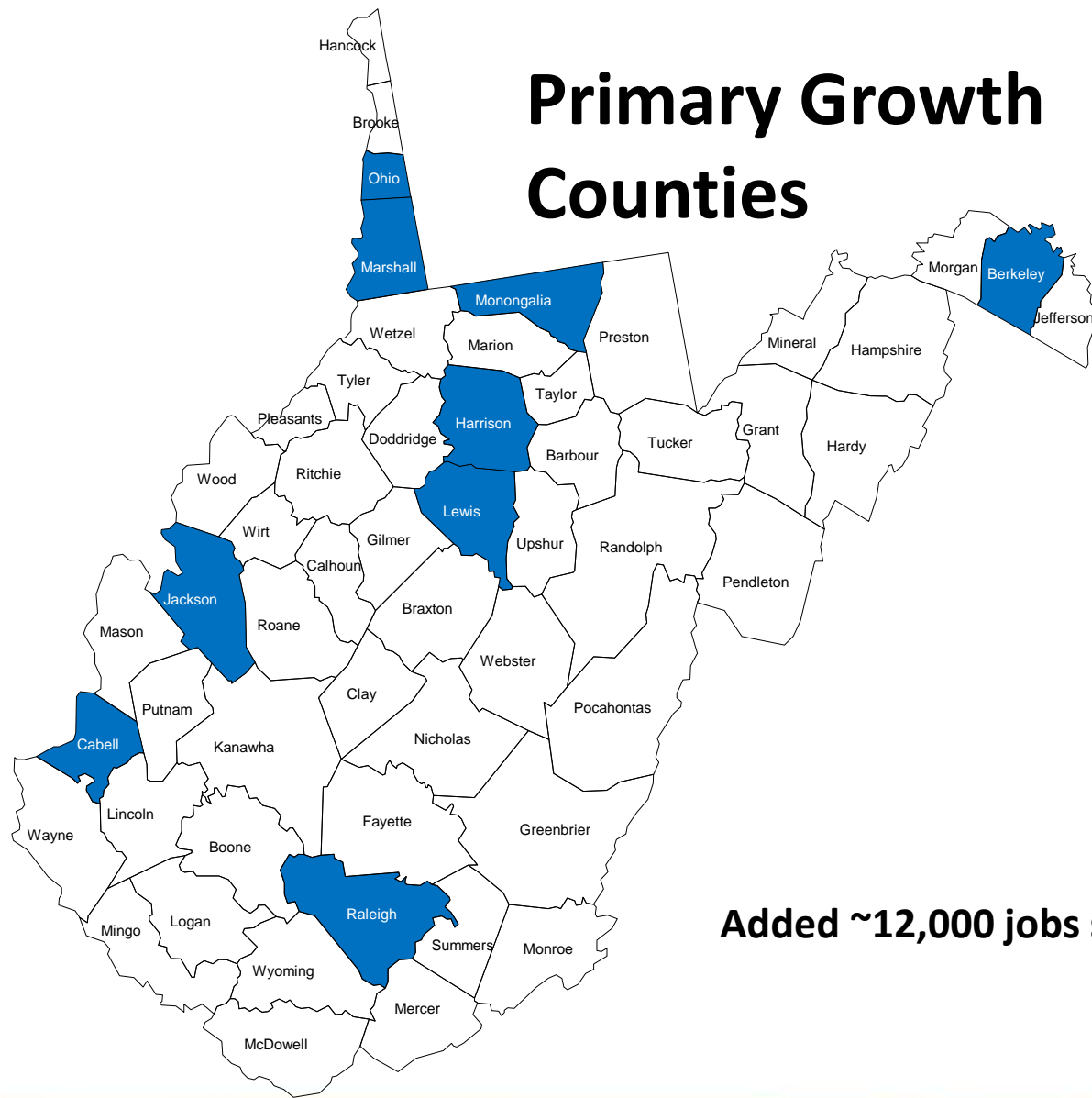
Total Employment



Keys to Understanding Our State

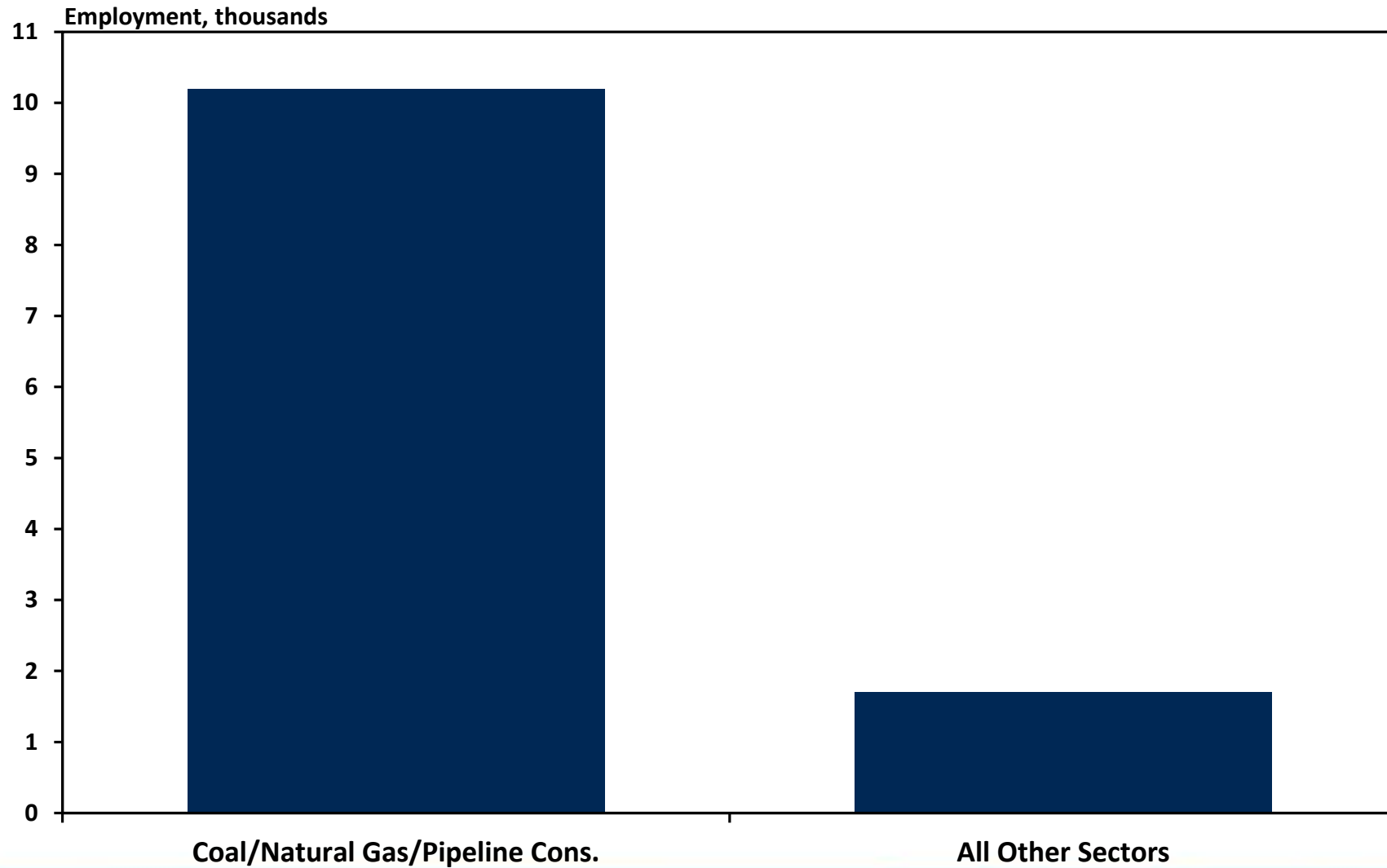
#2 – Where is the Growth?

Primary Growth Counties



Added ~12,000 jobs since 2017q1

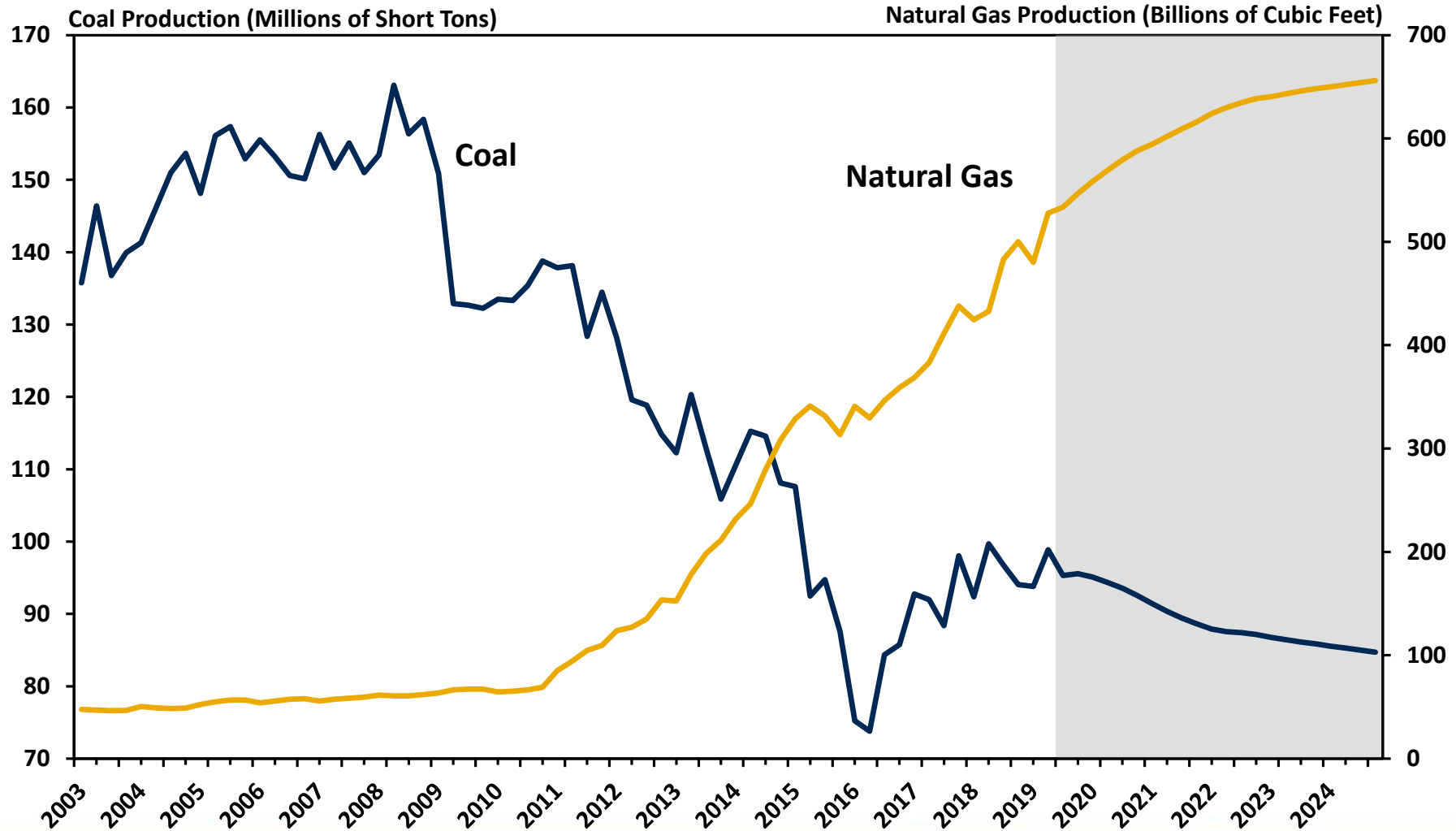
Sources of Job Growth



Keys to Understanding Our State

#3 - Energy

West Virginia Coal and Natural Gas Output



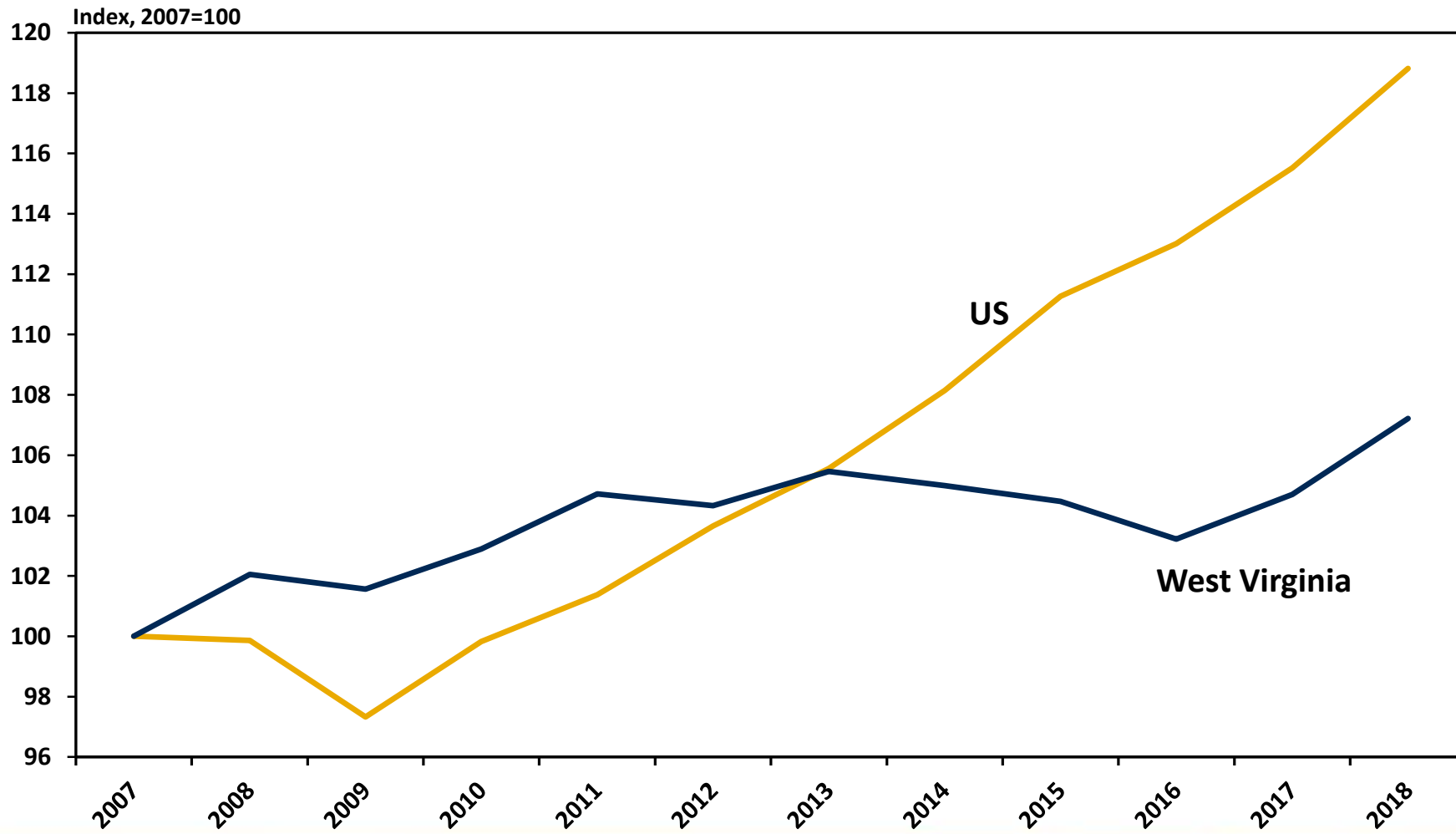
Key Drivers of National Coal Demand

- Environmental Regulatory Climate
- Natural Gas Boom
- International Demand
 - Key for Future Growth

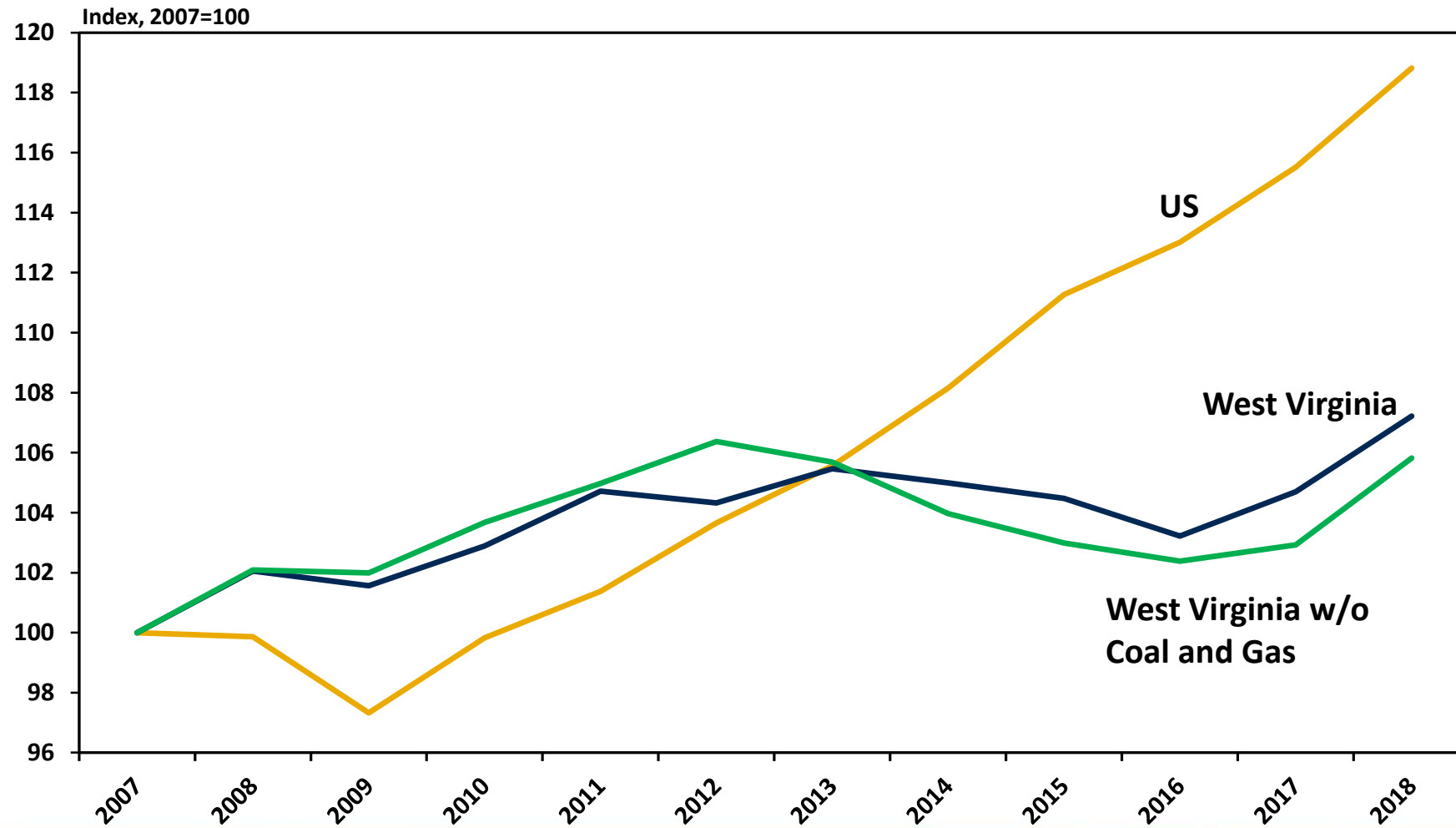
Keys to Understanding Our State

#4 - Industrial Diversification (Or Lack Thereof)

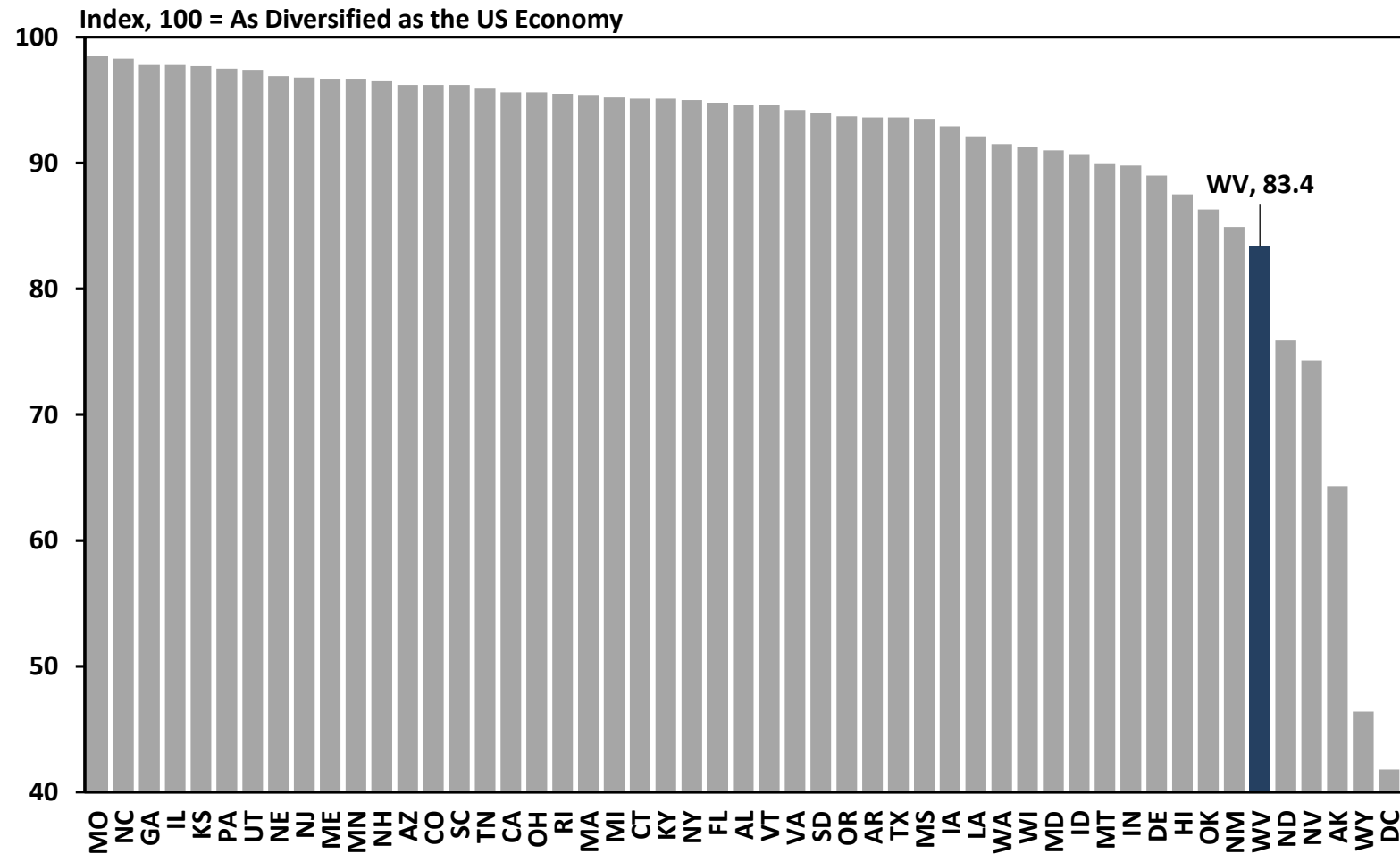
Real GDP Growth



Real GDP Growth



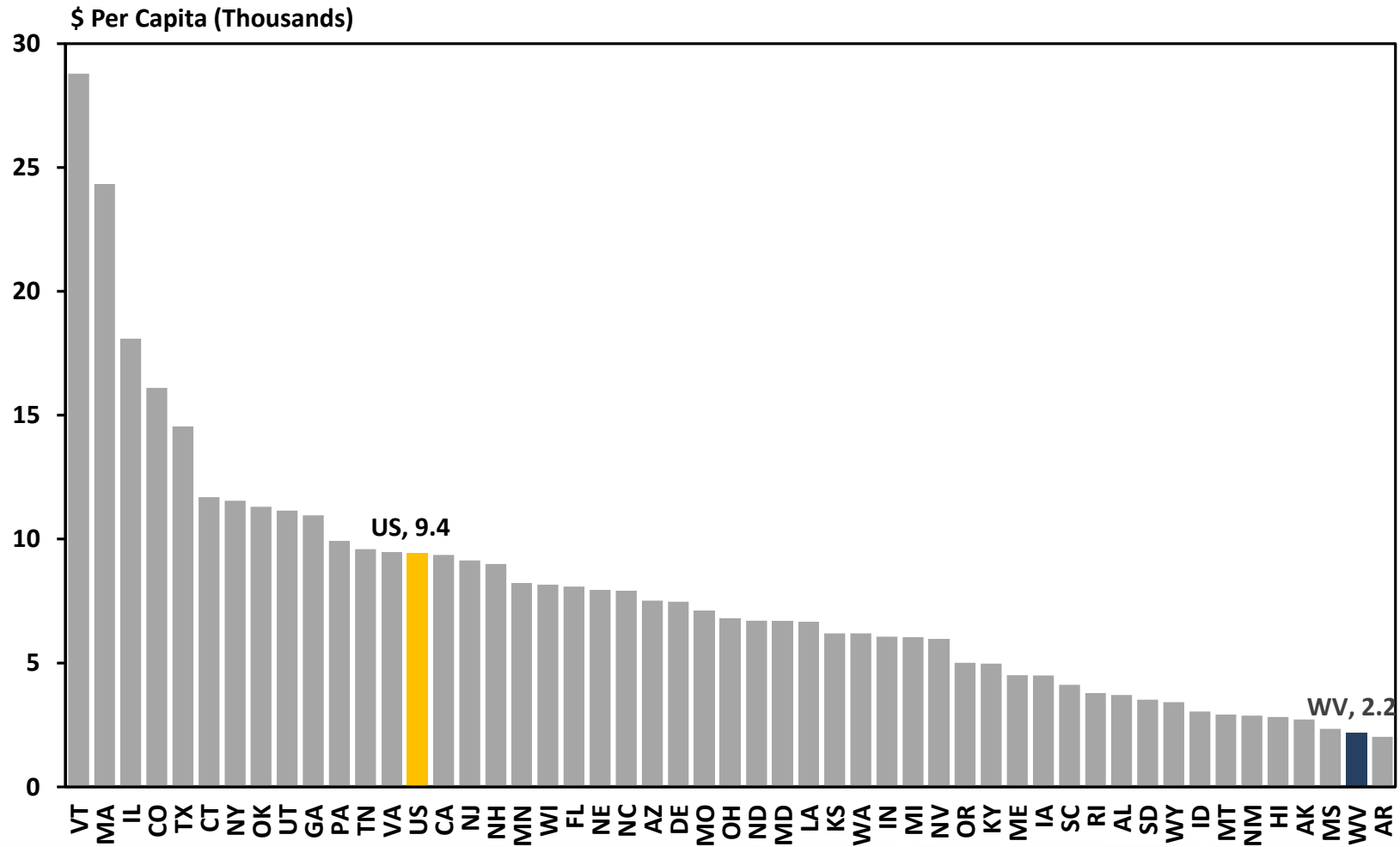
Hachman Industrial Diversity Index by State, 2016



How Can We Diversify?

Entrepreneurship

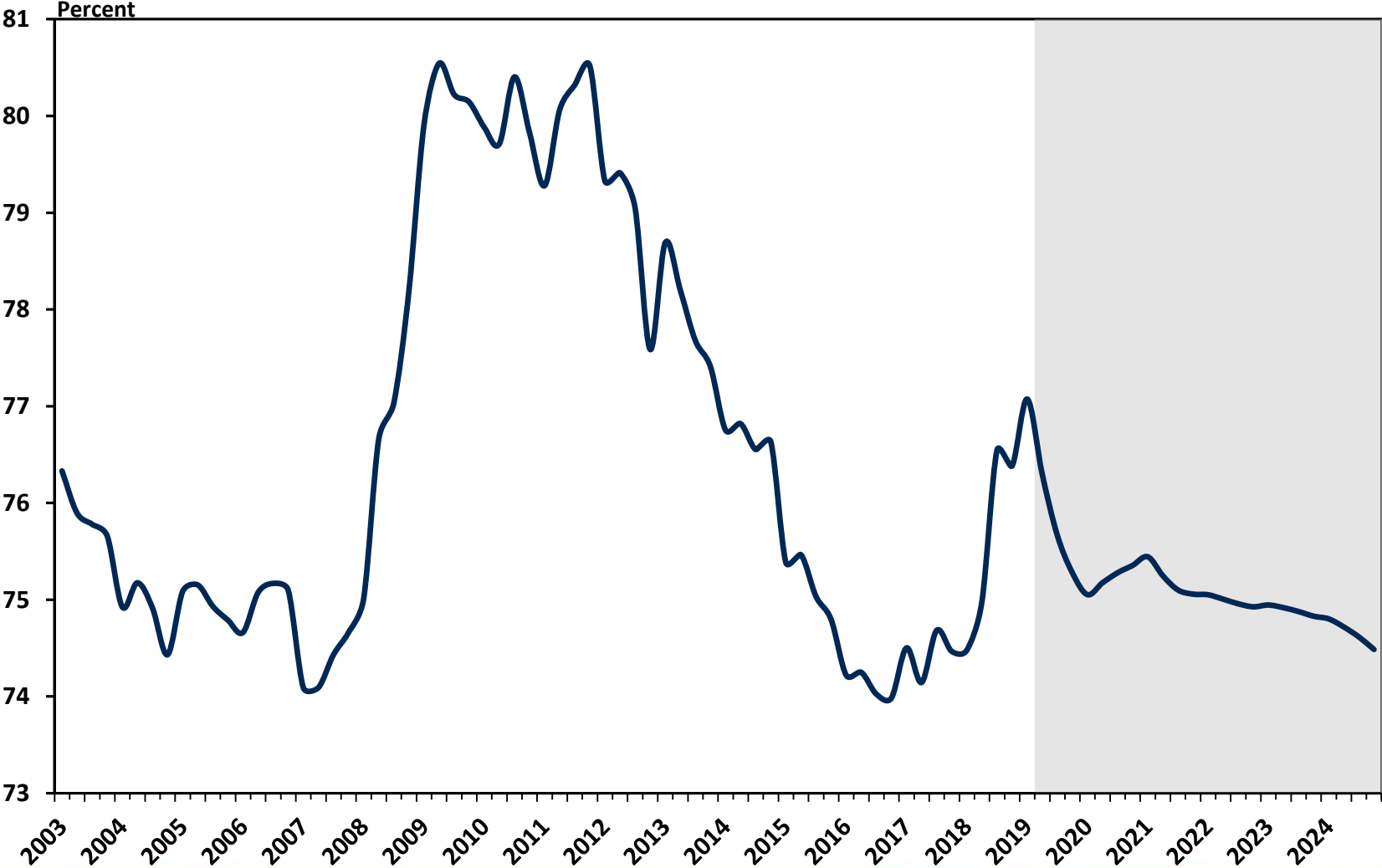
Private Equity Investment by State, 2012 to 2017



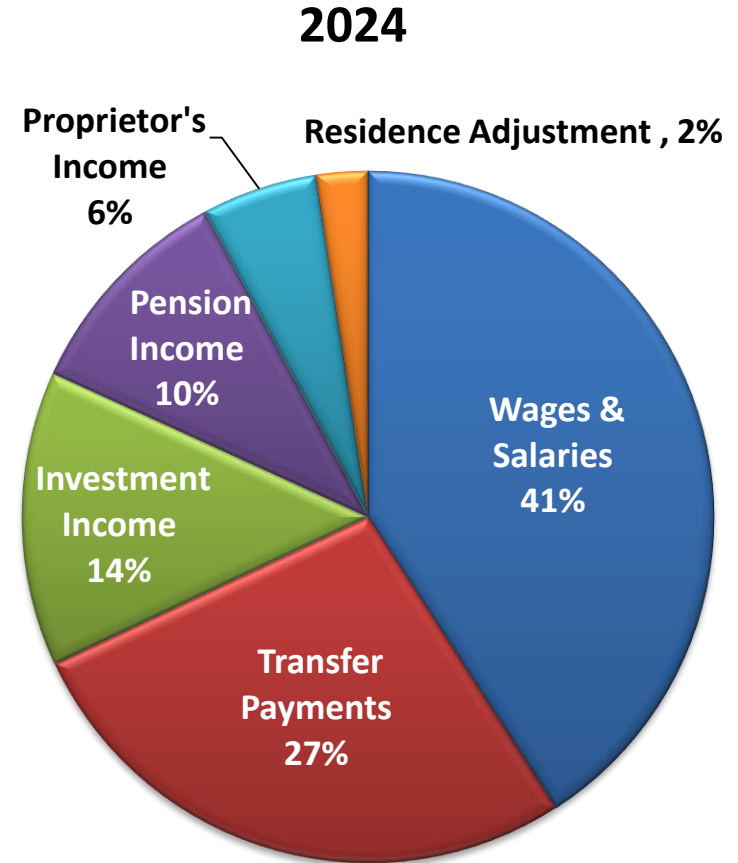
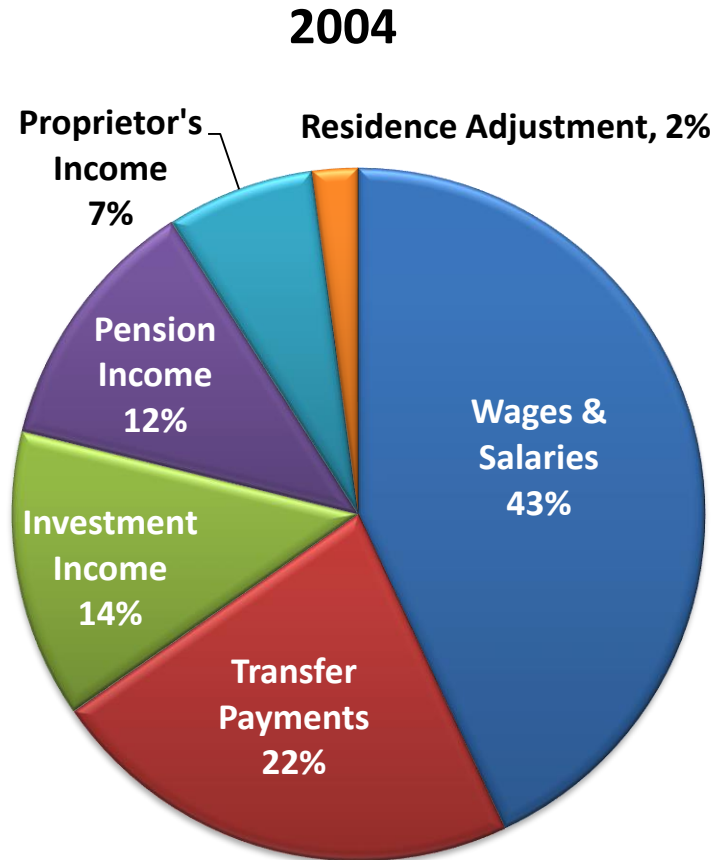
Keys to Understanding Our State

#5 - Income Growth and Composition

West Virginia Per Capita Personal Income Relative to US



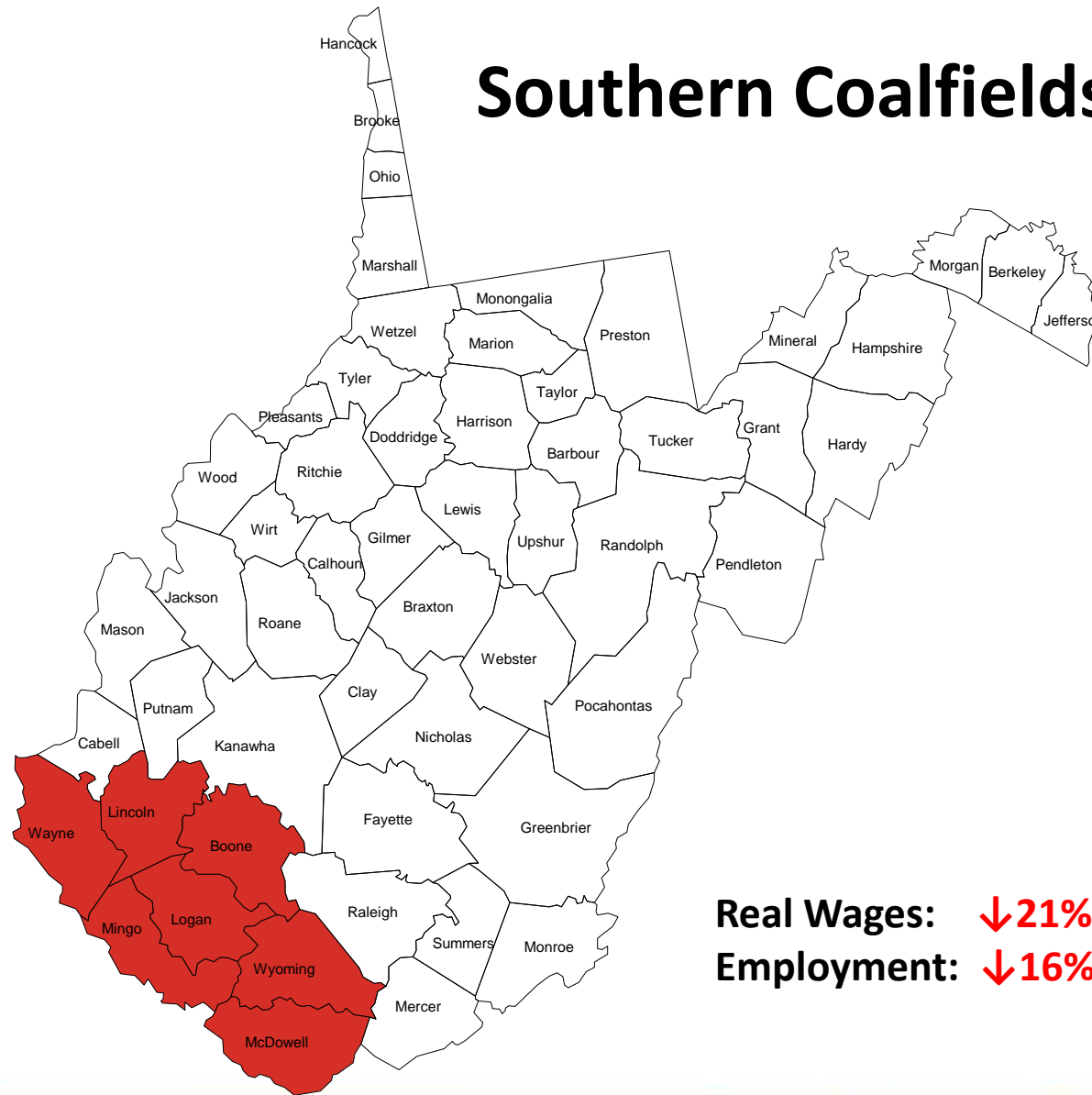
Share of Personal Income by Component



Keys to Understanding Our State

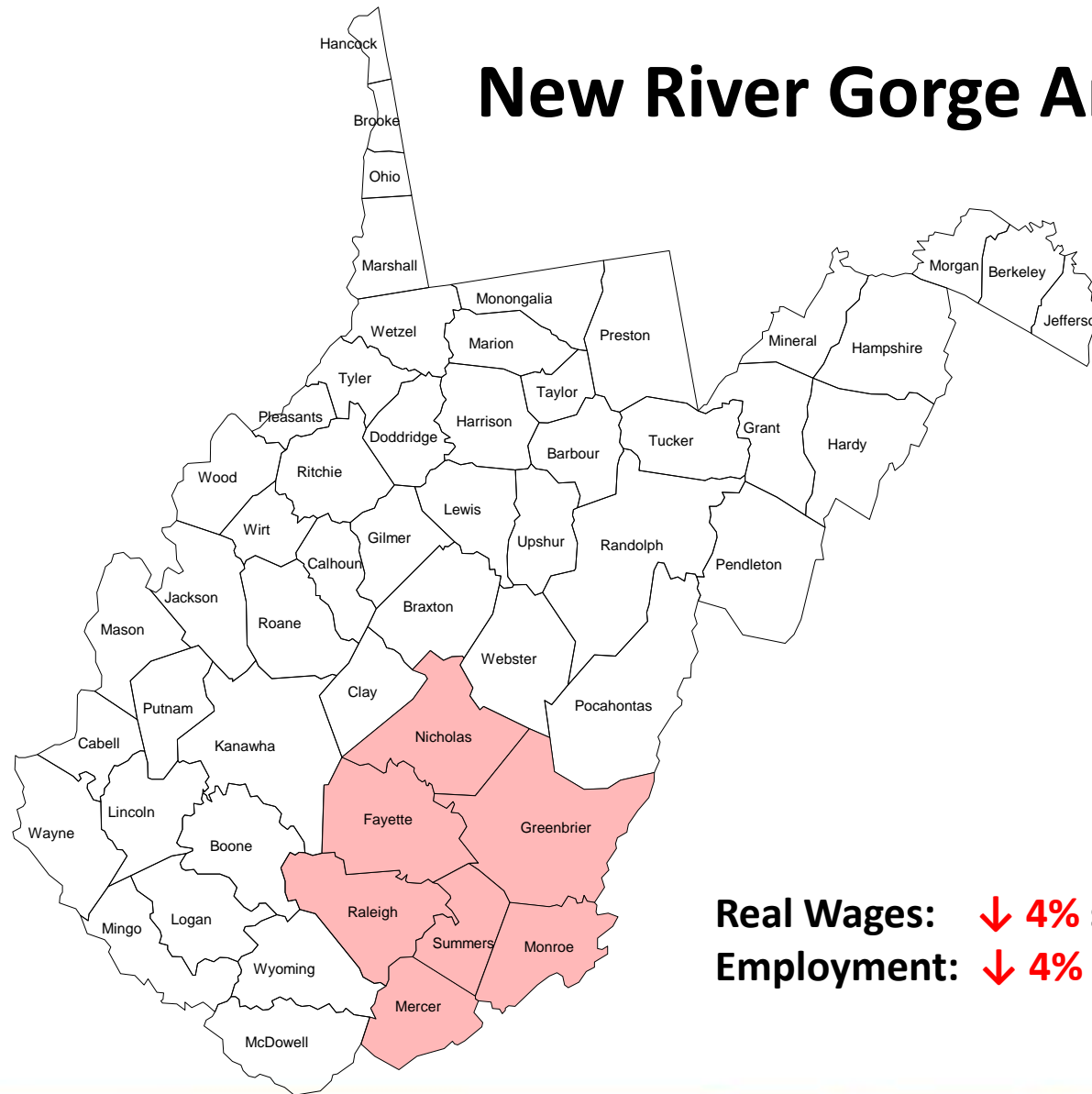
#6 - Regional Variation

Southern Coalfields



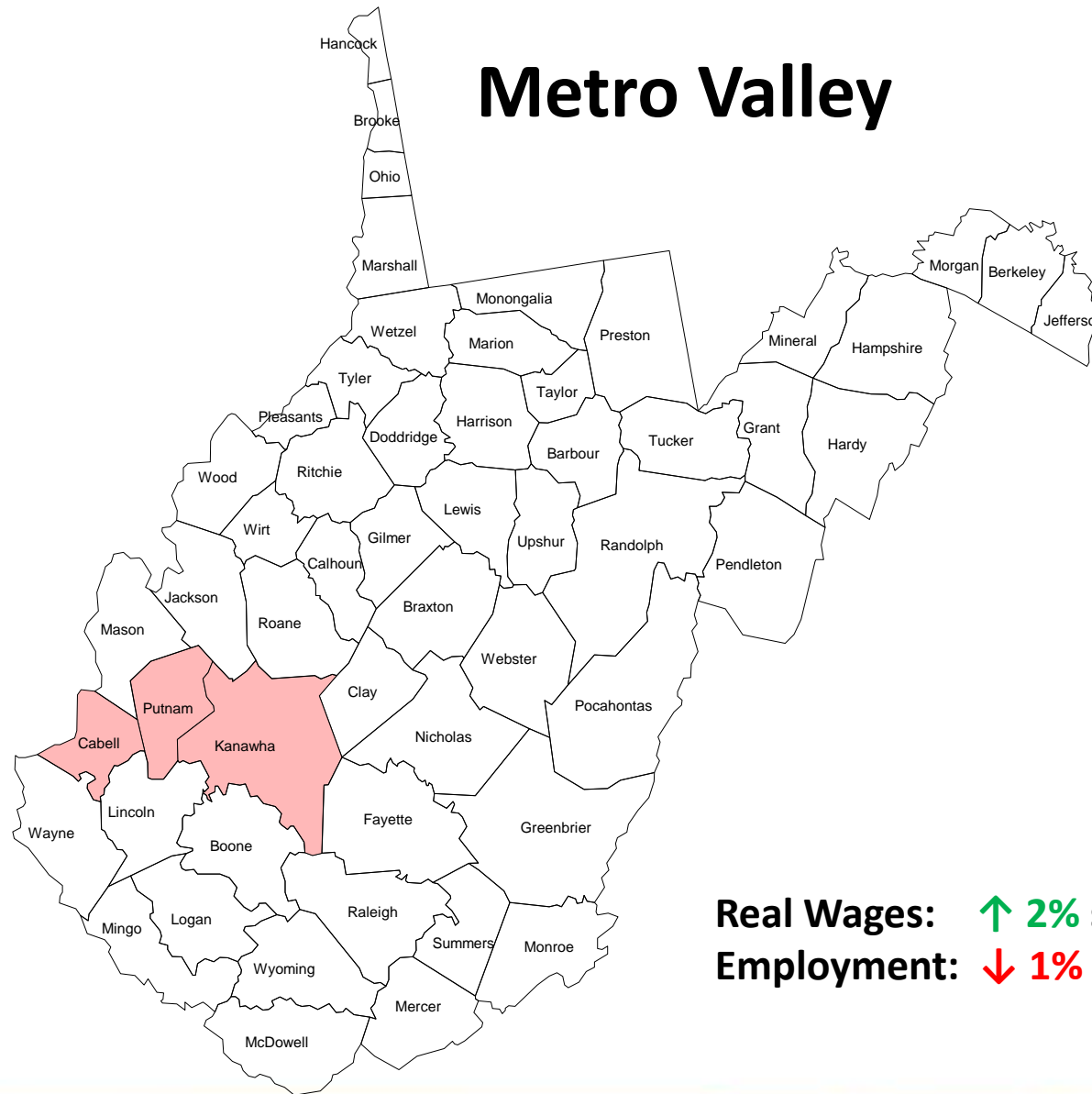
Real Wages: ↓21% since 2014Q1
Employment: ↓16%

New River Gorge Area



Real Wages: ↓ 4% since 2014Q1
Employment: ↓ 4%

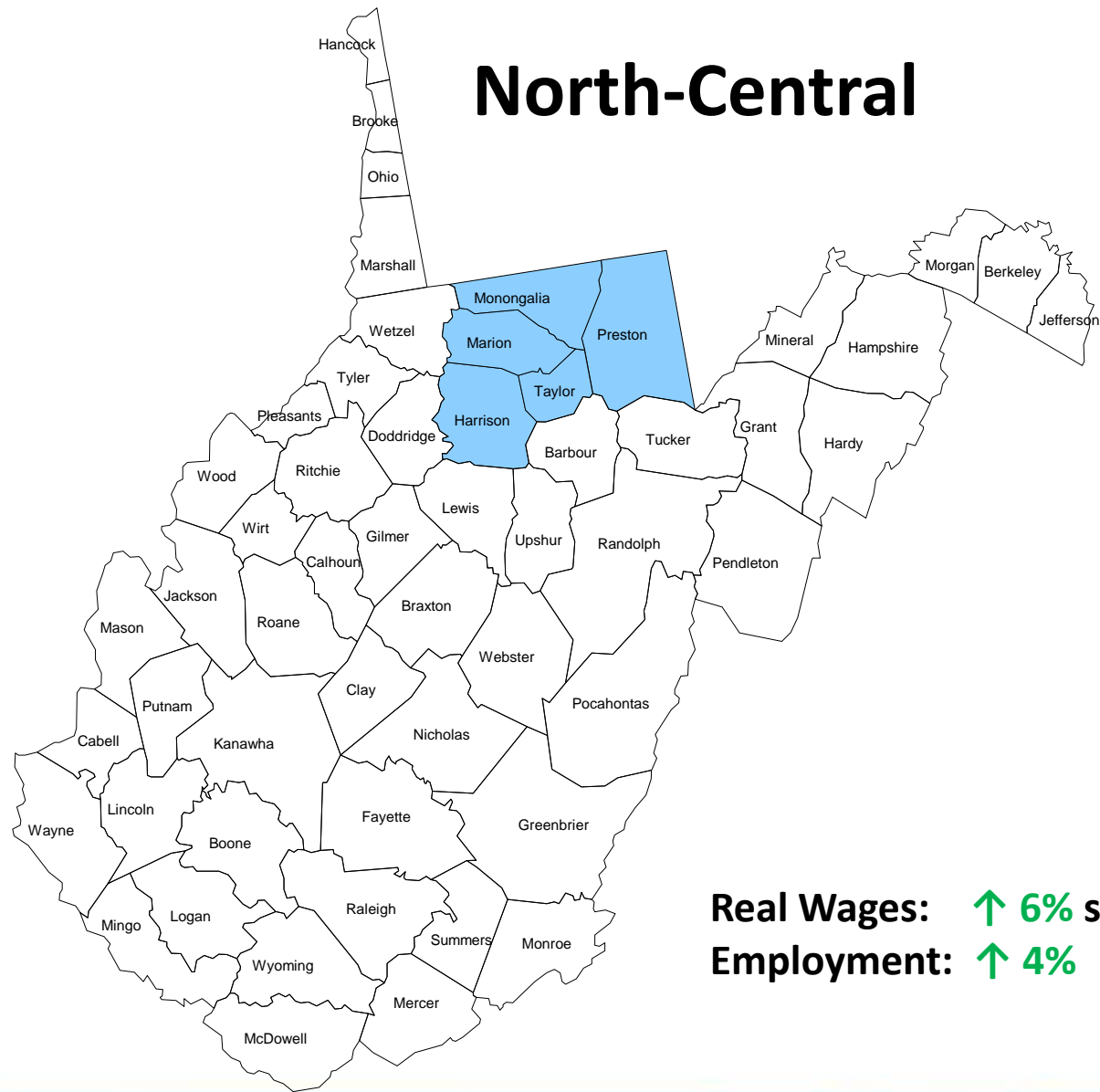
Metro Valley



Real Wages: ↑ 2% since 2014Q1

Employment: ↓ 1%

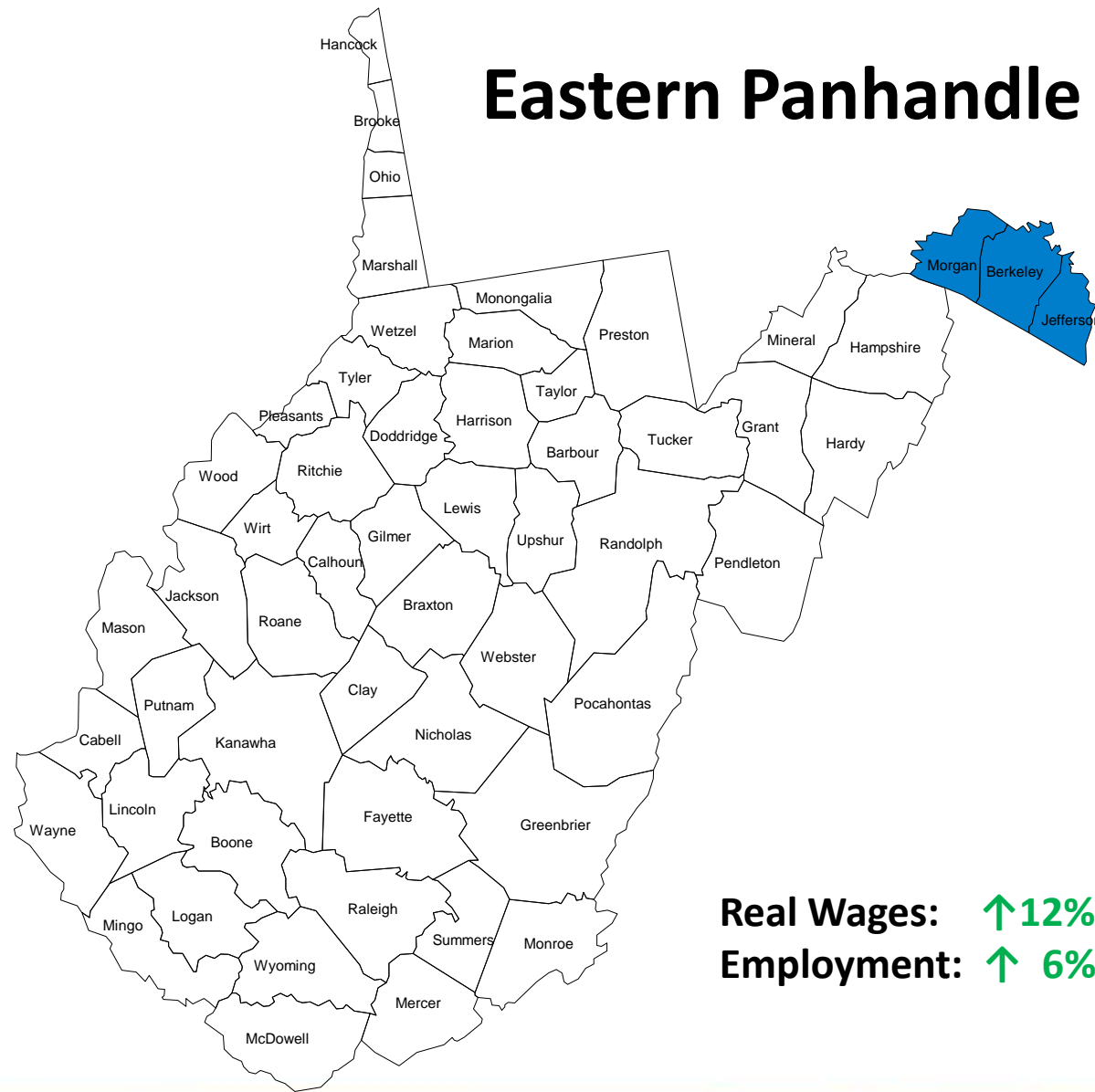
North-Central



Real Wages: ↑ 6% since 2014Q1

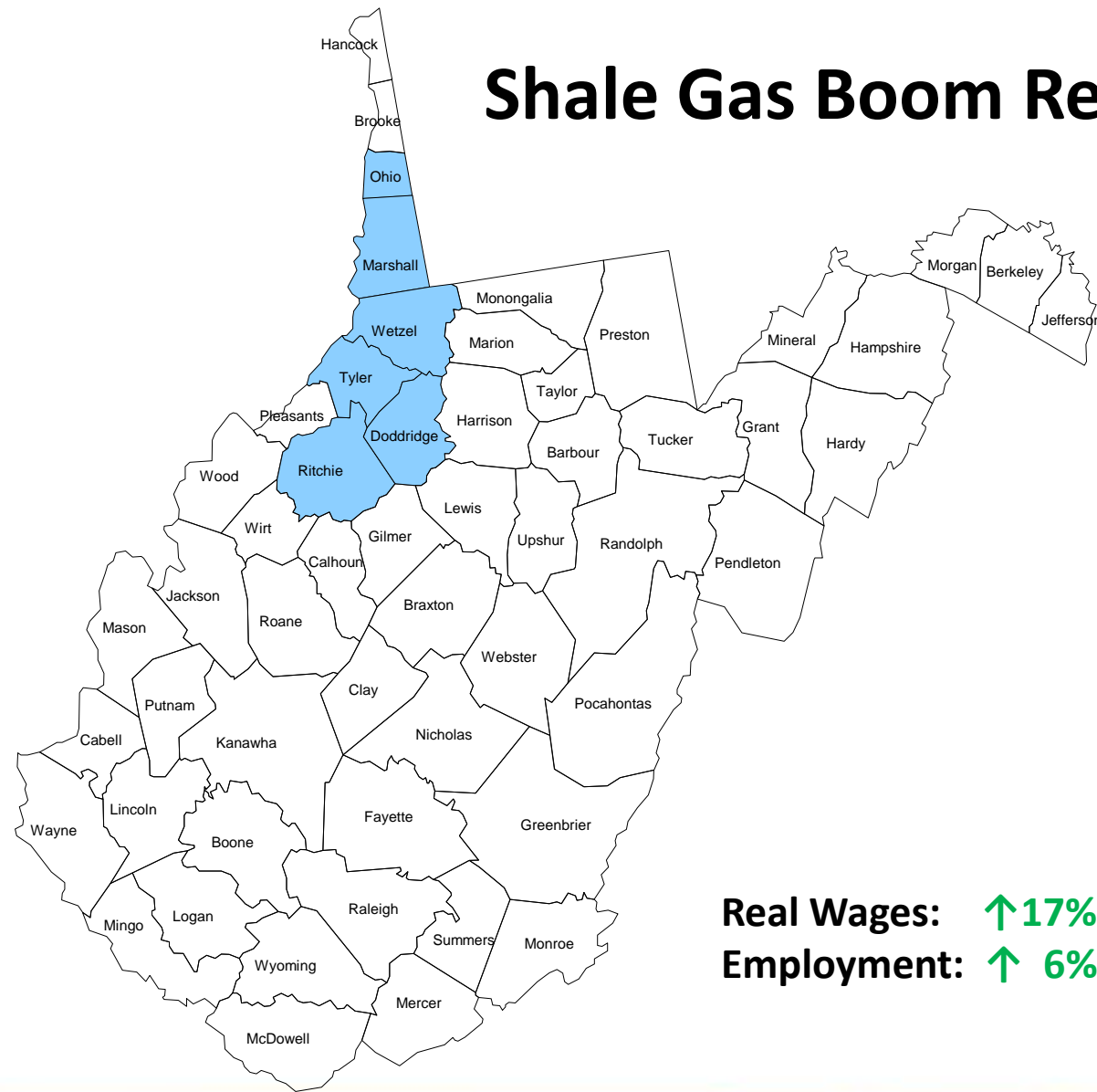
Employment: ↑ 4%

Eastern Panhandle



Real Wages: ↑12% since 2014Q1
Employment: ↑ 6%

Shale Gas Boom Region

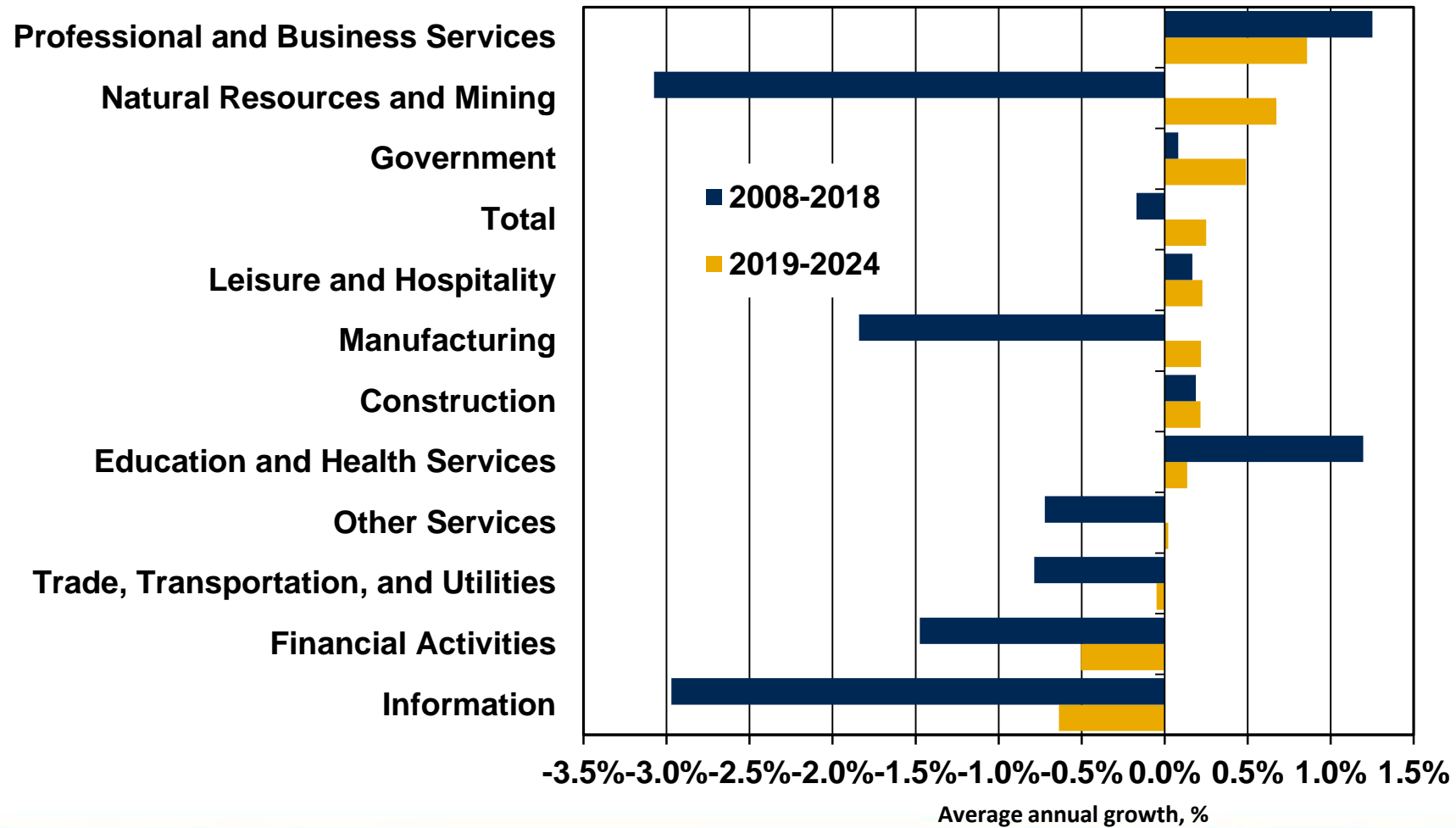


Real Wages: ↑ 17% since 2014Q1
Employment: ↑ 6%

Keys to Understanding Our State

#7 - Where Do We Go From Here?

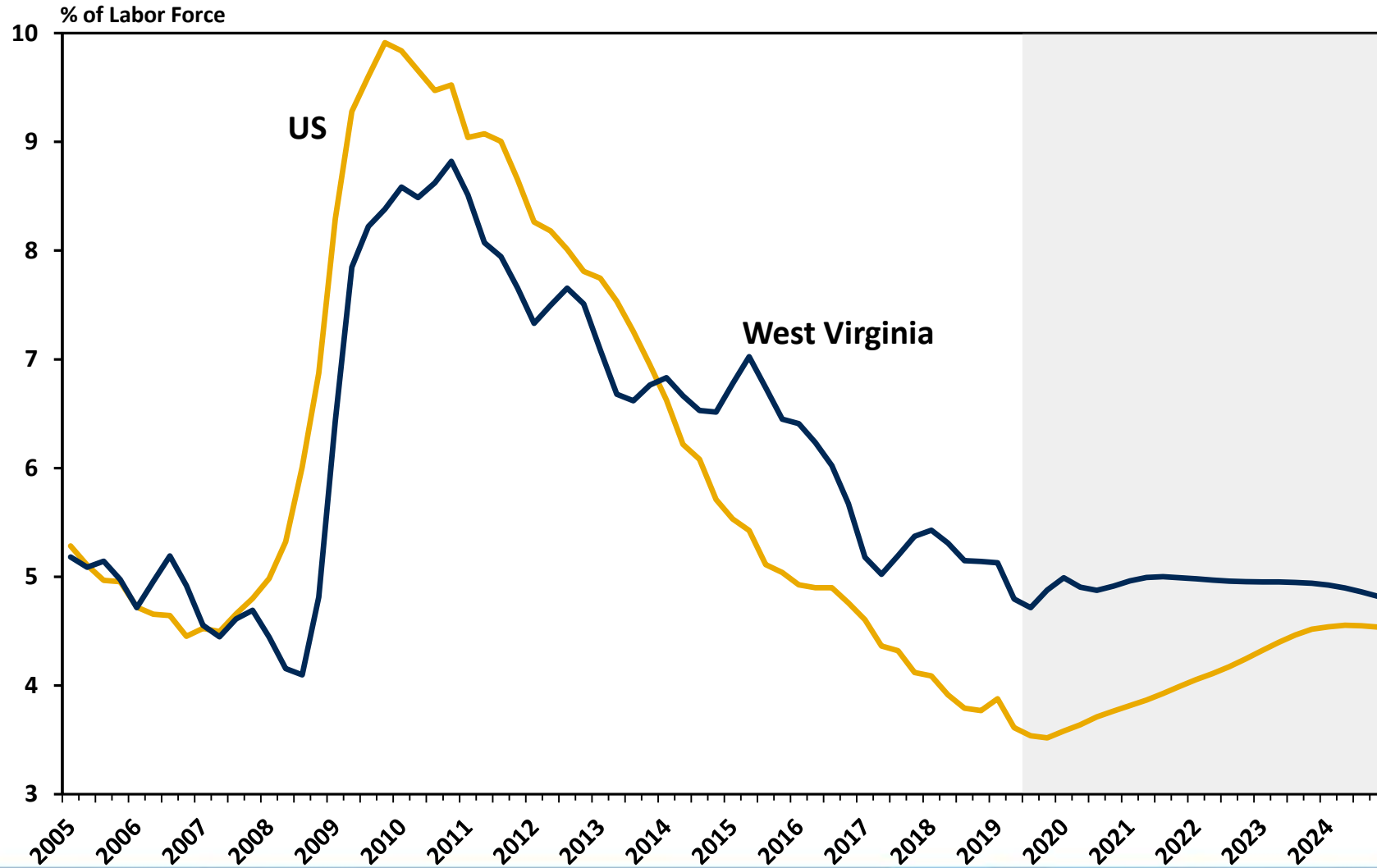
West Virginia Employment Growth Forecast by Sector



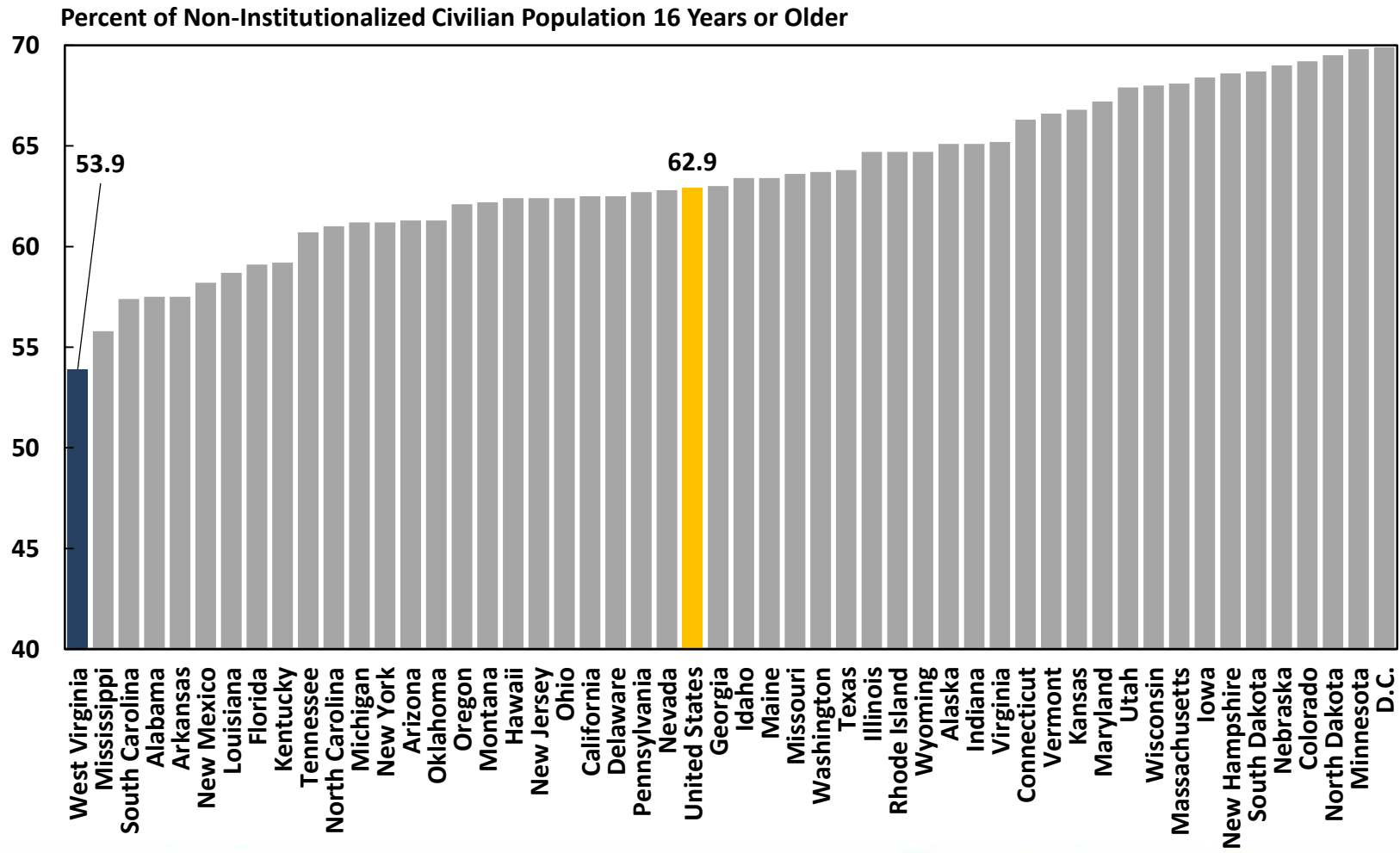
**One of the Biggest Keys to
Understanding Our State:**

Human Capital in West Virginia

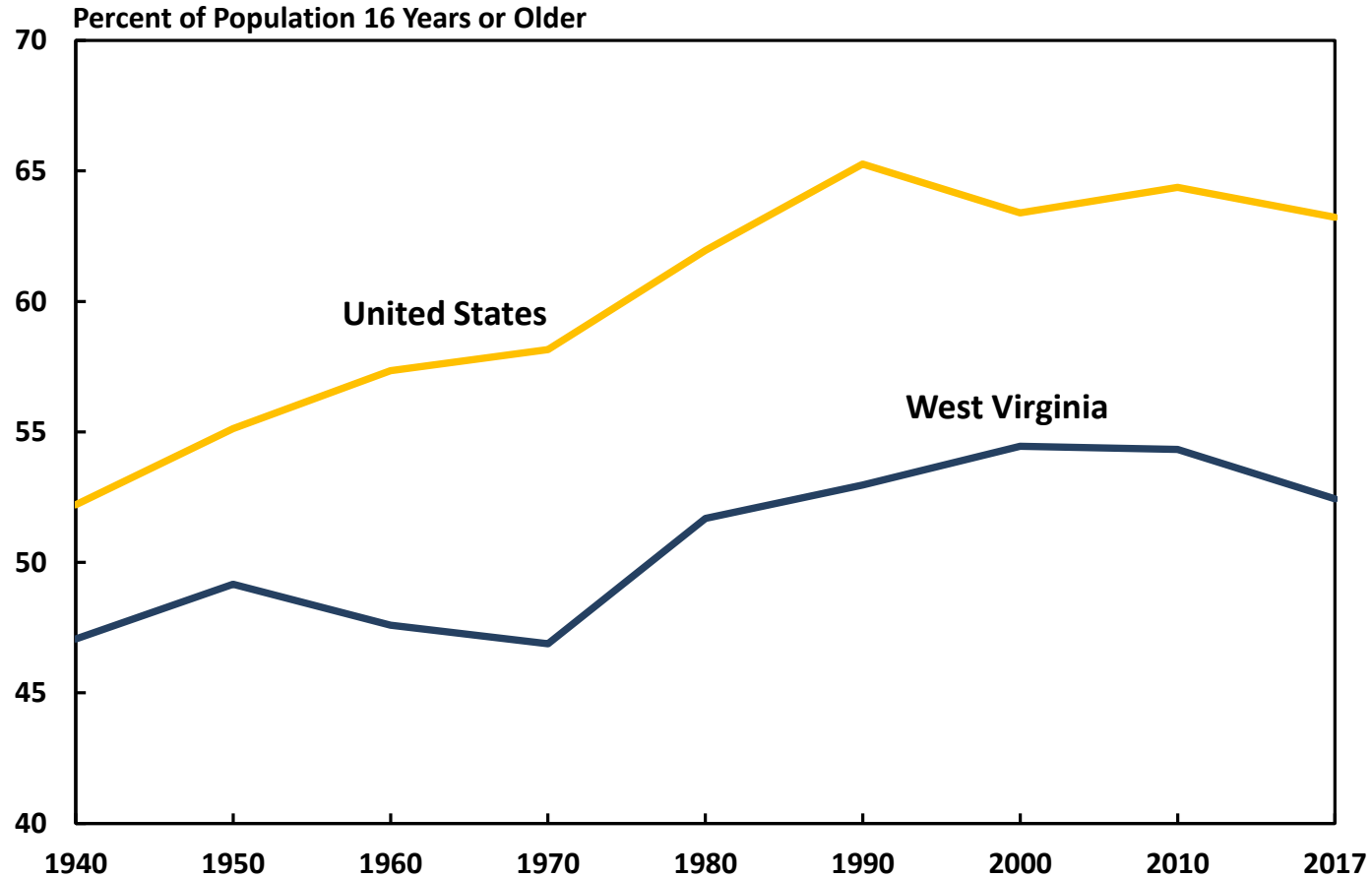
Unemployment



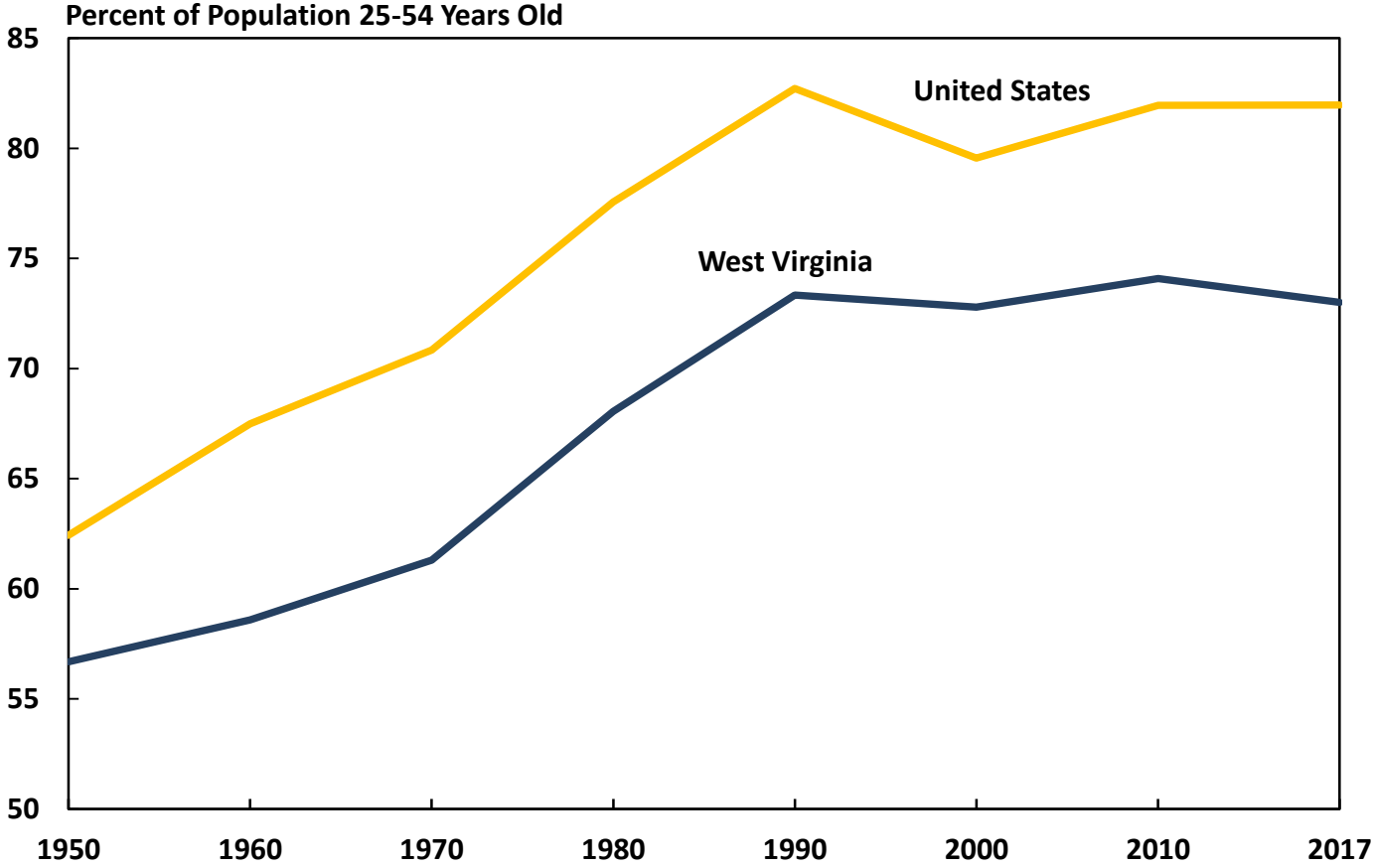
Labor Force Participation by State, 2018



Labor Force Participation West Virginia and the United States



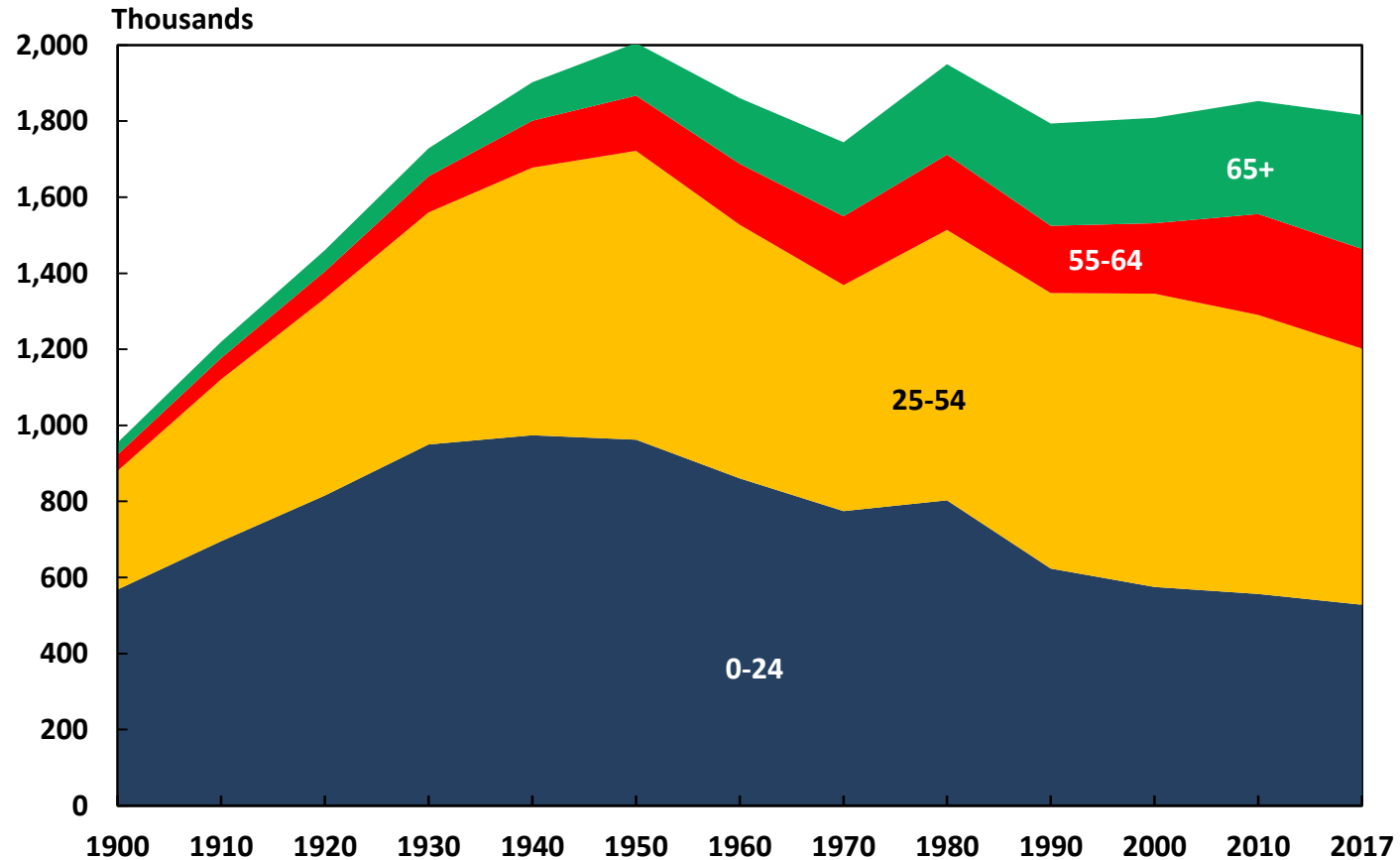
Labor Force Participation for People 25-54 Years Old West Virginia and the United States



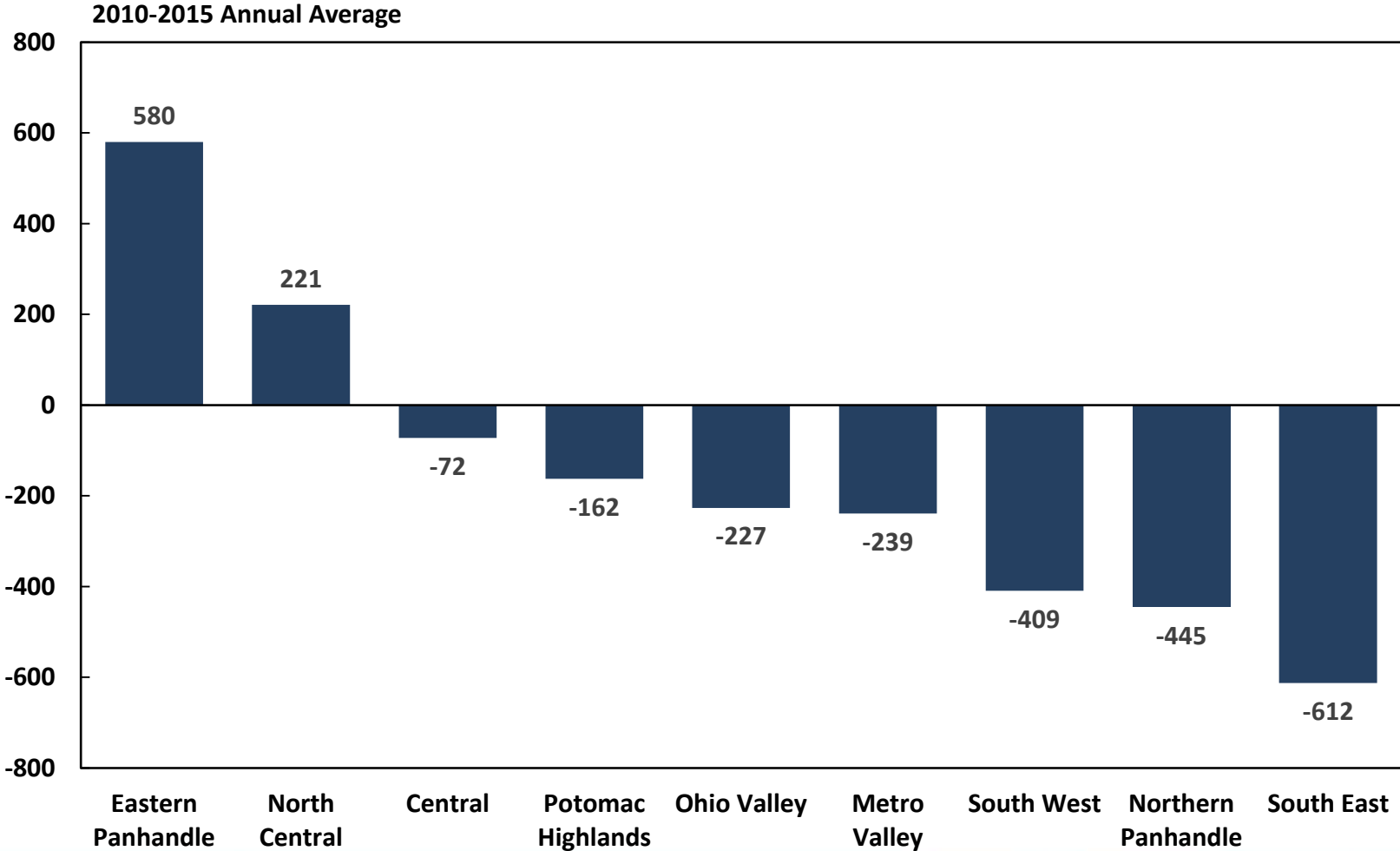
Source: 1950-2000 Decennial Censuses and 2010 and 2017 American Community Surveys, US Census Bureau

Population and Migration Trends

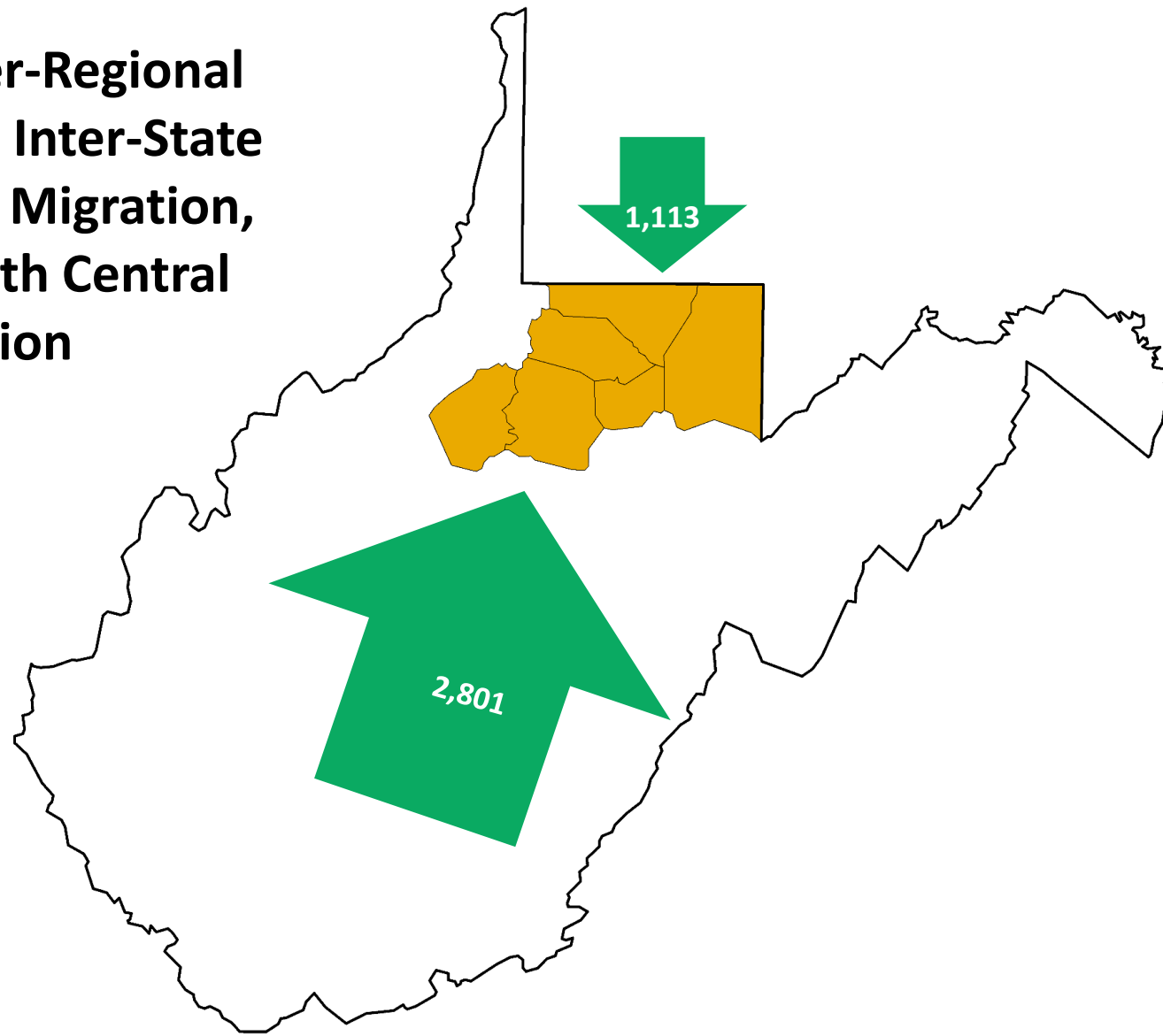
West Virginia Population by Age Group, 1900-2017



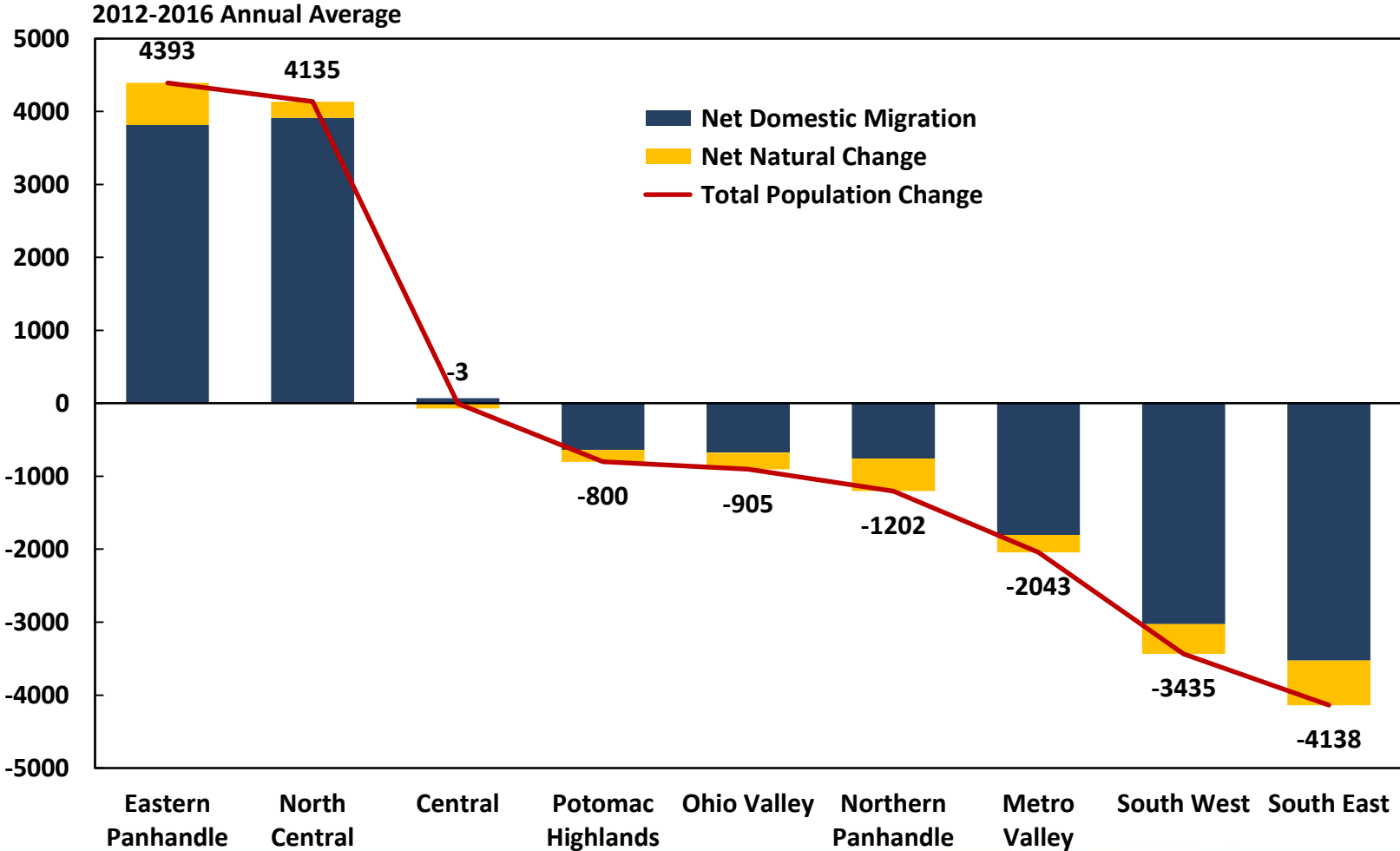
Births – Deaths by Region



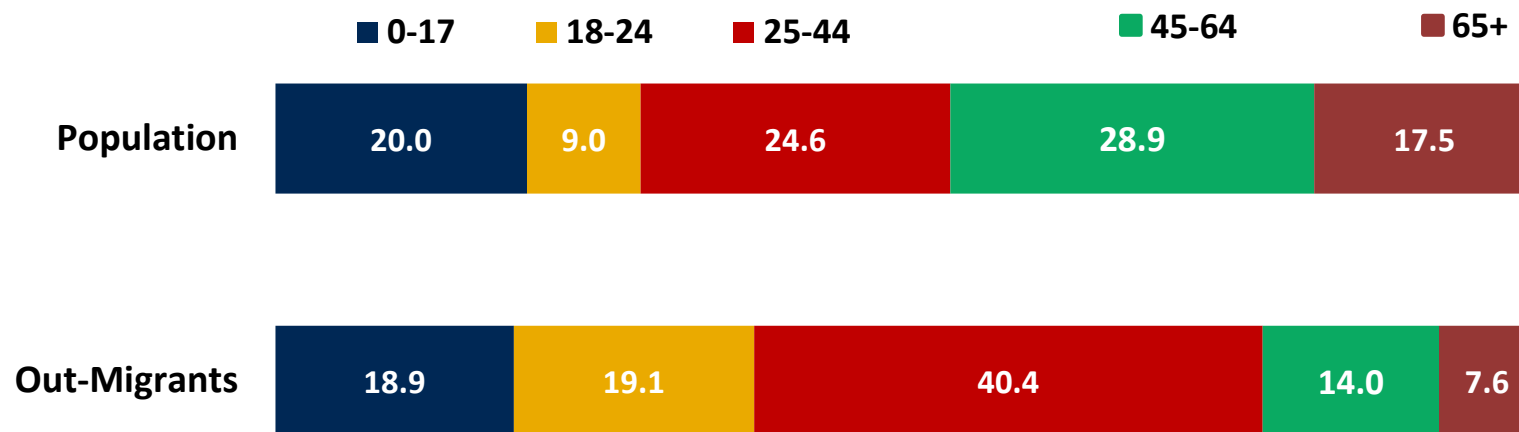
Inter-Regional and Inter-State Net Migration, North Central Region



Population Change by Components



Age Distribution: Out-Migrants vs Population

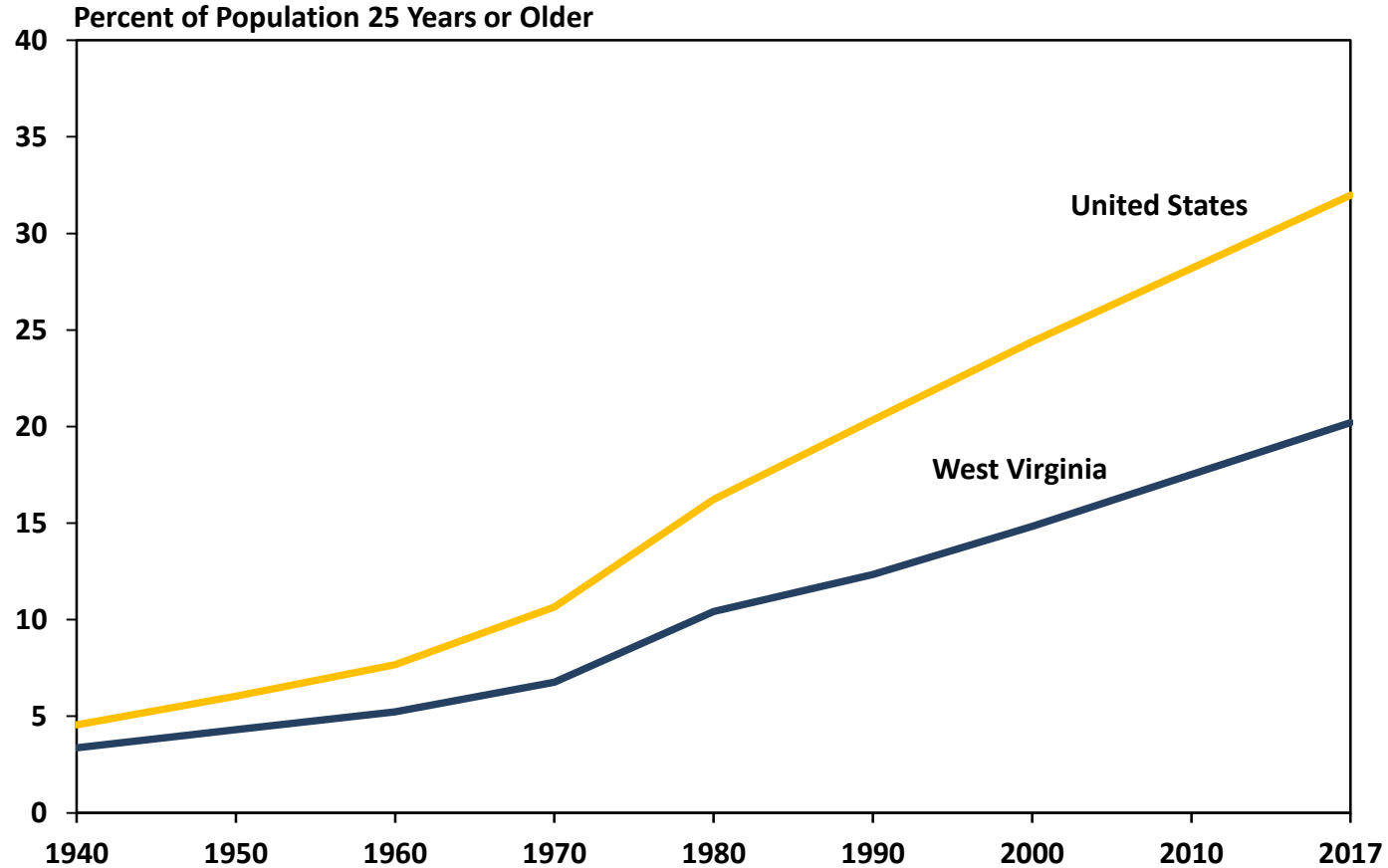


Source: 2015 American Community Survey, 5 Year Estimates

Note: Universe = Population one year or older living in West Virginia one year ago.

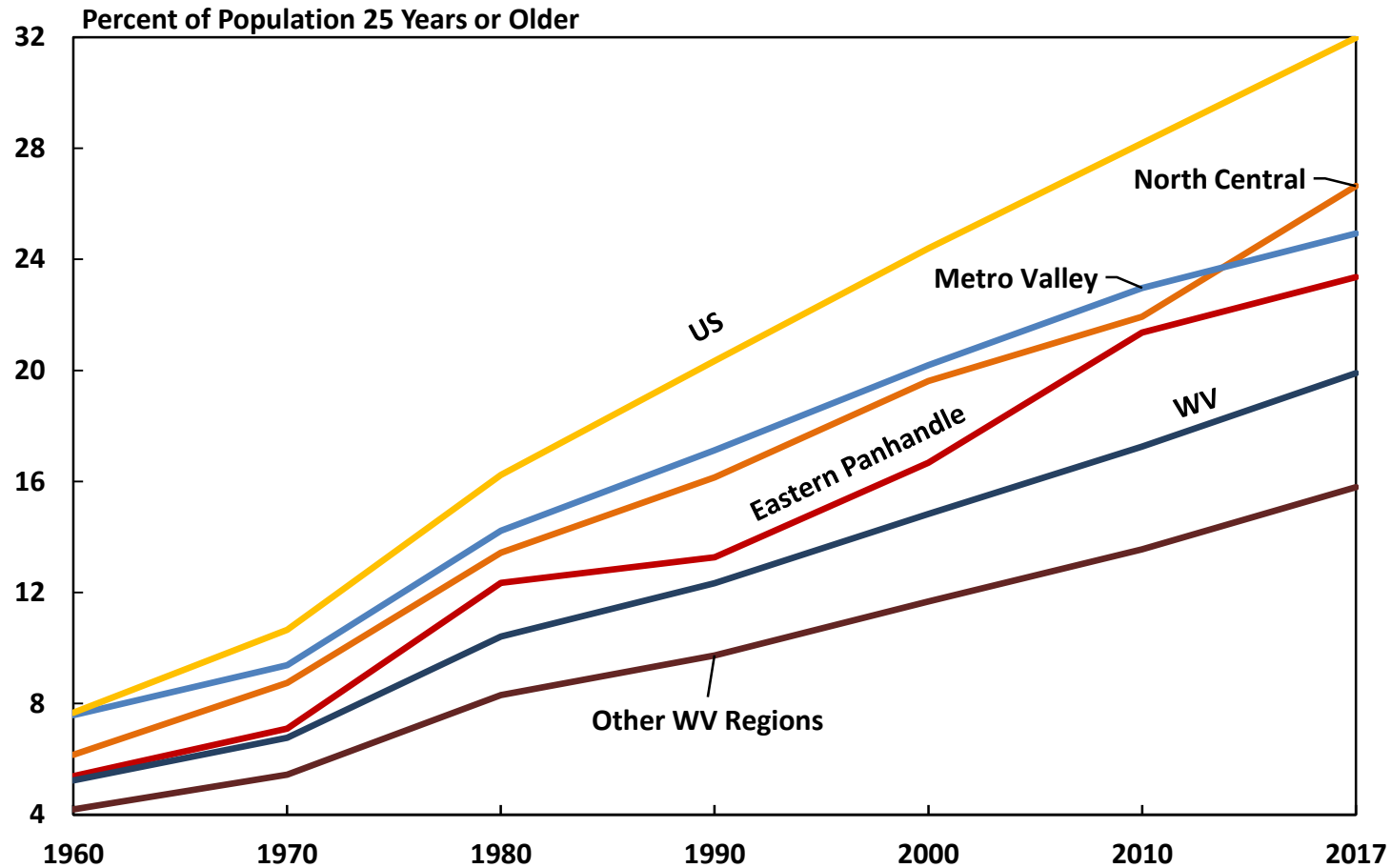
Educational Attainment

People with a Bachelor's Degree or Higher West Virginia and the United States

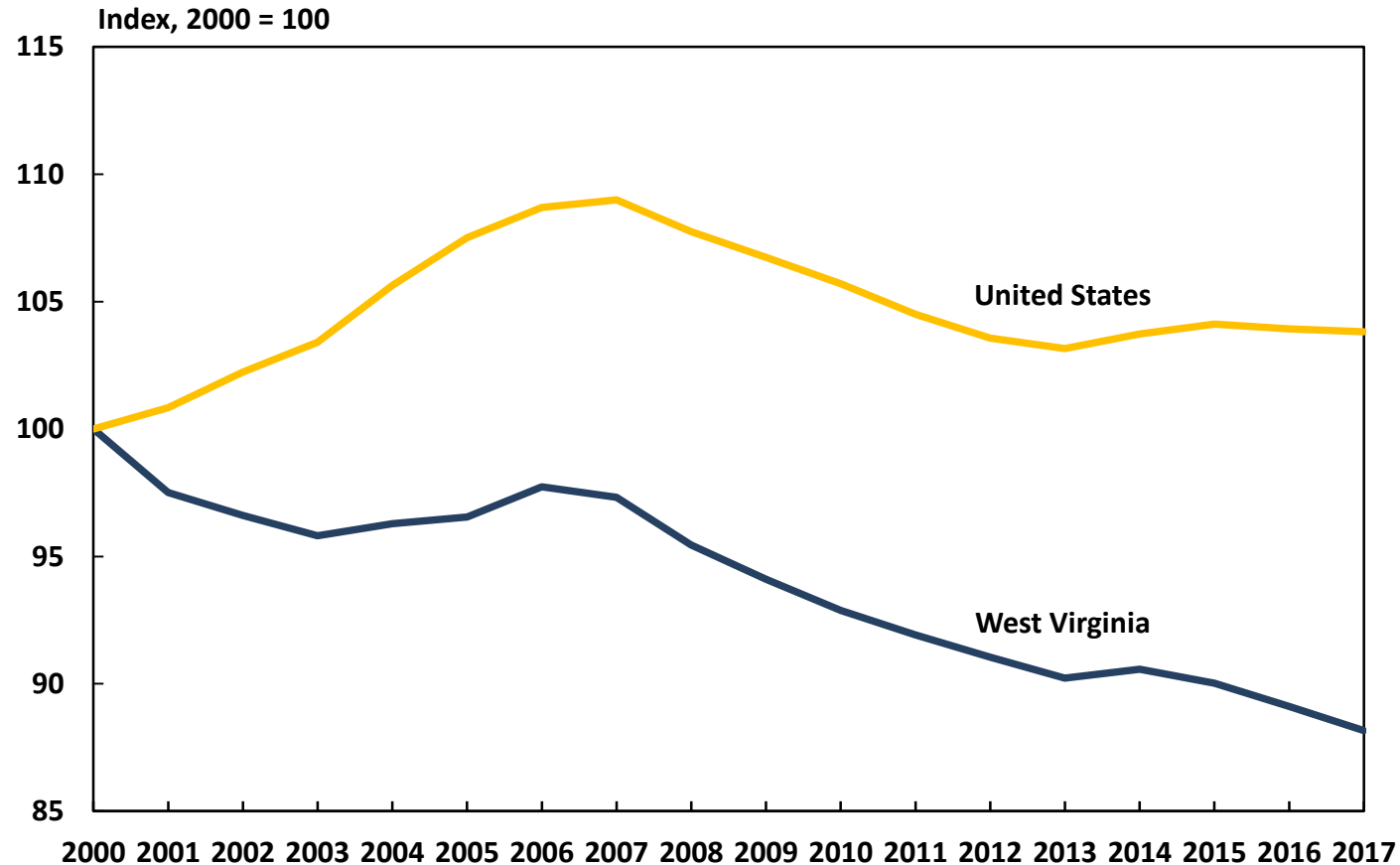


Source: 1940-2000 Decennial Censuses and 2010 and 2017 American Community Surveys, US Census Bureau
Note: 1940 to 1950 rates are calculated without including non-reported individuals.

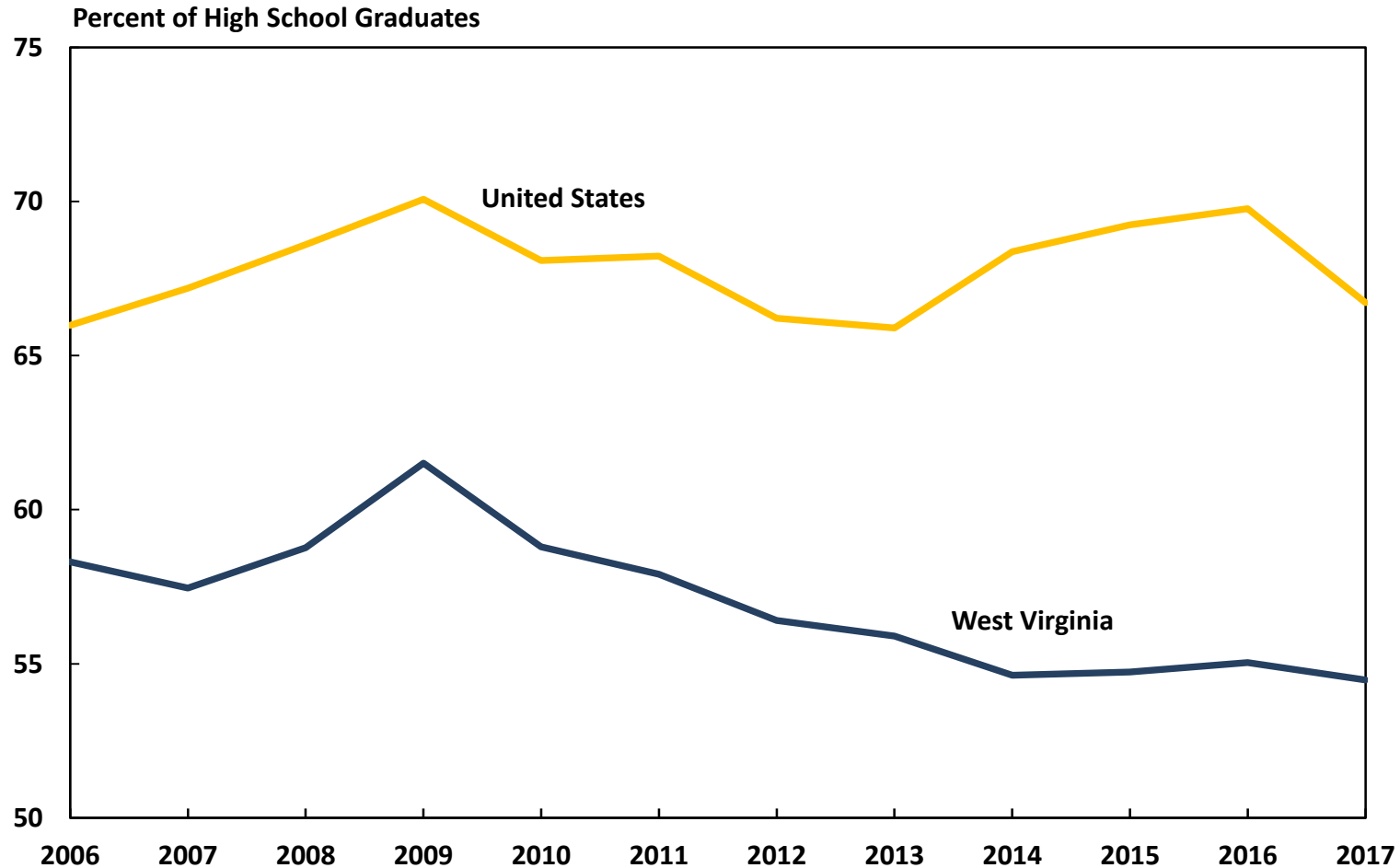
People with a Bachelor's Degree or Higher by Region



High-School Age Population, West Virginia and the United States

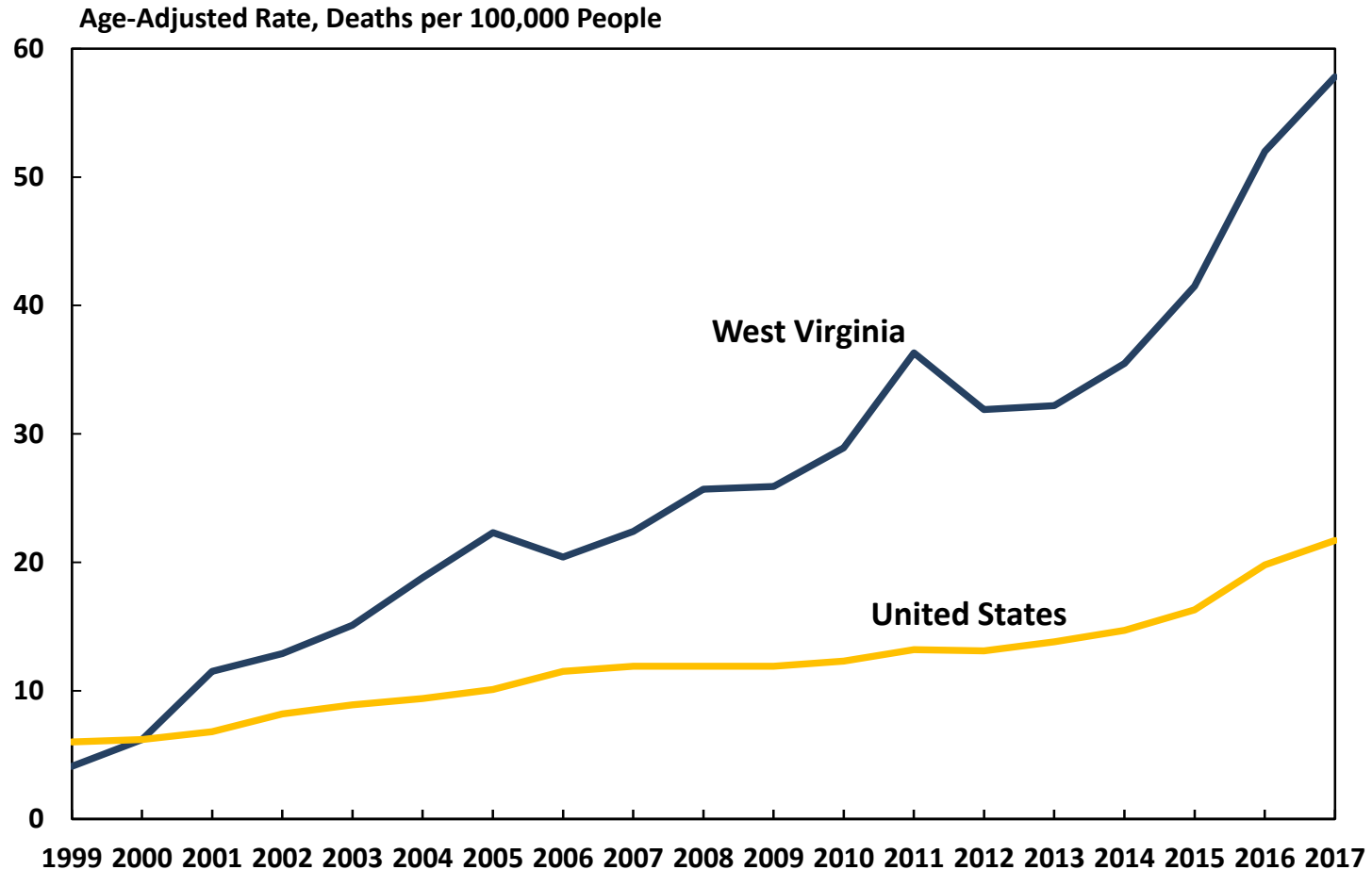


College Going Rate, West Virginia and United States

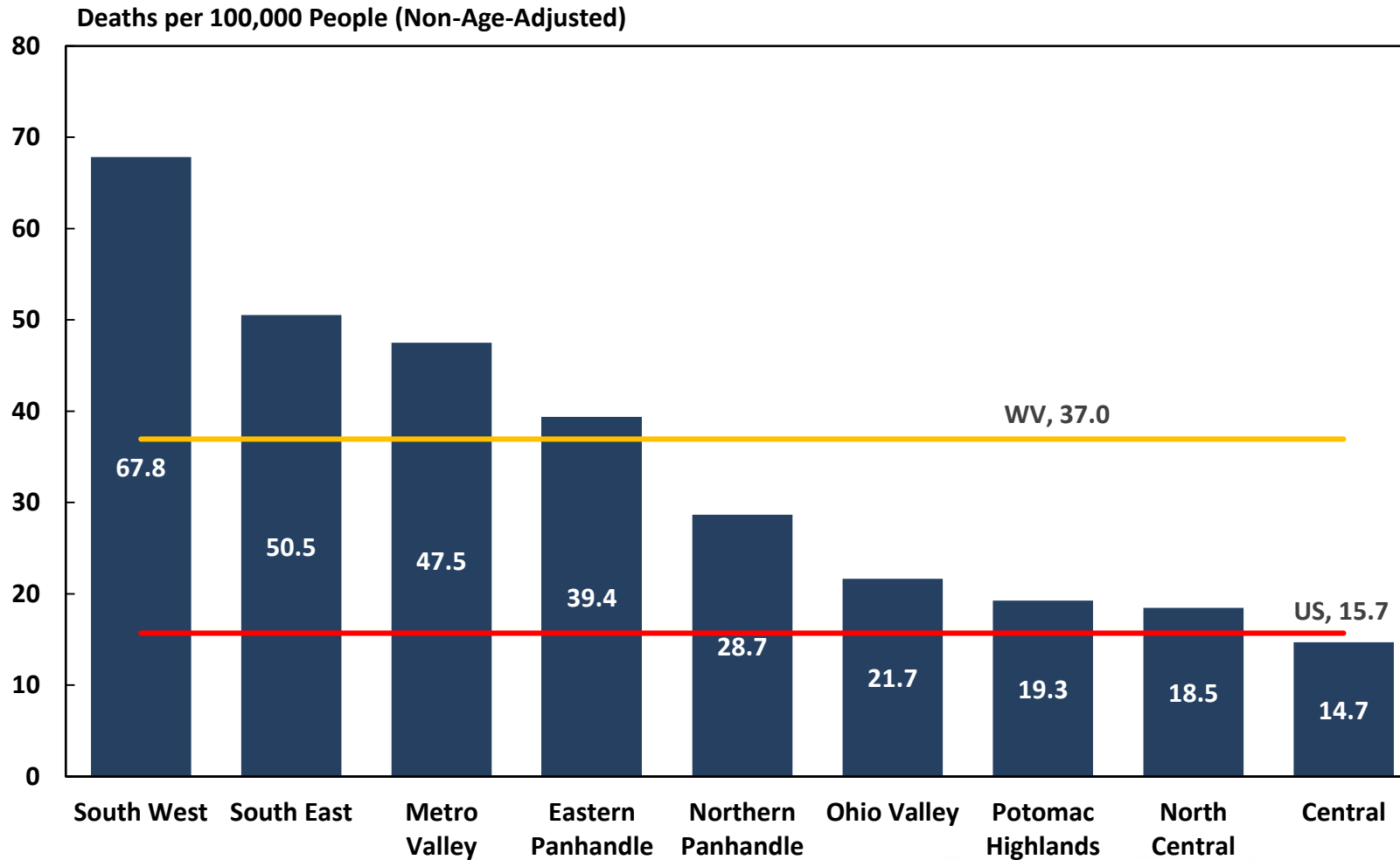


Drug Abuse and Health

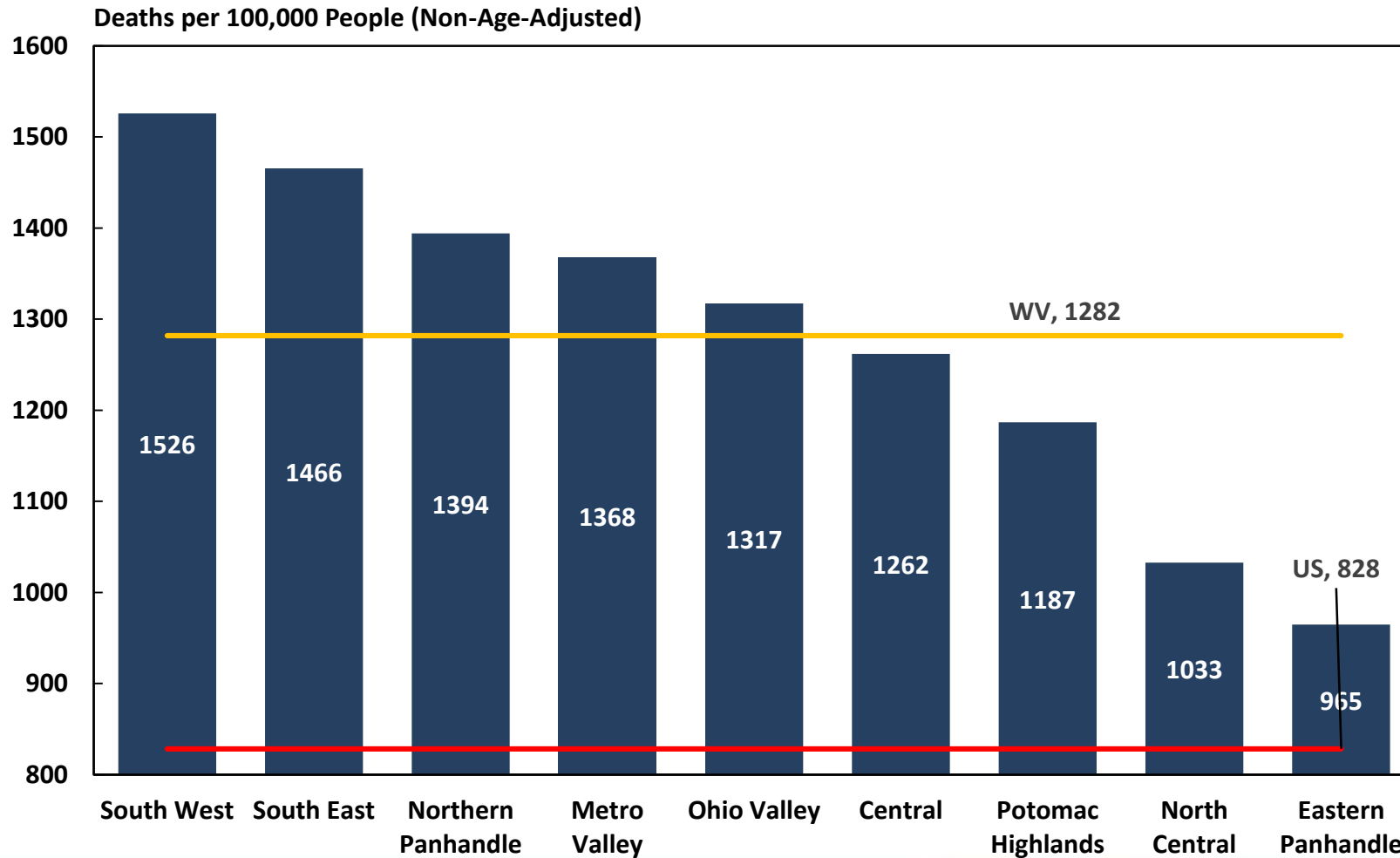
Drug Related Deaths, West Virginia and the United States



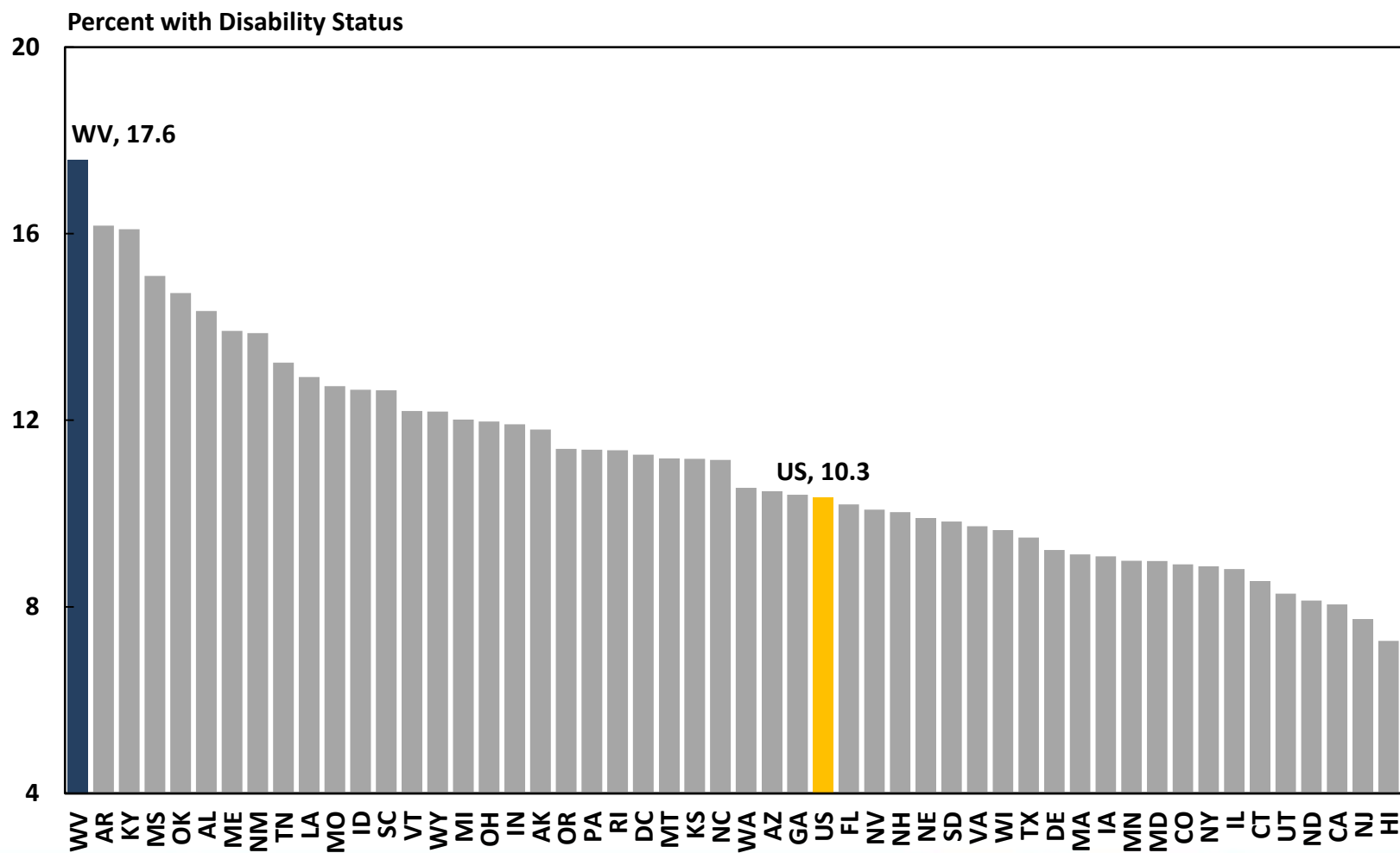
Drugs-Related Death by Region, 2010-2017 Average



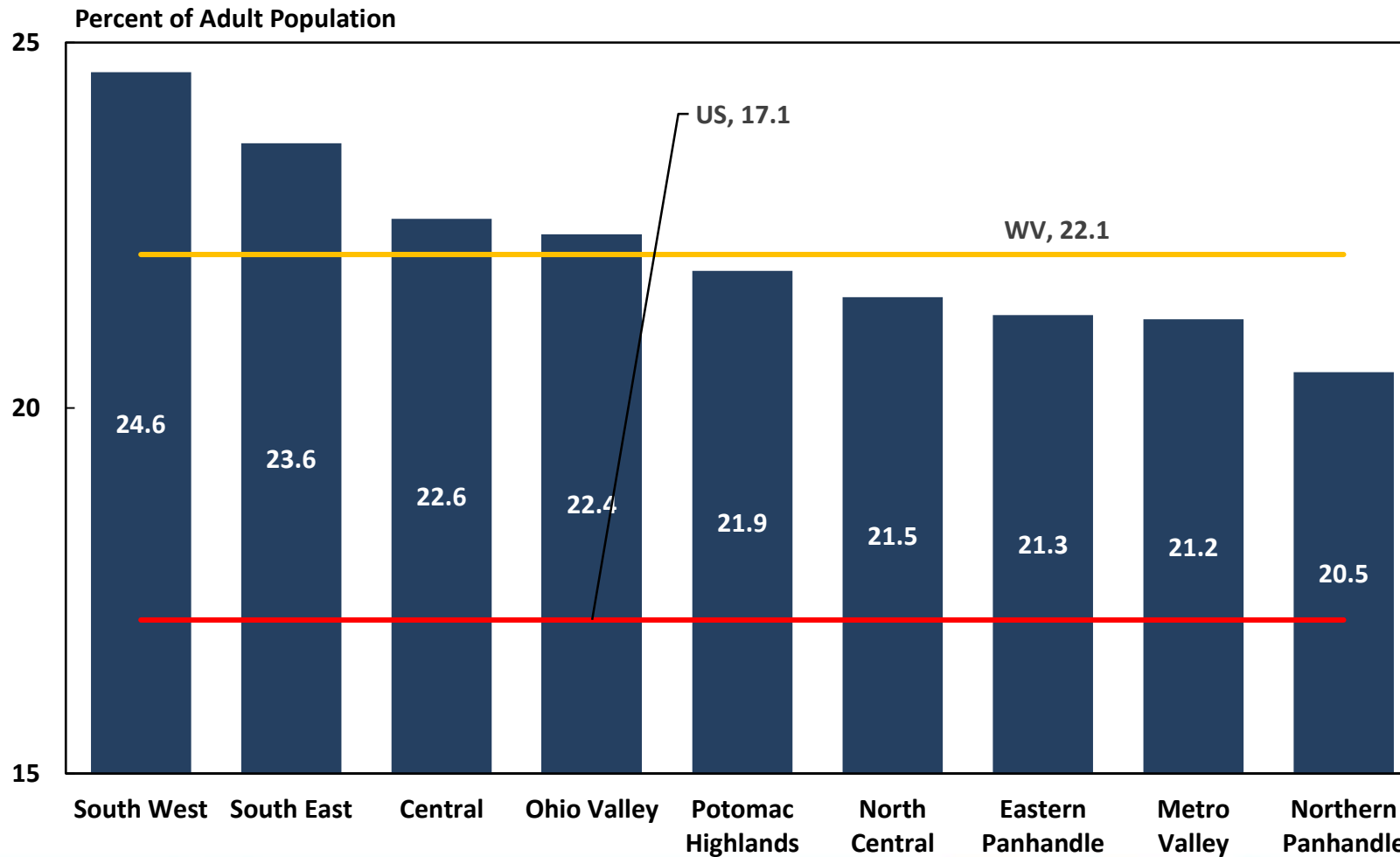
Mortality by Region, 2017



Disability by State, 2017



Smokers by Region, 2016



What I Think About

- Think Positive:
 - We're Improving!
- But Think Realistic:
 - Real Sense of Urgency
- Think People:
 - Human Capital
- Think Regionally
- Think Entrepreneurship
- Think Exports
- Think Downstream Gas Manufacturing Development
- Think Tourism:
 - Lots of Opportunity
- Think New Industries