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Modest job losses seen in Raleigh

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— Humble job gains, possibly even some losses, and a higher unemployment rate are seen for Raleigh County in the crystal ball of West Virginia University's College of Business and Economics, but within three years, things should start looking up again. Overall, business and civic leaders viewed the report outlined by two WVU officials Tuesday at the Beckley-Raleigh County Convention Center as positive, given the precarious perch on which America's economy now rests.

Moreover, local authorities shared the concern of Dr. George Hammond, associate director of the Bureau of Business and Economic Research at WVU, that passage of the cap-and-trade bill could toss a monkey wrench into the works, spoiling to some extent a vibrant economy fed largely by coal.

"It certainly could," Commissioner John Aliff reflected after some 100 people heard Hammond explain research the county hired WVU to perform a few months earlier.

"We're all concerned about that piece of legislation. Hopefully, we won't have that passed and won't have to deal with cap and trade right now. I think it will seriously affect West Virginia and the mining industry."

Already passed by the House, the issue is before the Senate in an effort by environmentalists to raise the bar on allowable pollutants so that fewer greenhouse emissions escape into the air.

"We're in the process of trying to model what that implication is," Dr. Tom Witt, director of the Bureau of Business and Economic Research, said when the issue was raised by Sen. Richard Browning, D-Wyoming.

"Our initial modeling estimates that it will, over a period of time, lead to some job losses in West Virginia."

Natural resources and mining remain the biggest contributors to the region's economy, but coal already is in a decline, Witt indicated.

A study performed for the Surface Mining Reclamation Board points to "a significant drop" in tonnage this year contrasted with 2008, with "a fairly stable" output seen in 2010 and 2011, and cap-and-trade legislation produces "additional uncertainty," he said.

Hammond, likewise, suggested national legislation imposing more restrictions on the burning of coal as a step backward for West Virginia's economy.

“If we see tighter restrictions on surface mining regulations and/or the imposition of cap-and-trade policies to reduce carbon emissions, then that will likely adversely affect coal mining activity in the county and generate slower county growth,” he said.

“Coal matters a great deal.”

Using charts and graphs, the professors considered a number of avenues. One paper given in media booklets showed none of the counties selected for research had a population younger than the national median age in 2000 of 35.3 years. Clay was the youngest, at 36.8 years. Raleigh’s was 39.5 years.

Kanawha County led the study arena with 20.6 percent of its population earning at least a bachelor’s degree, but even that fell shy of the national mark of 24.4 percent. The Beckley and Bluefield Micropolitan Statistical Areas had an educational attainment of 12.7 percent. Charleston MSA stood at 17.9 percent.

Witt and his bureau were contracted by the county commission to perform the research for some \$30,000, or what remained after a grant landed by Sen. Mike Green, D-Raleigh, was used partially to study if this region qualified as a metropolitan area for metro government consideration.

In its study, the professors alluded to this region as the Beckley Micropolitan Statistical Area, noting its growth in the past five years has been steady, adding jobs at the rate of 1.4 percent from 2003 to 2008.

This region’s job growth outstripped both the state (.09 percent) and the nation (1.1 percent) in the same time frame. At the same time, the jobless rate here stood at 3.9 percent, while the state’s was 4.3 and the national average was 5.8 percent.

Coal and other natural resources provided the biggest ingredient in the economic recipe with 8.9 percent growth. Right behind them were health care and manufacturing. Hammond painted no rosy scenario, suggesting the region will likely dovetail the nation’s slow climb to get back on its collective feet.

“The next couple of years are a little tough,” he said. “Things gradually improve. Overall, the local economy kind of bumps along the bottom for a couple of years.”

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Charlie Houck, center, vice president of City National Bank in Beckley asks a question during the unveiling of a WVU report showing a trend toward modest gains, and possibly some losses, in the job market in the Beckley-Raleigh County region for the new two years as the national economy struggles to right itself. Bill O’Brien is on Houck’s right and John O’Neal is on his left. The Register-Herald