

# The West Virginia Jobs Crisis

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**AMERICA'S JOBS CRISIS is West Virginia's crisis too.** Like all Americans, West Virginians **are looking for** good jobs, affordable health care and wages that support their families. But what they **are seeing** are corporations and CEOs shipping good jobs overseas, drug companies and HMOs ratcheting up health costs and prices rising faster than wages.

For West Virginians, the chinks in the nation's economic armor mean too few jobs, too many jobless workers, shrinking health coverage, low incomes, greater poverty and more bankruptcies.

**Too few good jobs:** Since January 2001, West Virginia has experienced heavy **job losses in industries that typically provide higher wages and good benefits**—10,100 lost manufacturing jobs and 1,900 lost information jobs. Despite offsetting gains in other industries, West Virginia still experienced a net job loss of 1,200 jobs between January 2001 and August 2004.

West Virginia is losing jobs, in part, because of unfair trade rules and because corporations here, as around the United States, are shipping good jobs overseas. In 2003, the U.S. Department of Labor announced that at least 11 West Virginia companies slashed jobs from their payrolls due to trade. These cuts affected an estimated 898 workers. **The Dean Company, EIMCO LLC and Pechiney Rolled Products LLC alone cut 488 jobs;** some of these jobs were shipped overseas. NAFTA alone has cost West Virginia 3,482 jobs.

Meanwhile, jobs in West Virginia's growing industries aren't as good as the jobs in West Virginia's shrinking industries.\* **Average wages in the state's growing industries are 33.8 percent lower—\$12,070 per year less—than those in West Virginia's shrinking industries.**

In West Virginia, growing industries have **lower health coverage rates** than industries that are shrinking; nearly two-thirds (62.3 percent) of workers West Virginia's shrinking industries have employer-provided health coverage, while one-half (51.0 percent) of workers in West Virginia's growing industries have employer-provided health insurance.

**Too many workers unemployed:** In August, **43,829 West Virginians were unemployed.** Workers unemployed the longest suffer most. From the end of December 2003 through September 2004, **9,937 West Virginians reached the end of eligibility for unemployment benefits** but still could not find jobs. Because the president and allies in Congress have refused to renew the emergency unemployment program no longer have federal benefits to fall back on for basic support.

**Declining health coverage:** Job loss and exploding health costs have shrunk the rolls of West Virginians with job-based health coverage and swelled the ranks of the uninsured. Between 2000 and 2003, the number of West Virginians with employer-provided health care fell by 123,000, a 12.5 percent drop. In 2003, **296,000 West Virginians were uninsured**, an increase of 46,000 —18.4 percent—in just three years.

**Low incomes, greater poverty and more bankruptcies:** West Virginians are struggling to get by. Half of all West Virginia households have incomes of \$32,763 or less, lower than all but two states. More West Virginians slipped into poverty: In 2003, **310,000 West Virginians were poor**—49,000 more than in 2000. And **personal bankruptcies rose 29.2 percent**, from 8,369 in 2000 to 10,811 in 2003.

*\*Note: A growing industry is one that is expanding (between March 2001 and March 2004) as a share of overall employment, while a shrinking industry is one that is contracting as a share of overall employment.*

*Sources: American Bankruptcy Institute, Center on Budget and Policy Priorities, Economic Policy Institute, Public Citizen, U.S. Census Bureau, U.S. Department of Labor.*