

West Virginia Economic Outlook

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West Virginia Legislature
January 2026

Bureau of Business & Economic Research
John Chambers College of Business & Economics
West Virginia University
www.be.wvu.edu/bber

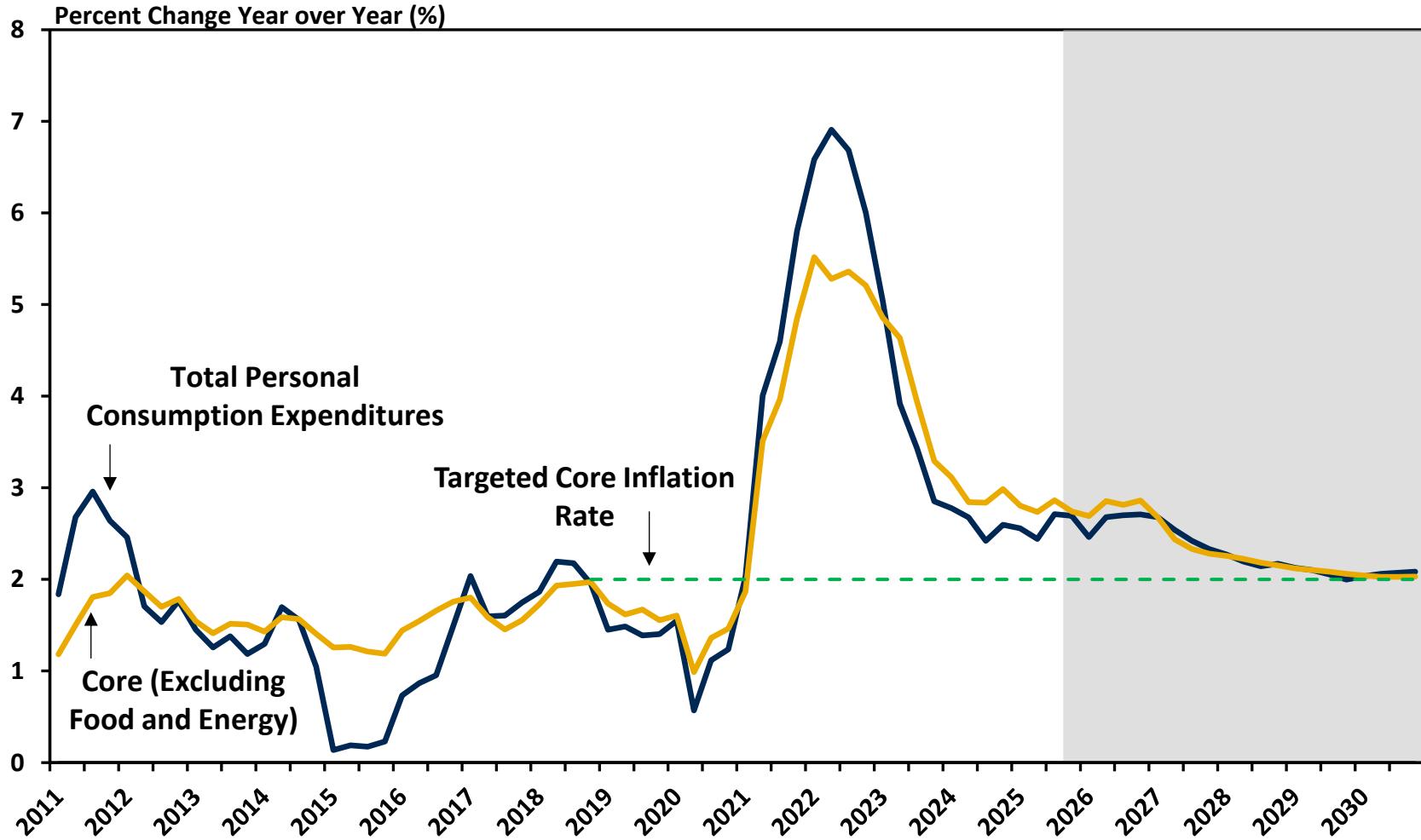
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Big Picture...

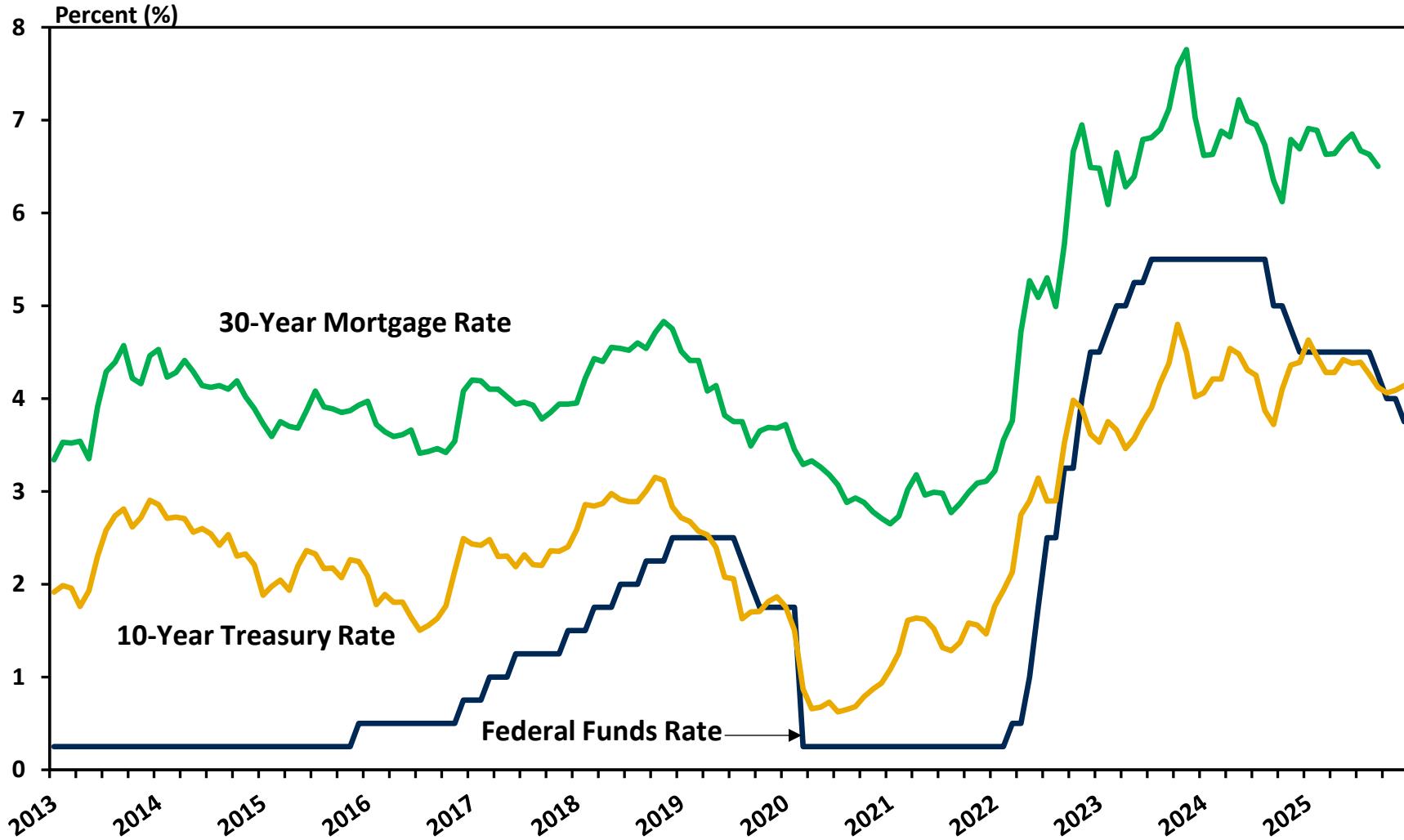
- Continued growth is expected in the nation, albeit slower than average.
- Uncertainty around tariff policy, inflation, and interest rates still exists, but has diminished significantly.
- West Virginia is expected to grow slightly; strong growth in some regions.
- Long-term challenges remain.
- Opportunities exist.
- Successes are too concentrated geographically and can be masked in statewide figures.

National Economic Conditions: Context for West Virginia

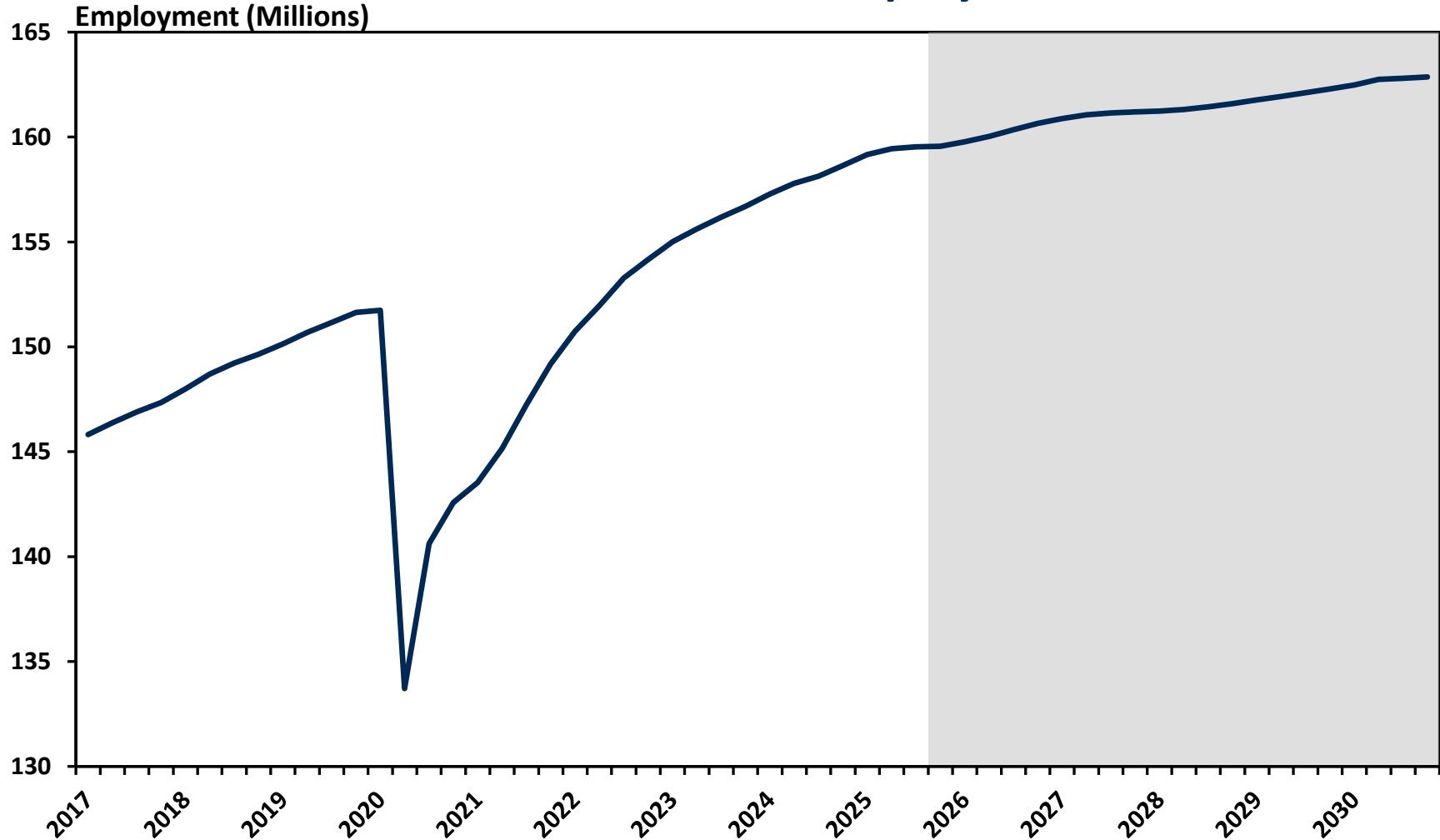
United States Inflation Rates



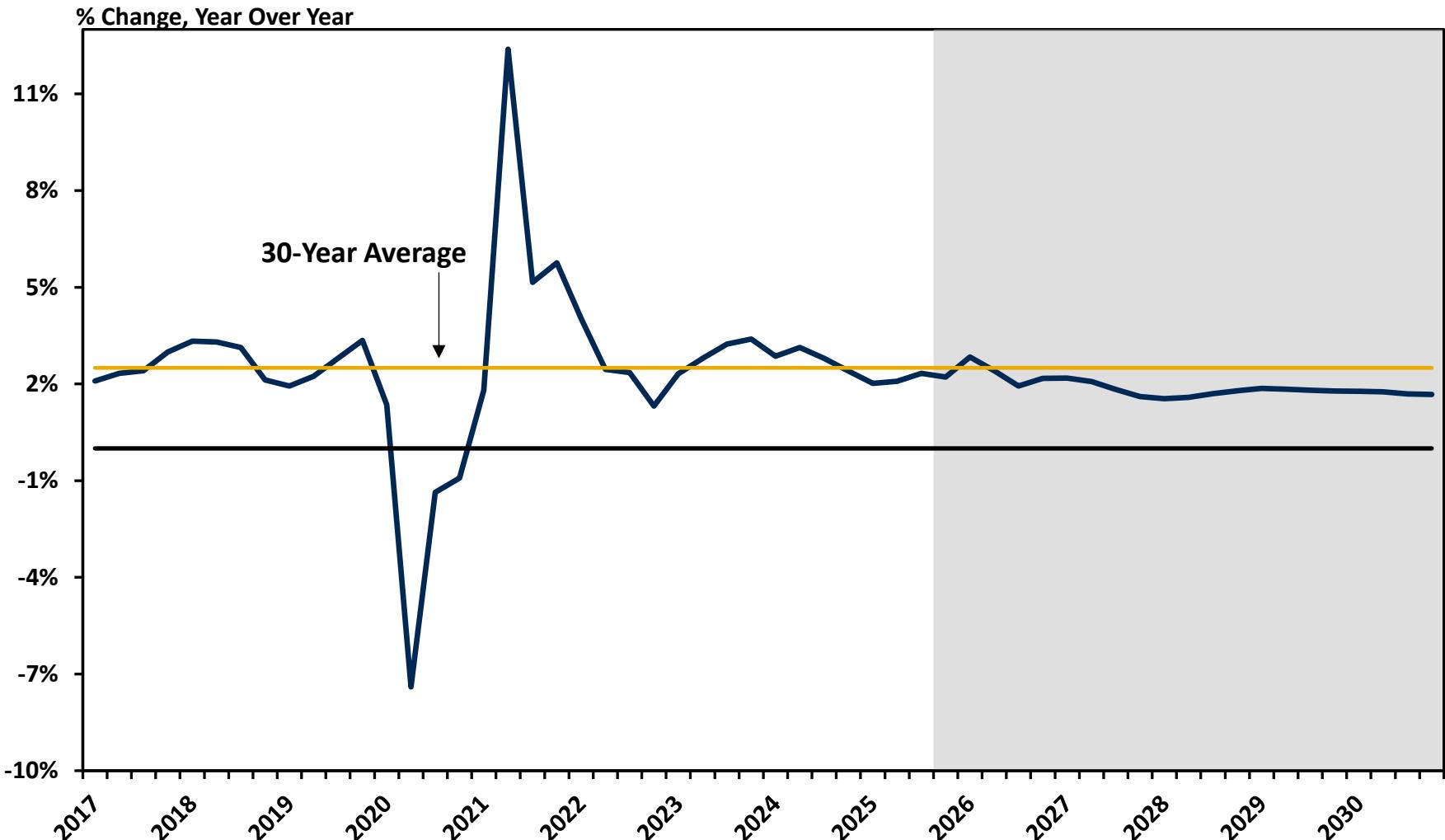
Select United States Interest Rates



United States Total Employment

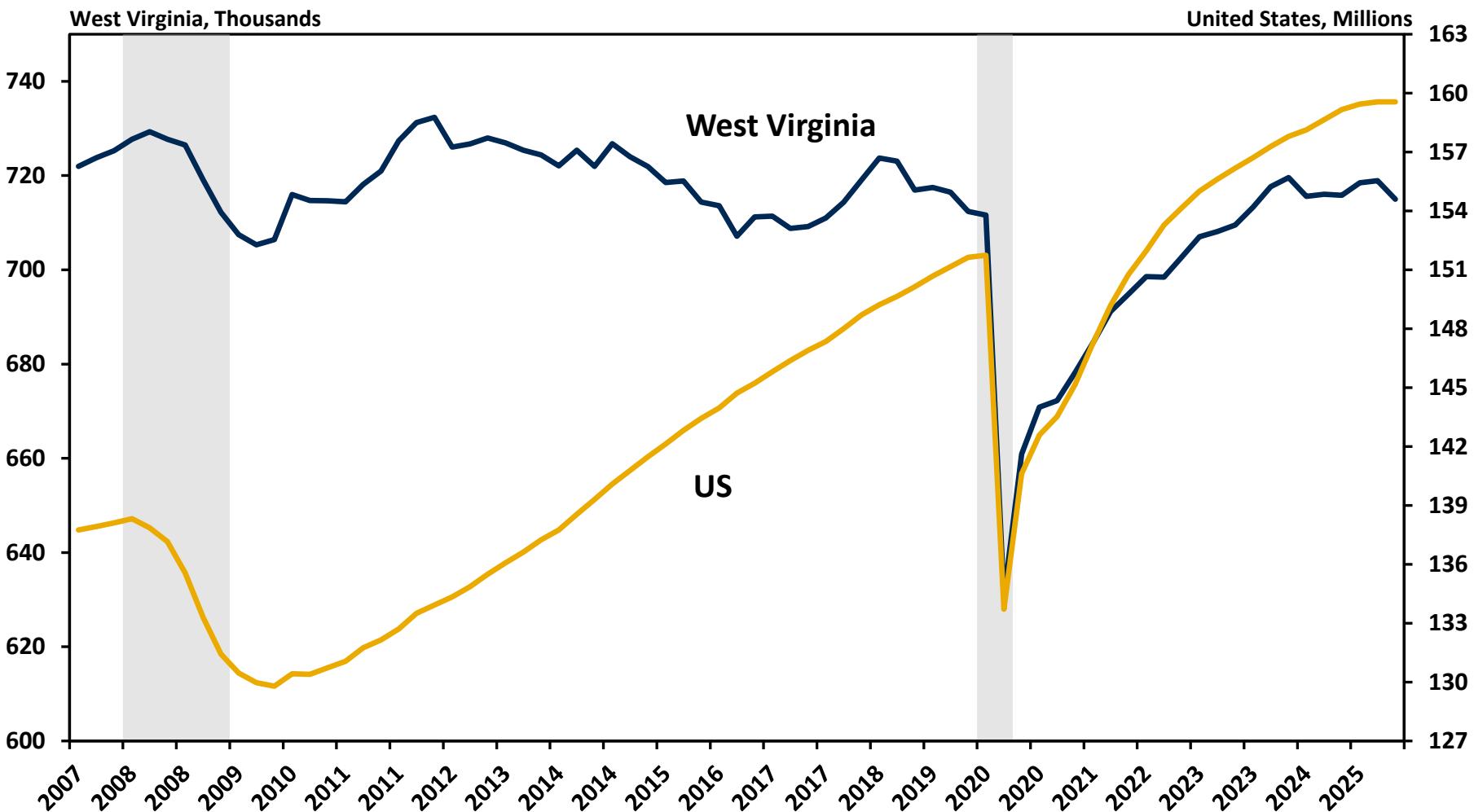


United States Real GDP

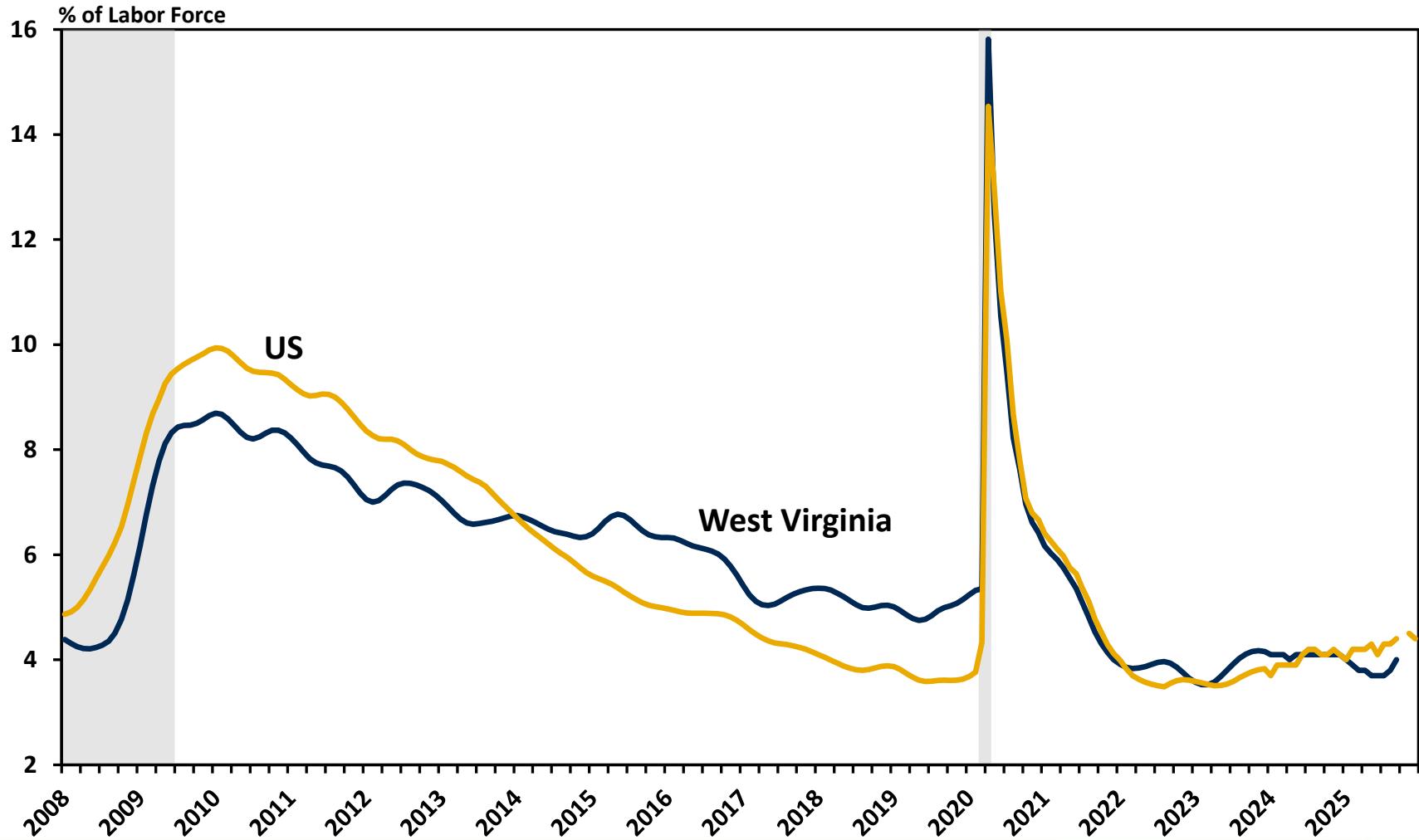


Understanding Our State...

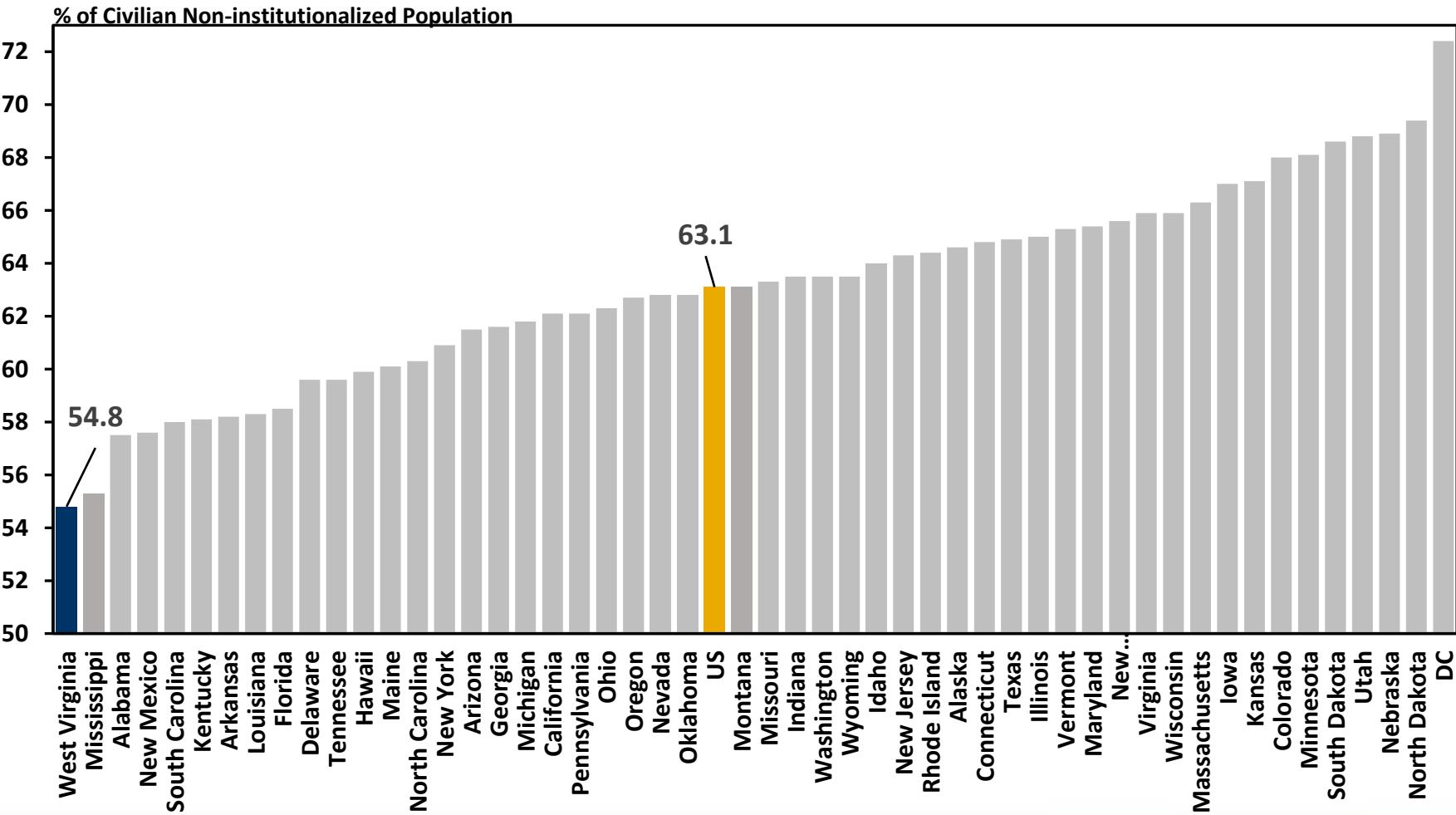
West Virginia Total Employment



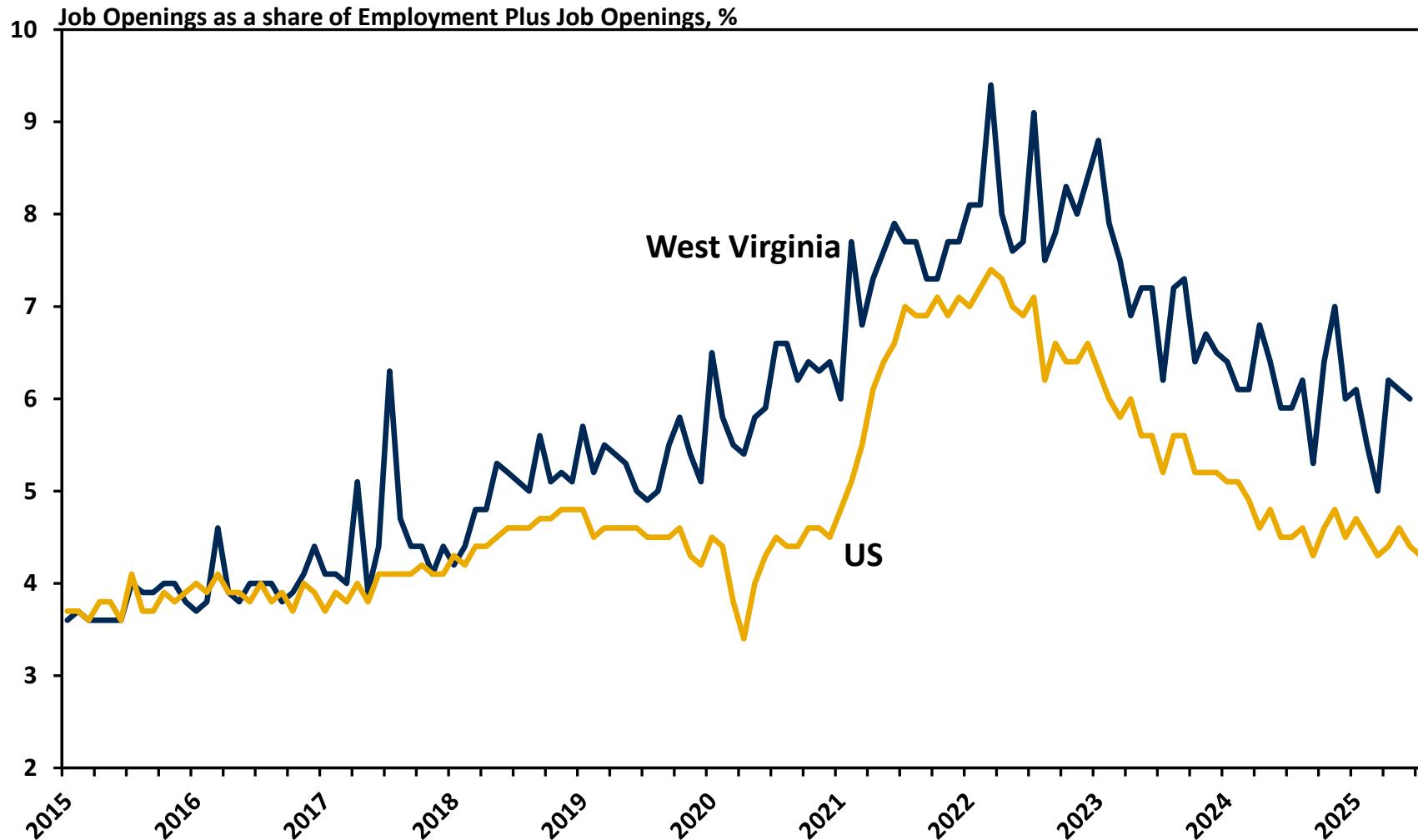
Unemployment Rate



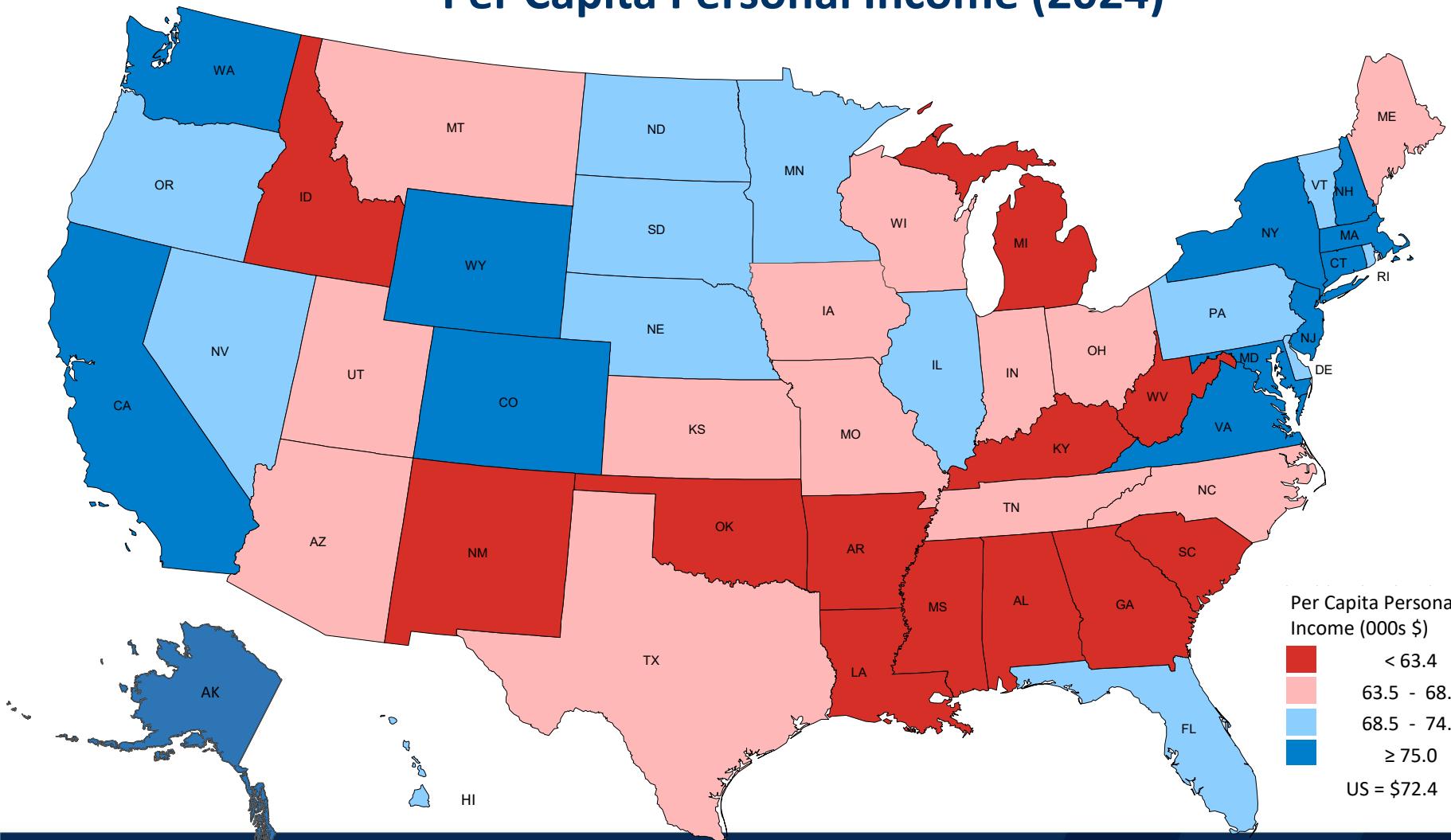
Labor Force Participation by State (2024)



Job Openings Rate



Per Capita Personal Income (2024)

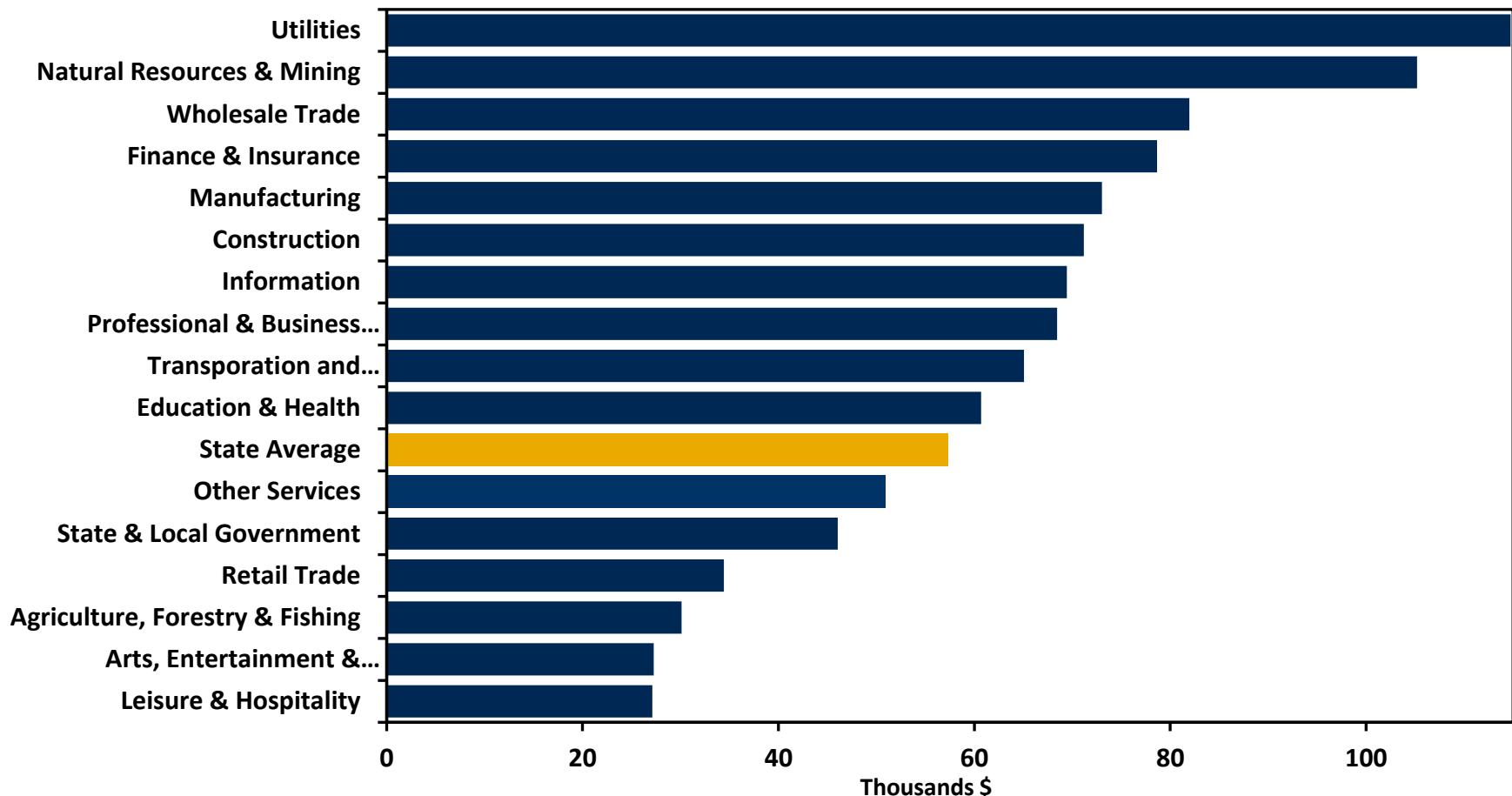


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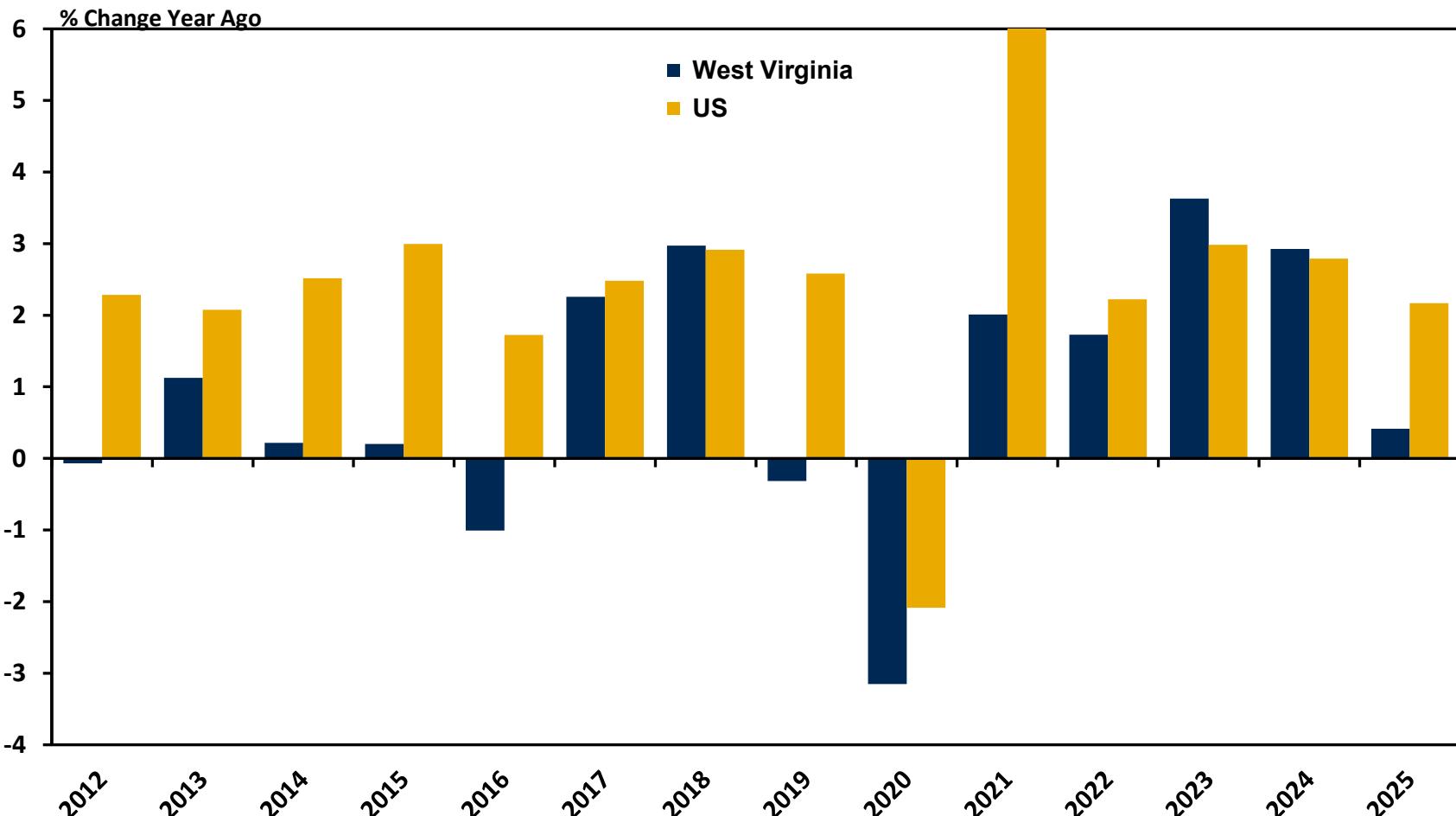
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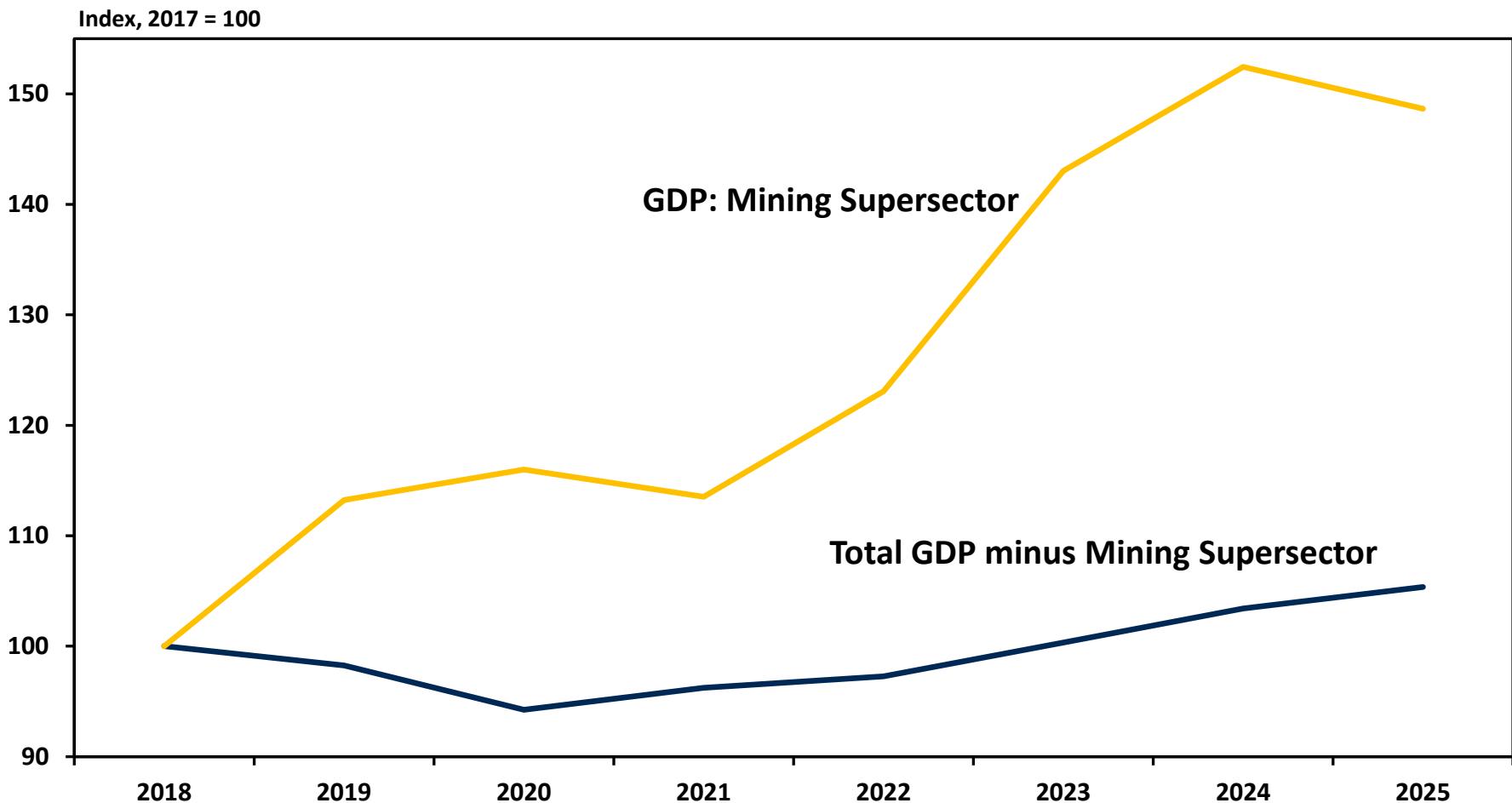
Average Annual Salary by Sector (2024)



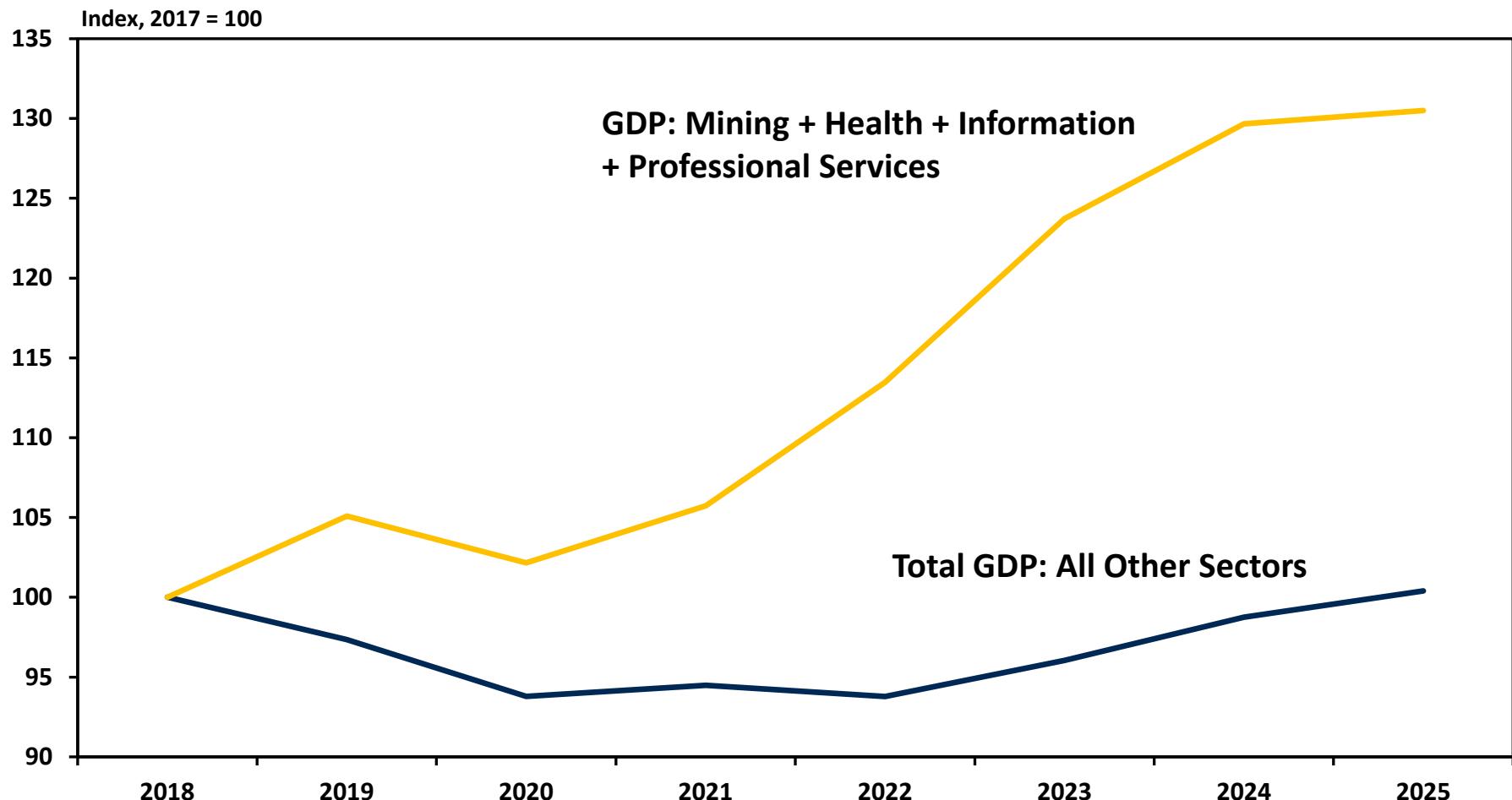
Real Gross Domestic Product Growth



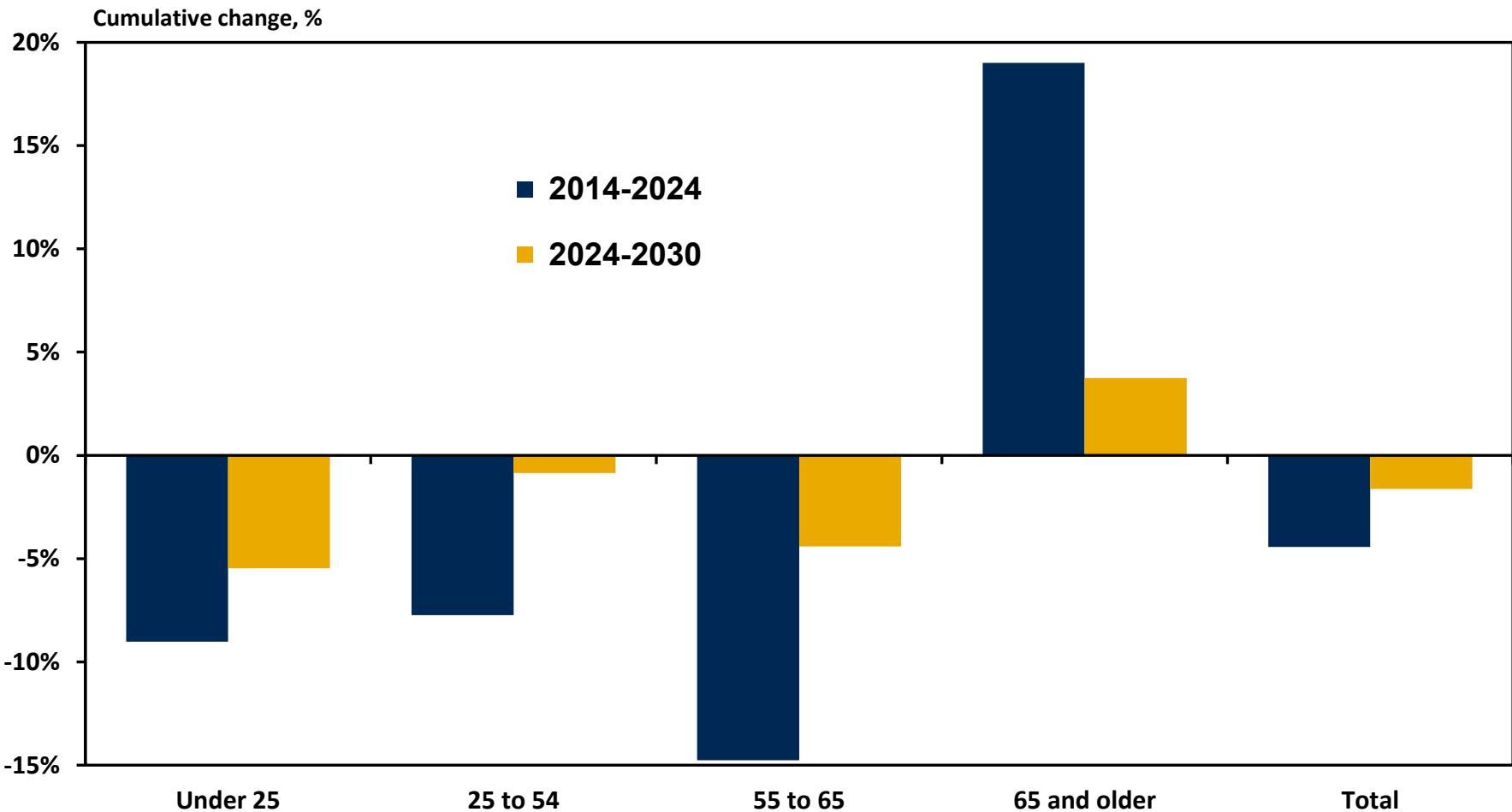
Real GDP Growth – Coal & Gas v. Other Sectors



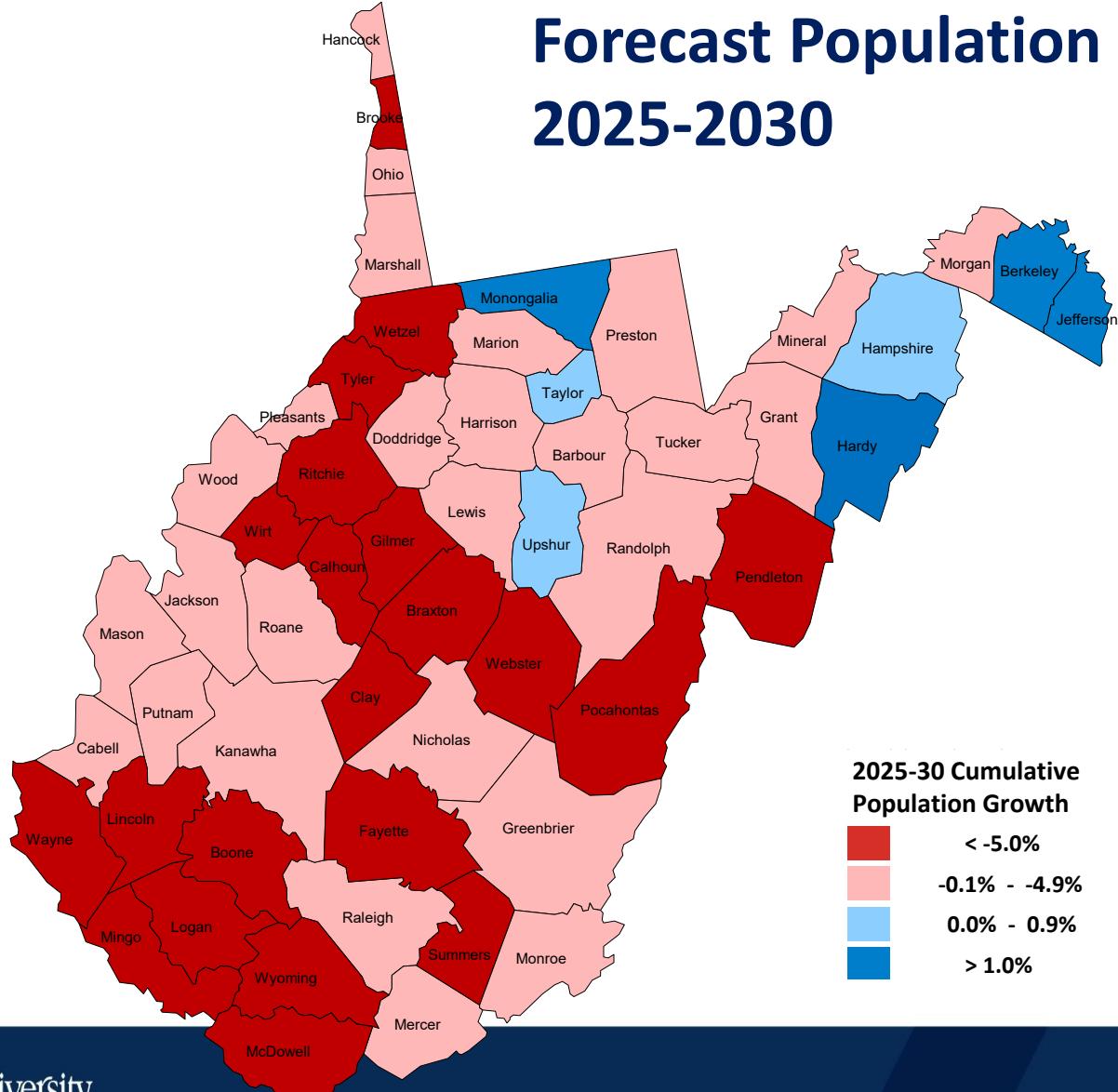
Real GDP Growth – Select Sectors



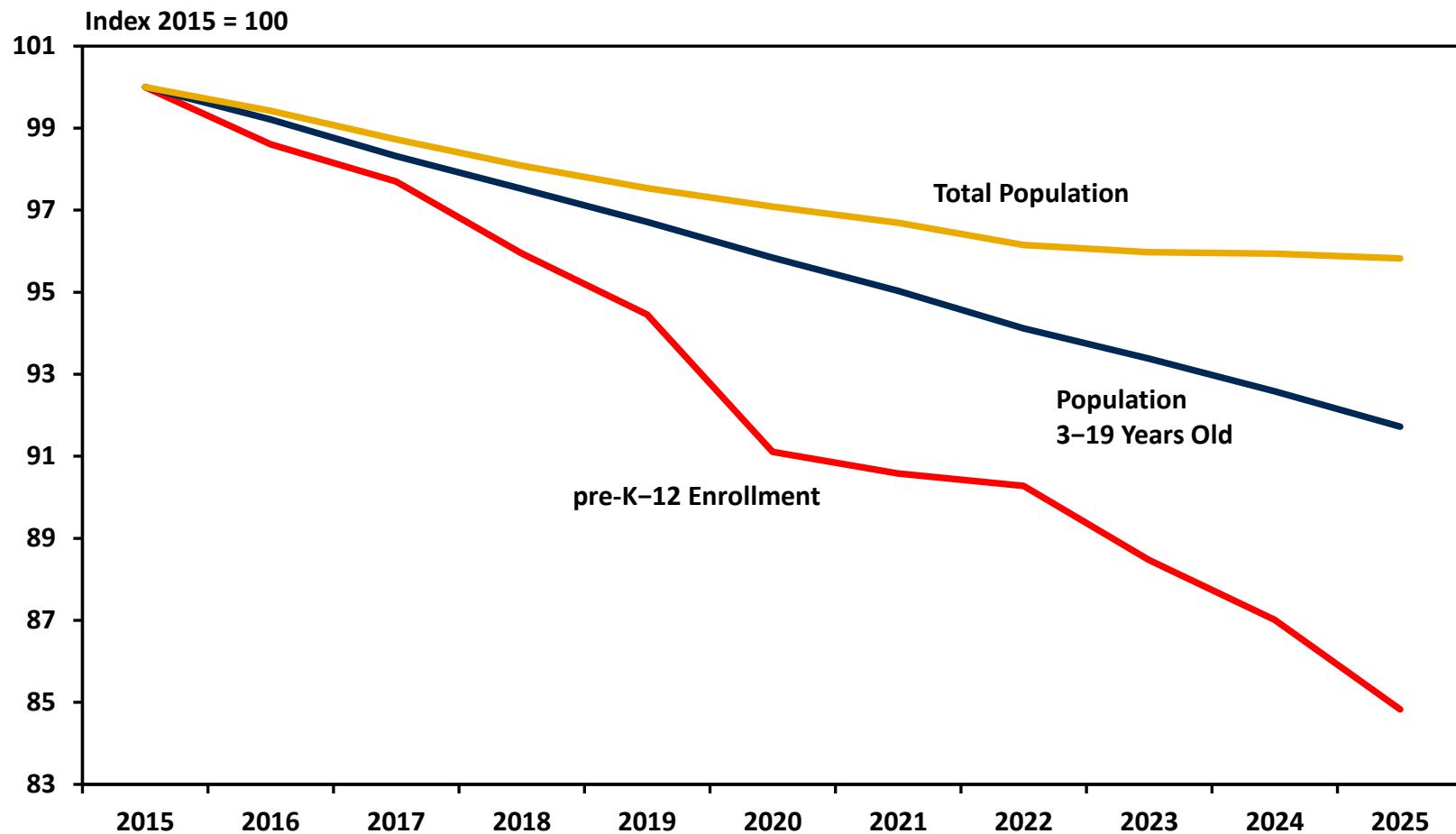
West Virginia Population Change by Age Group



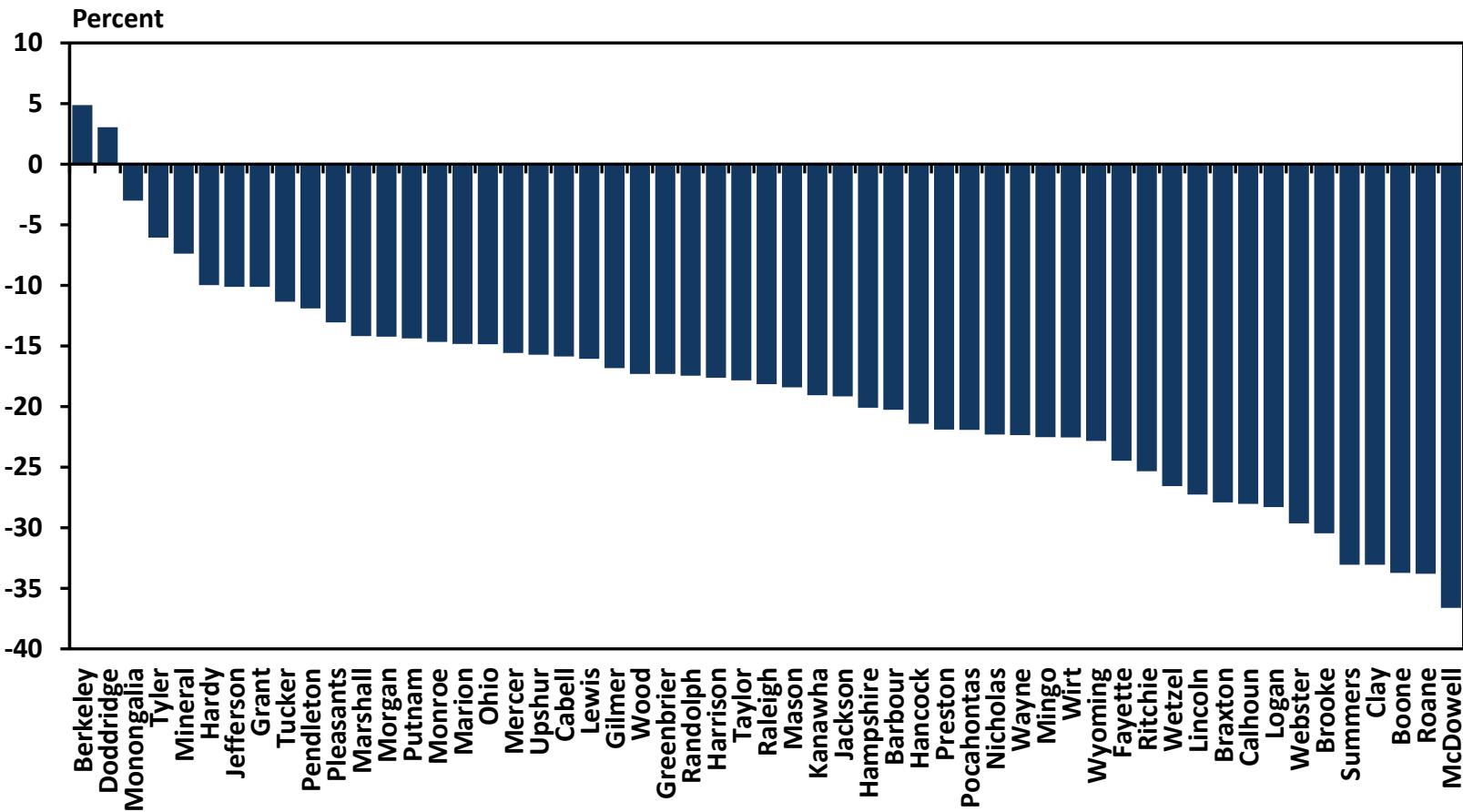
Forecast Population Growth, 2025-2030



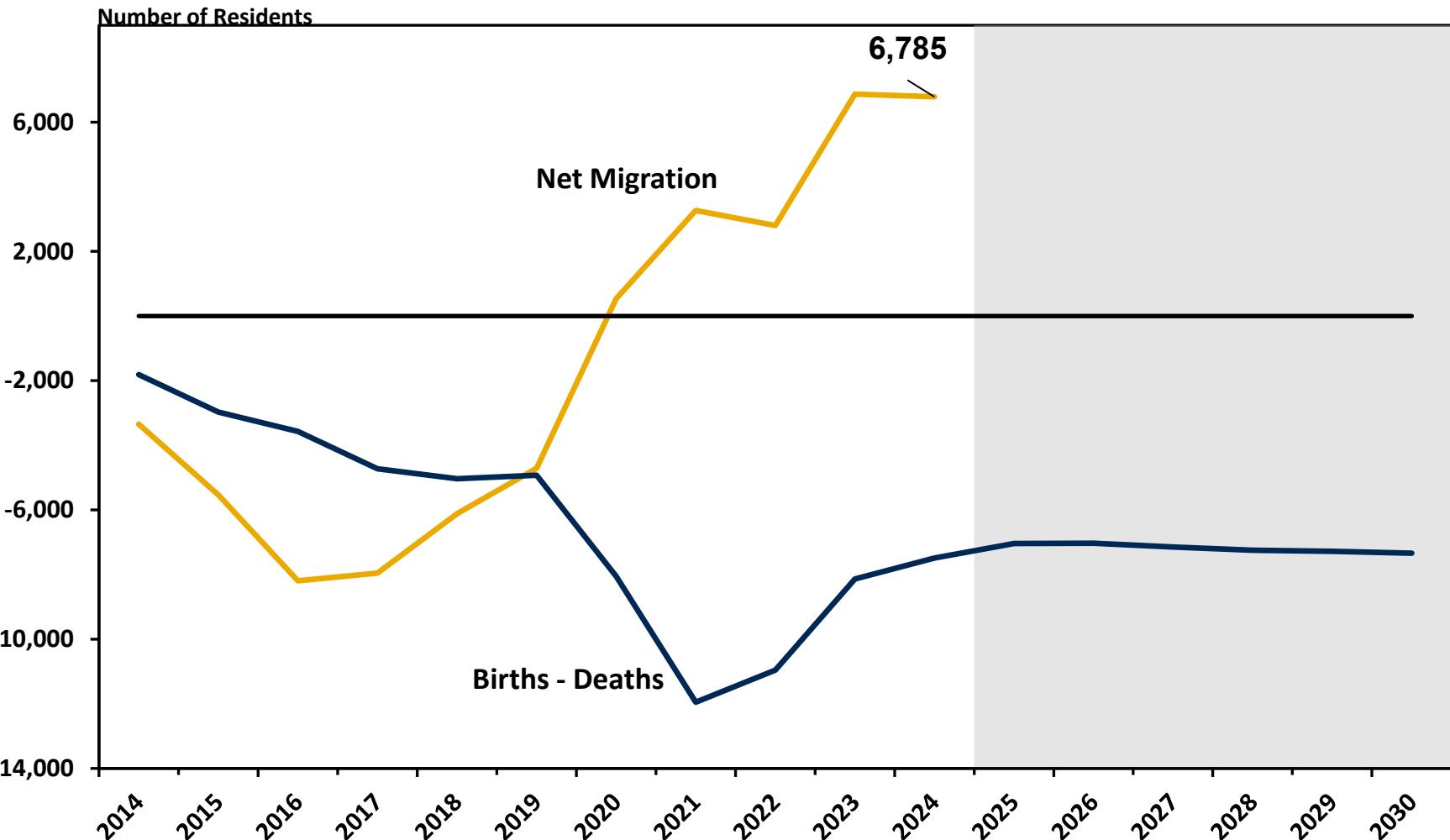
Population and Pre-K-12 Enrollment, West Virginia



FY2016–2026 Change in Pre-K–12 Enrollment by County

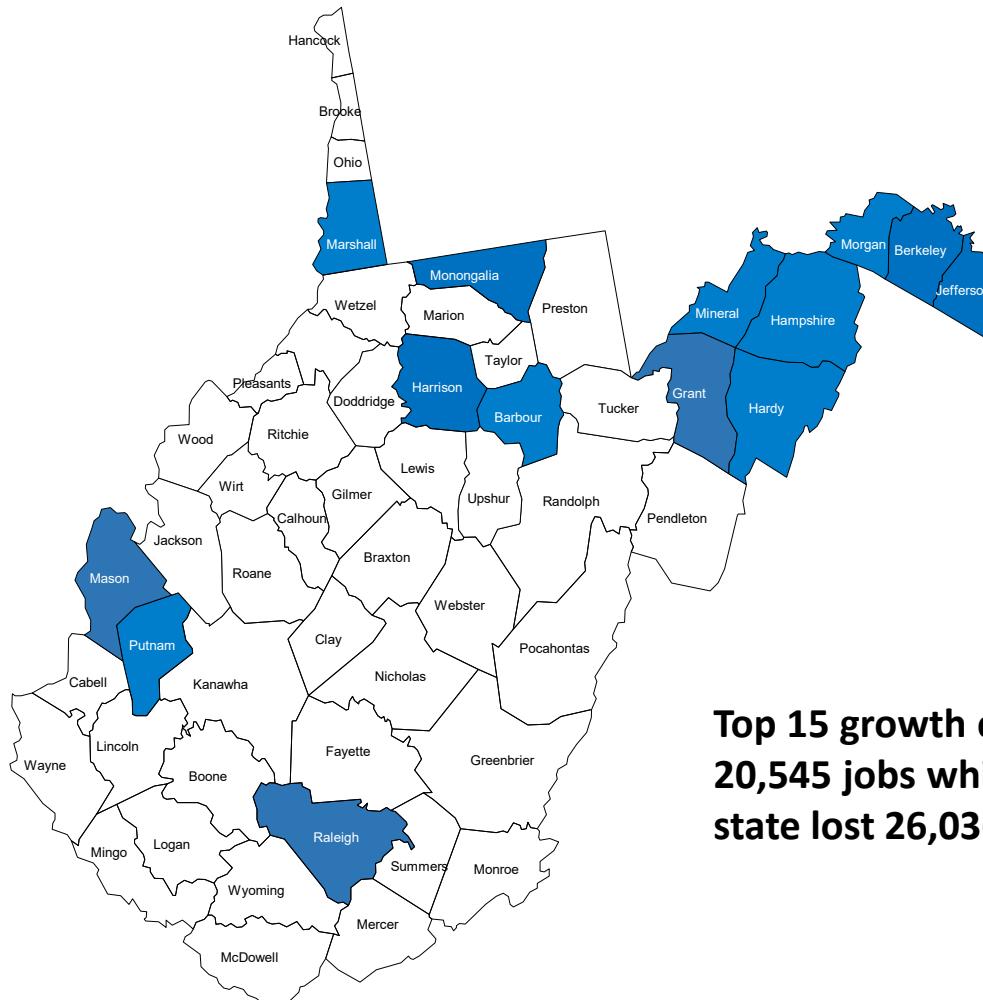


Components of Population Change



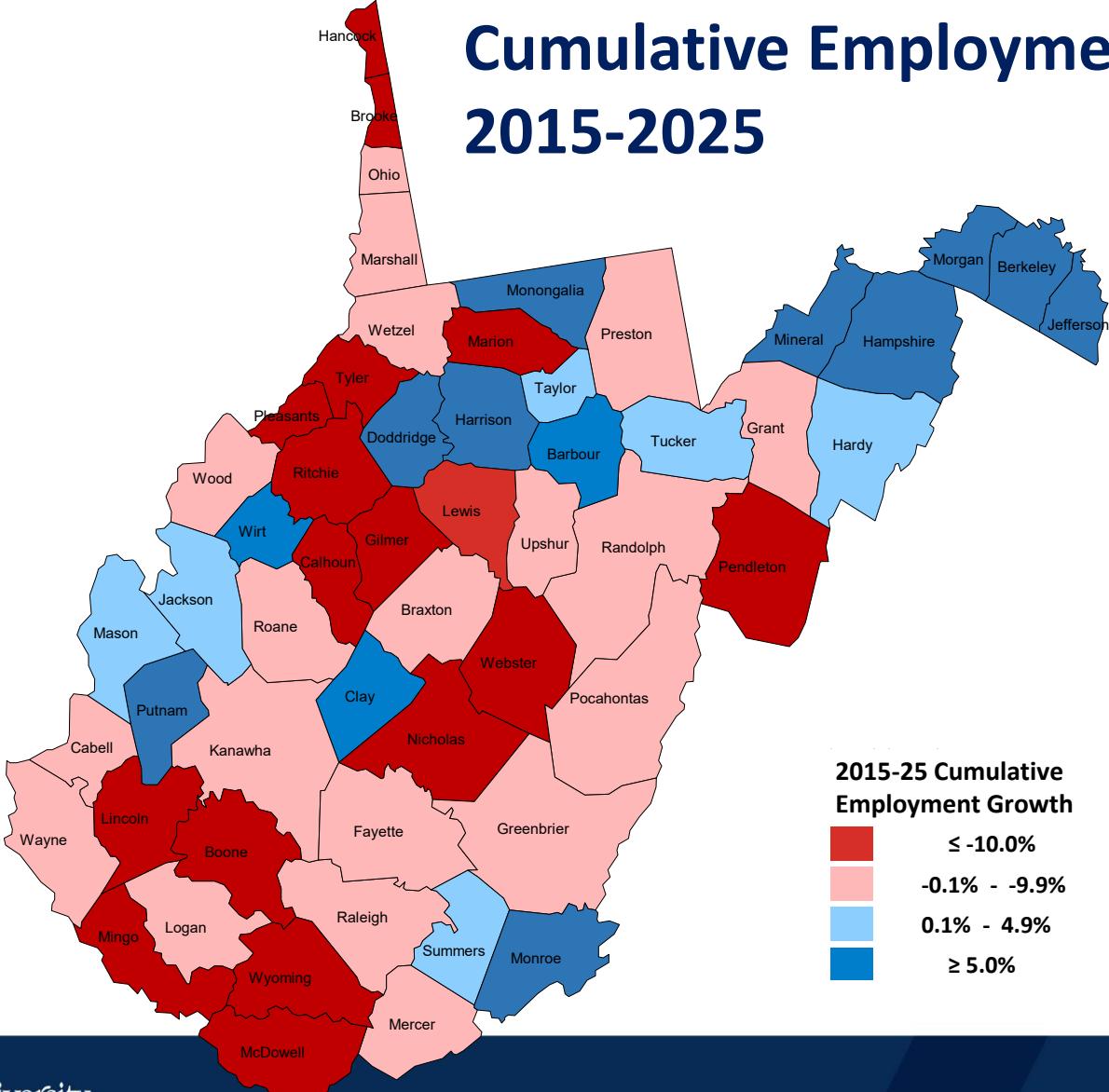
Diverse Regional Outcomes Across West Virginia...

Top 15 Growth Counties, 2015 - 2025



**Top 15 growth counties added
20,545 jobs while balance of
state lost 26,036 jobs**

Cumulative Employment Growth, 2015-2025

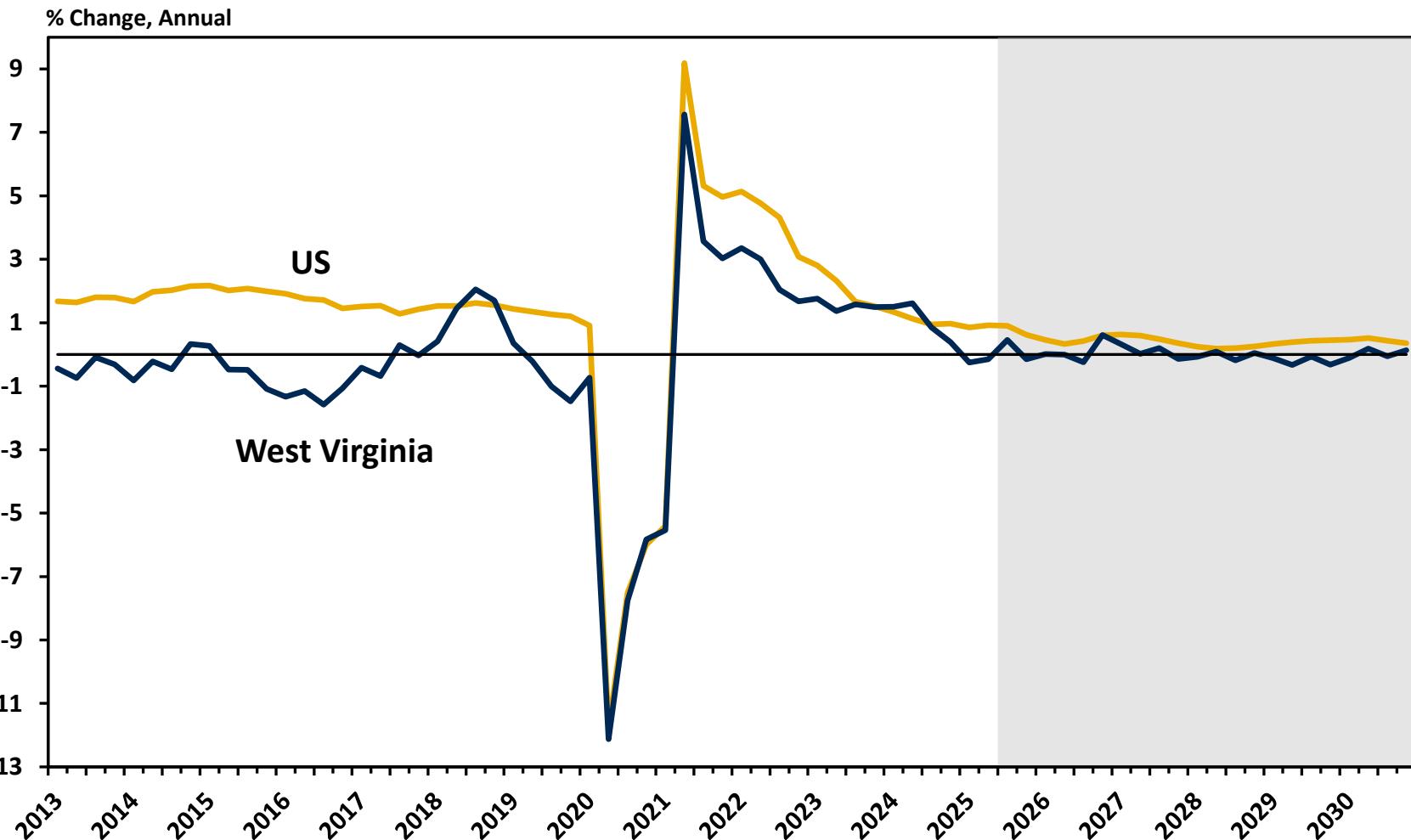


2015-25 Cumulative
Employment Growth

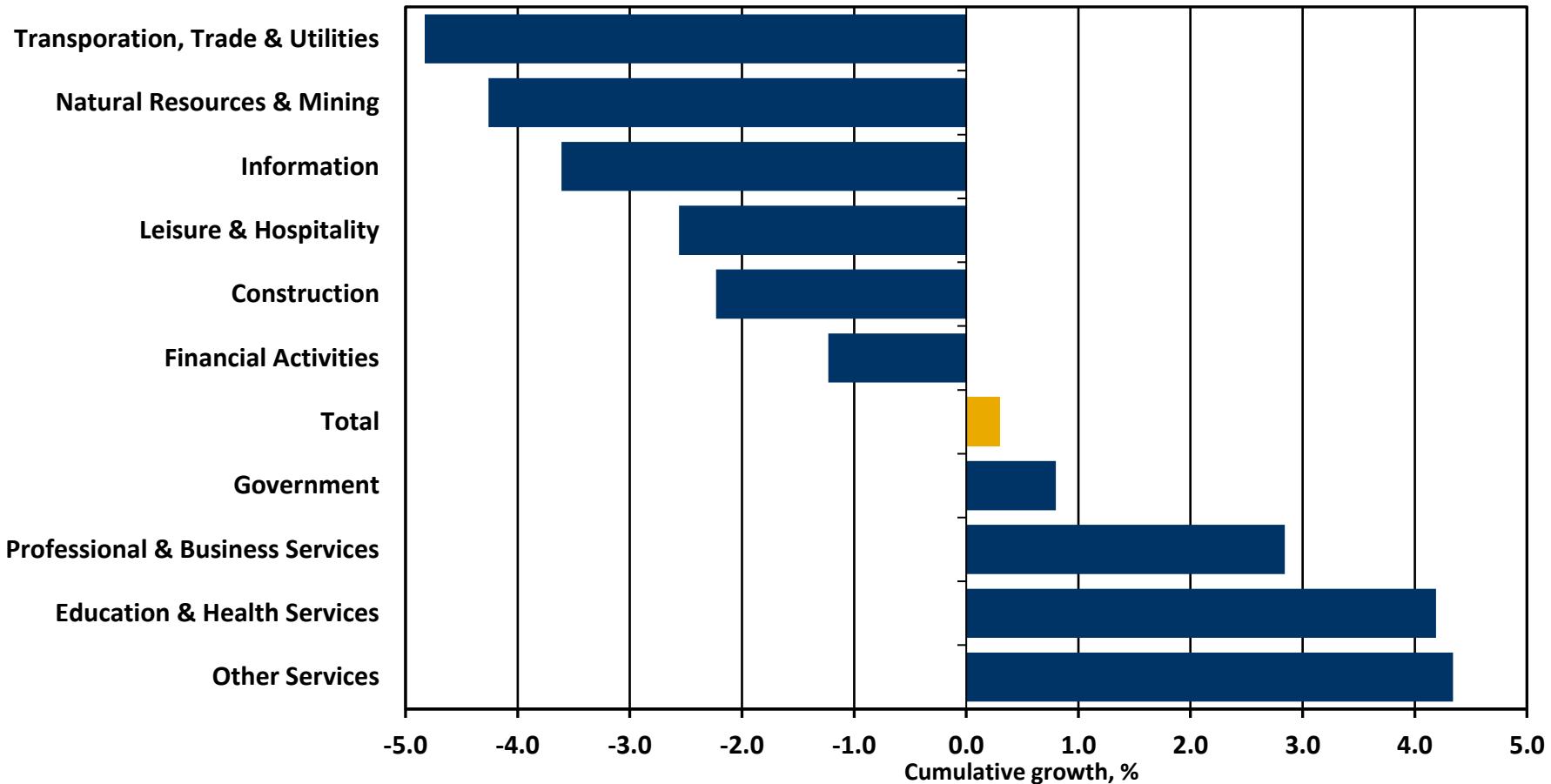
| |
|-------------------|
| $\leq -10.0\%$ |
| $-0.1\% - -9.9\%$ |
| $0.1\% - 4.9\%$ |
| $\geq 5.0\%$ |

Where Do We Go From Here?

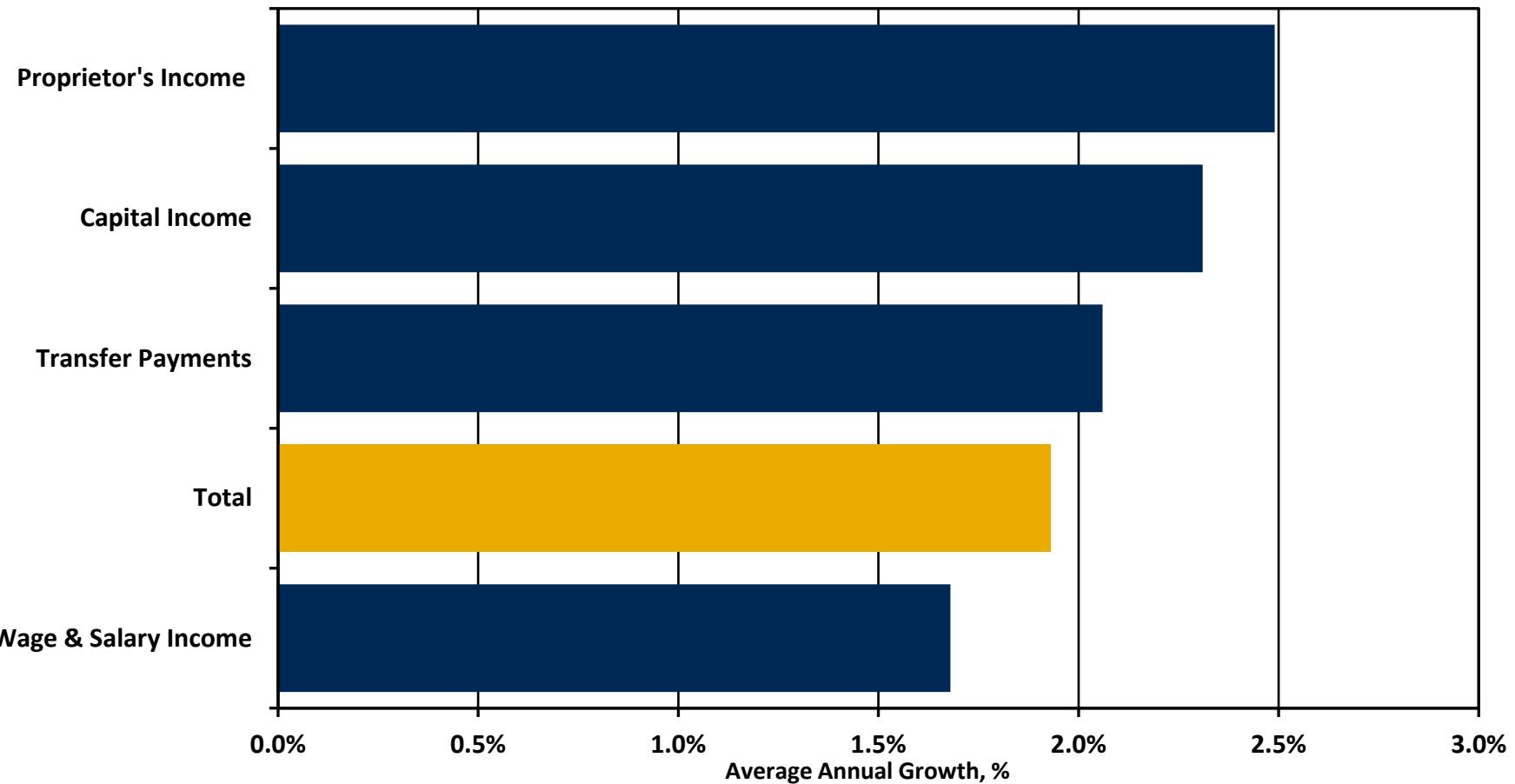
Employment Growth Forecast



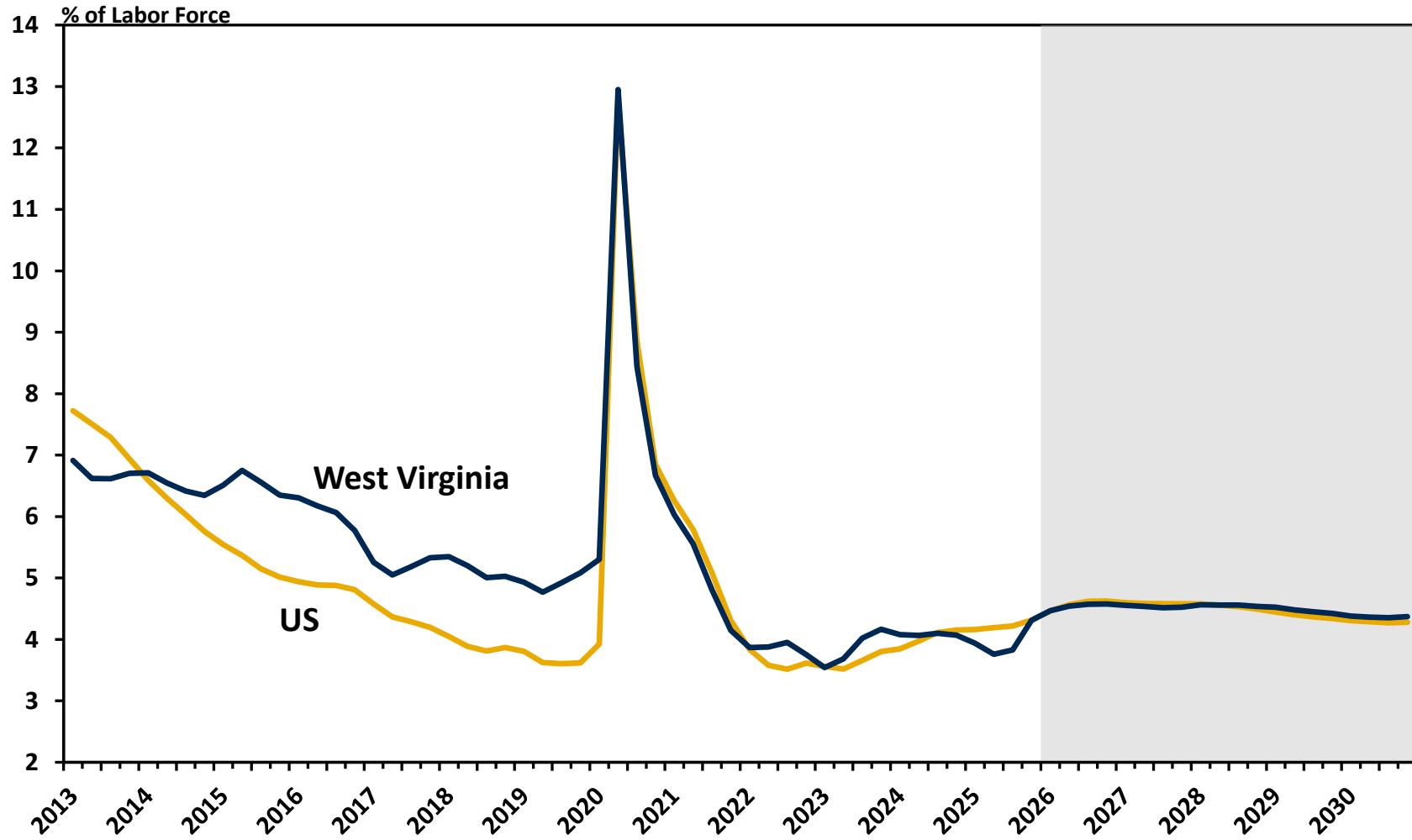
West Virginia Employment Growth Forecast by Sector, 2025-2030



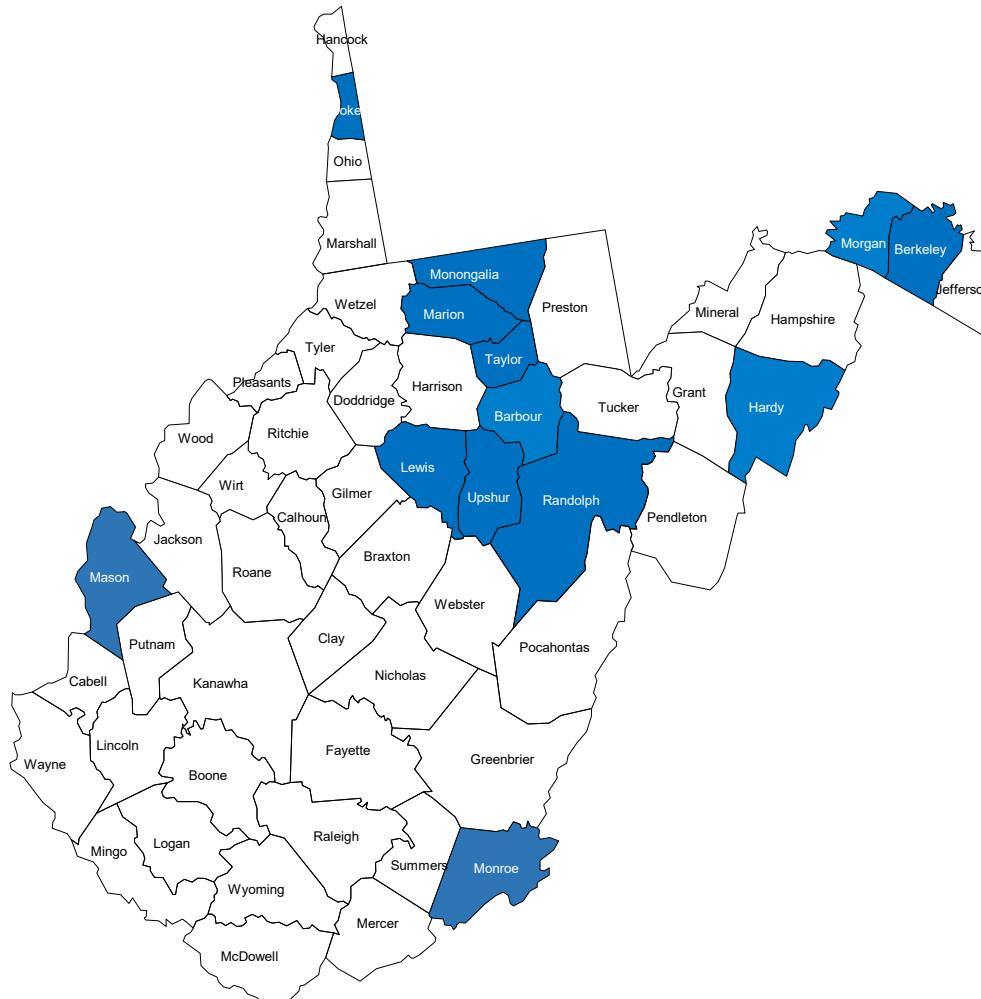
Forecast Growth by Source of Real Personal Income, 2025-2030



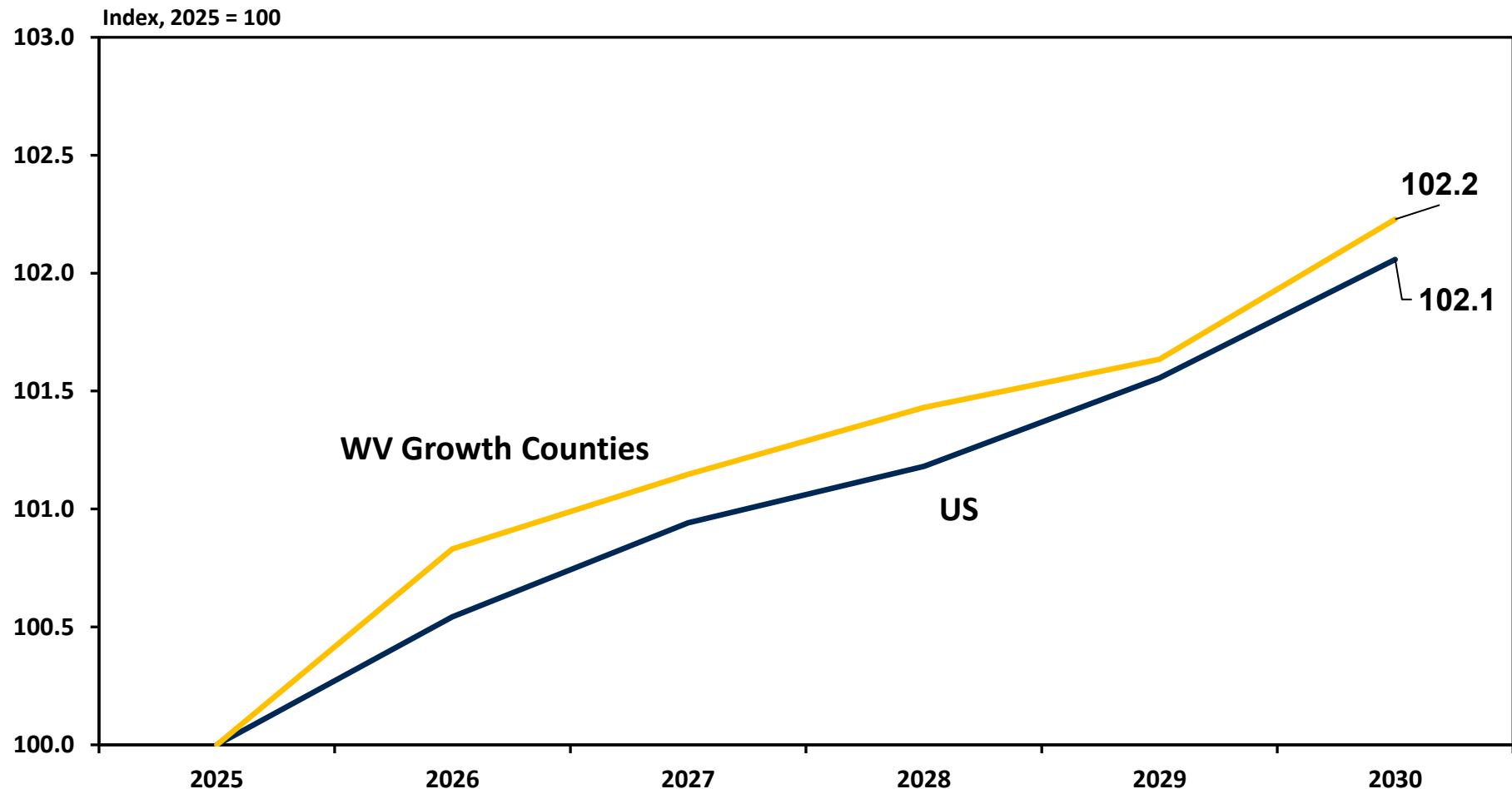
Unemployment Rate Forecast



Expected Growth for Just These Counties?



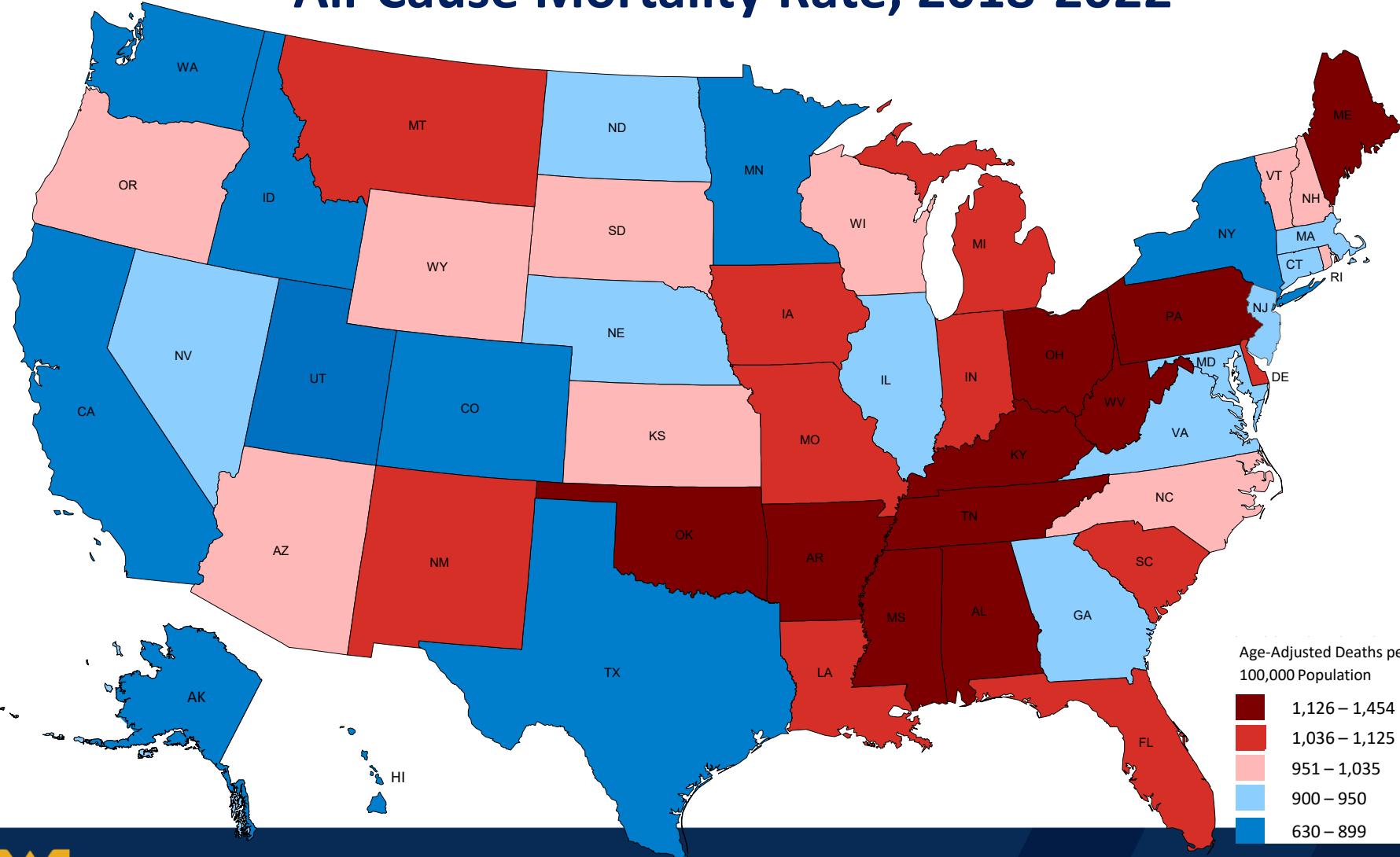
Forecast Employment Growth – Only “Growth” Counties



Economic Development Priority

Human Capital

All-Cause Mortality Rate, 2018-2022

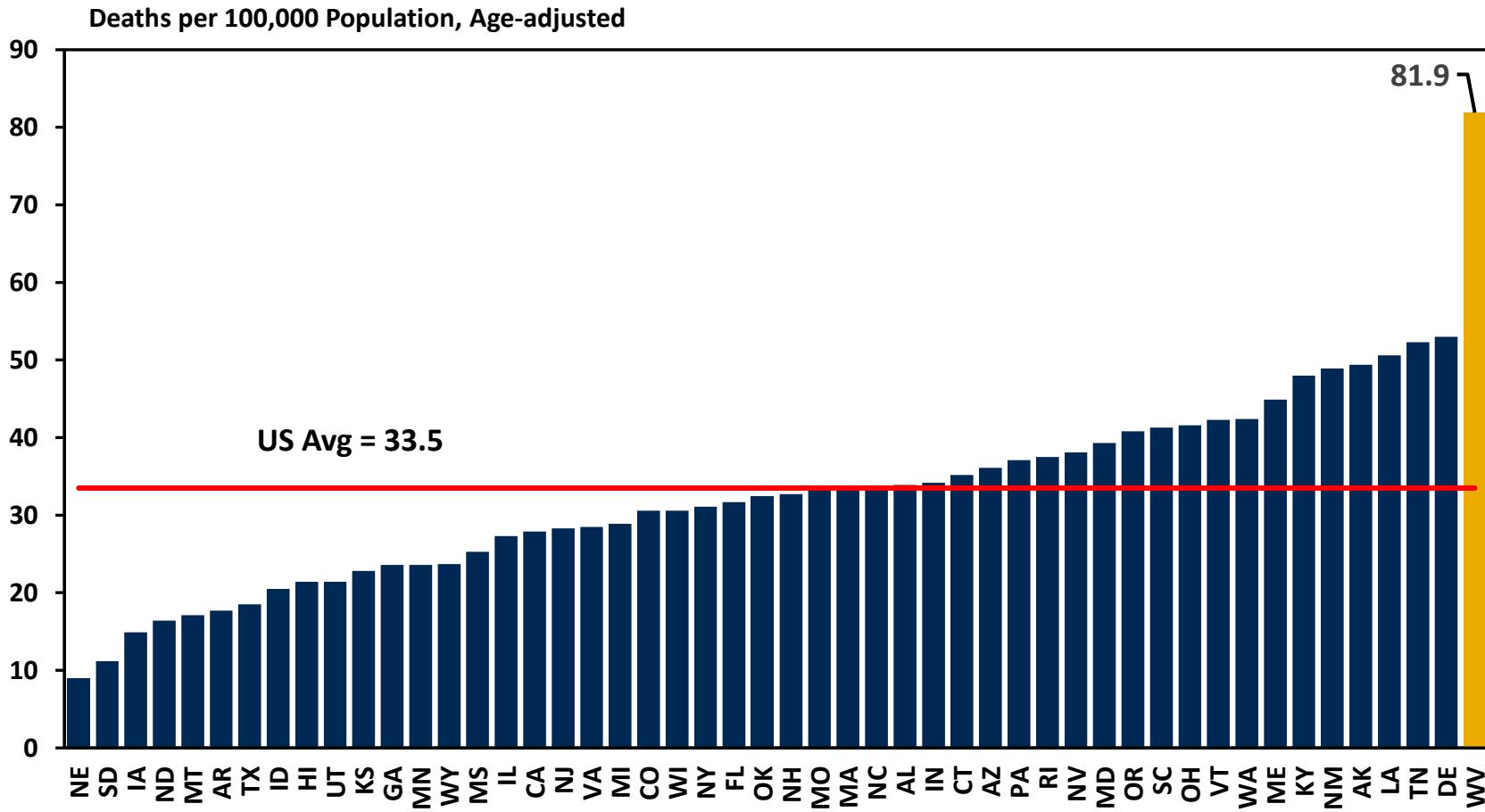


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Drug Overdose Mortality Rate, 2023



Economic Development in Our State

Breaking The Vicious Cycle...

- Lack of Industrial Diversification →
- Shock to Dominant Industry →
- Out-Migration →
- Lose Younger, Healthier, Better Educated/Trained →
- Drug Abuse →
- Area is Now *Less* Attractive to New Development →
- Conditions Worsen
- A New Spark?

Some Wins from Recent Years...

- Select Jobs Created Through WV Dept. of Econ. Development
 - Nucor, 800 new jobs, Mason
 - FORM Energy, 750 new jobs, Hancock
 - Fidelis Infrastructure, 350 new jobs, Mason
 - Triton International, 260 new jobs, Berkeley
 - LG Nova, 275 new jobs, Mon/Cabell/Mercer
 - OBT Bluefield, 150 new jobs, Mercer
 - Owens & Minor, 125 new jobs, Monongalia
 - Gestamp, 120 new jobs, Kanawha

The Next Stage of Economic Development...

- Traditional Focus on “Footloose” Firms
- Far Fewer Jobs Are “Attractable” Today
- Heavy Service-Oriented Economy
- Physical Location is Less Important
- Traditional Efforts to Attract Large Manufacturers are Less Effective...
 - With Some Exceptions

The Next Stage of Economic Development...

- People Move to Where They Want to Live...
 - Jobs Follow
- Make West Virginia a Place People Want to Live
- Quality of Life Amenities

