Setting the Stage for Understanding West Virginia’s Economy: Energy
West Virginia Coal and Natural Gas Output

Coal Production (Millions of Short Tons, Annualized)

Natural Gas Production (Billions of Cubic Feet)

Coal

Natural Gas

West Virginia Coal and Natural Gas Output
Key Drivers of Demand Decline

• Environmental Regulatory Climate
• Natural Gas Boom
• International Demand
Where Do We Stand? 
Jobs, Income, and Output
Forecast Growth by Source of Real Personal Income, 2016-2021

- Transfer Payments
- Residence Adjustment
- Personal Income
- Proprietor's Income
- Investment Income
- Wages & Salaries
- Pension Income

Average Annual Growth, %
Historical and Forecast Share of Total Personal Income by Source

**2001**
- **Wages & Salaries**: 43%
- **Transfer Payments**: 22%
- **Investment Income**: 15%
- **Pensions**: 12%
- **Proprietor's Income**: 6%
- **Residence Adjustment**: 2%

**2021**
- **Wages & Salaries**: 40%
- **Transfer Payments**: 29%
- **Investment Income**: 13%
- **Pensions**: 6%
- **Proprietor's Income**: 10%
- **Residence Adjustment**: 2%
Regional Economies in West Virginia
Southern Coalfields

Real Wages: ↓ 28% since 2010Q1
Employment: ↓ 21%
New River Gorge Area

Real Wages: ↓ 2% since 2010Q1
Employment: ↓ 4%
Real Wages: ↑ 6% since 2010Q1
Employment: Unchanged
Natural Gas Boom Region

Real Wages: ↑ 12% since 2010Q1
Employment: ↑ 1%
Real Wages: ↑ 13% since 2010Q1
Employment: ↑ 6%
Eastern Panhandle

Real Wages: ↑ 20% since 2010Q1
Employment: ↑ 14%
Eastern Panhandle and North-Central Region Adding Residents

Index, 1990=100

Eastern Panhandle

North Central WV

Rest of WV
Conversation Starters

Fostering an Entrepreneurial Culture
Conversation Starters

Human Capital: Education and Health
Share of Residents 25 to 34 Years Old with a Bachelor’s Degree or Higher, 2014

% With a BS Degree or Higher

- **21.9 - 27.1**
- **27.2 - 31.9**
- **32.0 – 35.9**
- **36.0 - 50.1**

West Virginia University
College of Business and Economics

Bureau of Business and Economic Research
Conversation Starters

Thinking About Public Policy
Conversation Starters

Thinking About Good Government