



LABOR MARKET CONDITIONS IN METRO CHARLESTON

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STATEWIDE EMPLOYMENT SITUATION

- ▶ South Carolina had an unemployment rate of 3.2% last month (preliminary and seasonally adjusted), which is historically low.
 - 2,315,768 people were employed; 75,424 were unemployed, meaning that they were actively looking for work in the previous four weeks.
 - A survey of businesses reported estimated payroll of 2,240,900.

- ▶ Our labor force participation rate was 56.9%, which is among the lowest nationwide.
 - This is the share of the eligible working-age population in the labor force.
 - What can we do about it? We'll get back to that ...

JOB OPENINGS AND LABOR TURNOVER SURVEY (JOLTS)

- ▶ Data released last Wednesday underscores the fact that, despite all the talk of a recession, our state's labor market is still dynamic.
- ▶ Per the U.S. Bureau of Labor Statistics, there were 174,000 job openings, 108,000 hires, and 81,000 quits in August statewide.
 - All three figures are well above pre-pandemic highs but down slightly.
 - This means there are over two job openings per unemployed person.
- ▶ This near-record high level of churn means that workers can more easily find good jobs ... but is clearly contributing to the challenges faced by businesses in recruiting needed labor.

LOCAL LABOR FORCE STATISTICS – SEPTEMBER 2022

| Residence | Labor Force | Employed | Unemployed | Unemp. Rate |
|--------------------------|----------------|----------------|---------------|-------------|
| Metropolitan area | 407,933 | 397,034 | 10,899 | 2.7% |
| Berkeley County | 110,613 | 107,388 | 3,225 | 2.9% |
| Charleston County | 217,108 | 211,644 | 5,464 | 2.5% |
| Dorchester County | 80,212 | 78,002 | 2,210 | 2.8% |
| Charleston city | 76,480 | 74,663 | 1,817 | 2.4% |
| Goose Creek city | 20,942 | 20,347 | 595 | 2.8% |
| Hanahan city | 14,585 | 14,278 | 307 | 2.1% |
| Mt. Pleasant town | 51,186 | 50,138 | 1,048 | 2.0% |
| N. Charleston city | 57,392 | 55,671 | 1,721 | 3.0% |
| Summerville town | 25,771 | 25,038 | 733 | 2.8% |

Source: Local Area Unemployment Statistics, DEW/U.S. Bureau of Labor Statistics.
 Note: Figures are not seasonally adjusted. Data are preliminary.

METRO CHARLESTON PAYROLL DATA – EMPLOYMENT

| Sector | Sep. 2022 | Aug. 2022 | Sep. 2021 |
|--|----------------|----------------|----------------|
| Total nonfarm | 394,800 | 397,100 | 371,800 |
| Mining, logging, and construction | 21,600 | 21,900 | 21,300 |
| Manufacturing | 29,700 | 29,500 | 27,800 |
| Wholesale trade | 11,600 | 11,600 | 10,800 |
| Retail trade | 40,800 | 41,800 | 40,300 |
| Transportation, warehousing, and utilities | 16,400 | 16,300 | 15,700 |
| Information | 8,000 | 7,900 | 7,300 |
| Financial activities | 17,200 | 17,200 | 16,100 |
| Professional and business services | 64,300 | 64,300 | 57,400 |
| Education and health services | 44,900 | 44,200 | 43,100 |
| Leisure and hospitality | 53,400 | 56,400 | 47,300 |
| Other services | 15,700 | 15,800 | 14,700 |
| Government | 71,200 | 70,200 | 70,000 |

Source: Current Employment Statistics, DEW/U.S. Bureau of Labor Statistics.
 Note: Figures are not seasonally adjusted. September 2022 data are preliminary.

METRO CHARLESTON PAYROLL DATA – WAGES & HOURS

| Private Sector Workers | Sep. 2022 | Aug. 2022 | Sep. 2021 |
|-------------------------------|------------------|------------------|------------------|
| Average Weekly Earnings | \$1,110.30 | \$1,100.75 | \$1,025.39 |
| Average Weekly Hours | 34.1 | 34.1 | 34.1 |
| Average Hourly Earnings | \$32.56 | \$32.28 | \$30.07 |

Source: Current Employment Statistics, DEW/U.S. Bureau of Labor Statistics.
 Note: Figures are not seasonally adjusted. September 2022 data are preliminary.

METRO CHARLESTON JOB POSTINGS DATA

- ▶ There were 19,386 job postings regionally as of October 19.
 - Median estimated annual salary: \$36,607
- ▶ Top occupations: Registered nurses (887), retail sales (711), retail supervisors (482), sales reps (445), maintenance (353)
- ▶ Health systems are the top three companies looking to hire, making up 11 percent of all openings in the region.
- ▶ Among job postings with their educational requirements listed, over half only require a high school diploma.

Source: Help Wanted OnLine, The Conference Board/Lightcast

WHERE TO FIND LABOR MARKET INFORMATION

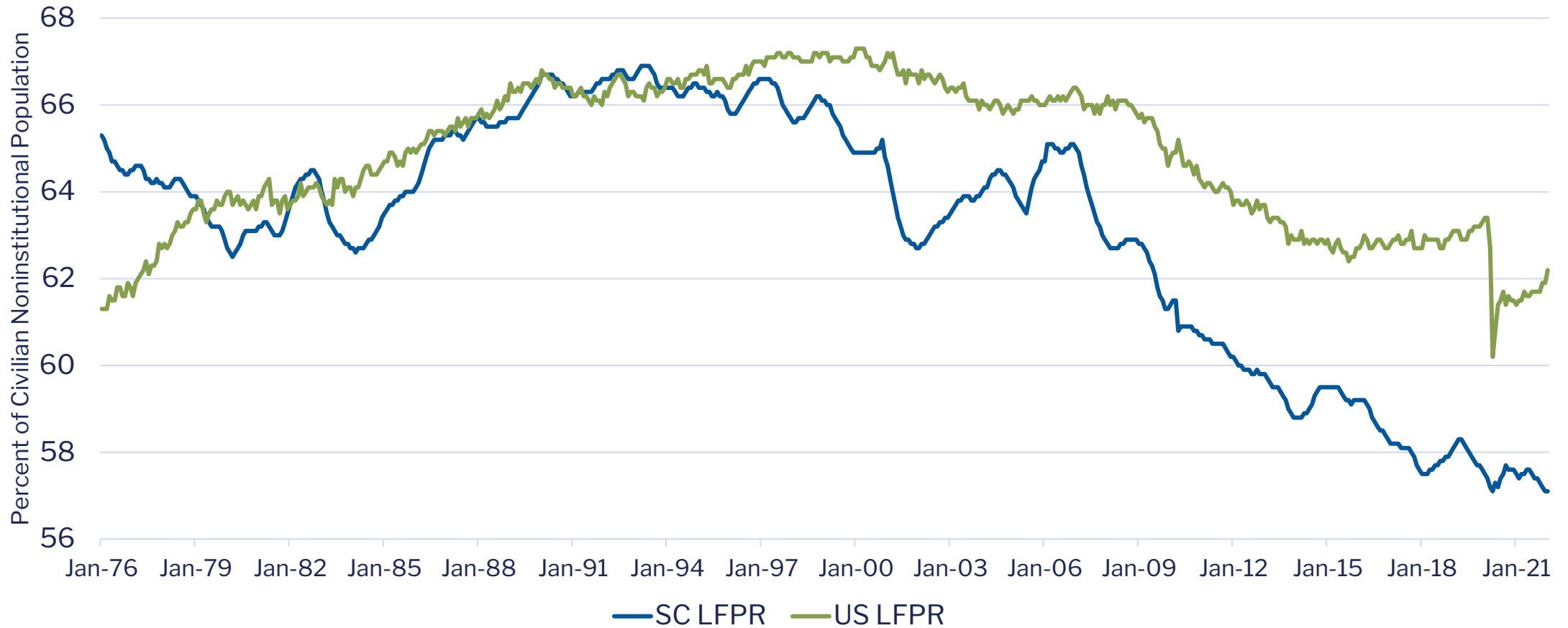
- ▶ Check out our refreshed Trends publication, updated monthly:
<https://dew.sc.gov/data-and-statistics/data-trends-issues>
- ▶ Coming soon: A brand new agency dashboard and LMI website!
 - DEW dashboard: <https://dew.sc.gov/data-and-statistics/data-dashboard>
 - LMI home page: <https://scworkforceinfo.com>
- ▶ Can't find it? Email us at lmicustomerservice@dew.sc.gov.



SOUTH CAROLINA LABOR FORCE PARTICIPATION TASK FORCE



SOUTH CAROLINA AND U.S. LFP RATES, 1976-2021



STARTING THE PROCESS

- ▶ The task force was first convened on March 23.
 - Eleven people were asked to serve on the task force, which included leaders from across academia, government, and the private sector, plus a DEW colleague (Dr. Erica Von Nessen, sr. economist) and me.
 - Erica and I developed an initial analysis and presented it to the group.

- ▶ Two further meetings followed to determine next steps.

- ▶ All materials are available online at <https://dew.sc.gov/taskforce>.

TWO-TRACK RESEARCH

- ▶ It was determined that, to better understand the labor market dynamics at play, two research products would be required.
- ▶ One would evaluate the question from a macro level, working to identify fundamental shifts in the state's demographic and economic characteristics correlated with trends in the LFPR. Chmura Economics & Analytics was selected as the vendor, and results are expected in the coming weeks.
- ▶ Another would evaluate the question from a micro level ...

METHODOLOGY

- ▶ The massive surge of unemployment filings during the initial wave of the pandemic provided a unique research opportunity.

- ▶ DEW was able to use its UI records to identify individuals who:
 - Were present in our wage data in 2019
 - Filed a UI claim in 2020, thereby providing contact information to DEW
 - Were not present in our wage data in 2021

- ▶ We wanted to ascertain how many of these people had dropped out of the labor force, their reasons for doing so, and how they might be convinced to return.

DEPLOYMENT

- ▶ The survey was deployed online, with emails sent to 150,392 people who fit the population parameters.
 - Of those, 6,116 responded to the survey (about a 4% response rate).

- ▶ The survey included items on current work status, perceived barriers to employment, work history, and demographics.
 - Average time to complete was slightly less than 5 minutes.

- ▶ So, what did we find out?

THE TOP LINE

- ▶ Approximately 46% of respondents indicated they are currently working in some form.
 - Note that UI wage records do not include contractors or sole proprietors.
- ▶ An additional 26% are individuals who are not available to work (i.e., students, retirees, those with disability or health issues).
- ▶ **This leaves roughly 28% of respondents who are not working but could work.**

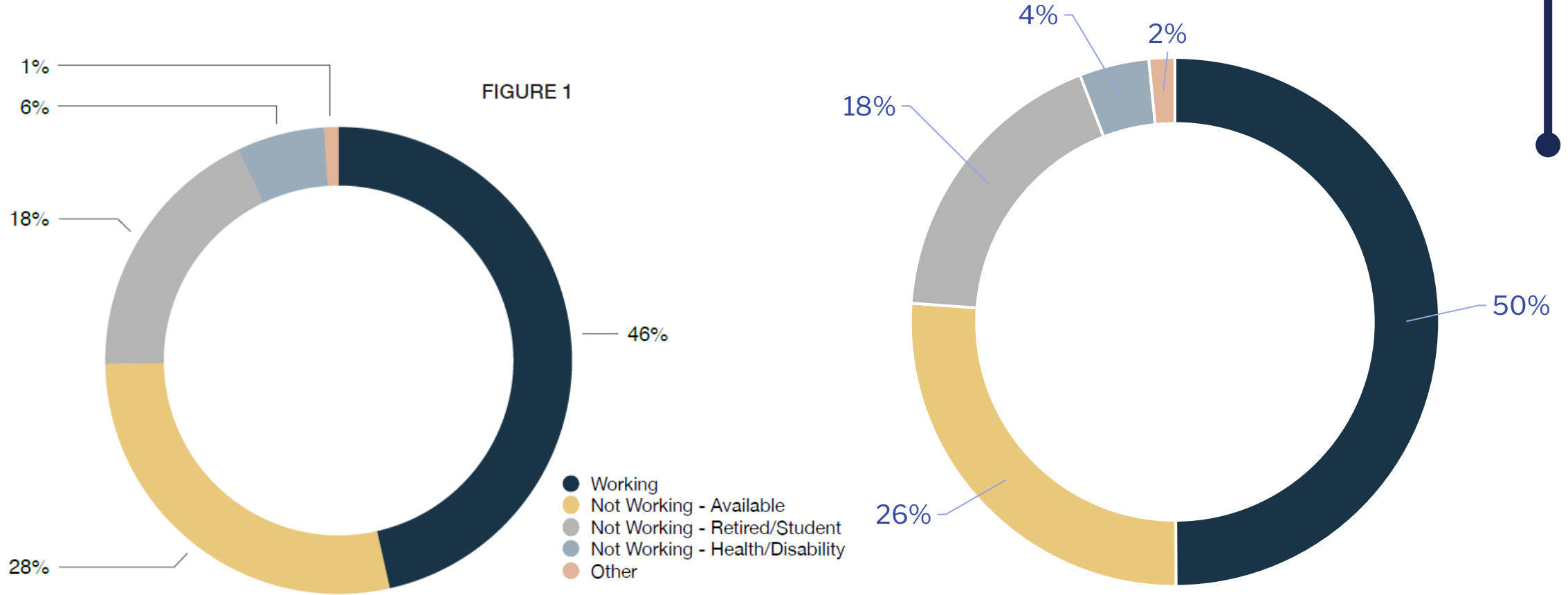
WHERE ARE THE 28 PERCENT?

- ▶ Certain groups were more likely to report that they were not working but available to work:
 - ▶ Black/African American: 32 percent
 - ▶ Aged 54 or younger: 33 percent
 - ▶ Less than college degree: 31 percent
 - ▶ Living in Tier IV counties: 37 percent
- ▶ *Living in Metro Charleston: 26 percent*
 - Lower Savannah and Midlands were highest.

EMPLOYMENT STATUS – STATEWIDE VS. METRO CHARLESTON

All Respondents

Trident LWDA



EMPLOYMENT STATUS – STATE VS. METRO BY SEX

Female Respondents

| Employment Status | State | Metro |
|--------------------------------|-------|-------|
| Working | 46% | 48% |
| Not Working, Available | 28% | 27% |
| Not Working, Retired/Student | 18% | 18% |
| Not Working, Health/Disability | 7% | 5% |
| Other | 1% | 2% |

Male Respondents

| Employment Status | State | Metro |
|--------------------------------|-------|-------|
| Working | 46% | 55% |
| Not Working, Available | 25% | 22% |
| Not Working, Retired/Student | 21% | 20% |
| Not Working, Health/Disability | 5% | 3% |
| Other | 1% | 0% |

While female respondents in the Trident LWDA were generally in line with the state average, male respondents in Metro Charleston were substantially more likely to indicate being employed.

BARRIERS TO ENTRY – OVERALL

| Barrier | Percent |
|-----------------------------|---------|
| Low pay jobs | 23% |
| Health | 20% |
| Gaps in employment history | 19% |
| Lack of transportation | 18% |
| Optimal hours not available | 16% |
| Disabilities | 15% |
| Lack of child care | 14% |
| Stay with child | 13% |
| Age (too old) | 12% |
| Criminal record | 11% |

BARRIERS TO ENTRY – BY SEX

| Barrier | Females | Males |
|--------------------------------|---------|-------|
| Low pay jobs | 23% | 27% |
| Health | 20% | 19% |
| Gaps in employment history | 20% | 20% |
| Optimal hours not available | 20% | 9% |
| Lack of Transportation | 19% | 18% |
| Lack of child care | 19% | |
| Stay with child | 18% | |
| Disabilities | 15% | 19% |
| Age (too old) | 12% | 15% |
| Low self-esteem | 10% | 9% |
| Criminal record | | 19% |
| Lack of information about jobs | | 8% |

BARRIERS TO ENTRY – BY RACE

| Barrier | Black/African American | White |
|--------------------------------|------------------------|-------|
| Low pay jobs | 22% | 24% |
| Health | 18% | 25% |
| Gaps in employment history | 17% | 23% |
| Optimal hours not available | 17% | 17% |
| Lack of Transportation | 21% | 18% |
| Lack of child care | 16% | 13% |
| Stay with child | 11% | 16% |
| Disabilities | 14% | 17% |
| Age (too old) | | 19% |
| Low self-esteem | | 14% |
| Criminal record | 13% | |
| Lack of information about jobs | | |
| Lack of training | 8% | |

BARRIERS TO ENTRY – BY AGE

| Barrier | 24 years or younger | 25-54 years | 55 years or older |
|--------------------------------|---------------------|-------------|-------------------|
| Low pay jobs | 28% | 24% | 24% |
| Health | | 21% | 27% |
| Gaps in employment history | 20% | 22% | 14% |
| Optimal hours not available | 14% | 18% | 14% |
| Lack of Transportation | 23% | 23% | 7% |
| Lack of child care | 23% | 18% | |
| Stay with child | 22% | 18% | |
| Disabilities | 11% | 16% | 17% |
| Age (too old) | | | 36% |
| Low self-esteem | 15% | 10% | 6% |
| Criminal record | 11% | 15% | |
| Lack of information about jobs | | | 8% |
| Lack of training | | | |
| Family problems | 12% | | |
| Lack of computer skills | | | 12% |

BARRIERS TO ENTRY – BY TIER

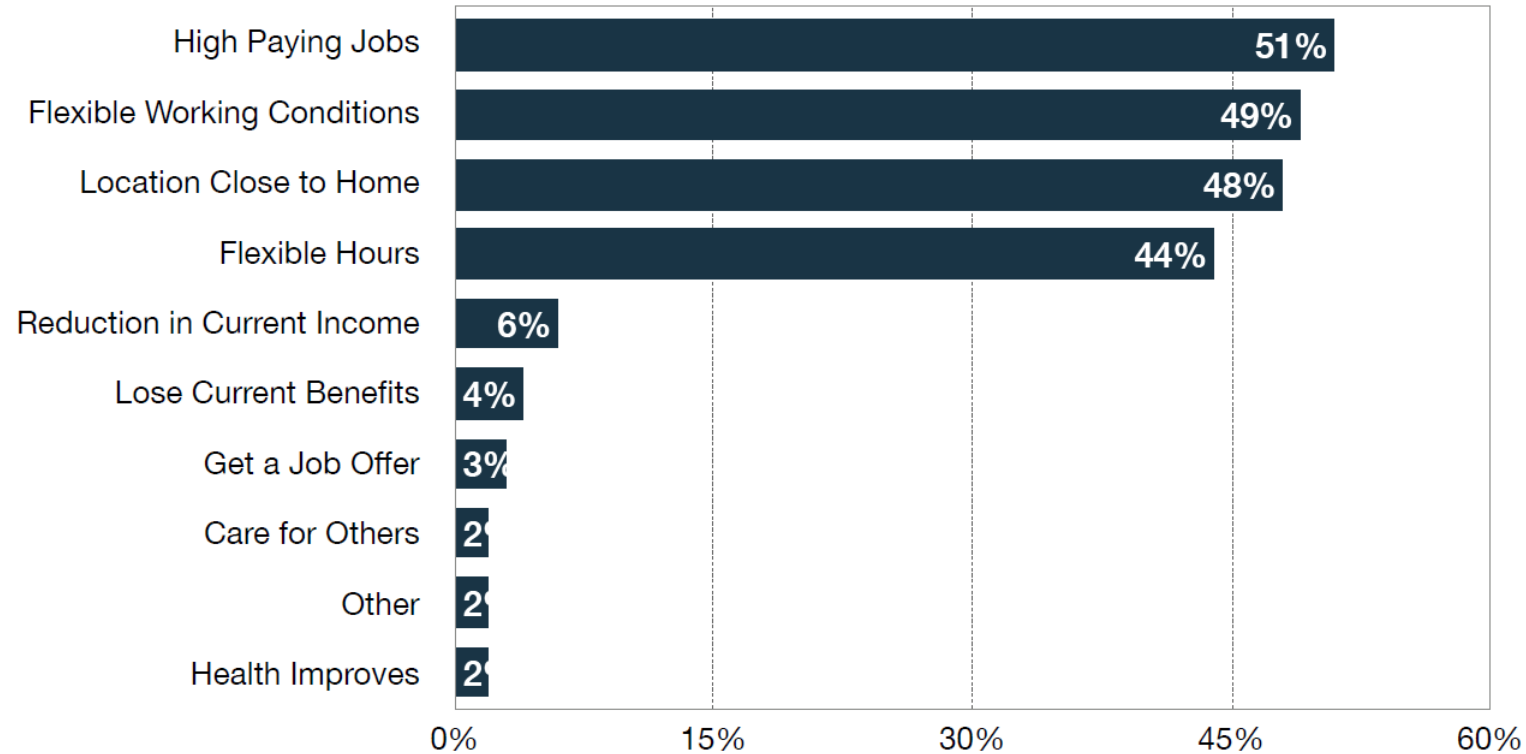
| Barrier | I | II | III | IV |
|-----------------------------|-----|-----|-----|-----|
| Low pay jobs | 22% | 24% | 25% | 23% |
| Health | 20% | 22% | 23% | 17% |
| Gaps in employment history | 19% | 23% | 18% | 15% |
| Optimal hours not available | 17% | 17% | 15% | 12% |
| Disabilities | 17% | 13% | 14% | 19% |
| Lack of transportation | 16% | 18% | 16% | 27% |
| Lack of child care | 14% | 15% | 11% | 12% |
| Stay with child | 14% | 13% | 13% | 12% |
| Age (too old) | 13% | 11% | 10% | 11% |
| Criminal record | 11% | 12% | 12% | 11% |

BARRIERS TO ENTRY – STATE VS. METRO

| Barrier | Overall | Trident |
|-----------------------------|------------|------------|
| Low Pay Jobs | 23% | 20% |
| Health | 20% | 24% |
| Gaps in Employment History | 19% | 23% |
| Lack of Transportation | 18% | 18% |
| Optimal Hours Not Available | 16% | 15% |
| Disabilities | 15% | 20% |
| Lack of Child Care | 14% | |
| Want to Stay with Child | 13% | 12% |
| Age (too Old) | 12% | 14% |
| Criminal Record | 11% | 10% |
| Mental Illness | | 11% |

- ▶ Fewer metro residents reported low pay or lack of childcare as a barrier to employment.
- ▶ More metro residents reported gaps in employment history or health and disability issues as barriers to employment.

BRINGING PEOPLE BACK



When asked what would attract someone not currently in the labor force to look for work, the four clear responses largely corresponded with the barriers that people identified.

KEY TAKEAWAYS

- ▶ Results suggest that there may be several policy levers to improve the labor force participation rate:
 - Improved communication about relevant job opportunities
 - Increased availability of childcare and rural transportation
 - Enhanced accommodations for persons with health issues
 - Facilitating more flexible working conditions where possible

- ▶ It is concerning that, in a time of high wage growth, “sideliners” see low pay as an obstacle to employment. Do people have unrealistic expectations, or will businesses need to pay more? Further research (e.g., a focus group) may be necessary.

THANK YOU FOR YOUR TIME!