



**Where are
the Workers?**



They're Already Working

**Labor Market Information Division
at
South Carolina Department of Employment and Workforce**

INTRODUCTION

“THE GREAT RESIGNATION”

- “The Great Resignation” - a term coined by, Texas A&M management professor, Dr. Anthony Klotz after his observation, in May 2021, that the number of those voluntarily leaving their jobs had been steadily rising since the beginning of the pandemic. This rapid incline reached record highs since data regarding quits had first been collected back in 2000.
- According to federal data, those who quit their jobs in South Carolina reached an all-time high in March. A staggering 90,000 workers – 4.1% of the state’s employees – resigned and transitioned into other roles within a single month. How can this be true for both? Simple – the level of turnover in the job market has increased significantly, leaving businesses hustling to try and keep up.



Raw Numbers over the last three years:



EXHIBIT 1: COUNTS (IN THOUSANDS), JOB OPENINGS AND LABOR TURNOVER SURVEY, SOUTH CAROLINA, 2019-2022

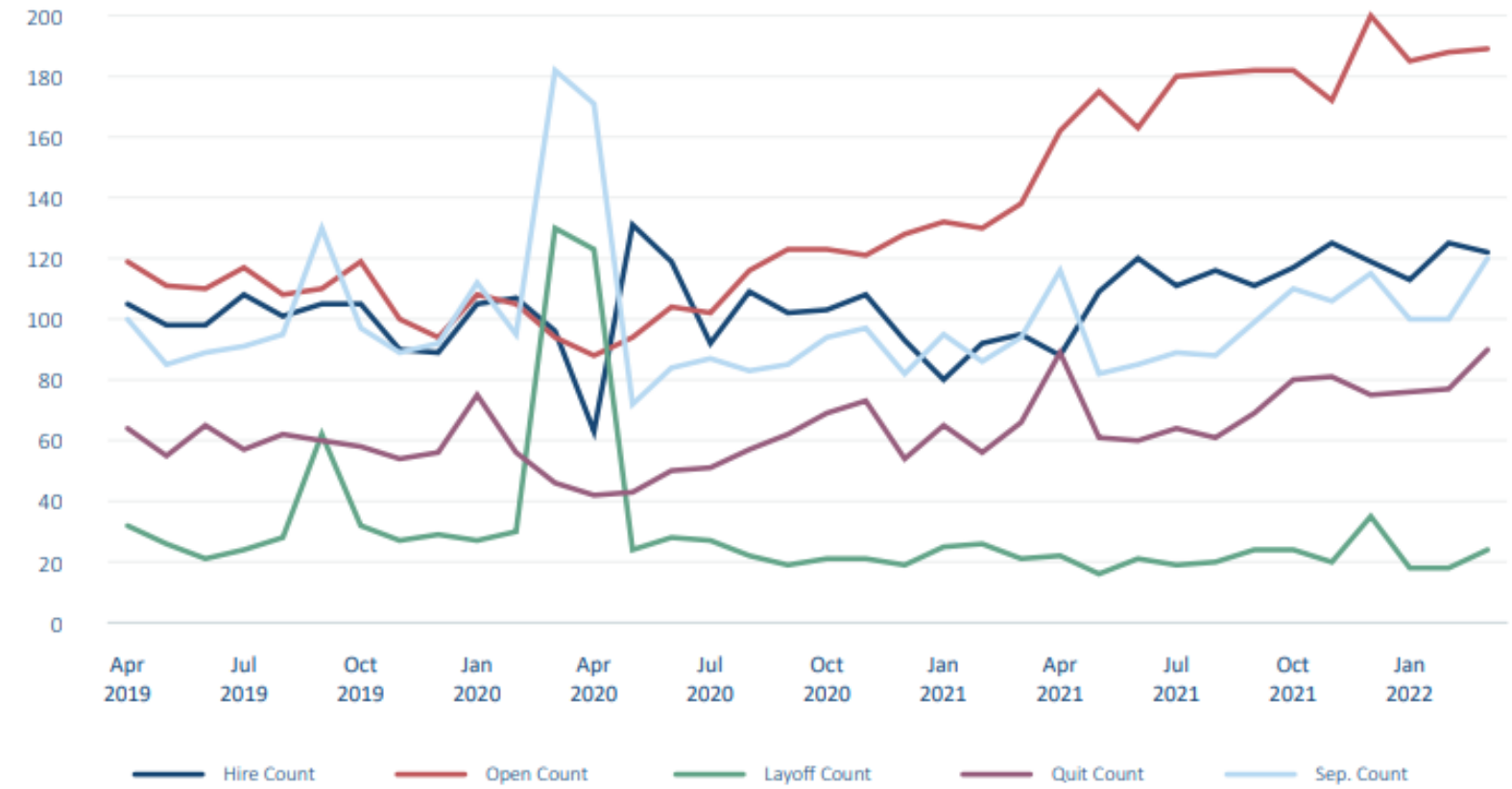


EXHIBIT 2: SUMMARY OF JOB OPENINGS AND LABOR TURNOVER SURVEY DATA, SOUTH CAROLINA, 2019-2022

	<i>Apr. '19-Mar. '20 Average</i>		<i>Apr. '20-Mar. '21 Average</i>		<i>Apr. '21-Mar. '22 Average</i>	
	<i>Count</i>	<i>Rate</i>	<i>Count</i>	<i>Rate</i>	<i>Count</i>	<i>Rate</i>
Hires	101,000	4.6%	99,000	4.8%	115,000	5.3%
Job Openings	108,000	4.7%	117,000	5.4%	180,000	7.7%
Layoffs and Discharges	39,000	1.8%	31,000	1.6%	22,000	1.0%
Quits	59,000	2.7%	57,000	2.8%	74,000	3.4%
Total Separations	105,000	4.8%	94,000	4.6%	101,000	4.7%



It is helpful to divide these three years of data into three one-year periods: Pre-pandemic (April 2019 to March 2020), early pandemic (April 2020 to March 2021), and later pandemic (April 2021 to March 2022).

WHAT HAPPENED?

- The labor market had generally similar dynamics in the first two time periods, with a modest increase in job openings and a moderate decrease in layoffs (and, in turn, total separations) .
- There was a substantial shift starting last spring, as Dr . Klotz noted at the national level. The most dramatic change is a radical increase in job openings, with businesses seeking an average of 54 percent more workers in the most recent 12 months versus the 12 months prior .
- Unsurprisingly, this has corresponded with an increase in hires, but not nearly as large of one (specifically, 16 percent). Quits, meanwhile, also increased by 30 percent on average.



HOW IS IT NOW?

SOUTH CAROLINA'S EMPLOYMENT SITUATION (JUNE 2022)

Household Survey¹ (Local Area Unemployment Statistics)

EMPLOYMENT: The seasonally adjusted, monthly survey of households estimated the number of South Carolinians working increased to 2,326,257.

- That is an increase of 4,288 people over the May estimate.
- That is a significant increase of 56,048 people over the June 2021 estimate.

UNEMPLOYMENT: The estimate of unemployed people declined to 78,101.

- That is a decrease of 1,028 people from May's estimate and a significant decrease of 19,244 over the June 2021 estimate.
- The state's seasonally adjusted unemployment rate declined to 3.2 percent from May's estimate of 3.3 percent.
- Nationally, the unemployment rate was unchanged at 3.6 percent, according to the Current Population Survey.

LABOR FORCE: The state's estimated labor force (people working plus unemployed people looking for work) increased to 2,404,358 from May's level of 2,401,098.

- That is an increase of 3,260 people over the May estimate.
- That is an increase of 36,804 individuals over the June 2021 estimate.

Employer Survey² (Current Employment Statistics)

NONAGRICULTURAL EMPLOYMENT BY INDUSTRY (SEASONALLY ADJUSTED³)

The monthly survey of businesses in South Carolina marked an estimated increase of 5,100 nonfarm payroll jobs over the month to a level of 2,214,300.

- Industries that reported gains were Government (+2,100); Trade, Transportation, and Utilities (+2000); Professional and Business Services (+1, 000); Manufacturing (+600); Leisure and Hospitality (+500); and Financial Activities (+100).
- Industries marking declines were Construction (-900); Education and Health Services (-200); and Information (-200).
- Other Services showed no change

From June 2021 to June 2022, South Carolina's economy has picked up 76,100 seasonally adjusted, nonfarm jobs.

- Industries with strong growth were in Trade, Transportation, and Utilities (+21,800); Leisure and Hospitality (+20,600); Manufacturing (+11,200); Financial Activities (+7,000); Professional and Business Services (+5,000); Other Services (+4,400); Government (+4,200); Information (+2,100); and Education and Health Services (+200).
- The Construction industry declined (-800).



RESOLUTION

- Ultimately, it is necessary to expand the size of the labor force and further increase our participation rate, as a DEW-sponsored task force is looking to do.
- The future course of the labor market is in the hands of the Federal Reserve. As our nation's central bank, it is tasked with using monetary policy to reduce the inflation rate and restore price stability. It does this primarily by increasing short-term interest rates, thereby increasing the cost of borrowing for consumers and firms, in turn reducing demand for consumer goods, corporate investment, and labor.

KEY LMI CONNECTIONS

TRENDS



COMMUNITY PROFILE



HOT JOBS



CONTACT US!

- ▶ If you need help finding data or analysis about our state's workforce, whether it's on our website or not, please don't hesitate to contact LMI.
- ▶ Email address: lmicustomerservice@dew.sc.gov
- ▶ Website: <https://scworkforceinfo.com>

THANK YOU FOR YOUR TIME!

