



SOUTH CAROLINA DEPARTMENT OF  
**Employment and Workforce**  
*“The Workforce Agency”*

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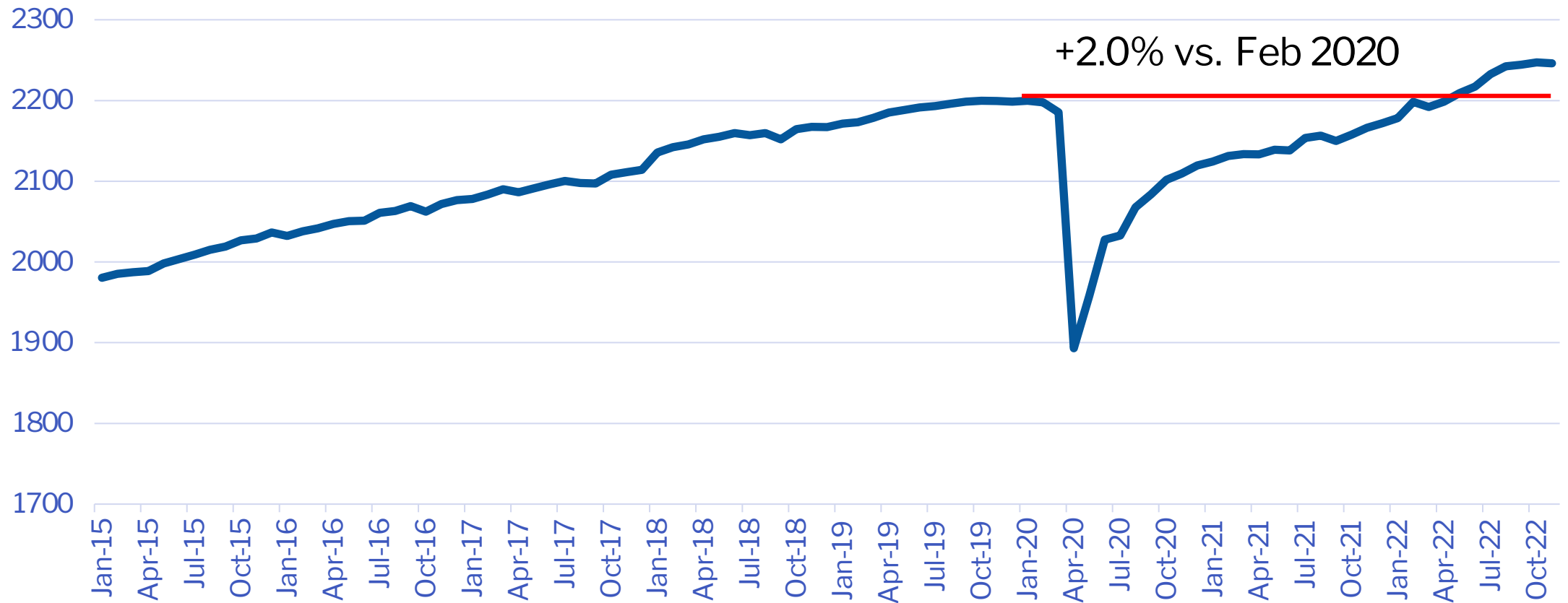
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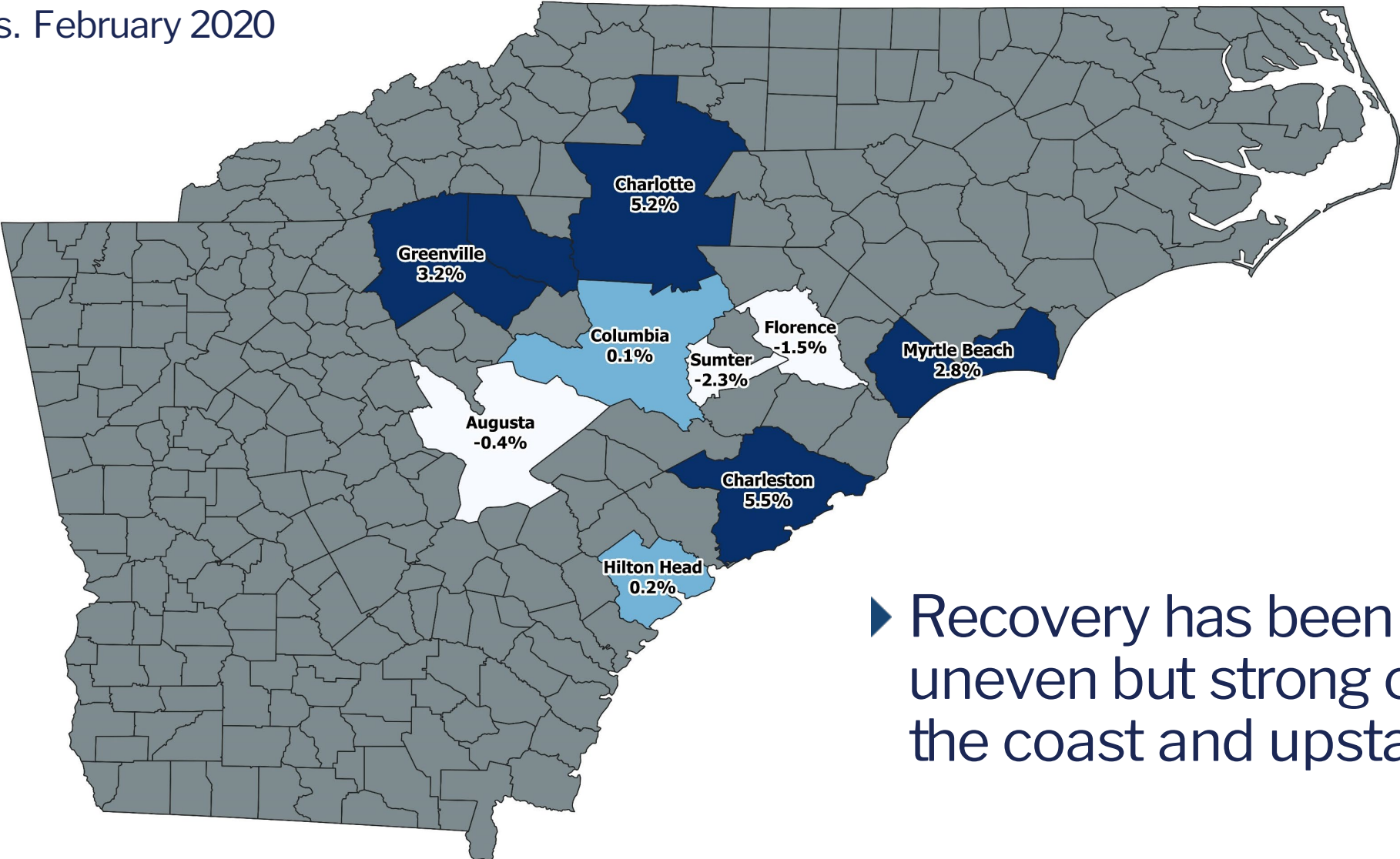
# CURRENT EMPLOYMENT SITUATION



► Have recovered all jobs lost during the pandemic statewide.

# REGIONAL EMPLOYMENT

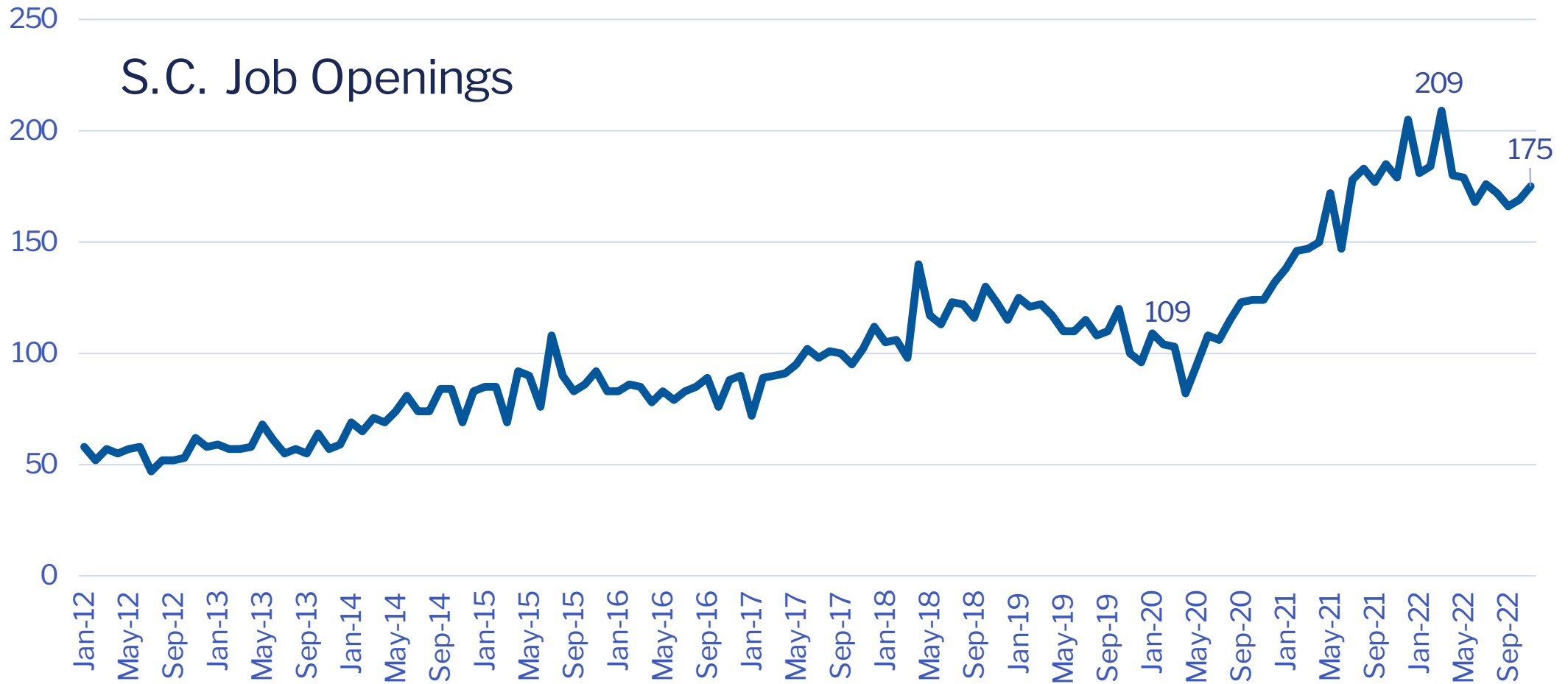
December 2022 vs. February 2020



► Recovery has been uneven but strong on the coast and upstate

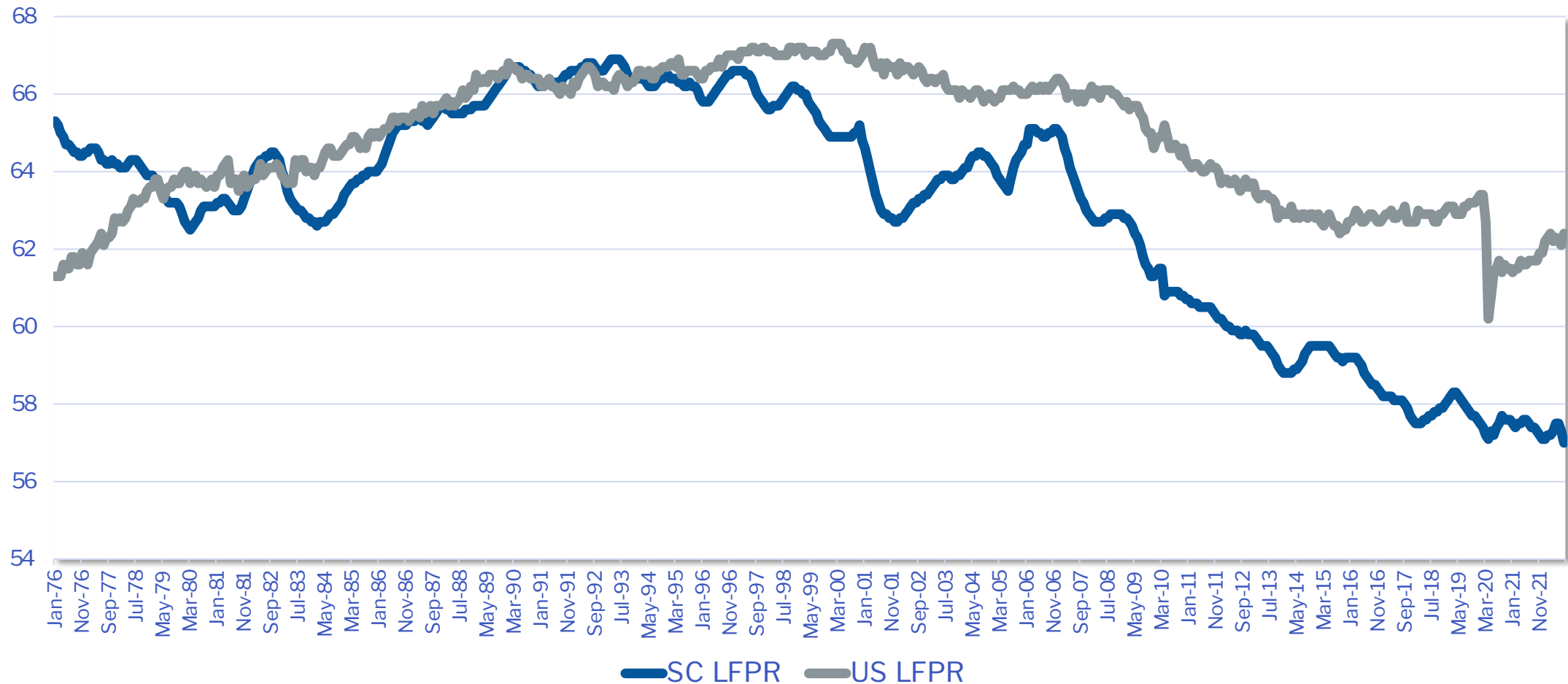
# CURRENT PROBLEM?

- ▶ Demand for employees exceeds supply



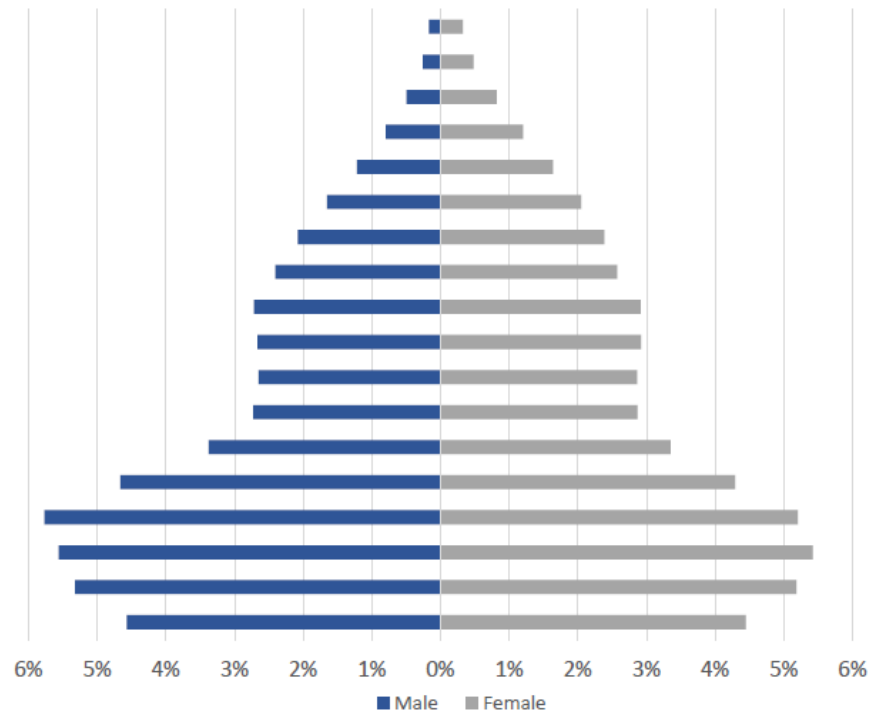
# PROBLEM? LABOR FORCE PARTICIPATION

► State rate has diverged from national rate and continues to fall

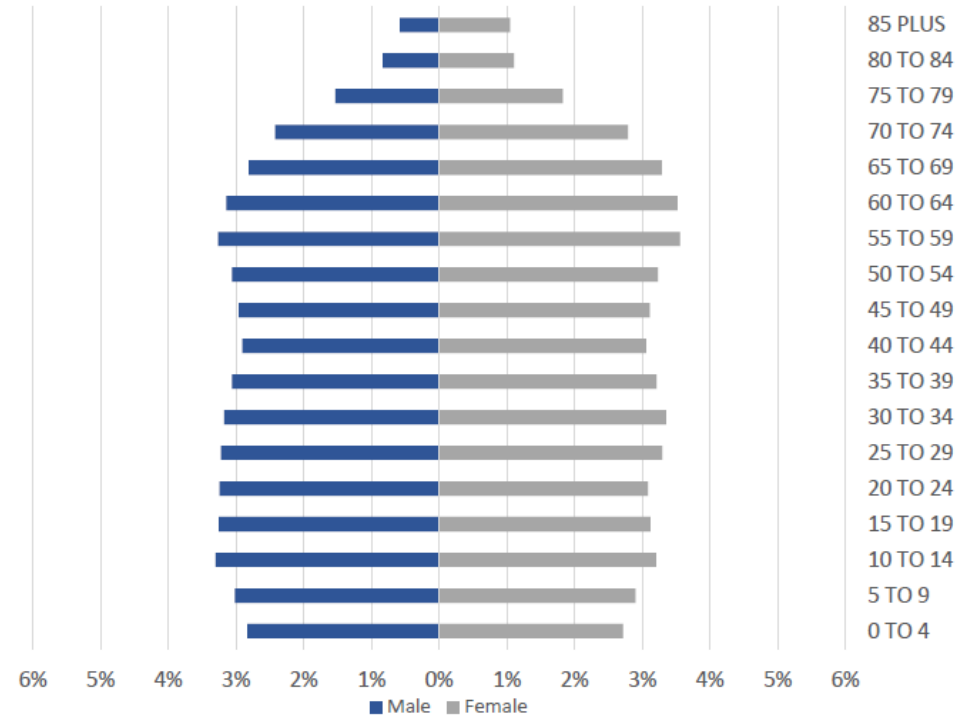


# AGING POPULATION

1970 POPULATION PYRAMID



2020 POPULATION PYRAMID

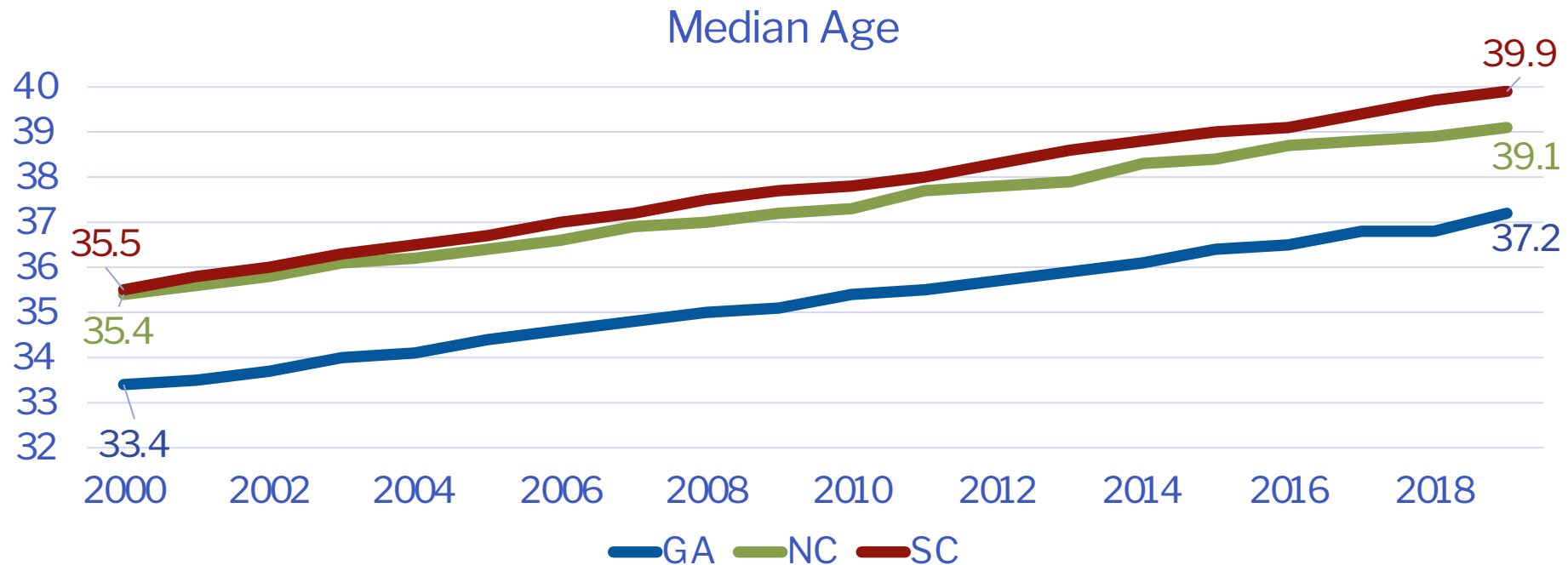


Source: S.C. Revenue and Fiscal Affairs Office 320 /08/25/2020

- ▶ Median age increased from 24 in 1970 to 40 in 2020
  - Expected to increase to 42 by 2030
  - All Baby Boomer's of retirement age by 2030

# SC AGING FASTER THAN NEIGHBORS

- ▶ The primary cause of the state's labor force decline between 1994 and 2019 is attributable to an aging population
  - Share of the population 65+ nearly doubled from 11.9% to 23.3%.



- ▶ South Carolina's median age is older than surrounding states and has increased faster over the past two decades.

# FEWER PEOPLE IN GENERATIONS FOLLOWING “BABY BOOMERS”

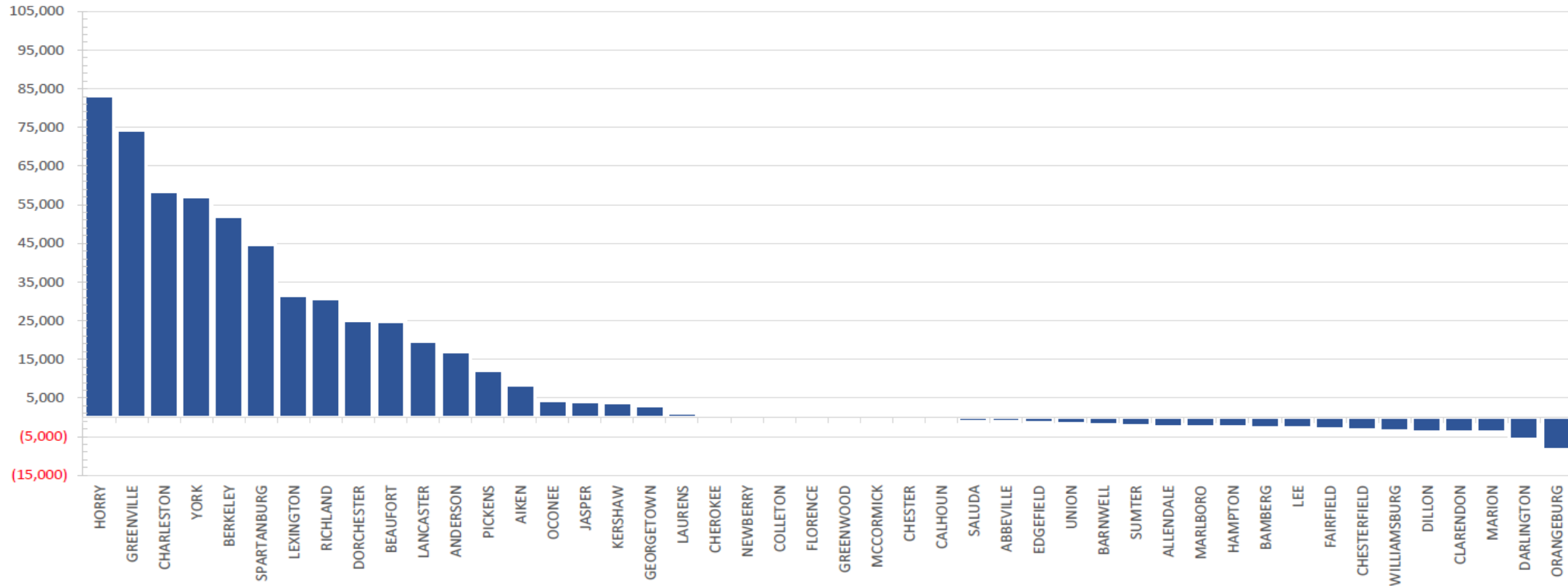
**Decade-by-decade comparison of the percentage of the labor force in that generation and the current number in the labor force.**

Generation	Ages	1992	2002	2012	2022	2022 Number
Silent	76 and up	26%	13%	3%	1%	19,208
Baby Boomers	57 to 75	51%	46%	35%	18%	437,823
Gen Xers	41 to 56	23%	33%	35%	32%	758,791
Millennials	25 to 40	n/a	7%	27%	36%	848,086
Gen Z	Up to 24	n/a	n/a	n/a	13%	318,483

- ▶ Millennials became the largest generation in the labor force in 2016.
- ▶ While the Millennial labor force is still growing, it is unlikely that it will reach the peak size of the Boomer labor force.
  - The Census Bureau projects that the Millennial Population will peak at 75 million, which would require a labor force participation rate of 88% to equal the number of Boomer jobs at the peak.
- ▶ The labor shortage is a longterm issue that the US will be dealing with for years.



# POPULATION CHANGE 2010-2020



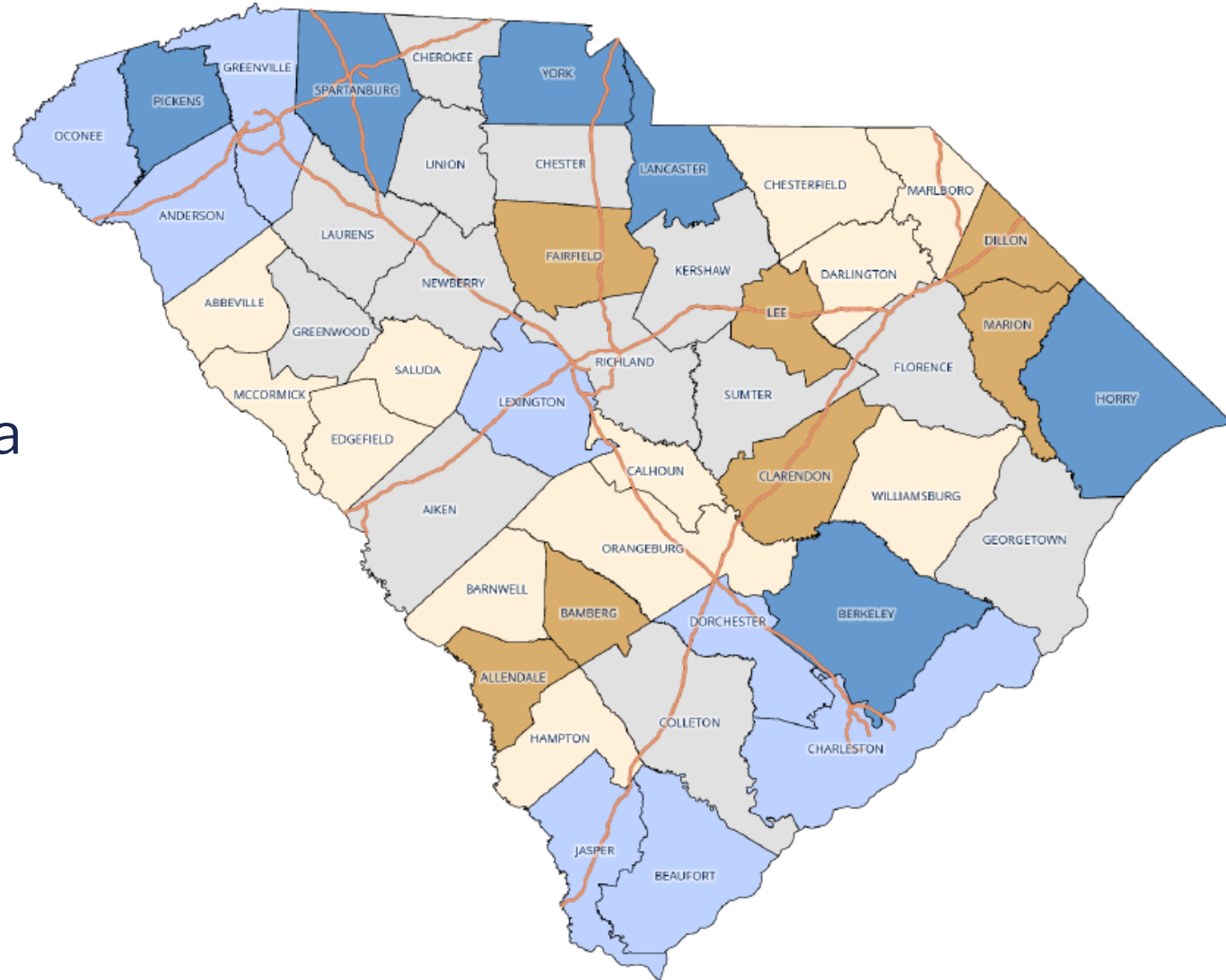
Source: Population Estimates Program Vintage 2020 estimates for 2010, Vintage 2021 estimates for 2020

- ▶ 50% of counties make up 88% of the state's population
  - Growth concentrated in less than half of the state's counties

# PROJECT POPULATION CHANGE (2020-2030)

► Projected growth concentrated:

- Along coast
- Upstate
- Charlotte metro area



# 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.

# 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.**

# 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 TIER

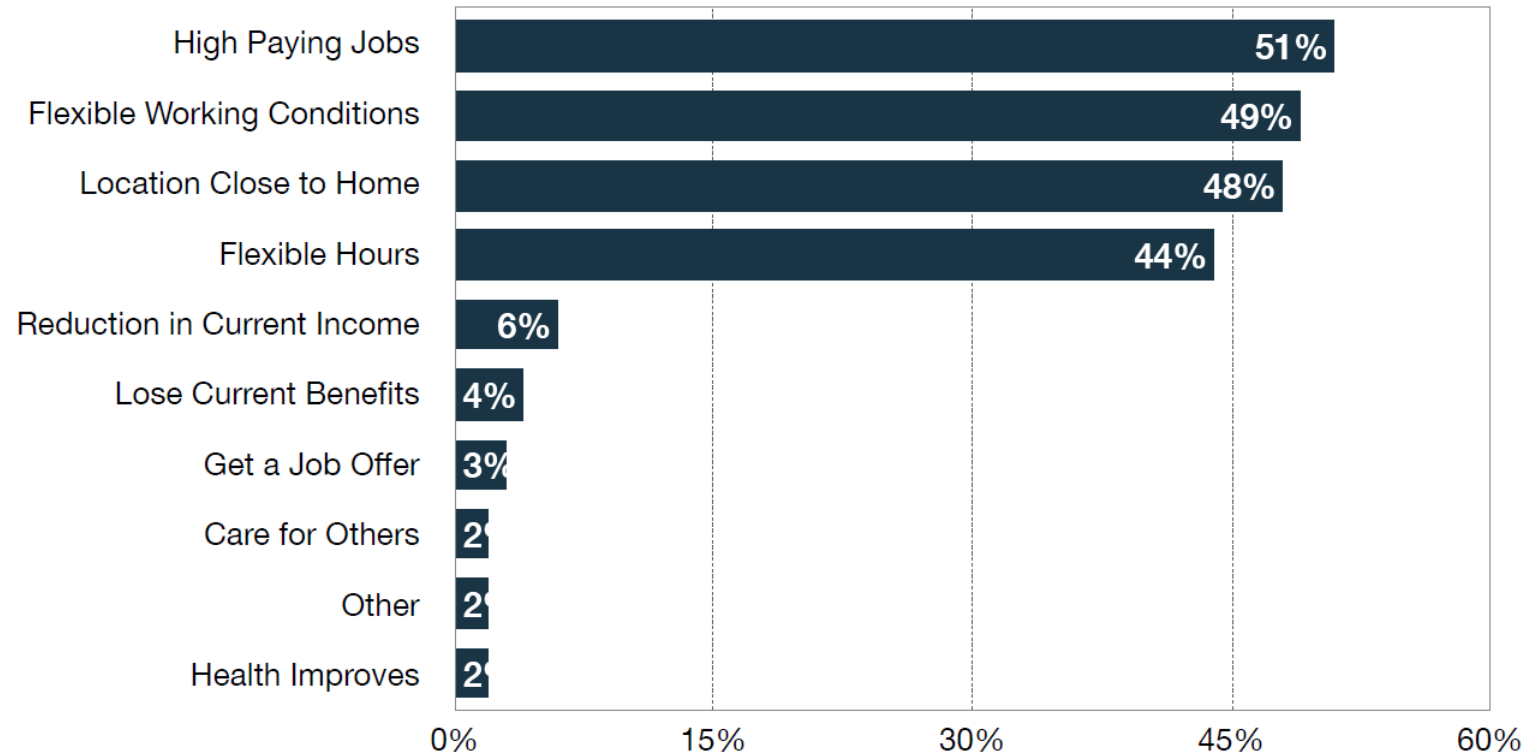
Barrier	I	II	III	IV
Low pay jobs	22%	24%	25%	23%
Health	20%	22%	23%	17%
Gaps in employment history	19%	23%	18%	15%
Optimal hours not available	17%	17%	15%	12%
Disabilities	17%	13%	14%	19%
Lack of transportation	16%	18%	16%	27%
Lack of child care	14%	15%	11%	12%
Stay with child	14%	13%	13%	12%
Age (too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

# REGIONAL OUTLIERS

- ▶ The survey identified responses that were more likely to appear in some LWDAs than the state average.
  - Catawba: Lack of childcare
  - Greenville: Old age, health problems
  - Lower Savannah: Gaps in employment history
  - Pee Dee: Low pay, lack of transportation
  - Trident: Disabilities, health problems
  - Waccamaw: Disabilities, low pay, optimal hours not available
  - Worklink: Lack of childcare, gaps in employment history, health problems, stay with child, optimal hours not available



# 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.

# CONTACT INFORMATION

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