

INSIGHTS

Volume 5: Issue 5 June 2015

SC Department of Employment and Workforce

Business Intelligence Department

Economic Indicators

June 2015 - Seasonally Adjusted (SA)

	United States	SC
Labor Force	157,037,000	2,260,791
Employed	148,739,000	2,112,034
Unemployed	8,299,000	148,757
Unemployed Rate	5.3%	6.6%

Average Hours & Earnings

	United States (SA)	SC (Unadj.)
Manufacturing		
Avg. Weekly Earnings	\$1,020.76	\$791.28
Avg. Weekly Hours	40.7	42.0
Avg. Hourly Wage	\$ 25.08	\$ 18.84

Top Job Growth by MSA (SA)

	Over Month % Change	Over Year % Change
Sumter MSA	1.30%	-0.52%
Columbia MSA	0.18%	1.53%
Florence MSA	-0.12%	0.71%
Charleston MSA	-0.33%	2.52%

Employment to Population Ratio (SA)

	2015	2014
U.S. Population Ratio	59.3%	59.0%
S.C. Population Ratio	55.5%	54.5%

Labor Force Participation Rate (SA)

	Jun	May	% Change
U.S. Participation Rate	62.6%	62.9%	-0.3%
S.C. Participation Rate	59.4%	59.5%	-0.1%

United States Consumer Price Index

12-Month CPI	0.1%
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HIGHLIGHTS

- New employment record set
- Over 2,100 increase in employment over the month
- Labor force dipped slightly
- Unemployment rate drops -0.2 percent

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Unemployment Rate Declines

June's unemployment rate declined to 6.6 percent from May's figure of 6.8 percent.

South Carolinians continued to find employment in June as the summer season got underway. The number of employed set a new record of 2,112,034 people, increasing nearly 2,100 over the month.

Conversely, after rising sixteen consecutive months, the labor force (those employed and those not working but actively seeking work) declined slightly by approximately 2,300 to almost 2,260,800 people.

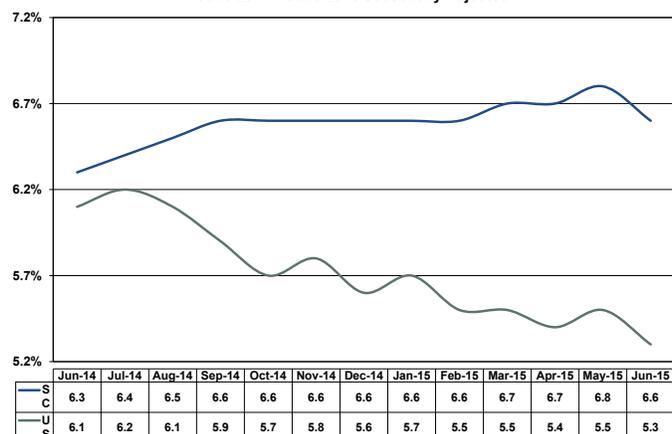
During June, the estimated number of unemployed decreased by nearly 4,400 people. The number of unemployed was about 148,750 people.

Over the year, about 64,300 people found employment. The number of unemployed people increased by nearly 12,000, as the unemployment rate increased 0.3 percentage point. Approximately 76,200 people entered the labor force over the year.

Nationally, the June unemployment rate decreased to 5.3 percent from May's value of 5.5 percent. There are some economic indicators pointing to signs of a slowing economy; however, South Carolina's employment growth has remained strong.

Over the early summer months, the state's labor force is subject to many movements associated with school closings, seasonal hiring, and new graduates entering the workforce for the first time - some of those finding jobs and some continuing to look for work. Going forward, as the third quarter approaches, we should have a better assessment on the future outlook of the state's labor force.

Unemployment Rates in South Carolina and The United States
June 2014 – June 2015 Seasonally Adjusted



Insights is prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics. The current month's estimates are preliminary, while all previous data are subject to revision. All estimates are projected from a first quarter 2014 benchmark. To subscribe to *Insights*, please email bidcustomerservice@dew.sc.gov or to provide feedback please click on the [BID Customer Feedback Form](#).

State Unemployment Rates

West Virginia	7.4
District Of Columbia	7.0
Nevada	6.9
Alaska	6.8
Mississippi	6.6
<u>South Carolina</u>	<u>6.6</u>
Louisiana	6.4
New Mexico	6.4
California	6.3
Alabama	6.1
Georgia	6.1
New Jersey	6.1
Arizona	5.9
Illinois	5.9
Rhode Island	5.9
Missouri	5.8
North Carolina	5.8
Arkansas	5.7
Connecticut	5.7
Tennessee	5.7
Florida	5.5
Michigan	5.5
New York	5.5
Oregon	5.5
Pennsylvania	5.4
<u>United States</u>	<u>5.3</u>
Washington	5.3
Maryland	5.2
Ohio	5.2
Kentucky	5.1
Indiana	4.9
Virginia	4.9
Delaware	4.7
Maine	4.7
Massachusetts	4.6
Wisconsin	4.6
Kansas	4.5
Oklahoma	4.5
Colorado	4.4
Texas	4.2
Wyoming	4.1
Hawaii	4.0
Idaho	4.0
Minnesota	3.9
Montana	3.9
New Hampshire	3.8
South Dakota	3.8
Iowa	3.7
Vermont	3.6
Utah	3.5
North Dakota	3.1
Nebraska	2.6

South Carolina Ranked 5th Highest of 51 in June

According to the Bureau of Labor Statistics (BLS), 21 states and the District of Columbia experienced decreases in their unemployment rates, 12 states had increases, and 17 states remained unchanged. In June, South Carolina's ranking tied for fifth highest out of 51.

The most significant over-the-month acceleration in employment occurred in South Dakota at 0.6 percent, followed by South Carolina at 0.5 percent, and Colorado, Kansas, and Virginia at 0.4 percent. The largest reduction in employment was in Alaska at -1.1 percent, followed by Wyoming at -0.8 percent, and Idaho at -0.7 percent.

Over the year, nonfarm employment increased in 48 states and the District of Columbia and decreased in two states. The largest over-the-year uptrend occurred in Utah at 4.3 percent, followed by Nevada and Washington at 3.3 percent.

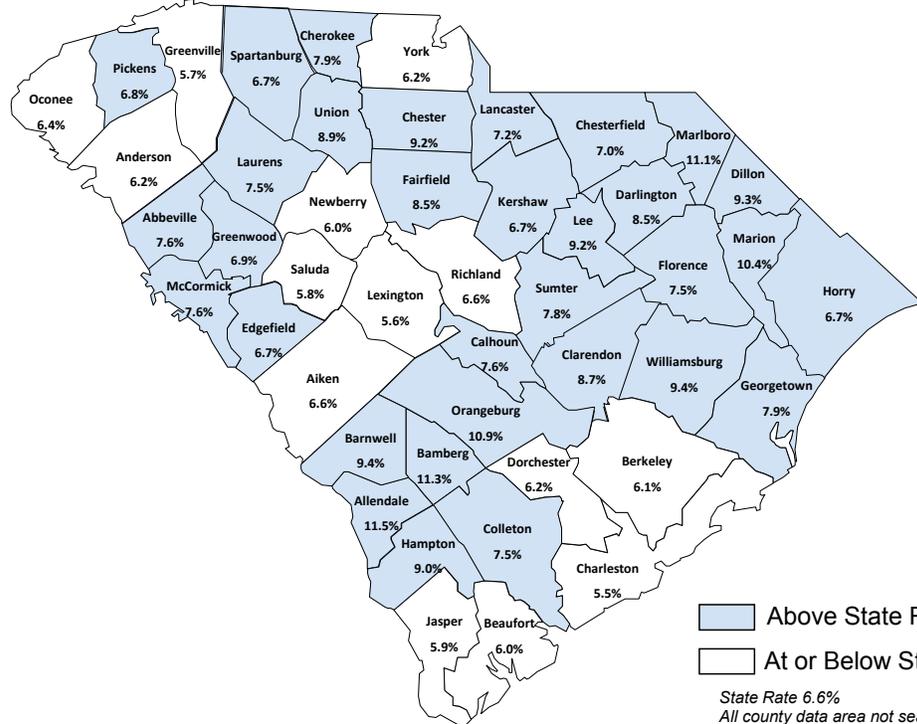
June Unemployment Rate by County

Not seasonally adjusted, county unemployment rates across the state moved upward over the month. Unemployment rates in 34 counties increased; seven counties experienced decreases, and five counties remained unchanged. Rates ranged from 11.5 percent in Allendale County to 5.5 percent in Charleston County.

Over the year, Greenville County continues to set the pace for people finding work with approximately 5,400 people obtaining employment. Charleston (4,600), York (3,500), and Richland (3,500) counties have seen strong growth as well.

Since June 2014, the metro areas of the state continue to dominate employment growth. Some bright spots of employment growth in smaller populated areas include Lancaster (1,025), Georgetown (1,000), and Chesterfield (825) counties.

Highest County Unemployment Rate		Lowest County Unemployment Rate	
Allendale	11.5%	Charleston	5.5%
Bamberg	11.3%	Lexington	5.6%
Marlboro	11.1%	Greenville	5.7%
Orangeburg	10.9%	Saluda	5.8%
Marion	10.4%	Jasper	5.9%



State Rate 6.6%
All county data area not seasonally adjusted.

Employment Changes by County April 2015 through June 2015

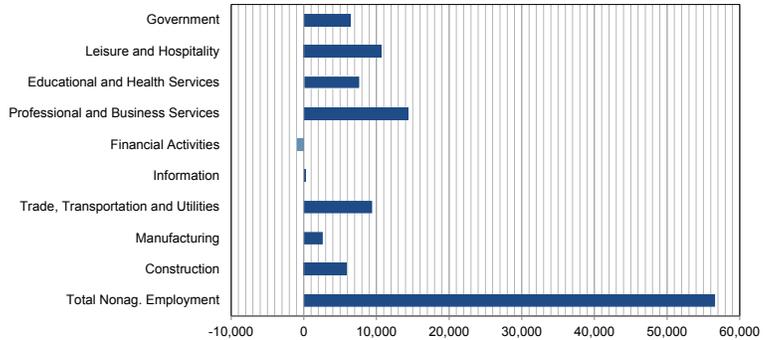
County	Employment			Net Change From	
	Jun 2015	May 2015	Apr 2015	May '15 - Jun '15	Apr '15 - May '15
Abbeville	10,086	10,024	10,047	62	-23
Aiken	69,788	69,956	70,706	-168	-750
Allendale	2,741	2,644	2,610	97	34
Anderson	83,530	83,255	83,366	275	-111
Bamberg	5,253	5,109	5,072	144	37
Barnwell	8,330	8,210	8,213	120	-3
Beaufort	68,118	66,951	66,045	1,167	906
Berkeley	87,569	87,221	86,961	348	260
Calhoun	6,555	6,516	6,469	39	47
Charleston	186,494	186,327	185,800	167	527
Cherokee	22,520	22,339	22,364	181	-25
Chester	12,815	12,795	12,665	20	130
Chesterfield	20,638	20,402	20,310	236	92
Clarendon	12,443	12,206	12,163	237	43
Colleton	16,247	16,127	16,096	120	31
Darlington	27,694	27,557	27,461	137	96
Dillon	11,988	11,696	11,606	292	90
Dorchester	67,873	67,609	67,394	264	215
Edgefield	10,118	10,094	10,158	24	-64
Fairfield	9,410	9,362	9,307	48	55
Florence	59,945	60,126	60,112	-181	14
Georgetown	24,619	24,099	23,961	520	138
Greenville	226,937	226,289	226,669	648	-380
Greenwood	30,643	30,292	30,304	351	-12
Hampton	8,209	7,955	7,845	254	110
Horry	134,898	129,730	127,898	5,168	1,832
Jasper	11,162	11,078	10,940	84	138
Kershaw	26,874	26,751	26,603	123	148
Lancaster	33,112	33,161	32,859	-49	302
Laurens	28,674	28,565	28,576	109	-11
Lee	6,093	5,977	5,944	116	33
Lexington	134,760	134,496	133,925	264	571
McCormick	3,382	3,372	3,384	10	-12
Marion	12,067	11,830	11,767	237	63
Marlboro	9,298	9,140	9,128	158	12
Newberry	18,275	17,848	17,693	427	155
Oconee	33,575	33,183	33,158	392	25
Orangeburg	35,325	34,807	34,713	518	94
Pickens	52,943	52,872	52,973	71	-101
Richland	184,293	184,113	183,584	180	529
Saluda	8,541	8,332	8,182	209	150
Spartanburg	129,621	129,725	129,647	-104	78
Sumter	41,018	40,755	41,096	263	-341
Union	10,777	10,796	10,789	-19	7
Williamsburg	12,227	12,024	11,983	203	41
York	116,988	117,445	116,515	-457	930

South Carolina Nonfarm Employment Trends for June - Seasonally Adjusted

In June 2015, seasonally adjusted, total nonfarm payroll employment increased by 10,600 over the month to reach the record level of 2,002,400. The increase in employment was primarily due to gains in Leisure and Hospitality (+4,000) and Trade, Transportation, and Utilities (+3,800).

During June, additional increases occurred in Construction (+1,800); Government (+1,400); Professional and Business Services (+1,100); Financial Activities (+300); and Information (+100). Industries reporting decreases were Other Services (-1,600); Manufacturing (-200); and Education and Health Services (-100).

**South Carolina Job Changes by Industry
June 2014 - June 2015 (SA)**



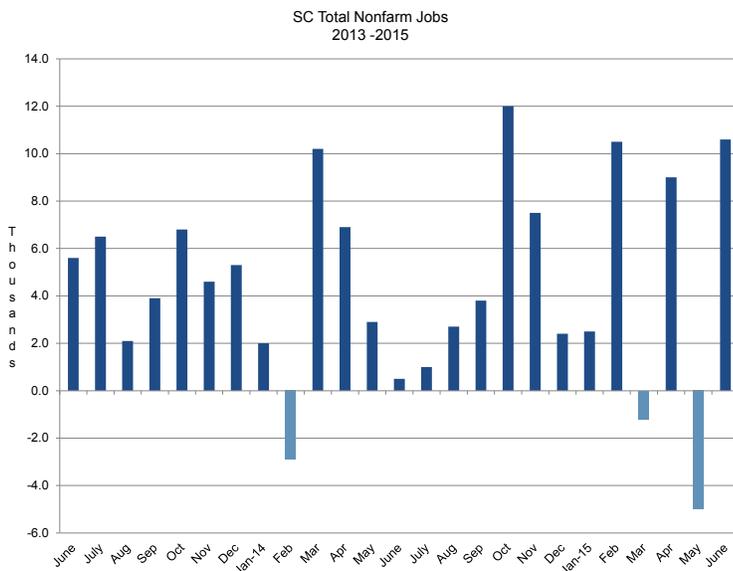
Over-the-year growth in nonfarm employment was at 56,600 with the largest increase in the Professional and Business Services (+14,300) sector. Strong growth occurred in Leisure and Hospitality (+10,700); Trade, Transportation, and Utilities (+9,400); Education and Health Services (+7,700); Government (+6,400); Construction (+5,900); and Manufacturing (+2,600). Modest gains were seen in Other Services (+400) and Information (+200), while Financial Activities declined (-900).

Two of the four Metropolitan Statistical Areas' (MSAs) seasonally adjusted, total nonfarm payroll employment saw increases over-the-month. Columbia gained (+700) jobs, followed by Sumter (+500), while Charleston (-1,100) and Florence (-100) MSAs experienced losses.

Over-the-year growth was seen in MSA seasonally adjusted, payroll employment. The largest increase was in Charleston (+8,100), followed by employment gains in Columbia (+5,700), and Florence (+600). Few job losses occurred in Sumter (-200).

As a result of the new MSA redefinition, there are only four South Carolina MSAs publishable under nonfarm, seasonally adjusted employment. MSAs are defined by the U.S. Office of Management and Budget and are the result of the latest published standards from Census Bureau data. (The standards for defining the areas are reviewed and revised once every 10 years prior to each decennial census). Therefore, with the release of the 2014 benchmark, Current Employment Survey (CES) will incorporate the updates to area definitions based

on the new standards from the 2010 Census. As a result of the new standards, breaks have been created in the time series for these areas. Due to the breaks in the time series, BLS will be unable to publish all of the redefined areas on a seasonally adjusted basis. The South Carolina areas based on the 2010 standards and Census Bureau data were defined in February 2013.



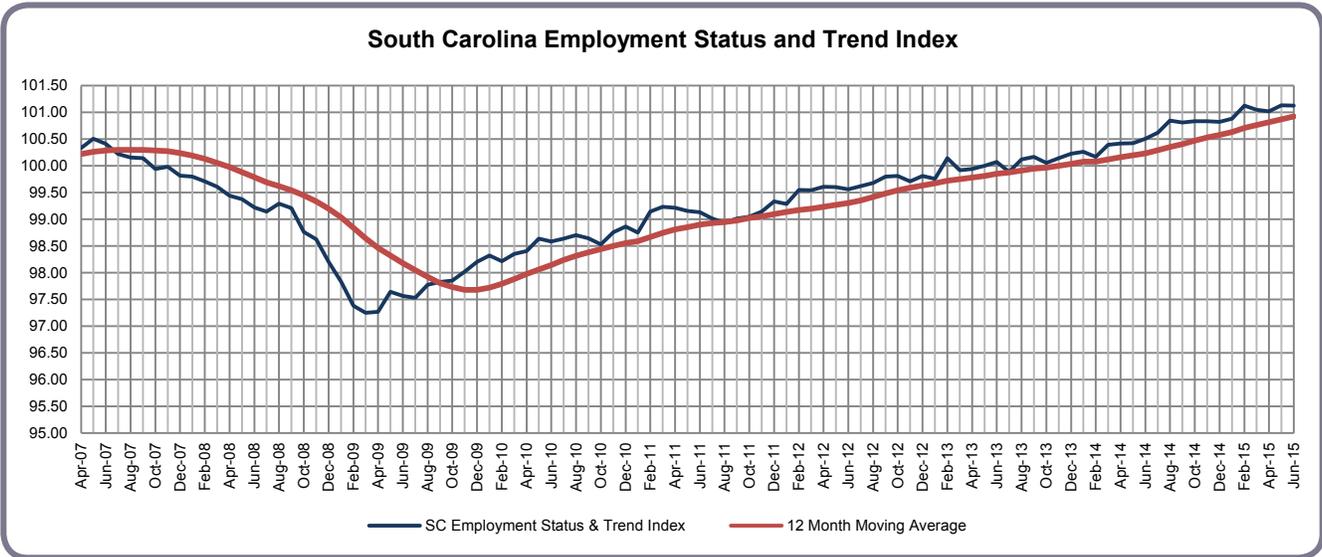
To see the monthly not seasonally adjusted data series, go to www.SCWorkforceInfo.com (Employment and Wage Data section)

South Carolina Employment Status and Trend Index Dropped Slightly

After jumping 0.11 percent in May, South Carolina Employment Status and Trend Index (SCESTI) dropped 0.01 percent this month, ending June at 101.12, slightly off its all-time record high set last month. An almost 12 percent increase of the SC Unemployment Initial Claims, coupled with a more than 1.6 percent decline of the SC Manufacturing Average Weekly Hours were mainly responsible for SCESTI's fall in June. On the positive side, the Conference Board's US Consumer Confidence Index bucked the trend, surging almost 7.2 percent in June. Also higher for the month were the Conference Board's US Consumer Confidence Index and the Conference Board's SC Help Wanted Online Ads, gaining 0.5 percent and 0.44 percent, respectively.

Compared to 12 months ago, SCESTI, along with all the index components, managed sizable advancements. SCESTI was 0.62 percent higher than June 2014. The index component that made the greatest achievement was the Conference Board's US Consumer Confidence Index, which was 17.36 percent higher than June 2014. While the SC Unemployment Insurance Initial Claims and the Conference Board's SC Help Wanted Online Ads also saw double-digit percentage advances (improving 15.04 percent and 11.99 percent, respectively), the Conference Board's US Employment Trend Index and the SC Manufacturing Average Weekly Hours experienced moderate gains, rising 4.81 and 1.69 percent, respectively.

In spite of June's tiny decline, SCESTI remains largely positive. Indeed, the fact that June marks the 46th consecutive month (since August 2011) that SCESTI has been above its 12-month moving average, indicates that the employment situation for South Carolina will continue to improve in the next four to six months.



Local Area Unemployment Statistics Program

Data Uses and Data Generation Methodology

Among the important economic data developed by the BLS, unemployment estimates for States and local areas are viewed as key indicators of local economic conditions. These estimates are produced by State workforce agencies under the Federal-State cooperative Local Area Unemployment Statistics (LAUS) program. Currently, monthly estimates of employment, unemployment, and the unemployment rate are prepared for around 7,300 areas—regions, divisions, all States and the District of Columbia, metropolitan and small labor market areas, counties, cities of 25,000 population or more, and all cities and towns in New England regardless of population. The LAUS estimates are used by a number of agencies in the United States to allocate Federal funds to States and areas for a variety of socioeconomic programs. State and local governments use the estimates for planning and budgetary purposes and as determinants of need for local services and programs. The LAUS estimates are one of the timeliest subnational economic measures, as the State labor force estimates are released by BLS five weeks after the reference week and just two weeks after the national estimates. In operating the LAUS program, BLS is responsible for the concepts, definitions, technical procedures, review, analysis, and publication of estimates. The State agencies are responsible for the production of the estimates, analyses, and dissemination of the data to their customers.

Estimation Methods

Monthly estimates of employment and unemployment are prepared for numerous geographic areas. At each level of detail, the estimation method used depends on the most current data sources available.

Statewide Estimation Methods

A tiered approach to estimation is used for statewide estimates. First, mathematical model-based estimates are developed for the nine Census Divisions that geographically exhaust the nation using univariate signal-plus-noise models. The Division models are similar to the State models but do not use unemployment insurance claims or payroll employment as input variables. The Division estimates are benchmarked to the national levels of employment and unemployment on a monthly basis. The benchmarked Division model estimate is then used as the benchmark for the States within the Division.

Monthly labor force estimates for all States, the District of Columbia, the Los Angeles-Long Beach metropolitan area, New York City, and the respective balances of California and New York are based on dynamic time series regression models that utilize data from the Current Population Survey (CPS), Unemployment Insurance (UI) systems, and the CES. Both smoothed seasonally adjusted and not seasonally adjusted estimates are produced each month. The model methodology is also utilized for five additional substate areas and their respective balances of States. These models are univariate, like the Division models, in that they do not use UI or CES inputs. The areas are: the Chicago-Naperville-Joliet, IL metropolitan division; the Cleveland-Elyria-Mentor, OH metropolitan area; the Detroit-Warren-Livonia, MI metropolitan area; the Miami-Miami Beach-Kendall, FL metropolitan division; and the Seattle-Bellevue-Everett, WA metropolitan division. The substate area and the balance-of-State estimates are benchmarked to the statewide control totals of not seasonally adjusted employment and unemployment.

Labor Market Estimates

States are divided into Labor Market Areas (LMAs), which exhaust the geographic area of the State. LMAs are economically integrated geographic areas where individuals can reside and find employment within a reasonable distance or can readily change employment without changing their place of residence.

Other than the areas noted above for which model-based estimation is used, independent estimates are produced for all LMAs using a standard procedure known as the “Handbook” method. The Handbook method yields employment and unemployment estimates for an area comparable to what would be produced by a random sample of households in the area but without the expense of a CPS-like labor force survey. Handbook estimates are adjusted to sum to the LAUS Statewide or balance-of-State employment and unemployment values in order to create the official LMA LAUS figures. LAUS estimates for sub-LMA areas, such as individual counties within multi-county LMAs and cities with populations over 25,000, are derived by a disaggregation technique using population and UI statistics or data from the decennial census. At the end of the year, State and substate area estimates are revised and benchmarked to reflect updated input data and model estimation.