South Carolina Data

TRENDS

AT A GLANCE

DIRECTOR'S CORNER

Following a brief holiday hiatus to coincide with the annual benchmarking process for the Bureau of Labor Statistics data, the SC DEW Labor Market Information team is excited to share our latest issue of *Data Trends* with you.

This month, we're taking a closer look at changes in industry employment over the course of 2020. Utilizing the Current Employment Statistics (CES) data series, we highlight the impact COVID-19 has had on the industries in our state. While it's a mixed bag, the general trend in employment is one of improvement after the initial onset of pandemic-related restrictions and closures. South Carolina has largely outperformed both of its neighboring states, and the nation as a whole, when it comes to pandemic-related employment recovery. However, shifts in the way a large segment of our economy does business will have a lasting impact long after the end of the current public health crisis.

In the issues ahead, we will continue to take a close look at the impact of COVID-19 on employers and workers in South Carolina. As always, thank you for taking the time to review our research and we look forward to your comments, questions, and ideas.

Brian R. Nottingham
Director, LMI Division
SC Department of Employment and Workforce

SOUTH CAROLINA'S CURRENT EMPLOYMENT STATISTICS PROGRAM, PAST AND PRESENT

2020 CES Year in Review

With the latest release of the monthly Employment Situation data for South Carolina, we now have monthly measures of economic health covering all of calendar year 2020. As we prepare for the release of both January and February data later this month, this seemed like an opportune time to pause and reflect on the unprecedented movement in the labor market last year. In this issue, we take a closer look at industry-level employment, as estimated by the Current Employment Statistics (CES) Program.

The CES program utilizes a survey of employers across the United States, reaching nearly 144,000 businesses and government entities each month. The program is a cooperative effort between the Bureau of Labor Statistics, the US Census Bureau, and state workforce development agencies, like SC DEW. Dating as far back as 1939, the program produces monthly estimates of industry employment, hours, and earnings for each state, metropolitan statistical area, and the nation as a whole. Utilizing the North American Industry Classification System (NAICS), the CES program disaggregates employment in a geographic region along standard industry lines, allowing policy-makers, researchers, and consumers to tease out competing trends within industry subsets of the total employment.
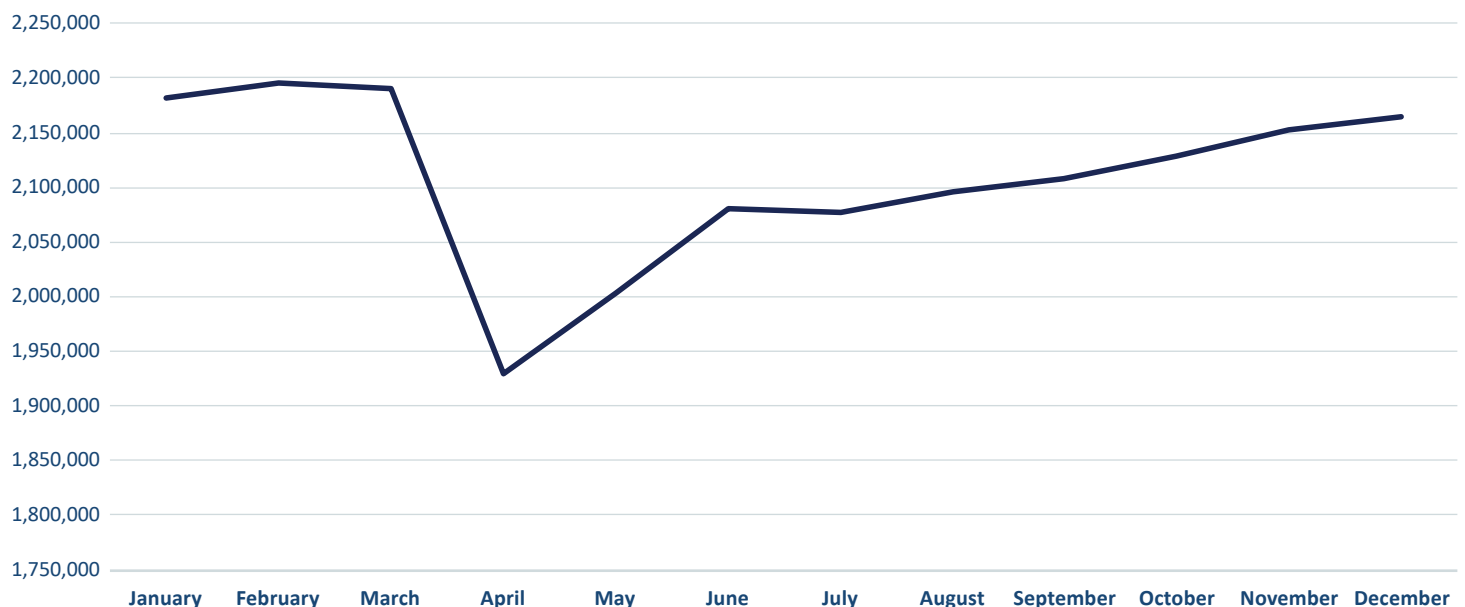
Released simultaneously with the more well-known unemployment rate, CES data provides a monthly, almost "real-time" gauge of the state of the economy from the employer's perspective.

Data is provided for all non-farm industries, including both government and private sector employment. While the monthly unemployment rate focuses on South Carolinians in the labor force (regardless of the state they work in), the monthly CES data provides an estimate of jobs *in* South Carolina, which can be held by in-state and out-of-state residents alike. It is also important to note that the CES top-line counts of employment by industry are truly counts of jobs (or paychecks): part-time and full-time jobs both count equally, with the differences in earnings calculated by applying the average hours worked, as reported by each industry. By tracking not only employment counts, but hours and average earnings, the CES program is a vital component of assessments of the overall state of the economy, earnings trends and inflation analyses.

For our purposes here, however, we are most interested in what the CES data can tell us as a stand-alone source of information. The industry classifications utilized by the program allow us to aggregate or disaggregate the response estimates to really drill down into the disparate forces shaping employment across the standard sectors in South Carolina. Consider the first line graph below, **Figure 1**, for example. The graph shows the top-line employment in South Carolina, month-over-month, for all industry sectors in the state.

Now, as we have all just lived through one of the most trying,

FIGURE 1: 2020 INDUSTRY EMPLOYMENT YEAR IN REVIEW

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unprecedented years in recent memory, the massive drop in employment in the month of April should come as no surprise. As South Carolina, and the nation as a whole, grappled with its initial response to the COVID-19 pandemic, a series of stay at home and temporary closure orders forced the economy to a halt. May and June saw rapid increases in employment, with a gradual slowing of gains through the end of the year — culminating with a December employment count of 2,164,800. That number represents a very modest 0.8% drop in employment over the course of 2020, or 17,400 fewer jobs in December 2020 than in January 2020.

This virtually net-zero change in employment, over the course of the year, masks a major disruption of certain industries within the state. Consider, if you will, **Figures 2, 3, and 4** to the right. Taken together, they represent the first major disaggregation of the monthly top-line employment counts, separating industries into 2 groups: those that provide services and those that produce goods. In simplest terms, if an industry produces something material that is sold or traded for profit (e.g. manufactured goods or new residential construction), it is deemed goods-producing. If, however, an industry makes money from providing a service (e.g. accommodation, a haircut, a meal, or entertainment), it is classified as service-providing.

Figure 2 highlights monthly employment changes in industries providing services, **Figure 3** the changes in industries producing goods. While both groups were hit with massive employment losses in April, as part of the initial response to COVID-19, what the graphs show is a divergence in terms of recovery. By the end of 2020, goods-producing employment stood at 379,400, a modest increase of 2.68%, or an additional 9,600 jobs added, since January 2020. All things considered, I think that employers in these goods-producing industries would call this modest gain a win in 2020.

Figure 2, however, highlights the ongoing struggles faced by employers in service-providing industries. Even with most pandemic related restrictions on service and business hours lifted, the general sentiment among most members of the public, mired in the trough of this ongoing public health crisis, remains guarded. Employment recovery levels in the industry, which lost approximately 27,000 jobs in 2020, are still in the red, with December 2020 employment levels lower by 1.5%.

Figure 4 (right) highlights the disparate rates of recovery evidenced by the service-providing and goods-producing industries. By standardizing the monthly changes in employment as a percentage and pegging the January industry employment counts as the absolute zero, or starting point for the calculations, the line graph allows us to compare these *Super Sectors* side-by-side. By July 2020, the Goods Producing Industry had nearly regained all of the employment it lost during the initial shock of the pandemic, with net gains actually emerging by August. Service Providing industries, however, experienced a much slower recovery after experiencing initial, rapid gains in June with the delayed start of the tourist season in South Carolina. By December 2020, employment levels approached - but have not yet reached - pre-pandemic, baseline totals from January 2020.

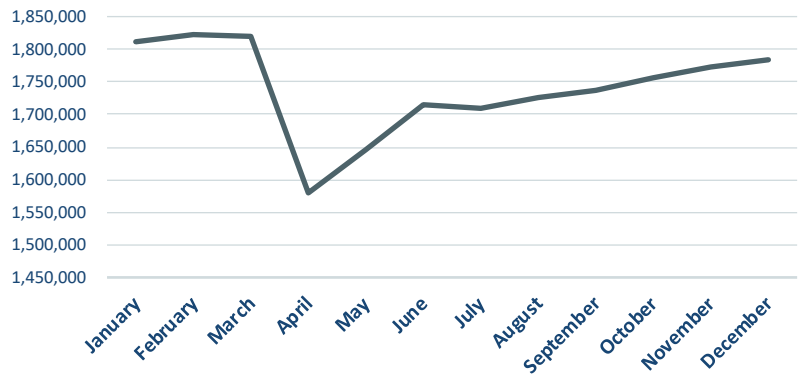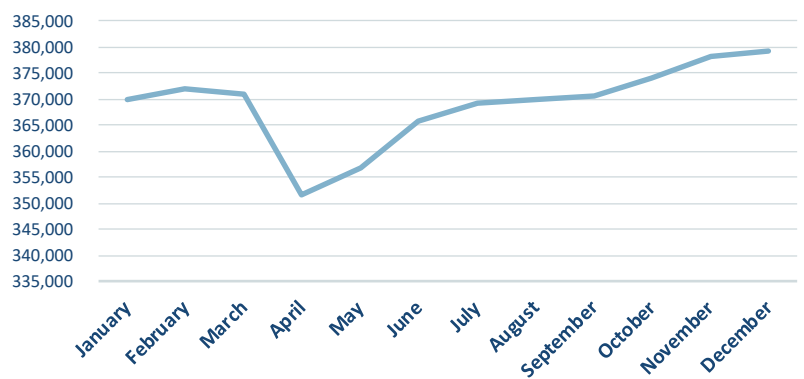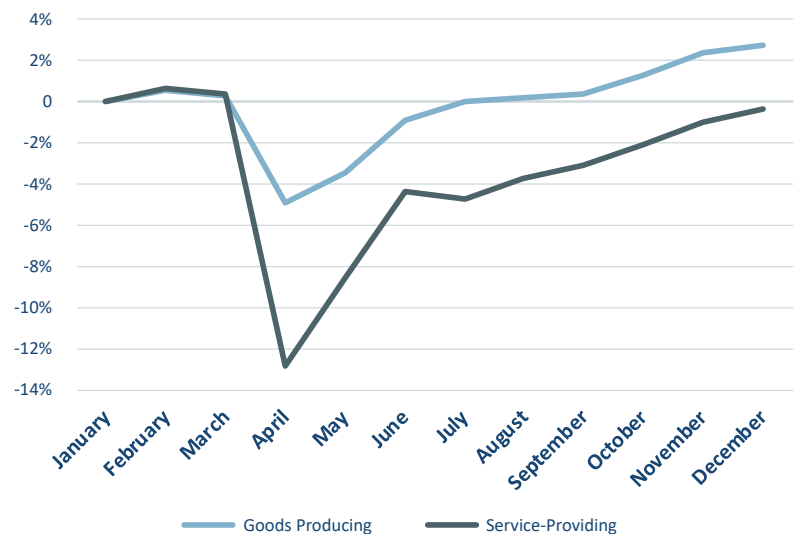**FIGURE 2:** SERVICE-PROVIDING EMPLOYMENT BY MONTH, 2020

FIGURE 3: GOODS-PRODUCING EMPLOYMENT BY MONTH, 2020

FIGURE 4: SC INDUSTRY EMPLOYMENT RECOVERY BY MONTH, 2020 GOODS-PRODUCING VS. SERVICE-PROVIDING SECTORS

Goods Producing   Service-Providing

The next series of graphics, **Figures 5 and 6** and their accompanying data, presented in **Tables 1 and 2,** provide additional, disaggregated detail on the employment changes within more specific industries over the course of 2020. The waterfall graph featured in **Figure 5** utilizes standardized, percent changes in employment between January and December 2020 to allow for quick comparison across multiple industries with large variations in total employment counts. Meanwhile, the raw data presented in **Tables 1 and 2** illustrates the scale of these standardized movements, pegged to absolute counts of employment gains or losses.

Perhaps unsurprising given the often-mentioned spikes in online shopping and home improvement projects that accompanied the onset of COVID-19, the two largest employment gainers, by percentage, in South Carolina were: (1) the Transportation, Warehousing, and Utilities Super Sector (NAICS 48-49) and (2) the Construction Industry (NAICS 23).

Again, equally unsurprising given the reality of the COVID-19 pandemic in 2020, the biggest decliners in terms of employment were the Leisure and Hospitality (NAICS 71-72) and Wholesale Trade (NAICS 42) industries. The impact of the pandemic on businesses providing accommodation, dining, or entertainment services has grabbed most of the headlines, but the impact on the Wholesale Trade Industry warrants additional comment as well. As global supply chains became disrupted with the onset of the pandemic, the Wholesale Trade Industry in South Carolina was also impacted, losing nearly 9% (or 6,500 jobs) of its January 2020 employment. As a promising sign of the months ahead, perhaps, it is also important to note that the Manufacturing Industry (NAICS 31-33) in South Carolina, also adversely impacted by disruptions in the global supply chain, weathered a series of (mostly) temporary layoffs throughout the year to post a modest year-end gain in employment of 2,000 jobs. Additional information on select industries in South Carolina, including descriptions, examples, and NAICS codes, can be found in the companion article "*A Crash Course in Industry Coding and Classification*" on page 22.

TABLE 1: *Industries Increasing Employment in South Carolina, 2020*

	Percent change, January – December 2020	*Employment change, January – December 2020*
Transportation, Warehousing, and Utilities	12.59%	10,600
Construction	7.16%	7,700
Other Services	6.18%	4,900
Retail Trade	3.15%	7,900
Professional and Business Services	2.37%	7,100
Financial Activities	1.94%	2,000
Manufacturing	0.78%	2,000

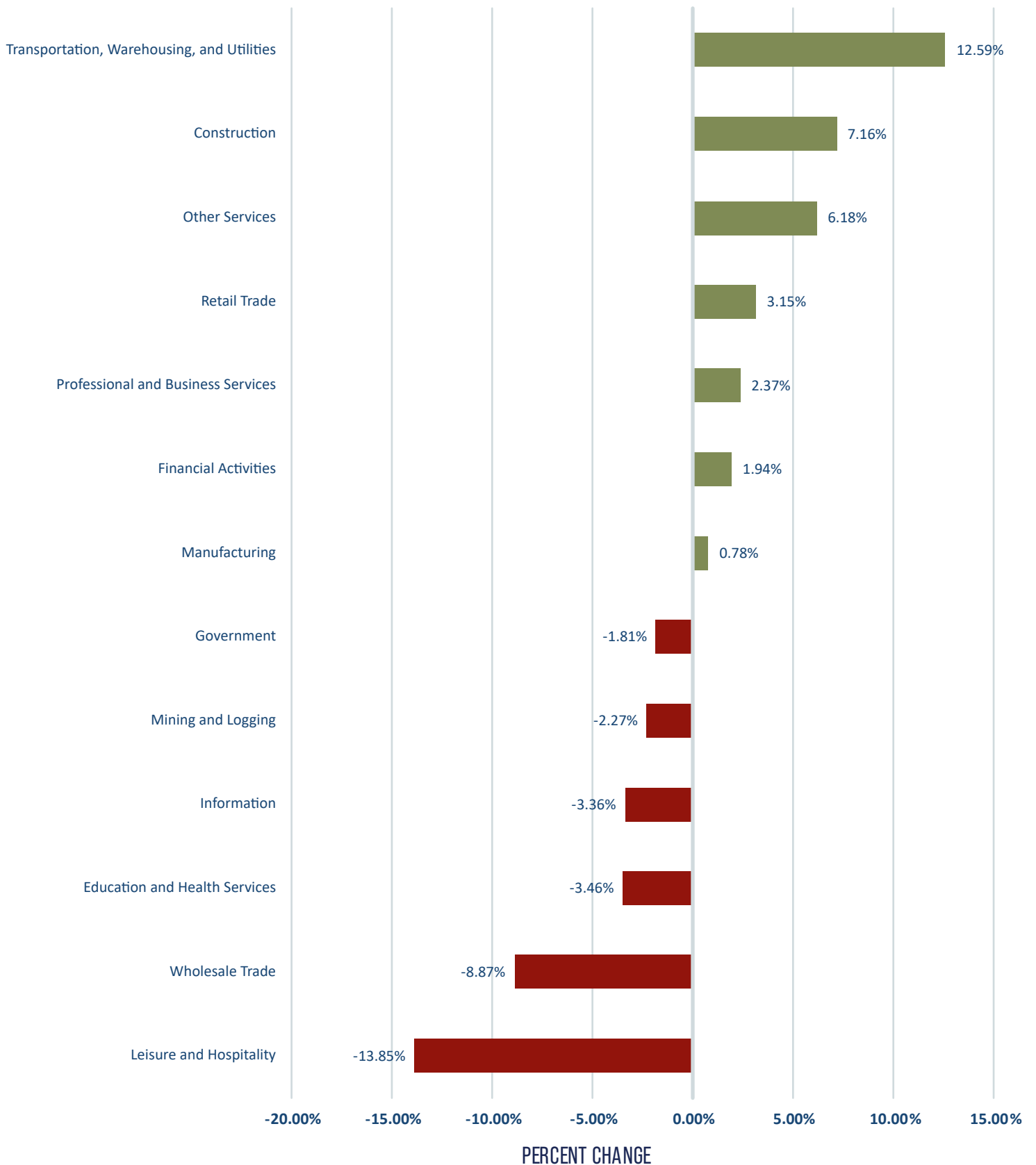## TABLE 2: *Industries Declining Employment in South Carolina, 2020*

	Percent change, January – December 2020	*Employment change, January – December 2020*
Leisure and Hospitality	-13.85%	-36,400
Wholesale Trade	-8.87%	-6,500
Education and Health Services	-3.46%	-8,900
Information	-3.36%	-900
Mining and Logging	-2.27%	-100
Government	-1.81%	-6,800

FIGURE 5: SC INDUSTRIES EMPLOYMENT CHANGE, JANUARY - DECEMBER 2020

Industry	Percent Change
Transportation, Warehousing, and Utilities	12.59%
Construction	7.16%
Other Services	6.18%
Retail Trade	3.15%
Professional and Business Services	2.37%
Financial Activities	1.94%
Manufacturing	0.78%
Government	-1.81%
Mining and Logging	-2.27%
Information	-3.36%
Education and Health Services	-3.46%
Wholesale Trade	-8.87%
Leisure and Hospitality	-13.85%

PERCENT CHANGE

The spiral graph below **(Figure 6)** provides a striking visualization of the magnitude of employment changes, by industry, between January and December 2020.

FIGURE 6: SOUTH CAROLINA INDUSTRY EMPLOYMENT, JANUARY 2020 VS. DECEMBER 2020

January   **December**
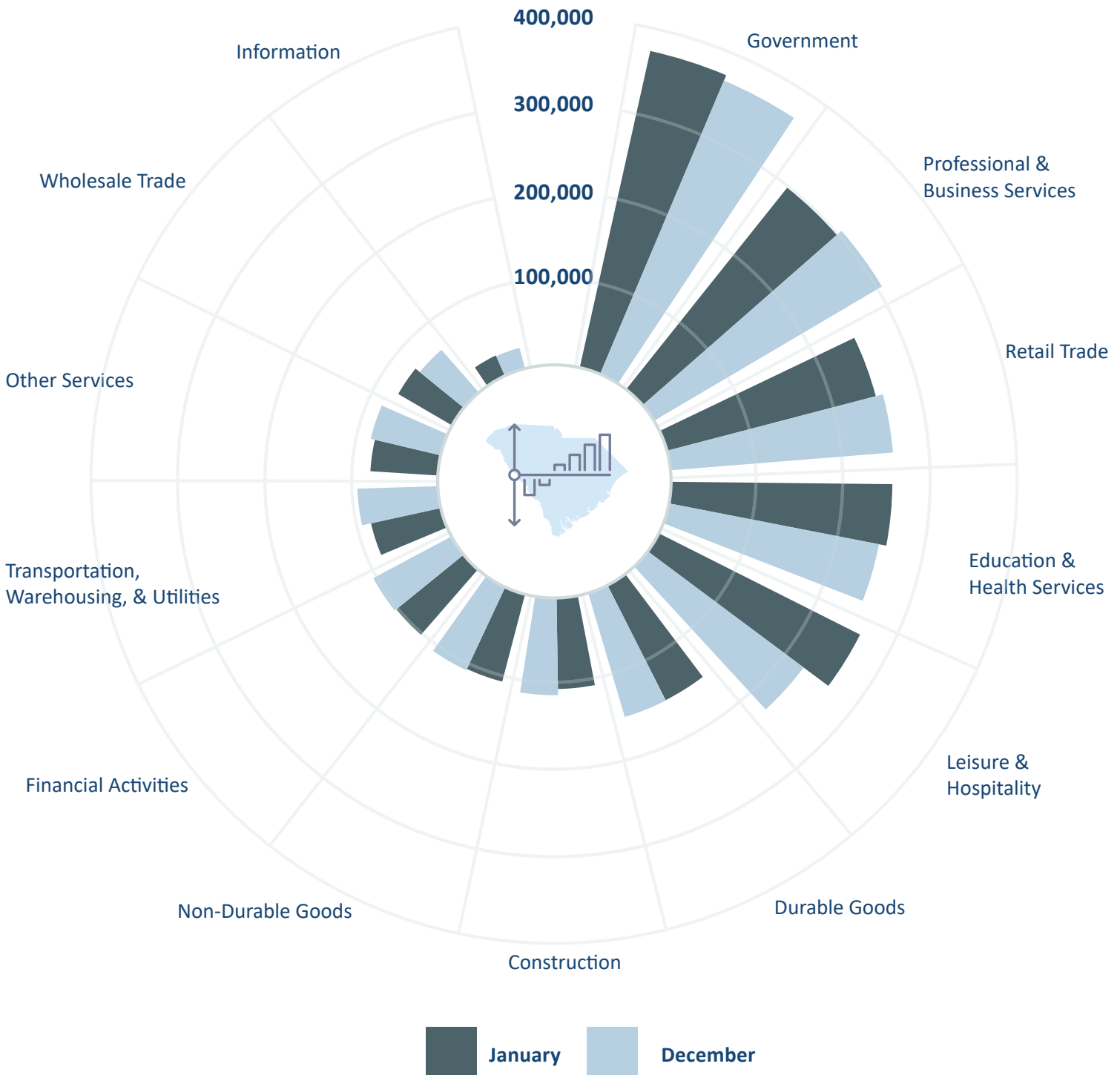
GETTING WORK IS JOB ONE

With *Project Job One,* SC DEW aims to connect South Carolinians with the 87,000+ jobs currently available through SC Works Online Services (SCWOS). Employers across the state are hiring, and we want to help match job seekers with their next opportunity. Utilizing SCWOS, the largest job database in the state, this campaign will share job market information, in-demand industries, "Hot Jobs" in local regions, and bring awareness to the 87,000+ available jobs across the state.

For most job seekers, new employment would not require a move, new training/education or experience in a different set of job skills. What it does require is that individuals approach this unique COVID-19 job market with an open mind.

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Historical Statewide CES Data

2020 was, without a doubt, an unprecedented year of radical, month-over-month swings in industry employment levels. With the antici-pated widespread availability of COVID-19 vaccines and the strong gains we witnessed in the second half of 2020, we have good reason to be optimistic that 2021 will see a return to the stable growth of the workforce we have come accustomed to in South Carolina.

To lend some additional perspective on the longer-term, overall upward growth in employment in South Carolina, **Figures 7 and 8** illustrate, respectively, the net and percent changes over the last 20 years. Of all the industries we've highlighted in this article, South Carolina saw gains almost universally across the board. While a full review of the changes over the last 20 years is beyond the scope of this piece, it is important to note the impact of the decline of the textile industry (Non-Durable Goods), the decline of print journalism (Information), and the V.C. Sumner Nuclear project closure (Construction) on their respective industry sectors.

FIGURE 7: SOUTH CAROLINA INDUSTRY EMPLOYMENT, 2001 VS. 2019
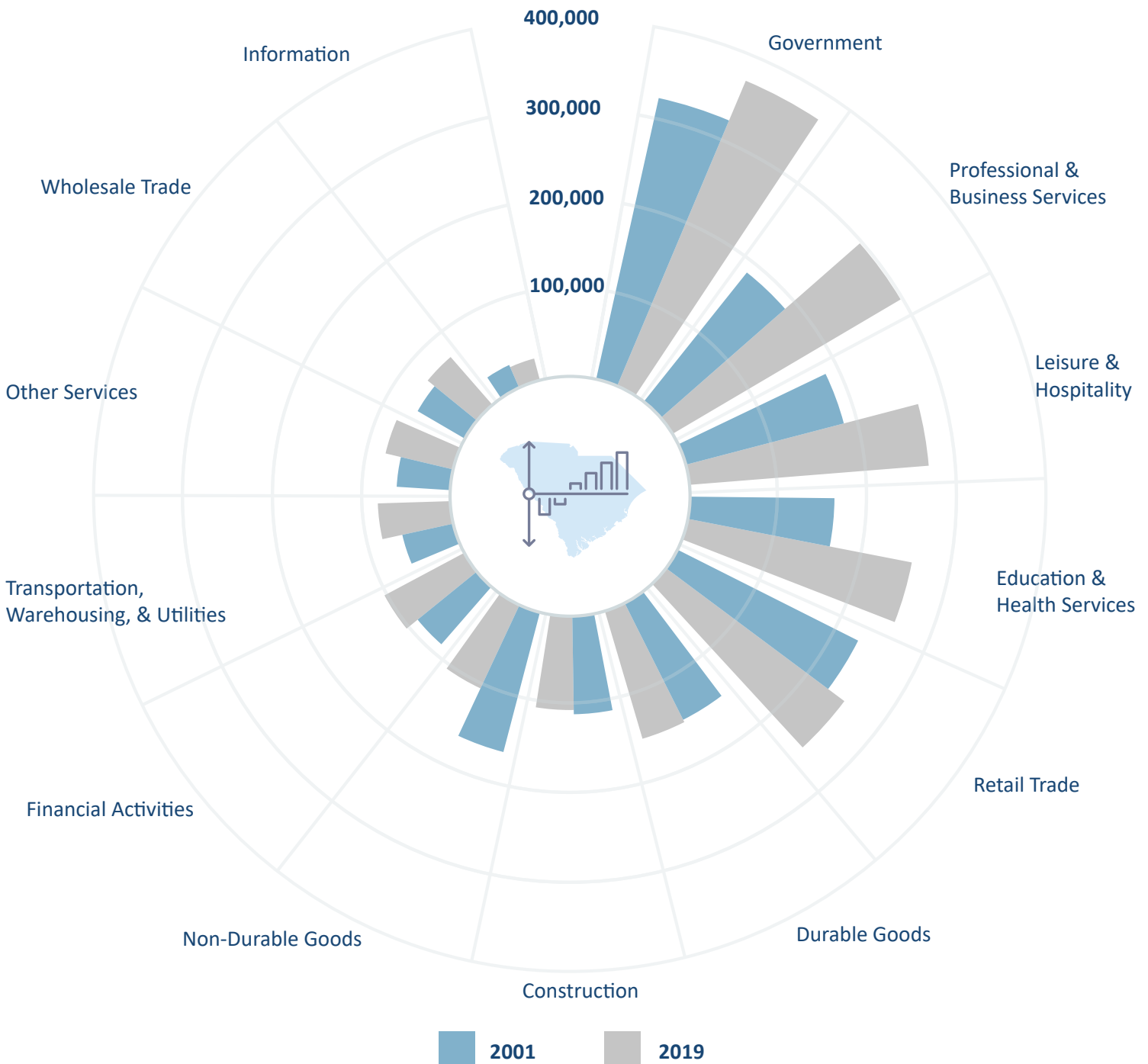
FIGURE 8: SC INDUSTRIES EMPLOYMENT CHANGE, 2001 - 2019

Industry	Percent Change
Professional and Business Services	59.66%
Education and Health Services	57.15%
Leisure and Hospitality	47.07%
Transportation, Warehousing, and Utilities	36.17%
Other Services	27.81%
Financial Activities	18.73%
Wholesale Trade	16.40%
Government	14.81%
Retail Trade	10.00%
Durable Goods	2.15%
Construction	-5.13%
Information	-5.90%
Mining and Logging	-13.73%
Non-Durable Goods	-35.62%

PERCENT CHANGE

MANUFACTURING

LEISURE & HOSPITALITY

PROFESSIONAL & BUSINESS SERVICES

HEALTH CARE & SOCIAL ASSISTANCE

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INDUSTRY EMPLOYMENT IN THE LOCAL WORKFORCE DEVELOPMENT AREAS

While the monthly CES totals are extremely valuable as a more-or-less real-time measure of the strength of the state's industry sectors, there are limitations in the data. First, as with any other data derived from surveys, the presence of respondent, instrument, and modeling errors are all inevitable. Fortunately, the Bureau of Labor Statistics adjusts and corrects these errors as part of an annual process referred to as "benchmarking". This topic we will discuss in much greater detail in next month's issue.

The major limitation - for our purposes this month - is the absence of local-level data in the CES. Industry level detail on counties and local workforce areas comes from a different BLS-sponsored program, the Quarterly Census of Employment and Wages. Again, we are going to take a much deeper dive into the QCEW program in next month's issue, with particular focus on changes in employment and business closures over the course of the pandemic. For now, we only want to use this data to highlight the dominant industry sectors in South Carolina's local regions, and highlight the changes that have occurred over the last 20 years.

The map to the left highlights the largest industry *Super Sectors* in the Local Workforce Development Areas at the conclusion of 2019. This data represents the annualized averages, used to smooth out any seasonality in the quarterly data. 2020 annualized data will be available in August 2021. As the map illustrates, the LWDAs are dominated by four major *Super Sectors*: Manufacturing, Healthcare & Social Assistance, Leisure & Hospitality, and Professional & Business Services. For a fuller explanation of industry codes, sectors, and super sectors, please check out our "*Crash Course*" article on pages 22-23.

For some historical perspective on major industry shifts in the LWDAs, check out the charts on the next page. We have identified the biggest gainers and decliners, by both employment count and percent change for each of the state's 12 Local Workforce Development Areas.

Industry Employment in the Local Workforce Development Areas, cont.

Industry Employment, WorkLink LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Professional and Business Services	40%	2,333
Transportation and Warehousing	34%	709
Healthcare and Social Assistance	34%	4,278
Leisure and Hospitality	26%	3,499
Declining Industries		
Agriculture, Forestry, Fishing and Hunting	-45%	-198
Construction	-33%	-2,558
Information	-32%	-414

Industry Employment, Greenville LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Healthcare and Social Assistance	89%	18,585
Professional and Business Services	64%	23,154
Leisure and Hospitality	55%	11,037
Educational Services	48%	5,732
Declining Industries		
Mining, Quarrying, Oil and Gas Extraction	-54%	-39
Agriculture, Forestry, Fishing and Hunting	-43%	-119
Utilities	-35%	-428

Industry Employment, Upper Savannah LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Professional and Business Services	42%	1,799
Real Estate, Rental and Leasing	28%	110
Leisure and Hospitality	22%	1,277
Healthcare and Social Assistance	14%	1,360
Declining Industries		
Other Services	-32%	-674
Information	-31%	-179
Finance and Insurance	-20%	-289

Industry Employment, Midlands LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Transportation and Warehousing	49%	4,075
Leisure and Hospitality	48%	12,684
Healthcare and Social Assistance	42%	15,214
Professional and Business Services	33%	11,166
Declining Industries		
Information	-17%	-1,197
Mining, Quarrying, Oil and Gas Extraction	-13%	-43
Manufacturing	-10%	-2,745

WORKLINK   GREENVILLE   UPSTATE

UPPER SAVANNAH

MIDLANDS

LOWER SAVANNAH

MANUFACTURING

LEISURE & HOSPITALITY

PROFESSIONAL & BUSINESS SERVICES

HEALTH CARE & SOCIAL ASSISTANCE

LOWCOUNTRY

Industry Employment, Lower Savannah LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Transportation and Warehousing	142%	2,596
Leisure and Hospitality	37%	3,048
Healthcare and Social Assistance	23%	2,436
Declining Industries		
Information	-41%	-482
Real Estate, Rental and Leasing	-30%	-303
Professional and Business Services	-23%	-4,218

Industry Employment, Lowcountry LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Healthcare and Social Assistance	108%	7,027
Professional and Business Services	66%	4,595
Leisure and Hospitality	43%	5,758
Finance and Insurance	28%	469
Declining Industries		
Manufacturing	-51%	-2,043
Information	-42%	-405
Construction	-19%	-1,390

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Industry Employment, Upstate LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Transportation and Warehousing	124%	6,574
Professional and Business Services	81%	9,627
Healthcare and Social Assistance	53%	6,931
Leisure and Hospitality	41%	4,766
Declining Industries		
Agriculture, Forestry, Fishing and Hunting	-48%	-252
Information	-33%	-501
Manufacturing	-7%	-3,145

Industry Employment, Catawba LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Transportation and Warehousing	198%	3,424
Professional and Business Services	192%	13,858
Real Estate, Rental and Leasing	140%	1,078
Leisure and Hospitality	87%	7,641
Healthcare and Social Assistance	74%	5,627
Declining Industries		
Manufacturing	-13%	-2,861

Industry Employment, Pee Dee LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Transportation and Warehousing	73%	3,026
Professional and Business Services	71%	4,665
Leisure and Hospitality	43%	4,105
Healthcare and Social Assistance	33%	5,420
Declining Industries		
Mining, Quarrying, Oil and Gas Extraction	-50%	-81
Manufacturing	-40%	-13,595
Finance and Insurance	-37%	-2,194

Industry Employment, Santee-Lynches LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Professional and Business Services	47%	1,684
Healthcare and Social Assistance	40%	2,927
Leisure and Hospitality	29%	1,572
Declining Industries		
Information	-40%	-236
Manufacturing	-39%	-6,967
Finance and Insurance	-25%	-464

Industry Employment, Trident LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Professional and Business Services	85%	24,202
Leisure and Hospitality	73%	21,691
Real Estate, Rental and Leasing	72%	2,969
Healthcare and Social Assistance	69%	19,051
Wholesale Trade	48%	2,959
Declining Industries		
Agriculture, Forestry, Fishing and Hunting	-69%	-945

Industry Employment, Waccamaw LWDA, 2001 to 2019

	Percent	Net Change
High Growth Industries		
Healthcare and Social Assistance	82%	8,802
Professional and Business Services	66%	6,248
Educational Services	44%	3,609
Public Administration	41%	2,472
Declining Industries		
Mining, Quarrying, Oil and Gas Extraction	-49%	-75
Manufacturing	-29%	-3,179
Agriculture, Forestry, Fishing and Hunting	-21%	-251

CATAWBA

PEE DEE

SANTEE-LYNCHES

WACCAMAW

TRIDENT

SOUTH CAROLINA
DEPARTMENT OF EMPLOYMENT
AND WORKFORCE

CES INDUSTRY EMPLOYMENT FOR DECEMBER 2020

The Current Employment Survey of businesses in South Carolina marked an increase of 14,600 nonfarm payroll jobs over the month to a level of 2,156,400.

Industries reporting gains were Trade, Transportation, and Utilities (+6,900); Professional and Business Services (+5,300); Leisure and Hospitality (+2,300); Construction (+900) and Government (+500). Retail Trade increased (+6,300). Decreases were noticed in the Education and Health Services (-400); Other Services (-400); Financial Activities (-300) and Manufacturing (-200). Information remained flat over the period.

From December 2019 to December 2020, South Carolina's economy has lost 53,200 seasonally adjusted, nonfarm jobs.

Construction (+5,800); Other Services (+4,400); Manufacturing (+1,800); Professional and Business Services (1,800) and Financial Activities (+900) industries reported gains over the year. Retail Trade increased (+500). Decreases were reported in Leisure and Hospitality (-43,500); Education and Health Services (-11,500); Government (-11,400); Information (-1,000) and Trade, Transportation, and Utilities (-400).

For the Metropolitan Statistical Areas, seasonally adjusted, total nonfarm payroll job increases were seen in seven areas. Charleston (+3,800); Columbia (+2,800); Spartanburg (+1,800); Myrtle Beach (+1,200); Florence (+800); Hilton Head (+600) and Sumter (+300). Decreases were seen in Greenville (-600).

Over the year, all of the Metropolitan Statistical Areas saw a decrease in seasonally adjusted payroll. Leading with employment losses were Charleston (-20,500); Myrtle Beach (-13,900); Columbia (-11,500); Spartanburg (-8,400); Greenville (-6,200); Sumter (-2,100); Florence (-1,700) and Hilton Head (-400).

To see the full details of the December Employment Situation, along with Executive Director Dan Ellzey's statement, please go to

dew.sc.gov/news

SOUTH CAROLINA ECONOMIC INDICATORS

S.C. JOB POSTINGS BY INDUSTRY, DECEMBER 2020

| NAICS CODE	INDUSTRY	JOB POSTINGS
62	Health Care and Social Assistance	11,509
44-45	Retail Trade	7,263
72	Accommodation and Food Services	4,116
31-33	Manufacturing	3,303
52	Finance and Insurance	3,170
54	Professional, Scientific, and Technical Services	2,843
61	Educational Services	2,719
92	Public Administration	2,124
48-49	Transportation and Warehousing	1,719
56	Administrative and Support and Waste Management	1,665
53	Real Estate, Rental and Leasing	1,147
81	Other Services (except Public Administration)	1,104
23	Construction	1,087
51	Information	993
42	Wholesale Trade	508
71	Arts, Entertainment, and Recreation	303
22	Utilities	188
21	Mining, Quarrying, and Oil and Gas Extraction	128
55	Management of Companies and Enterprises	96
11	Agriculture, Forestry, Fishing and Hunting	72

Source: Labor Insight Jobs (Burning Glass Technologies)

S.C. AVERAGE WEEKLY WAGE BY INDUSTRY GROUP, 2020 Q2

INDUSTRY GROUP	AVG. WEEKLY WAGE	PERC CHG FROM YR AGO
Total, All Industries	$929	7.0%
Natural Resources and Mining	$822	1.9%
Construction	$1,049	2.8%
Manufacturing	$1,141	-1.6%
Trade, Transportation and Utilities	$826	5.9%
Information	$1,309	9.1%
Financial Activities	$1,267	12.2%
Professional and Business Services	$1,060	8.5%
Education and Health Services	$969	4.4%
Leisure and Hospitality	$367	1.9%
Other Services	$718	10.5%
Public Administration	$953	5.4%

Source: DEW, Quarterly Census of Employment and Wages (QCEW)

South Carolina Economic Indicators, cont.
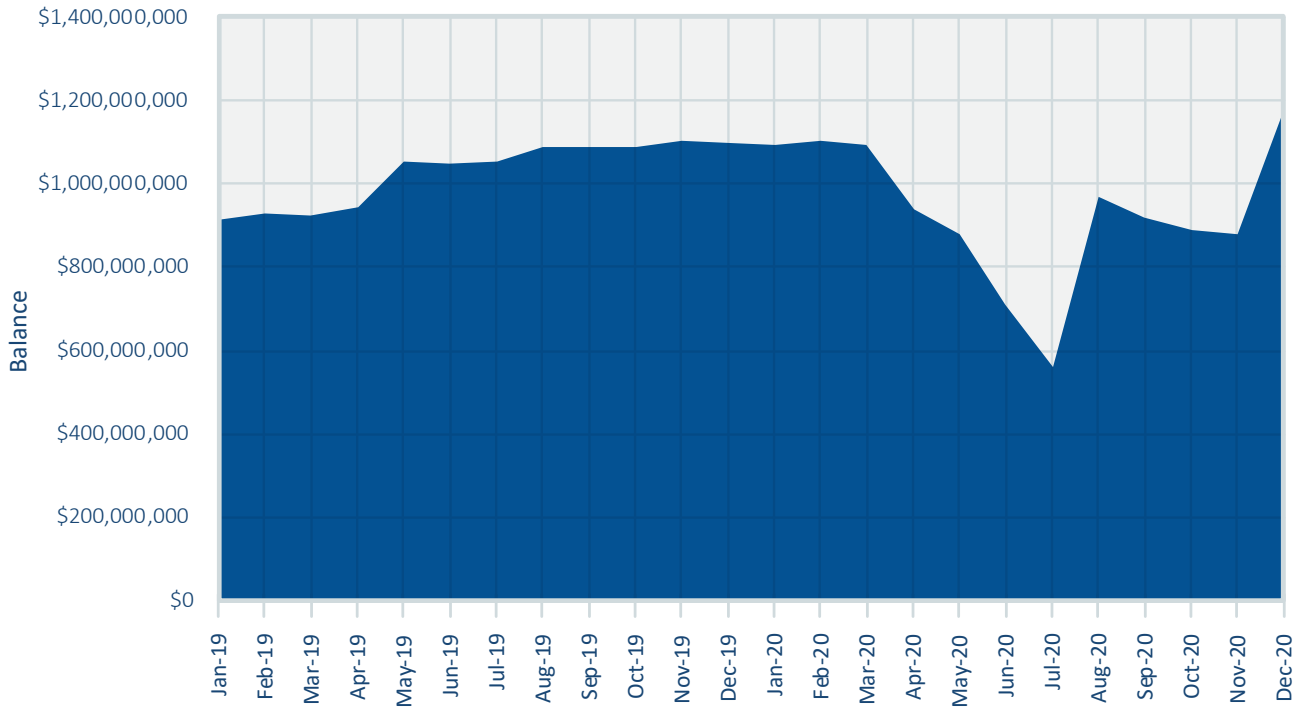
S.C. GROSS DOMESTIC PRODUCT
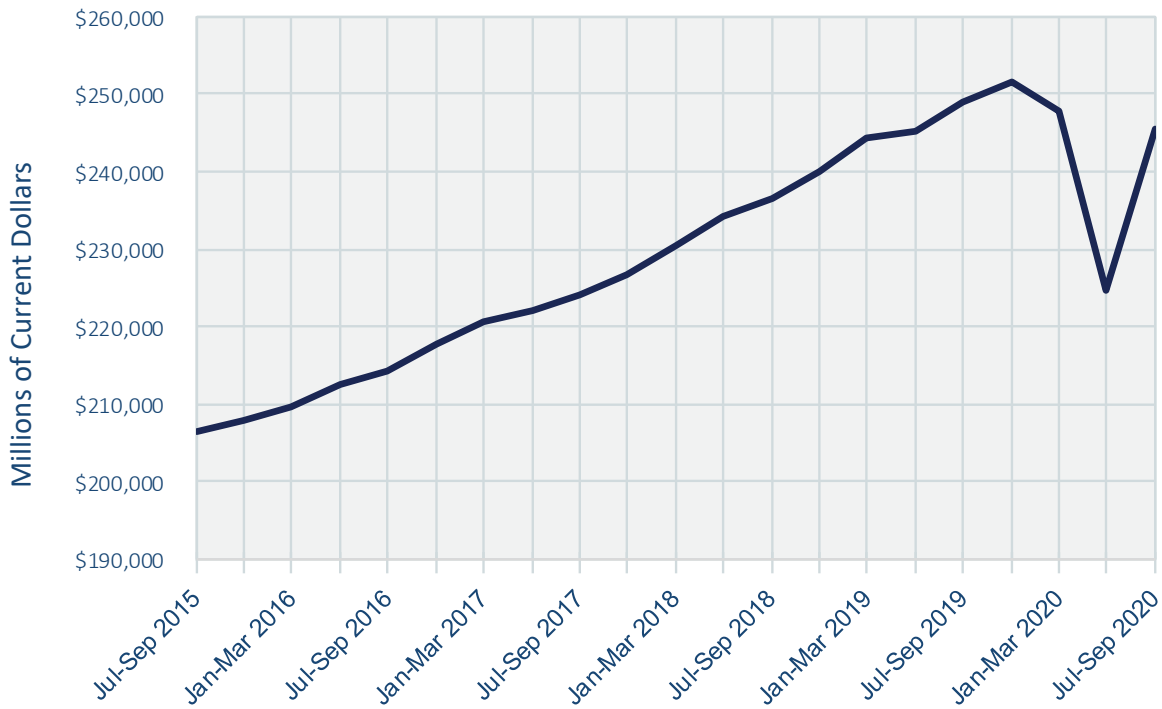
Source: U.S. Bureau of Economic Analysis

S.C. LABOR FORCE PARTICIPATION RATE

56.3%
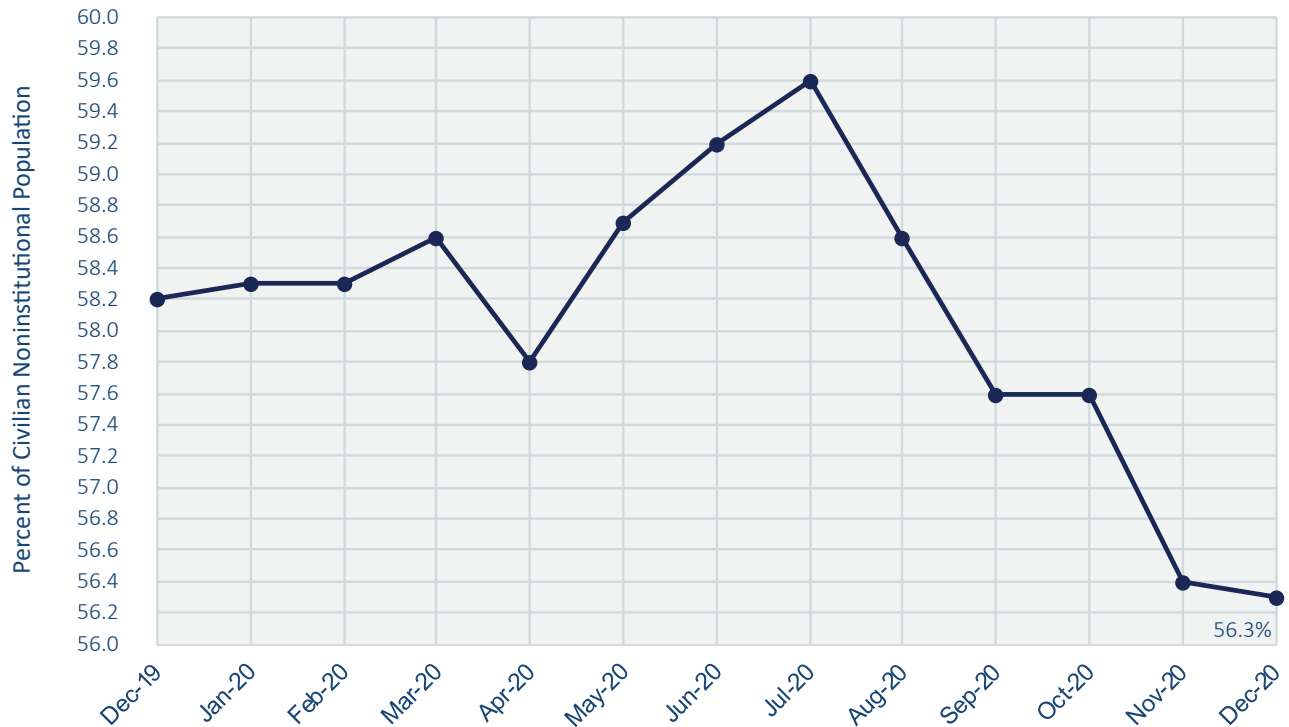
Source: DEW, Local Area Unemployment Statistics (LAUS)

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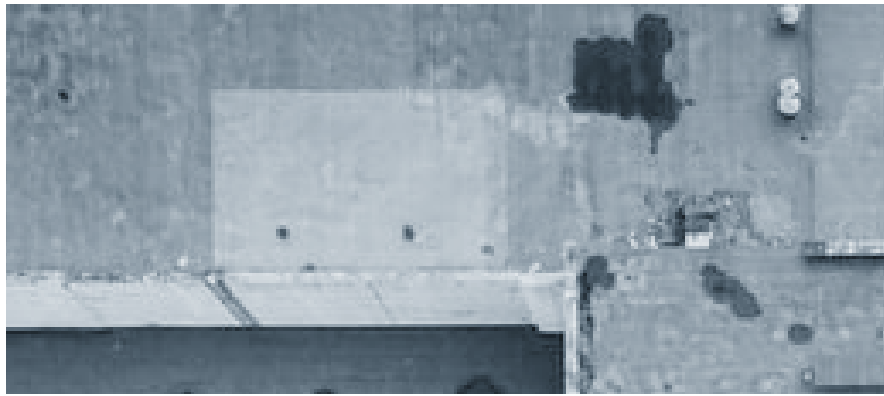# S.C. UNEMPLOYMENT TRUST FUND REPORT BALANCE

Source: U.S. Department of the Treasury, Bureau of the Fiscal Service

# S.C. MONTHLY UNEMPLOYMENT CLAIMS STATISTICS

Source: U.S. Department of Labor

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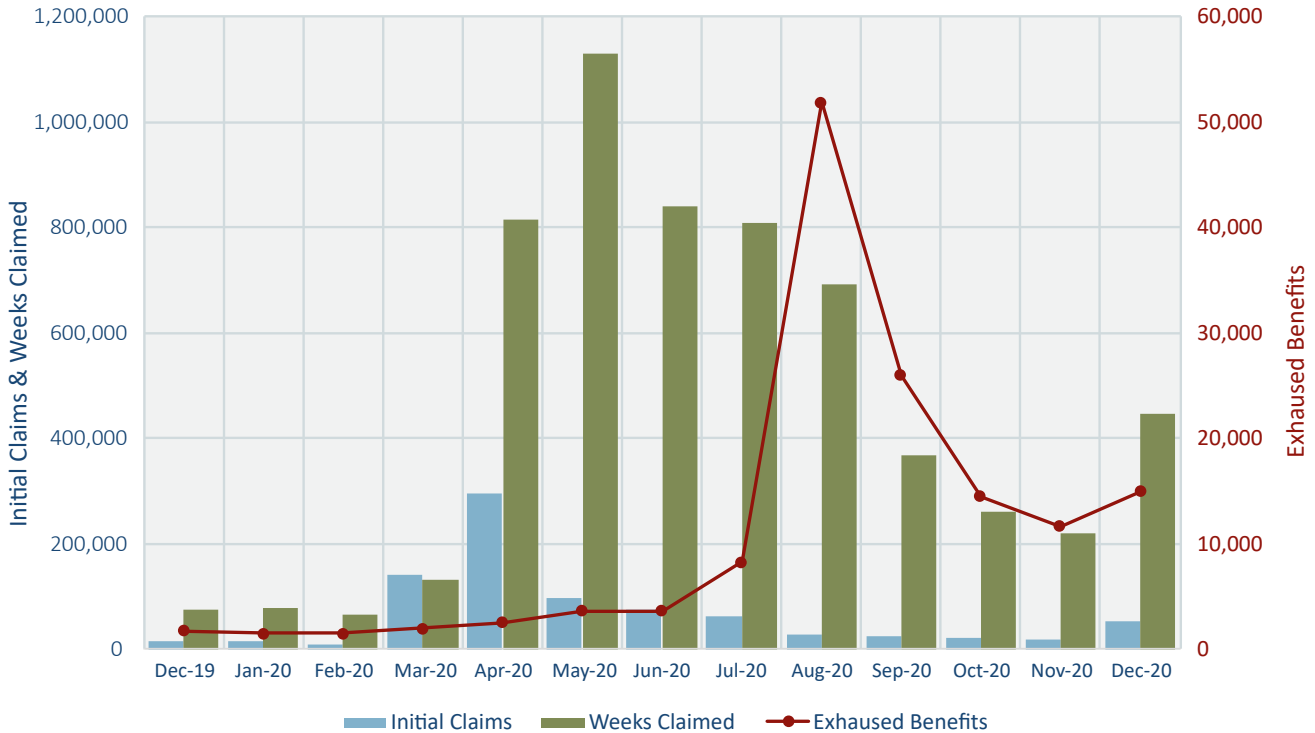
"Overall, South Carolina's industry employment is 79% of the way back from 2020 pre-COVID peak."

Monthly CES Data, April through December 2020

SOUTH CAROLINA
DEPARTMENT OF EMPLOYMENT AND WORKFORCE
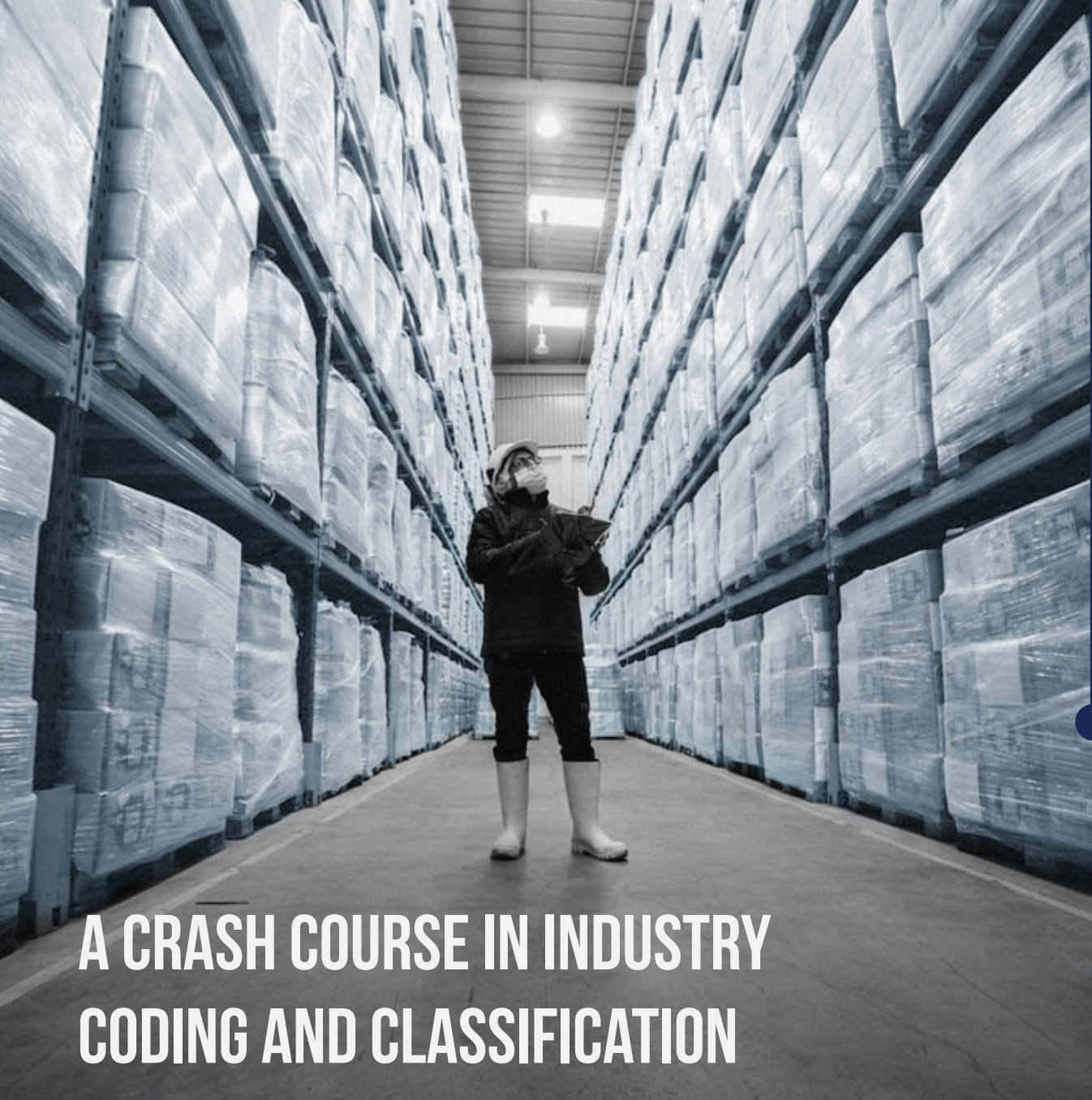
A CRASH COURSE IN INDUSTRY CODING AND CLASSIFICATION

If you're a workforce professional, policy maker, job-seeker, or even an interested member of the public at large, chances are you have heard the terms 'Industry', 'Sector', and 'Super Sector'. These terms are often used interchangeably when describing a specific subset of our economy, but each has a more specific meaning and relates to the others in a hierarchical manner. Multiple *Industries* (also referred to as *Sub-Sectors*) make up a *Sector*, multiple *Sectors* make up a *Super Sector* (which can also be further aggregated to produce larger *Super Sectors* as well, adding an additional layer of confusion). All three terms are utilized as part of the North American Industry Classification System (NAICS), a formal schema developed as part of the NAFTA trade accords and

used by federal agencies (such as the Bureau of Labor Statistics) to group similar business establishments together in a logical manner, based on the products or services they provide. The use of standardized, 6-digit codes for each type of employer allows us to construct meaningful, cross-border comparisons of similar industries and track a variety of factors across time (such as growth, employment, and wages paid). In this month's feature article, we rely on these classifications to identify divergent trends within the broader economy as a whole.

While it is far from all-inclusive, we've drafted a handy primer that highlights the *Industries, Sectors* and *Super Sectors* we reference in this month's feature article, and how they tie together.

Construction (NAICS 23) Refers to the *Sector* that is responsible for: maintaining, adding, repairing, removing, or altering establishments or engineering projects such as subdividing land or constructing highways. The Construction *Sector* is part of the Goods Producing *Super Sector*, and includes all of the following *Industries* (*Sub-Sectors*): Construction of Buildings (NAICS 236), Heavy and Civil Engineering Construction (NAICS 237), and Specialty Trade Contractors (NAICS 238).

Durable Goods (Special Grouping) Refers to a collection of *Industries* (*Sub-Sectors*) that are responsible for the manufacture of products that hold their value over time, such as appliances, automobiles, electronics, and jewelry. The grouping is part of the larger Manufacturing *Sector* (NAICS 31-33) and is made up of establishments responsible for the production of, for example: Machinery (NAICS 333), Transportation Equipment (NAICS 336), and Wood Products (NAICS 321).

Non-Durable Goods (Special Grouping) Refers to a collection of *Industries* (*Sub-Sectors*) that are responsible for the manufacture of perishable products, or those that deteriorate/lose value over a limited period of time, such as food, clothing, or beverages. The grouping is part of the larger Manufacturing *Sector* (NAICS 31-33) and is made up of establishments producing, for example, Food (NAICS 311), Beverages and Tobacco Products (NAICS 312), and Apparel (NAICS 315).

Education and Health Services (NAICS 61-62) Refers to the *Super Sector* made up of the Education (NAICS 61) and Health Services (NAICS 62) *Sectors*. The Education Sector is made up of firms/establishments responsible for the provision of training/instruction in a wide array of subjects, while the Health Services *Sector* refers to the collection of establishments that provide health and social well-being and care services.

Financial Activities (NAICS 52-53) Refers to the *Super Sector* made up of the Finance and Insurance (NAICS 52) and the Real Estate, Rental, and Leasing (NAICS 53) *Sectors*. Taken together, the Financial Activities *Super Sector* is the collection of firms responsible for the execution of financial or insurance transactions, as well as the execution of rental contracts for all tangible goods, as well as all real estate transactions. The Financial Activates *Super Sector* is also part of the larger Service-Providing Industries *Super Sector* group.

Government (NAICS 90) Refers to the *Super Sector* of establishments whose employees are engaged in the provision of public services. The Government Super Sector is made up of the Local Government (NAICS 93), State Government (NAICS 92), and Federal Government (NAICS 91) *Sectors*.

Information (NAICS 51) Refers to the *Sector* that is responsible for production and/or transmission of information and/or cultural materials and is included in the Service-Providing Industries *Super Sector*. The Information *Sector* is made up of the following *Industries/Sub-Sectors*: Publishing (NAICS 511), Motion Picture and Sound Recording (NAICS 512), Broadcasting (NAICS 515), Telecommunications (NAICS 517), Data Processing and Hosting (518), and Other Information Services (NAICS 519).

Leisure and Hospitality (NAICS 71-72) Refers to the *Sector* that is made up of the Arts, Entertainment, and Recreation (NAICS 71) and Accommodation and Food Services (NAICS 72) *Sectors*. The Leisure and Hospitality *Super Sector* is also included as part of the larger Service-Providing Industries *Super Sector*.

Manufacturing (NAICS 31-33) Refers to the *Sector* responsible for the transformation of materials, substances, or components into new products. The Manufacturing *Sector* combines both the Durable and Non-Durable Goods special groupings, and includes 21 unique *Industries (Sub-Sectors)*, including: Food Manufacturing (NAICS 311), Apparel Manufacturing (NAICS 315), and Chemical Manufacturing (NAICS 325). The Manufacturing *Sector* is part of the Goods-Producing Industries *Super Sector*.

Natural Resources and Mining (NAICS 11-21) Refers to the Super Sector made up of the Agricultural, Forestry, Fishing, and Hunting (NAICS 11) and Mining, Quarrying, and Oil and Gas Extraction (NAICS 21) *Sectors*. The Natural Resources and Mining *Super Sector* is also part of larger Goods-Producing Industries *Super Sector*.

Other Services (except Public Administration) (NAICS 81) Refers to the *Sector* made up of establishments responsible for the provision of services not accounted for elsewhere. The Other Services *Sector* is made up of the following *Industries/Sub-Sectors*: Repair and Maintenance (NAICS 811), Personal and Laundry Services (NAICS 812), Religious, Grant-making, Civic, and Similar (NAICS 813), and Private Households (NAICS 814).

Professional and Business Services (NAICS 54-56) Refers to the *Super Sector* made up of the Professional, Scientific, and Technical Services (NAICS 54), Management of Companies and Enterprises (NAICS 55), and Administration and Support and Waste Management and Remediation Services (NAICS 56) *Sectors*. The Professional and Business Services Super Sector is also part of the larger, Service-Providing Industries *Super Sector*.

Retail Trade (NAICS 44-45) Refers to the *Sector* responsible for the sale of retail merchandise (generally without additional transformation of the products) and the delivery of services incidental to the sale of retail merchandise. The *Sector* is made up of the 12 unique *Industries* (or *Sub-Sectors*), including (but not limited to): Motor Vehicles and Parts Dealers (NAICS 441), Electronics and Appliance Stores (NAICS 443), and Food and Beverage Stores (NAICS 445). The Retail Trade Sector is part of the larger Trade, Transportation, and Utilities *Super Sector*.

Wholesale Trade (NAICS 42) Refers to the *Sector* responsible for the sale of wholesale merchandise. The *Sector* is made up of three *Industries* (or *Sub-Sectors*): Merchant Wholesalers, Durable Goods (NAICS 423), Merchant Wholesalers, Non-Durable Goods (NAICS 424), and Wholesale Electronics Markets, and Agents and Brokers (NAICS 425). The Wholesale Trade Sector is part of the larger Trade, Transportation, and Utilities *Super Sector*.

Transporting and Warehousing (NAICS 48-49) Refers to the *Sector* that is responsible for transportation of persons and goods, the warehousing and storing of goods, and the provision of support activities related to all modes of transportation. The *Sector* is made up of 11 unique *Industries* (or *Sub-Sectors*), including, but not limited to, Air (NAICS 481), Rail (NAICS 482), Water (NAICS 483), and Truck (NAICS 484) Transportation. The Transportation and Warehousing *Sector* is part of the larger Trade, Transportation, and Utilities *Super Sector*.

A full accounting of *all* NAICS derivatives and the entire classification system can be found at: **bls.gov/bls/naics.htm**.

A hierarchical industry-finder application illustrates the linkages and ties directly to a searchable database at: **data.bls.gov/cew/apps/bls_naics/v2/bls_naics_app.htm#tab=hierarchy&naics=2017&hier=default**

To ensure the accuracy and timeliness of the coding system, NAICS is reviewed and updated every 5 years. Currently, public feedback on proposed changes is being solicited by OMB. Anyone interested in providing feedback can do so at: **federalregister.gov/documents/2020/02/26/2020-03797/2017-noth-american-industry-classification-system-naics-updates-for-2022-update-of-statistical**

LETTER TO THE EDITOR:

How Does South Carolina's Aging Workforce Compare to Our Neighbors?

In a previous issue of *Data Trends*, we highlighted the aging of the workforce in South Carolina and the impact it has on the state's Labor Force Participation rate. In response to our article, the LMI team received quite a bit of feedback and one very specific question: How do we compare to the state of Florida? While the emphasis of our research, of course, is on economic conditions in the state of South Carolina, it is an interesting question.

States and local communities routinely offer incentives to newly launched, relocating, or expanding businesses. While this conversation takes us far from the topic at hand, it is safe to say these incentives have fostered a highly competitive environment between states, with each working hard to sweeten deals and attract new businesses and job opportunities for their residents. As the team on the receiving end of hundreds of requests annually from employers, economic developers, and firms hired to evaluate multiple site locations, we can say with certainty that the workforce of the state - its availability, training, and stability - is a major factor when an employer looks to expand or relocate. With that in mind, here is how South Carolina stacks up with the United States as a whole, Florida, Georgia, and North Carolina.

	United States		*Florida*	
Age Groups	*Population*	*Labor Force Participation Estimate, 2019*	*Population*	*Labor Force Participation Estimate, 2019*
16 to 19 years	17,166,913	39.9%	968,969	34.6%
20 to 24 years	21,468,680	75.9%	1,266,383	75.4%
25 to 29 years	23,233,299	83.8%	1,396,238	83.4%
30 to 34 years	22,345,176	83.6%	1,371,822	82.6%
35 to 44 years	41,914,845	83.2%	2,612,250	82.5%
45 to 54 years	40,863,107	81.5%	2,708,234	80.9%
55 to 59 years	21,484,060	73.1%	1,475,419	71.2%
60 to 64 years	20,984,053	58.4%	1,422,341	56.1%
65 to 74 years	31,575,561	26.8%	2,463,083	23.9%
75 years and over	22,498,467	7.2%	2,035,115	6.3%
Additional Demographic Details	*United States*		*Florida*	
Below Poverty Level	21,232,819	47.1%	1,379,693	47.0%
With Any Disability	19,645,386	43.6%	361,054	40.2%

*Data from the US Census Bureau's 2019 American Community Survey Estimates, **https://api.census.gov/data/2019/acs/acs1/subject**

Georgia		North Carolina		South Carolina	
Population	Labor Force Participation Estimate, 2019	Population	Labor Force Participation Estimate, 2019	Population	Labor Force Participation Estimate, 2019
599,647	37.10%	581,014	40.60%	273,695	41.2%
714,400	73.50%	689,128	75.70%	321,418	75.6%
750,041	82.90%	715,026	83.80%	343,711	83.1%
708,555	81.40%	686,637	83.70%	327,046	83.5%
1,401,934	82.20%	1,312,661	82.70%	628,604	82.1%
1,397,014	80.40%	1,363,200	80.60%	635,042	79.5%
685,356	70.10%	700,481	70.10%	352,888	69.1%
614,130	55.00%	658,137	54.60%	340,375	52.4%
933,722	24.80%	1,047,490	24.70%	571,319	22.9%
589,470	6.20%	703,445	6.60%	364,219	6.7%
Georgia		North Carolina		South Carolina	
708,936	48.30%	744,561	48.10%	361,054	45.5%
660,305	40.90%	663,225	39.90%	348,360	38.8%

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Labor Market Information

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