

## Agenda S.C. Labor Force Participation Task Force

**Thursday, April 7, 2022** 1:00pm – 4:00pm

In-person: S.C. Department of Employment & Workforce, <u>631 Hampton Street, Columbia, SC 29201</u> (Auditorium) Virtual: <u>Click here to join the meeting</u>, or one touch call in +1 803-400-6195,,311024032#

Phone Conference ID: 311 024 032#

| 1:00 – 1:10 | Welcome Dan Ellzey, SCDEW, Executive Director  |
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| 1:10 - 1:30 | Recap & Overarching Priorities; Clarifying Questions Susie Shannon, SC Competes, President & CEO   |
| 1:30 - 2:00 | SCDEW Perspective & Review of Materials Dr. Erica Von Nessen, SCDEW, Research Economist  |
| 2:00 - 3:00 | Define Parameters for Research Scope Dr. Erica Von Nessen, SCDEW, Research Economist Dr. Bryan Grady, SCDEW, Labor Market Information Director |
| 3:00 – 3:50 | Next Steps Dr. Peggy Torrey, SC Competes, Director of TransformSC  |
| 4:00        | Adjourn  |

REFERENCE: See Thought-Piece Below (Pages 2-3 of this Agenda)



## THOUGHT-PIECE FOR SCOPE/NEXT STEPS

Thank you all for the very productive conversation at our first meeting. We really appreciate the time and insights you were able to provide on this extremely important topic. After reflecting on the meeting and discussing internal goals of the South Carolina Department of Employment and Workforce (SCDEW), we have three (3) potential areas that we would like to pursue in partnership with the Task Force, as well as offering a chance for additional feedback from all of you on next steps.

- 1. Research Study: Task Force will generate a scope of work to build a Request for Proposal for an outsourced research study to further refine the state's understanding of labor force participation trends. Questions could likely include:
  - a. Quantify degree to which various elements contribute to the state's low participation rate (e.g., aging, disability, incarceration, etc.)
  - b. Fully evaluate the economic impact from increasing labor force participation (or potential loss from allowing it to further decline)
  - c. Evaluate how/why South Carolina differs from other states in terms of participation rates
  - d. Put forward recommendations on policies or strategies to improve participation rates from both a big picture perspective, as well as areas that may be more under state/local control.

Upon completion, this study will be made available to other stakeholders who may find the information valuable when determining additional policies or actions to put in place to address workforce needs.

2. Survey: Task Force will help to draft survey questions for individuals who were recently in the labor force (as evidenced by their 2019 wage records), who were negatively impacted by the pandemic (as evidenced by their spring 2020 unemployment claim), and who have not returned to in-state employment covered by the unemployment system (as evidenced by their lack of wage records in 2021Q3). SCDEW can provide names, demographic information, work history, and contact information for this group of people to act as a sampling frame. Task Force members are asked to help identify the most important questions to ask this group of people who would likely be able to return to work quickly given their recent employment status.

The actual survey work would likely be outsourced through a Request for Quotes process. This survey is not intended to capture information on all individuals who are not in the workforce, but it could be a good starting point to identify individuals who may not currently be working who have shown at least some labor market attachment recently.

- 3. Real-Time Labor Supply and Demand System: SCDEW plans to partner with the Office of Revenue and Fiscal Affairs (RFA) and other applicable state agencies to combine applicable datasets and utilize combined information to target marketing or other interventions for those identified with the skills necessary for open jobs. Although SCDEW welcomes the Task Force's input on feasibility and design of this project, it will be primarily an agency initiative. Specifically, SCDEW will be looking to:
  - a. Identify source of data for labor demand (e.g., job postings, Commerce recruitments, business community feedback)
  - b. Identify sources of data for labor supply and associated demographics/skills (e.g., wage records, education and training data)



This system is likely to require multiple iterative rounds of development as additional data sources are identified and the agencies work together to combine and report out the most useful information.

While these are the three (3) potential projects that the agency has identified coming out of the first meeting, we also welcome additional feedback on what specific deliverables the Task Force sees as bringing value to the state. SCDEW also extends an invitation to all members who are interested in working on possible research extensions based on some of the excellent questions brought up during the first meeting, including:

- How do individuals decide to stay out of work?
- How effective are certain policies that are put in place at increasing participation rates?
- What are individuals not in the labor force doing with their time and how do they finance their life?
- What is the persistence of an individual not in the labor force—are they out for years or short spells?
- Do labor shortages result in lower quality health care for a region?

SCDEW currently provides all wage records to RFA on an annual basis, and if there is any additional data housed at the agency that could help answer questions that members have, we are interested in providing that to the greatest extent possible.

For our next meeting, please consider the three deliverables outlined above in order to provide additional feedback on their appropriateness for the Task Force. Please also be prepared to offer any additional suggestions of avenues of research, either as a deliverable for the Task Force or as side projects.

We look forward to working with you all in the coming months to bring additional awareness and findings to this important topic.