



Recap and Next Steps

April 19, 2023



Agenda

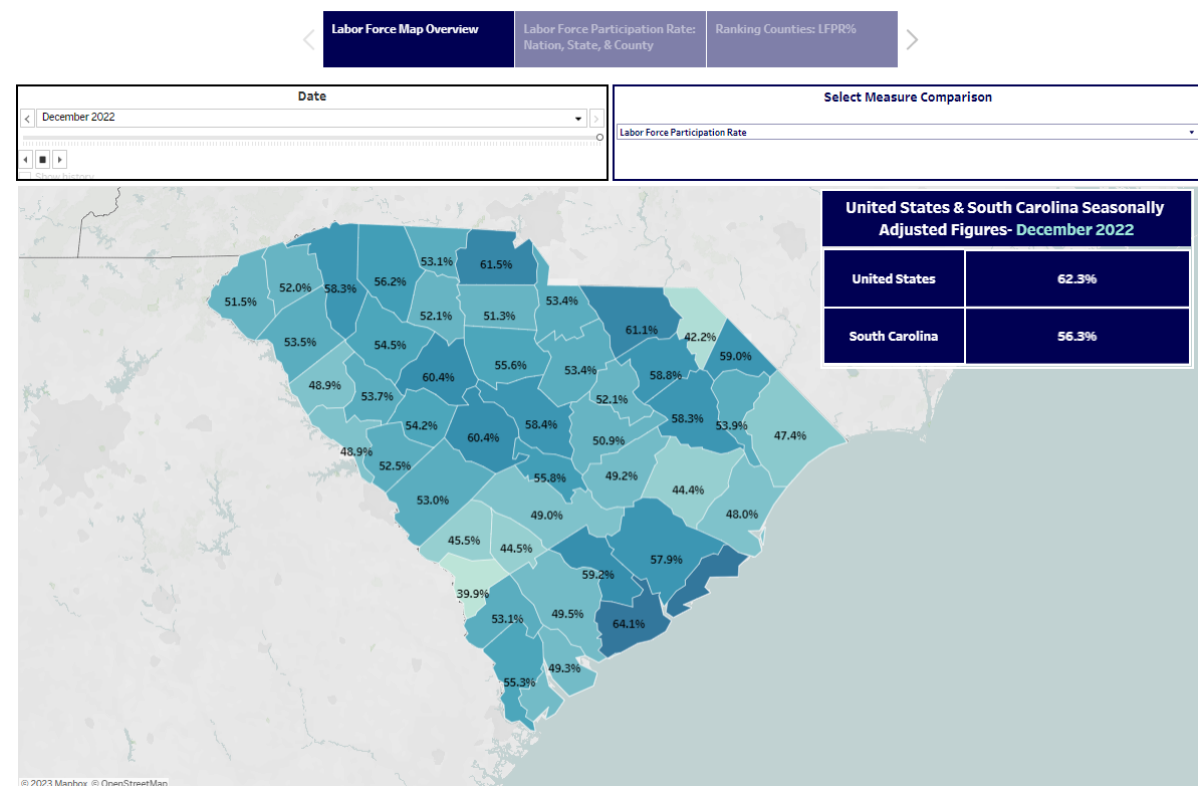
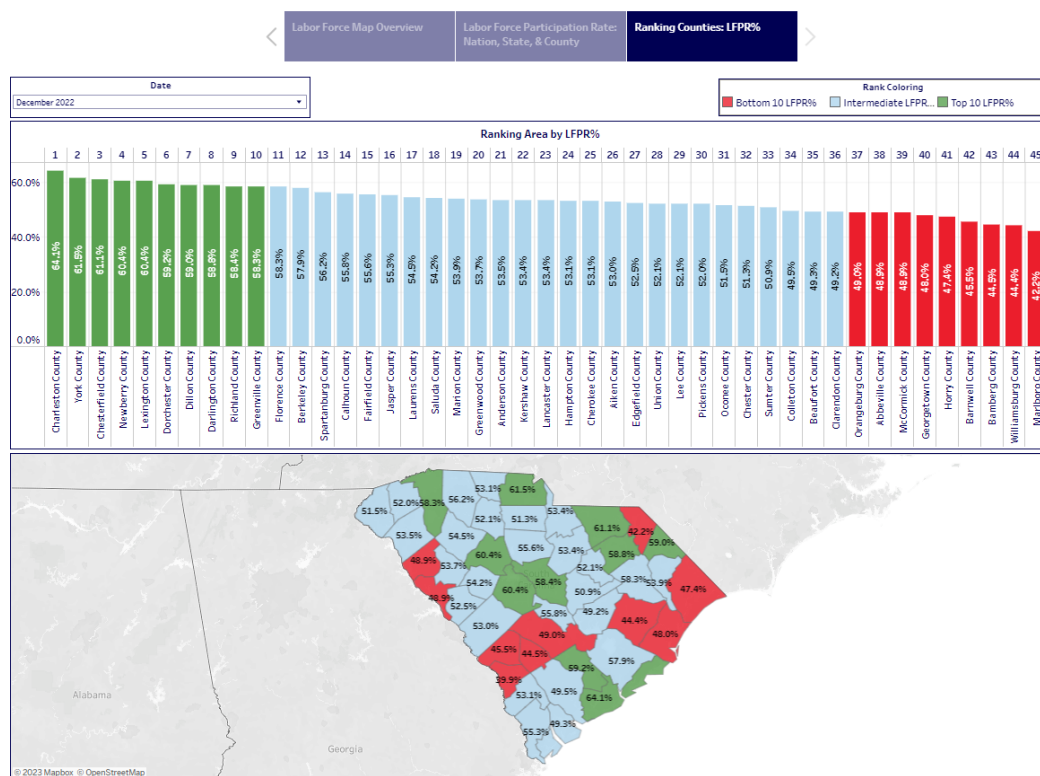
- › Welcome and Meeting Objectives
- › Activities Since January Meeting
- › Statewide Education and Workforce Development Act (H.3726)
- › Setting a Labor Force Participation Goal
 - › Examples from Other States
 - › Discussion on Setting Goal for South Carolina
- › Next Steps and Closing

Activity Since January 2023



- January and February Briefing Session
 - More than 260 total attendees across all four sessions
 - Almost 60 views of the recording posted online
 - Themes emerging from comments
 - Impact of inflation on pay
 - Definition of “higher pay”
 - In and out migration of workers
 - LFP across demographics including gender, race, veteran, offender
- Created LFP tools
- Continued to present findings of Task Force to stakeholder groups
- Researched LFP activity in other states

Labor Force Participation Task Force Dashboard



<https://www.dew.sc.gov/taskforce/LFPDashboard>

What are we discussing today?



STATEWIDE EDUCATION AND WORKFORCE DEVELOPMENT ACT



Where did it come from?

Spring 2022

- Rep. Smith is elected Speaker of the House
- Makes economic development his top priority

September 2022

- Speaker Smith forms a House panel to study multiple facets of economic development and make recommendations to the legislature.



House Economic Development and Utility Modernization Ad Hoc Committee



District 71
Representative Nathan Ballentine (R)



District 108
Representative Lee Hewitt (R)



District 37
Representative Steven Wayne Long (R)



District 100
Representative Sylleste H. Davis (R)



District 101
Representative Roger K. Kirby (D)



District 45
Representative Brandon Newton (R)



District 99
Representative Marvin "Mark" Smith (R)



District 109
Representative Deon T. Tedder (D)



District 93
Representative Russell L. Ott (D)



District 119
Representative Leonidas E. "Leon" Stavrinakis (D)

Where did it come from?

September 2022 through January 2023

- Committee meets for several months
- Receive information/testimony from...
 - state agencies,
 - industry associations, and
 - individual businesses.



The purpose of the bill is to...

Coordinate various workforce development services across the state,
(Dream Team playing together)

Centralize oversight of these entities, and
(Office of Statewide Workforce Development)

Ensure an easy to access, customer-centric workforce system.
(Single portal, continuous collaboration with industries, etc.)

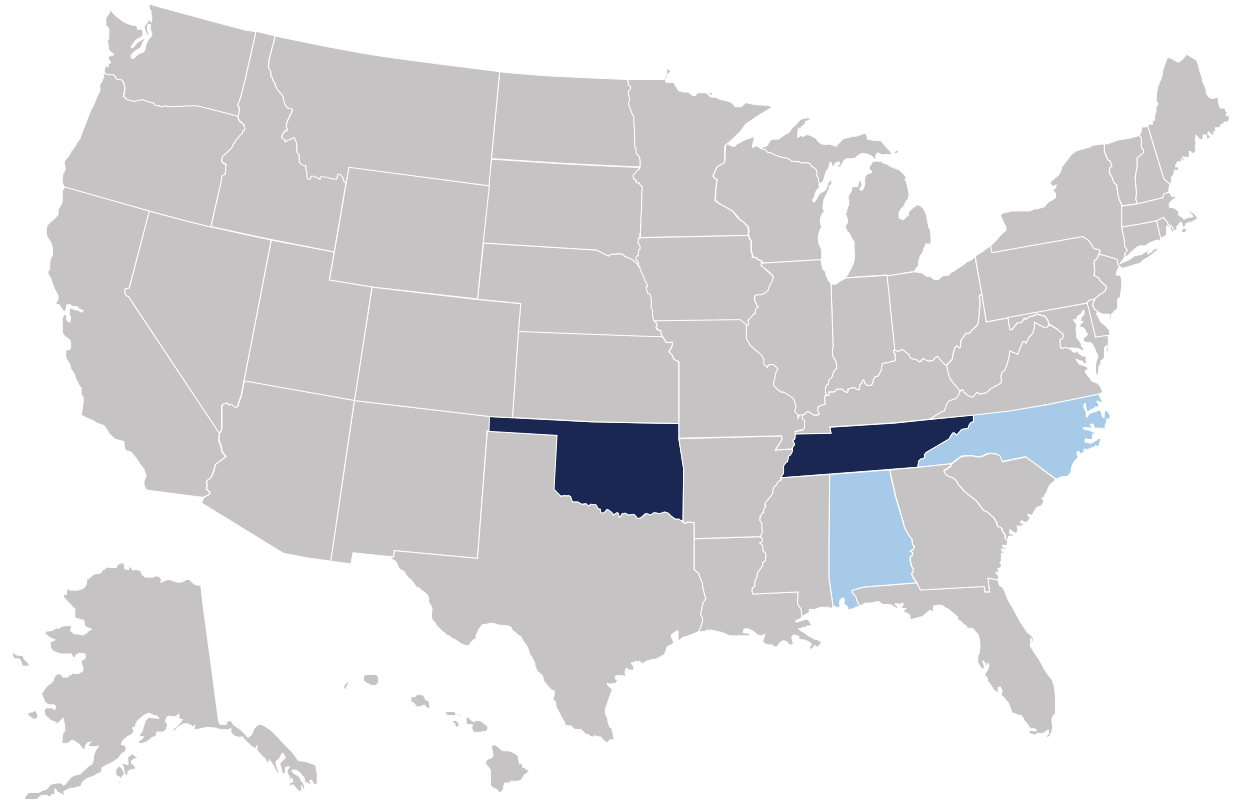


Setting a Labor Force Participation Rate Goal

H.3726 would place this responsibility under CCWD if passed.

Similar efforts are being undertaken by several states in the region:

- Alabama
- North Carolina
- Oklahoma
- Tennessee

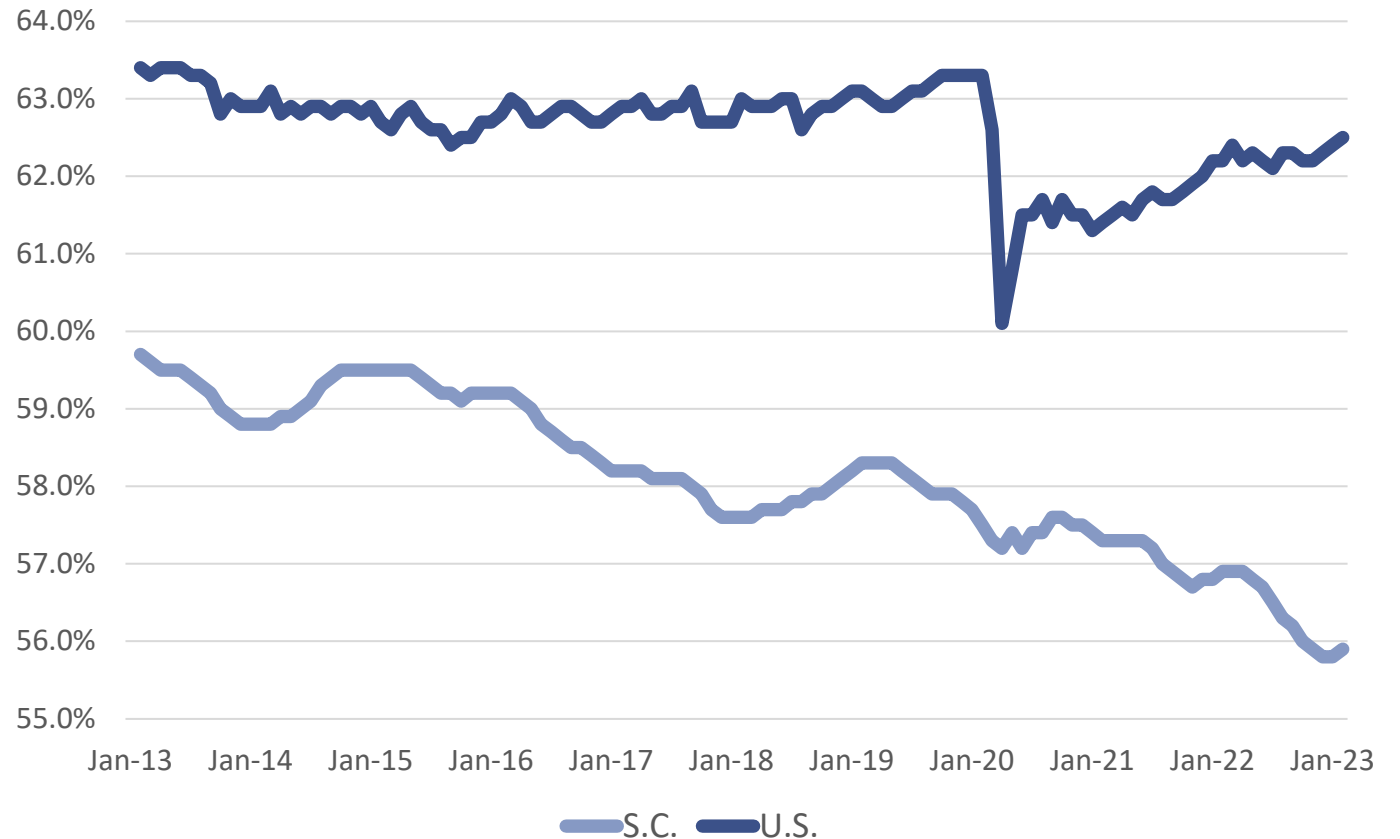


Labor Force Participation Goals in Other States

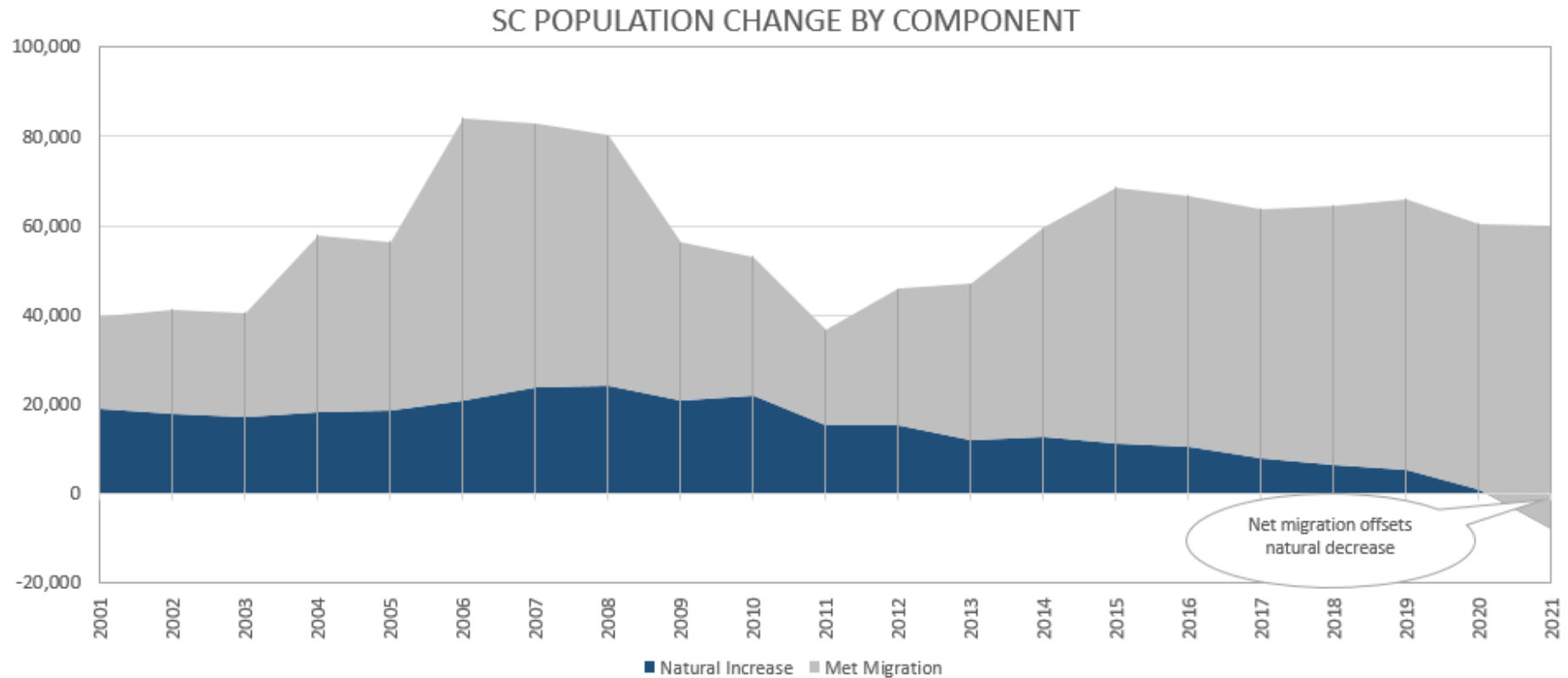
- [Alabama](#): “adding 500,000 credentialed Alabamians to the labor force”
 - [North Carolina](#): “By 2030, the goal is to have 86% of 25- to 44-year-olds participating in the labor force.”
 - [Oklahoma](#): “Increase Oklahoma’s labor force participation rate from 60% to 65%.”
 - [Tennessee](#): “increase labor force participation rate to 65% by 2025”
-
- None of these goals appear to be empirically driven.
 - There are at least three different approaches here.

Labor Force Participation Rates by Age Range, 2022

- Overall: 56.3%
 - 4th lowest in nation
- Age 25-34: 80.4%
 - 9th lowest in nation
- Age 35-44: 80.9%
 - 7th lowest in nation
- Age 45-54: 74.3%
 - 5th lowest in nation
- Age 55-64: 58.8%
 - 8th lowest in nation



Components of Population Change

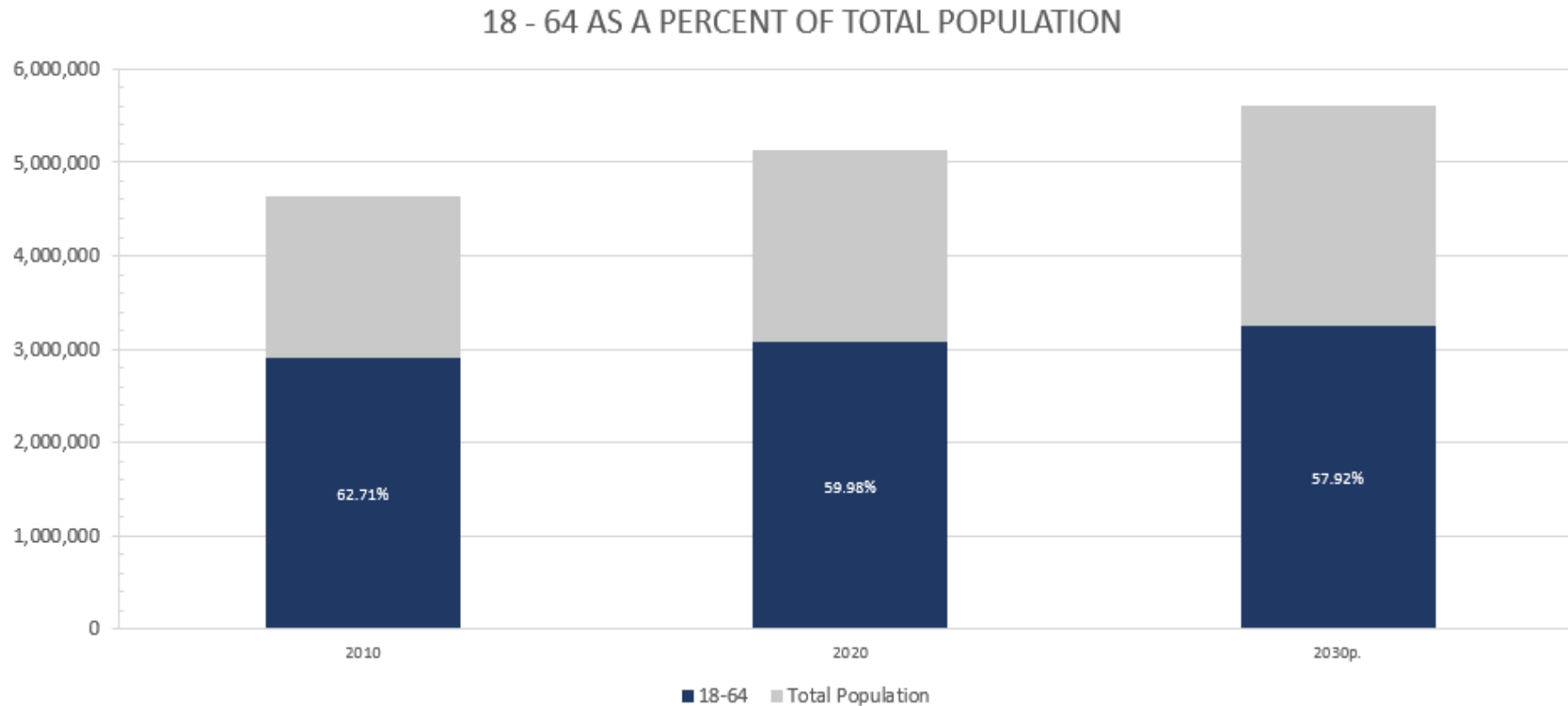


Source: US Census Bureau Population Estimates 321-RFA/08/29/2022

Natural Increase – the number of births minus the number of deaths

Net Migration – the number of people moving into the state minus the number moving out

Projected Working-Age Population Share



Discussion Topics



1. Should the target be overall LFPR or some subgroup of participants?
 - Age ranges?
 - Demographic groups?
2. What other factors should be considered when setting a goal?
 - In-migration patterns?
 - Aging patterns?
 - Fertility trends?
3. BLS publishes statewide LFPR monthly basis and subgroup participation rates annually.
 - Does this impact the goal South Carolina should set?
 - Are there other data sources that should be considered, even if they are experimental or unofficial?

Next Steps

- Convene work groups to address transportation and childcare barriers*
 - Work groups will consist of subject matter experts that can help to identify:
 - Existing efforts/activities
 - New efforts/activities
 - Policy recommendations
 - Funding
 - Members of the Task Force are invited to participate
- Explore the need for a formal research network to guide policy development on labor force participation issues



THANK YOU