Fewer in state

Jobless rate drops to 7.1% in November

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South Carolina's economy is moving ahead with its biggest steps in nearly half a decade as unemployment fell and a new report showed foreign investment in the state led the nation, government officials said Friday.

The state's unemployment rate dropped again in November, falling to 7.1 percent from 7.5 percent in October, according to data from the South Carolina Department of Employment and Workforce.

That was the state's lowest level since August 2008, state officials said.

DEW officials said November's figure was the closest state unemployment had been to the national rate since 2002. Last month, unemployment across the country was estimated at 7 percent.

Greenville County had the state's second-lowest jobless figure at 5.3 percent in November. Only Lexington County was lower, at 5.2 percent.

"Today's great news is another testament to our people, our state, and the hard work that has made progress like this possible," Gov. Nikki Haley said in a statement. "The fact that people and companies want to work and grow in South Carolina is no accident — it's what happens when you combine a dedicated work force with a strong business environment — and that is a real reason to celebrate."

State officials said the number of unemployed people in South Carolina dropped more than 10,000 last month, while the number of employed people increased more than 6,000.

Pickens County's jobless figure last month was 5.6 percent compared with 7.5 percent a year earlier. Anderson County's was 5.9 percent compared with 7.8 percent in November 2012.

Spartanburg County had a November unemployment rate of 6.4 percent compared with 8.2 percent a year earlier.

The Upstate economy is still expanding, but not as fast as it has over the past few years — and growth in personal income has lagged far behind the increase in the output of goods and services, according to government data released earlier this year.

The gross domestic product of the Greenville-Anderson-Mauldin metropolitan statistical area grew by 1.5 percent between 2011 and 2012, to hit the $33.4 billion mark, according to data from the Bureau of Economic Analysis.

That was down from growth of 4.1 percent in 2010 and 4.2 percent in 2011, which was well above the national average for both years.

Between 2008 and 2012, the area's GDP grew by 11.6 percent while during the same time span, per capita income grew by 3.9 percent.

Manufacturing was the driver of the GDP increase. The sector was up by $493 million for the year and $1.3 billion over five years to total $6.7 billion in 2012, according to the government data.

lack jobs

The biggest job gains came in gov... ment, hospitality and educational and health services, which posted combined growth of 4,200 positions, the officials said.

Joseph Von Nessen, a research economist at the University of South Carolina, said the state had "a solid jobs report" and it piggybacked on other economic gains this year.

South Carolina's employment growth has been increasing since the economic recovery began in 2010, he said. The state also consistently has been among

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the top five in terms of leading indicators measuring economic performance, he said.

Von Nessen said high levels of growth in Greenville and Charleston have helped increase the manufacturing cluster's footprint in the state and that should lead to long-term stability.

"You don't see a cluster get up and leave the state like you would an individual firm," he said.

He expressed some caution, however.

DEW officials said the state's labor force in November was estimated at 2,153,340, a decline of 16,887 from a month earlier.

A decline in the labor force and an increase in employment both contribute to a lower unemploy-

ment rate, Von Nessen said.

"Normally in a recovery period, we expect to see the labor force either be flat or increasing at the same time that the total number of employed persons is increasing," he said. "Because that's not happening, the unemployment rate is just dropping a little bit faster than would be the case otherwise."

Von Nessen said a lack of wage growth throughout the state also is a major concern.

Also Friday, state officials said they were encouraged by a report showing South Carolina leads the nation in jobs tied to foreign investment.

In the annual IBM-Plant Location International global trends report released this month, South Carolina ranked first in the nation for per capita employment by foreign-owned firms investing last year. The state grew that employment in 2012 compared with 2011 and was ahead of Alabama, North Carolina, Kansas and Indiana, which rounded out the top five states.

The report said in a global environment shaped "by rapidly changing business dynamics and greater complexity" it is becoming more important than ever for states "to understand and continually improve their value proposition to investors."

"South Carolina has had a successful track record, going back at least four decades, in recruiting foreign-based companies to the state," said state Secretary of Commerce Bobby Hitt.

The state's access to growing markets and logistics infrastructure are among key assets that make South Carolina "particularly attractive for this kind of investment," he said.

Currently, more than 1,200 operations of foreign-owned companies are in the state, employing more than 100,000 South Carolinians, according to Commerce Department data.

Since January 2011, the state has recruited $6.7 billion in capital investment from foreign-owned companies, with German, Japanese, French and Chinese firms representing the highest investors, Commerce officials said. More than 15,600 jobs associated with foreign firms have been recruited to South Carolina, the officials said.

The state's foreign-direct investment is largely concentrated in the manufacturing industry, Commerce officials said.

"Manufacturers operate in a fast-paced, interconnected global economy," said Lewis Gossett, president and CEO of the South Carolina Manufacturers Alliance, the state's largest association representing the manufacturing industry. "We are on the right track."

Data in the global locations trend report are derived from IBM's Global Investment Locations Database, which tracks announcements by companies on their location decisions, with a focus on job creation. The figures in the new report were based on data gathered in 2012.

In the Upstate, unemployment is well below levels of a year ago. Greenville County's unemployment rate, for example, was 6.6 percent in November 2012.