STATE JOBLESS RATE DROPS

Unemployment at four-year low

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South Carolina's unemployment rate dropped in October to its lowest level in four years, according to the state Department of Employment and Workforce.

The state's 0.5 percent drop to 8.6 percent from 9.1 percent in September also represented the largest over-the-month unemployment rate decrease among all states last month, according to the Bureau of Labor Statistics.

October was the second consecutive month that the unemployment rate continued a steady decline, said Abraham J. Turner, executive director of DEW.

"While this is certainly welcome news, DEW will continue to work diligently with businesses as it remains steadfast and focused on its efforts to put South Carolinians back to work," he said.

South Carolina ranked 39th in the nation for its unemployment rate last month, with North Dakota at the top with the lowest rate of 3.1 percent and Nevada with the highest at 11.5 percent.

The national unemployment rate rose to 7.9 percent last month from 7.8 percent in September.

A year and a half ago, the difference between the South Carolina unemployment rate and the nation's was one and half percentage points, said Clemson University economist Bruce Yandle.

Now the gap between the two is getting smaller, he said.

He said the state is in a stronger position than the nation as a whole partly because it is strong in manufacturing. Manufacturing has been the leading sector coming out of the recession, he said.

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"Within that strongest sector, automobile production is the strong component. We happen to have a lot of that in our state so we are healthier than the nation because of the mix of economic activity in the state," Yandle said.

Folded into that manufacturing sector is a very strong export sector. For instance, based on the growth in 2010-2011, "We have 30,000 jobs that are export-related in the Greenville metro area," Yandle said.

"So exports as a part of the South Carolina economy is large and growing. It's another piece to the puzzle that makes South Carolina look better than the nation in terms of its economic health and also better than our neighbors to the north and to the south."

Within the state, unemployment rates were mixed.

Eighteen of the state's 46 counties had rates above 10 percent, with Allendale County having the worst at 16.6 percent.

Pickens County's unemployment rate inched up from 7.3 to 7.4 percent. The employment rates in Anderson County and Laurens counties were unchanged at 8 percent and 8.3 percent, respectively.

Spartanburg County saw a drop from 8.3 to 8.1 percent, while Oconee County's rate fell from 8.6 to 8.4 percent.

Greenville County's unemployment rate fell from 6.5 percent in September to 6.4 percent during the month. It's the second best rate in the state and is the county's lowest since the "great recession," Yandle said, but the county's unemployment rate has been as low as 3 percent.

Still, that 6.4 percent is a good number, Yandle said.

John Moore, executive vice president of the Greenville Chamber, agreed.

"It's an encouraging sign any time that we have that figure go down, he said. "We have a strong, diversified economy here. While we have a lot of strong manufacturing, a lot of growth in manufacturing, especially in the last 12 to 24 months so I'm sure we're seeing that in these employment numbers."

Ginny Beach, vice president of operations at Godshall Professional Recruiting & Staffing, said her firm is seeing an increase in hiring in every industry it serves including medical, accounting, human resources, banking, skill trades, engineering and IT.

"We're definitely noticing a change in the market," Beach said. "We're excited about that (unemployment) number -- it's a good sign for business over all."

Moore said the state's monthly report shows the total labor force in Greenville County is still down from October 2011 to October 2012.

"It's always good to see a drop in the unemployment rates because it means those who are looking are finding more work," Moore said.

"But, by design, it leaves out those that are not even looking for work because of discouragement or lack of opportunity. So we need to keep on looking at the big picture as well and keep pushing forward. Even if (the employment rate) got even lower, that it doesn't mean our economy is all the way where it needs to be."

Lexington County had the state's lowest unemployment rate at 6.3 percent.

"Lexington's employment in manufacturing is growing and strong and it's growing in the new industries," Yandle said. "They have not had the difficulties that other parts of the state have had, including the Upstate, because of a concentration of the older industries."

Lexington also has a large and growing professional and business services sector and they have higher educational attainment than in the Upstate, Yandle said.

"When you think about a knowledge economy and where employment growth is occurring, that feeds into the need for educationally qualified workers and they happen to be stronger in that dimension than is the Upstate," he said.

DEW said the number of unemployed people in the state decreased by 10,814 over the month. Most of the jobs gained were in government (5,100), which included increases in local and state education services, the agency said.

Jobs were also added in trade, transportation and utilities (1,900), financial activities (1,300) education and health services (1,200) and construction (900), DEW said.

That positive growth in construction, Yandle said, suggests that housing starts are improving and it's beginning to show in terms of employment.

"We will not have a nearly fully recovered state economy until construction gets back on its feet again, so we have a good sign there," he said.