

Unemployment Insurance Claimants: 2nd Quarter 2009

An Analysis of South Carolina's Population
of Insured Unemployed, April – June,
2009

Division of Research
Labor Market Information Group
South Carolina Department of Commerce

8/13/2009

This study represents an analysis of the set of Unemployment Insurance (UI) claimant data received from the South Carolina Employment Security Commission on August 6, 2009. The dataset includes 76,243 new claims for Unemployment Insurance in South Carolina between April 1st 2009 and June 30th 2009, representing 76,240 individuals.

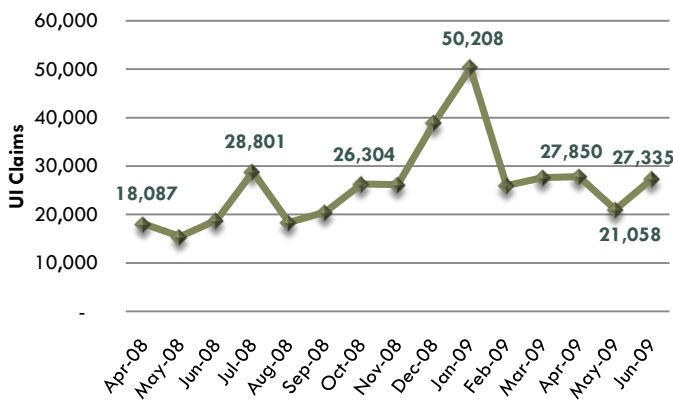


2nd QUARTER OVERVIEW: South Carolina's Unemployment Insurance Claimant Population

According to Unemployment Insurance (UI) claimant data received from the South Carolina Employment Security Commission (ESC) on August 6th, 2009, 76,243 new claims were filed for Unemployment Insurance in South Carolina between April 1st and June 30th 2009, representing 76,240 individuals.

Total Claims

Figure 1-1. South Carolina New Unemployment Insurance Claims Filed by Month, 2008Q2 – 2009Q2



Source: Commerce analysis of ESC UI Claimant data

The Unemployment Insurance system in South Carolina experienced the following activity between April 1, 2009 and June 30, 2009. Repeat claimants are defined as claimants who filed at least one previous claim within the preceding two years.

- ▶ **New Claims:** 76,243
- ▶ **Unique Claimants:** 76,240
- ▶ **Repeat Claimants:** 31,744

Figure 1-1 exhibits the seasonal nature of UI claims, with large spikes in filings in January of each year and smaller spikes in filings in July of each year coinciding with temporary plant closings and seasonal industries.

Prior to the nationwide economic downturn, claims followed a fairly regular seasonal pattern and remained relatively constant year to year. While the seasonal trend continued, the volume of claims increased in late 2008. In April 2009, new claims were 54.0% higher than the previous year as shown in Table 1-1.

Table 1-1. South Carolina New UI Claims Filed by Month, 2008Q2 vs. 2009Q2

Month	2008 Claims	2009 Claims	% Increase
April	18,087	27,850	54.0%
May	15,498	21,058	35.9%
June	18,840	27,335	45.1%

Source: Commerce analysis of ESC UI Claimant data

Average monthly claims per quarter are shown in Table 1-2 for the trailing five quarters. Between 2006 and 2008, an average of 19,683 new claims were filed each month. In 2009Q1, the average number of new claims filed per month rose to 34,617.

Table 1-2. South Carolina Average Monthly New UI Claims by Quarter, 2008Q2 – 2009Q2

Quarter	Average Monthly Claims per Quarter	% Change from Quarter 1-year previous
2008Q2	17,475	21.6%
2008Q3	22,571	40.9%
2008Q4	30,433	66.9%
2009Q1	34,617	72.4%
2009Q2	25,414	45.4%

Source: Commerce analysis of ESC UI Claimant data

Age

Table 1-3. South Carolina UI Claimant Age, 2009Q2 vs. Previous Quarter and Year Ago

Age Range	2008Q2		2009Q1		2009Q2	
	Claimants	%	Claimants	%	Claimants	%
1-10	1	0.0	1	0.0	0	0.0
11-20	2,653	5.1	3,699	3.6	3,432	4.5
21-30	13,242	25.3	19,875	19.1	18,100	23.7
31-40	10,384	19.8	16,716	16.1	14,550	19.1
41-50	9,870	18.8	16,798	16.2	14,217	18.7
51-60	6,352	12.1	12,095	11.7	9,911	13.0
61-70	1,638	3.1	3,650	3.5	2,958	3.9
71-80	239	0.5	505	0.5	433	0.6
81-90	39	0.1	70	0.1	52	0.1
91+	67	0.1	76	0.1	73	0.1
Missing	7,940	15.2	30,367	29.2	12,517	16.4
Total	52,425	100	103,852	100	76,243	100

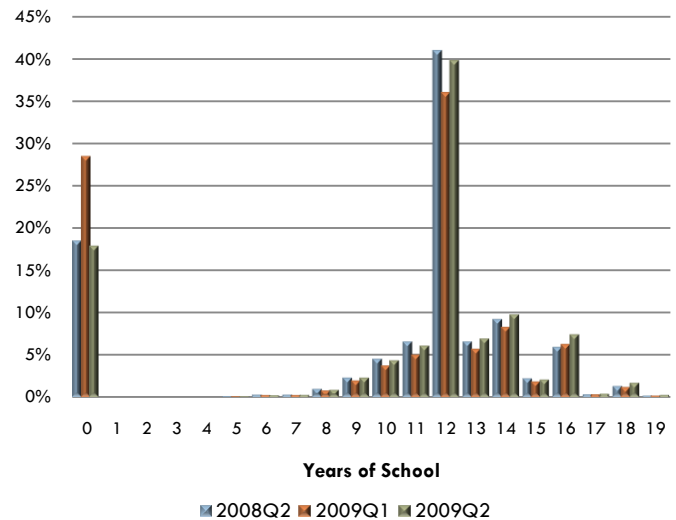
Source: Commerce analysis of ESC UI Claimant data

The largest percentage of new UI claimants fall within the 21 to 30 year old age range, representing 23.7% of claimants in the second quarter of 2009 compared to 25.3% of claimants in the second quarter of 2008 and 19.1% in the prior quarter. The percentage of claimants with unknown ages is 16.4%, up by 1.2 percentage points compared to the same period in the previous year and down 12.8 percentage points over the previous quarter.

The level of employer-filed claims largely affects the amount of missing data provided with each claim. Of the 12,517 claimants with unknown age in the second quarter of 2009, 84.0% are employer-filed claimants. In the second quarter of 2008, of the 7,940 claimants with unknown age, 70.4% were employer-filed.

Education

Figure 1-2. South Carolina UI Claimant Educational Attainment, 2009Q2 vs. Previous Quarter and Year Ago



Source: Commerce analysis of ESC UI Claimant data
Note: Unknown values coded as zero (0)

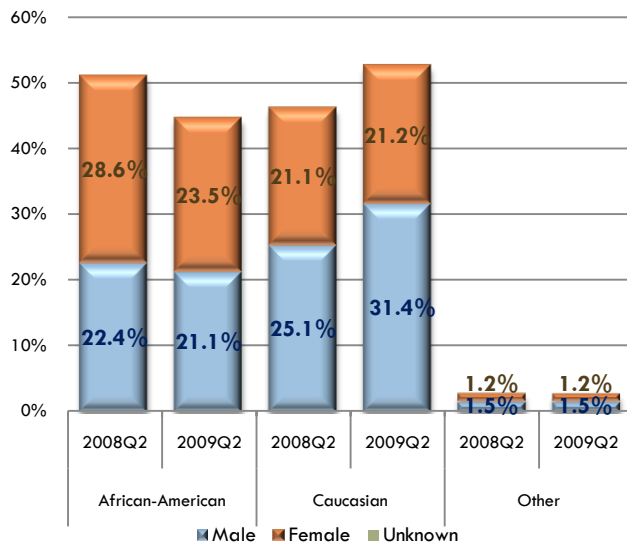
Educational attainment is not collected for 17.9% of new claimants in the second quarter of 2009, down from 18.5% in the same quarter of 2008, and down from 28.4% in the quarter prior. Again, employer filings are responsible for the increase in missing data. Of the claimants with unknown education levels in the second quarter of 2009, 10,517 (77.3%) claimants are filed by their employers. In the second quarter of 2008, 55.6% of claimants with unknown education levels were filed by their employers. In the first quarter of 2009, 76.2% of claimants with unknown education were filed by their employers.

Of 62,628 individuals for whom educational data was collected in the second quarter of 2009,

- ▶ 14.1% have not completed high school (down from 14.9% in 2008Q2 but up from 12.0% in 2009Q1),
- ▶ 39.7% had a high school diploma or equivalent (down from 41.0% in 2008Q2 and up from 35.9% in 2009Q1),
- ▶ 28.3% had at least one year of post-secondary education (up from 25.6% in 2008Q2 and 23.6% in 2009Q1).

Gender and Race

Figure 1-3. South Carolina New UI Claimant Gender and Race, 2008Q2 vs. 2009Q2



Source: Commerce analysis of ESC UI Claimant data

The percent of African-Americans filing new claims for UI in the second quarter of 2009 was substantially smaller than that of Caucasians. In the second quarter of 2008, the percent of claimants who were African-American was closer to the percentage of claimants who were Caucasian.

Caucasian males participated at higher rates than Caucasian females in both second quarters. Conversely, African-American males participate at lower rates than African-American females in both quarters.

Gender and race were unrecorded for 25 individuals in the second quarter of 2009.

Of filers in 2009Q2,

- ▶ 41,247 were male, and
- ▶ 34,971 were female.

Filing Method

Table 1-4. South Carolina New UI Claims Method of Filing, 2009Q2 vs. Previous Quarter and Year Ago

Filing Method	2008Q2		2009Q1		2009Q2	
	Num	%	Num	%	Num	%
Unknown	304	0.6	115	0.1	48	0.1
Employer-Filed	6,115	11.7	23,013	22.2	10,943	14.4
Claimant-Filed	46,006	87.8	80,724	77.7	65,252	85.6
Total	52,425	100	103,852	100	76,243	100

Source: Commerce analysis of ESC UI Claimant data

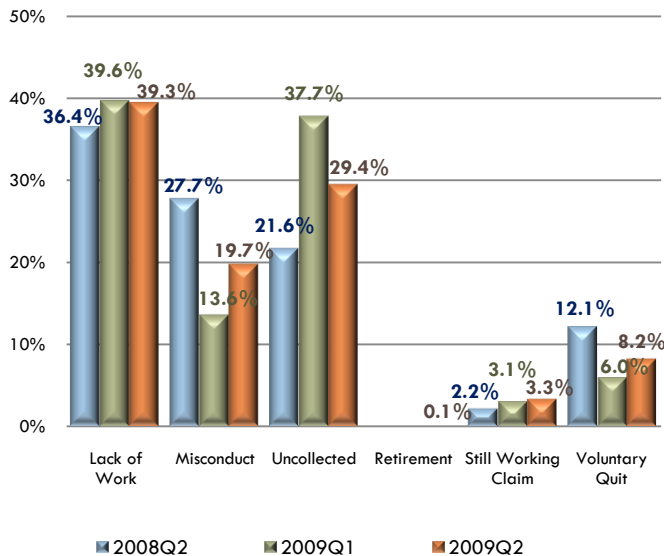
Claims can be filed by the individual claimant or by the employer of the claimant. Employer-filed claims are referred to as “job-attached,” as most of them are filed for temporary closures after which the claimant will return to work.

14.4% of claims were filed by employers, up from 11.7% in the second quarter of 2008 and down from 22.2% in the first quarter of 2009. The first quarter is historically high in seasonal employer-filed claims due to regularly scheduled facility closings.

Due to state UI limitations, not all temporary furloughs can be filed by the employer, thus a number of temporary claims were filed by the claimant directly. No indicator in the UI system currently exists to distinguish between claims that are “job-attached” versus permanent job loss.

Reason For Separation

Figure 1-4. South Carolina New UI Claims by Reason for Separation, 2009Q2 vs. Previous Quarter and Year Ago



Source: Commerce analysis of ESC UI Claimant data

Between the second quarters of 2008 and 2009, Lack of Work and Uncollected reasons for separation increased while Misconduct and Voluntary Quit reasons for separation decreased. Of the 76,243 claims filed in South Carolina in the second quarter of 2009, the reasons documented for unemployment were as follows:

- ▶ 39% were filed for Lack of Work, up 3 percentage points from 2008Q2, but down slightly over 2009Q1
- ▶ 20% were filed for Misconduct, down 8 percentage points from 2008Q2, but up 6 percentage points from 2009Q1
- ▶ 8% were filed by an individual who voluntarily quit, down 4 from 2008Q2 but up 2 percentage points from 2009Q1.
- ▶ 3% did not yet have a reason for separation, as the ESC was Still Working on the Claim, and
- ▶ 29% did not have any information recorded. This was up 8 percentage points from 2008Q2 but down 8 percentage points from 2009Q1
 - ▶ Of these missing reasons for separation, 10,571 were employer-filed claims, representing 47.2% of the total Uncollected reasons for separation.

Key Points

Central findings from the second quarter of 2009 include the following points:

- ✓ The total number of claims filed in the second quarter of 2009 increased markedly compared to the second quarter of the previous year, driven by nationwide declining economic activity.
- ✓ Educational attainment of claimants in the second quarter of 2009 was comparable to those in the second quarter of 2008 and slightly higher than the level of education recorded in the first quarter of 2009.
- ✓ Lack of Work accounted for 39% of claims filed in the second quarter of 2009. Misconduct and Voluntary Quit together accounted for 28%, both of which declined compared to the second quarter of 2008. Separation reasons were missing for 29% of claims.
- ✓ Claims filed by employers for temporary furloughs make up 14.4% of claims filed in the second quarter of 2009, up from 11.7% in the previous year.

INDUSTRIES & OCCUPATIONS: 2nd Quarter Trends

Industrial and occupational distributions were relatively the same from the second quarter of 2008 to 2009, but the volume of claims increased. Manufacturing and Construction Industries made up most of the claims in the second quarter of 2009, as well as historically high UI participating industries such as Administrative Support/Waste Management (which includes temporary staffing firms).

Claims by Industry

Table 2-1. South Carolina New UI Claims by Industry, 2008Q2 vs. 2009Q2

Industry	2008Q2		2009Q2		% Change
	Num	%	Num	%	
Administrative and Support Svcs.	7,105	13.6	8,141	10.7	14.6%
Food Services and Drinking Places	3,962	7.6	5,636	7.4	42.3%
Specialty Trade Contractors	2,867	5.5	4,280	5.6	49.3%
Transportation Equipment Mfg	1,377	2.6	4,112	5.4	198.6%
Professional, Scientific, and Tech.	1,576	3.0	2,674	3.5	69.7%
Fabricated Metal Product Mfg.	1,044	2.0	2,457	3.2	135.3%
Machinery Manufacturing	892	1.7	2,345	3.1	162.9%
Educational Services	1,148	2.2	2,128	2.8	85.4%
General Merchandise Stores	1,245	2.4	1,857	2.4	49.2%
Merchant Wholesalers, Durables	1,000	1.9	1,813	2.4	81.3%
Construction of Buildings	1,044	2.0	1,584	2.1	51.7%
Textile Mills	1,731	3.3	1,542	2.0	-10.9%
Social Assistance	1,145	2.2	1,376	1.8	20.2%
Nursing and Residential Care	850	1.6	1,207	1.6	42.0%
Ambulatory Health Care Services	905	1.7	1,164	1.5	28.6%
Gasoline Stations	749	1.4	1,025	1.3	36.8%
Food and Beverage Stores	672	1.3	995	1.3	48.1%
Motor Vehicle and Parts Dealers	723	1.4	980	1.3	35.5%
Truck Transportation	628	1.2	921	1.2	46.7%
Accommodation	772	1.5	921	1.2	19.3%
Heavy and Civil Engineering Cons.	601	1.2	916	1.2	52.4%
Credit Intermediation and Related	724	1.4	902	1.2	24.6%
Nonmetallic Mineral Product Mfg.	580	1.1	837	1.1	44.3%
Building Material & Garden Equip.	382	0.7	824	1.1	115.7%
Unknown	5,210	10.0	6,005	7.9	15.3%

Source: Commerce analysis of ESC UI Claimant data

Industries from which the majority of UI claims were initiated are shown in Table 2-1. Industries with the highest number of claims include Administrative and Support Services (which includes temporary staffing firms); Hospitality subsectors (Food, Accommodations); Manufacturing subsectors; Construction subsectors; and Retail subsectors.

Claims by Occupation

Table 2-2. South Carolina New UI Claims by Occupational Group, 2008Q2 vs. 2009Q2

Occupation	2008Q2		2009Q2		% Change
	Num	%	Num	%	
Production	7,199	13.7	9,536	12.5	32.5%
Sales	4,788	9.1	7,054	9.3	47.3%
Construction/Extraction	3,712	7.1	5,300	7.0	42.8%
Food Preparation/Serving Related	3,333	6.4	4,941	6.5	48.2%
Office/Administrative Support	3,813	7.3	4,663	6.1	22.3%
Transportation	2,605	5.0	3,364	4.4	29.1%
Management	2,279	4.4	3,327	4.4	46.0%
Installation/Maintenance/Repair	1,441	2.8	1,992	2.6	38.2%
HealthCare Support	1,441	2.8	1,837	2.4	27.5%
Building/Grounds Maintenance	1,415	2.7	1,786	2.3	26.2%
Business/Financial Operations	1,152	2.2	1,709	2.2	48.4%
Education/Training/Library	894	1.7	1,589	2.1	77.7%
Architecture/Engineering	398	0.8	1,051	1.4	164.1%
Healthcare Practitioners	561	1.1	901	1.2	60.6%
Personal Care	679	1.3	898	1.2	32.3%
Protective Service	529	1.0	717	0.9	35.5%
Computer/Mathematical	444	0.9	695	0.9	56.5%
Art, Entertainment, & Media	250	0.5	410	0.5	64.0%
Community/Social Sciences	240	0.5	385	0.5	60.4%
Military	202	0.4	266	0.4	31.7%
Legal	158	0.3	245	0.3	55.1%
Farming/Fishing/Forestry	226	0.4	245	0.3	8.4%
Life/Physical/Social Science	60	0.1	101	0.1	68.3%
Unknown	14,606	27.9	23,231	30.5	59.1%
Total	52,425	100	76,243	100	45.4%

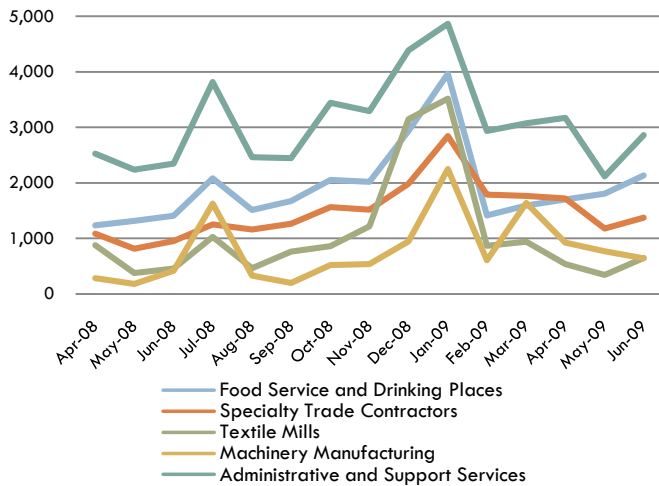
Source: Commerce analysis of ESC UI Claimant data

30.5% of UI claims were missing occupational information in the second quarter of 2009, up from 27.9% the previous year. Claims continue to be dispersed across a variety of occupations.

- ▶ Production: 12.5%
- ▶ Sales: 9.3%
- ▶ Construction: 7.0%
- ▶ Food Preparation: 6.5%

Seasonality of Claims by Industry

Figure 2-1. South Carolina New Unemployment Insurance Claims Filed by Month, 2008Q2 – 2009Q2



Source: Commerce analysis of ESC UI Claimant data

Some industries exhibit seasonal trends in UI claim filing, particularly experiencing peaks during January and July of each year. Figure 2-1 displays the five industries with both high volume of claims and clearly defined seasonal patterns.

Employer-Filed Claims

Table 2-3. South Carolina New Employer-Filed UI Claims by Industry, 2008Q2 vs. 2009Q2

Industry	2008Q2		2009Q2	
	Num	%	Num	%
Nonmetallic Mineral Product Mfg	220	26%	311	54%
Food Manufacturing	112	17%	534	52%
Religious, Grantmaking, Civic	100	16%	262	52%
Textile Mills	822	53%	840	49%
Printing and Related Support	154	49%	88	47%
Transit and Ground Passenger	49	37%	50	47%
Fabricated Metal Product Mfg	1,112	45%	455	44%
Electrical Equipment, Appliance	261	47%	84	40%
Paper Manufacturing	237	58%	60	37%
Textile Product Mills	246	48%	215	32%
Transportation Equipment Mfg	2,476	60%	379	28%
Machinery Manufacturing	977	42%	232	26%
Support Activities for Transportation	3	0.9%	59	26%
Computer and Electronic Product Mfg	166	31%	60	25%

Source: Commerce analysis of ESC UI Claimant data

Table 2-3 displays all of the industries (classified according to NAICS codes at the 3-digit level) for which employer-filed claims make up at least 25% of the total claims filed in the second quarter of 2009. Manufacturing sectors make up the majority of industries heavily utilizing employer-filed claims. Overall, the rate of employer-filed claims increased in the second quarter of 2009.

Key Points

Central findings regarding industry and occupational interaction in UI in the second quarter of 2009 include the following points.

- ✓ Manufacturing industry subsectors had higher incidence of employer-filed claims in the second quarter of 2009 than the same quarter one year previously.
- ✓ Several industries followed seasonal patterns of filings with spikes in claims filed in January and July of each year. These included industries in the manufacturing, construction, and hospitality and leisure sectors.
- ✓ The percent of employer filed claims by industries in the second quarter of 2009 was higher than the second quarter of 2008. The same industry subsectors, primarily manufacturing, had an overall higher percentage of claims that were employer filed. Additionally, the total number of claims had increased.
- ✓ Administrative Support Services (which includes temporary staffing firms) made up the highest group of claims, 10.7% of the total. The previous year, this industry made up 13.6% of claims in the second quarter.

“JOB-ATTACHED” CLAIMS: 2nd Quarter Trends

In South Carolina, claims filed by the employer of the claimant are referred to as “job-attached.” This type of claim is typically seasonal, experiencing spikes in January and July. Employer-filed claims doubled in the first quarter of 2009 over the previous year, representing 26.1% of all claims.

Overview

Table 3-1. South Carolina New UI Claims Method of Filing, 2009Q2 vs. Previous Quarter and Year Ago

Filing Method	2008Q2		2009Q1		2009Q2	
	Num	%	Num	%	Num	%
Unknown	304	0.6	115	0.1	48	0.1
Employer-Filed	6,115	11.7	23,013	22.2	10,943	14.4
Claimant-Filed	46,006	87.8	80,724	77.7	65,252	85.6
Total	52,425	100	103,852	100	76,243	100

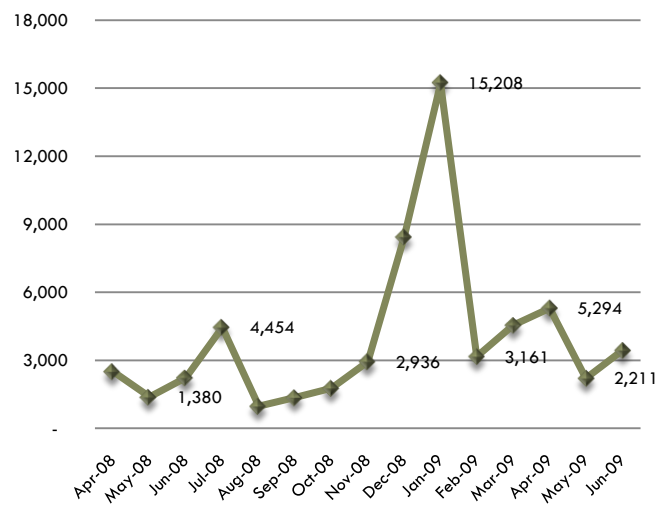
Source: Commerce analysis of ESC UI Claimant data

In the second quarter of 2009, 14.4% of new claims were employer-filed, up nearly 3 percentage points from the year prior. Some difficulties exist in maintaining an accurate count of employer-filed claims, namely that data in the UI system changes daily. For instance, a claim that was once employer-filed may switch to employee-filed as time goes on and the employer ceases to continue filing the claim. Thus, the number of employer-filed claims may under-represent the true number of claims originally filed by employers.

South Carolina is one of nine states that still allow employers to file UI claims for employees. All other states require employees to self-file. Employees on temporary furloughs are counted by the US Department of Labor as unemployed in monthly statistics.

Employer-Filed Claims

Figure 3-1. South Carolina Employer-Filed New UI Claims by Month, 2008Q2 – 2009Q2



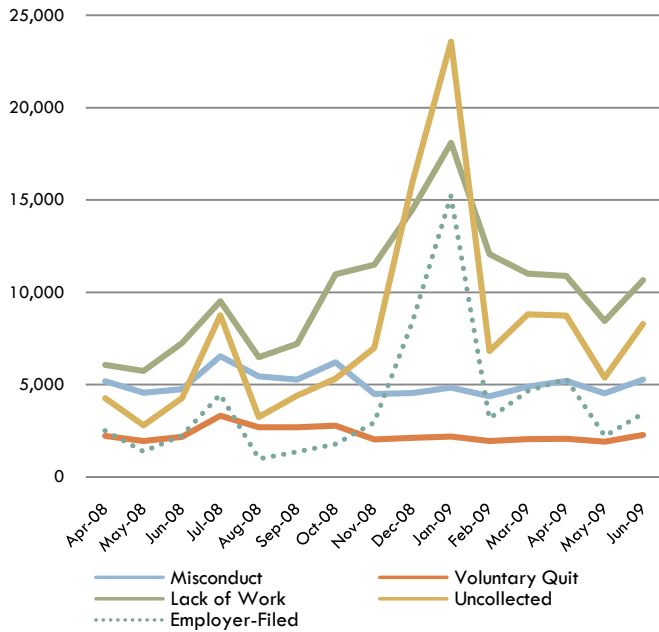
Source: Commerce analysis of ESC UI Claimant data

Employer-filed claims follow highly seasonal patterns, with sharp increases in “job-attached” claims in January. The number of claims in second quarter of 2009 increased 79% compared to the number of claims last year. This reverses the declining trend in employer-filed claims from previous years, and reflects increased furloughs and temporary shut downs during this economic downturn.

- ▶ During April 2009, employer-filed claims account for 19.0% of claims filed. In April 2008, the percent of employer-filed claims was 13.9%.
- ▶ May 2009 had about 1,000 more employer-filed claims compared to the same period in 2008. This partially attributable to the current economic downturn.

Employer-Filed Vs. Reason for Separation

Figure 3-2. South Carolina New UI Claims Filed by Reason for Separation, 2008Q2 – 2009Q2



Source: Commerce analysis of ESC UI Claimant data

Due to state UI limitations, not all temporary furloughs can be filed by the employer, thus a number of temporary claims are filed by the claimant directly. No indicator in the UI system currently exists to distinguish between claims that are “job-attached” versus permanent job loss.

Figure 3-2 shows the seasonality of claims for both employer-filings as well as reasons for separation. As previously discussed, employer-filed “job-attached” claims are highly seasonal. The large seasonal spikes in claims filed due to Lack of Work as well as Uncollected reasons strongly suggest that some of the temporary “job-attached” claims are absorbed in this category. Employer-filed, Lack of Work, and Unknown reasons experienced large increases in the fourth quarter of 2008 and the first quarter of 2009, exhibiting the effects of the current economic downturn.

Key Points

Primary conclusions for the second quarter of 2009 include the following:

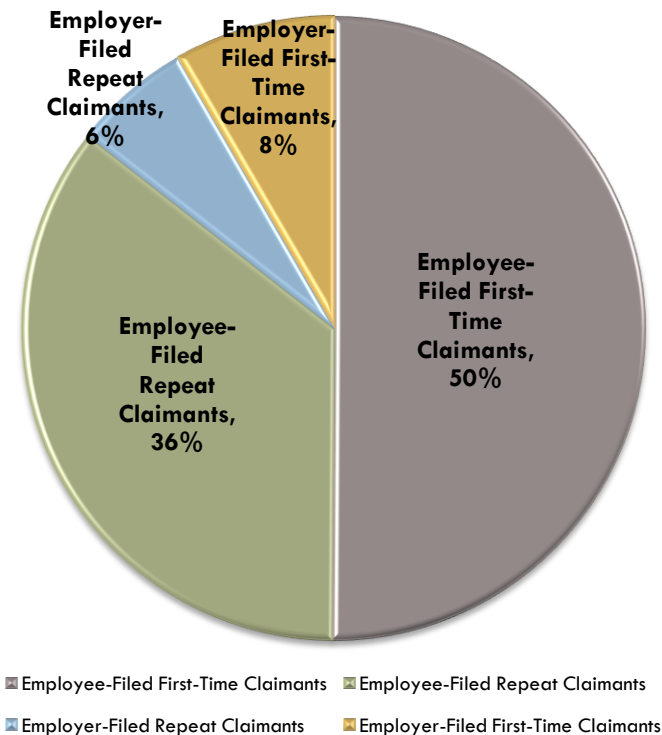
- ✓ Second quarter of 2009 had more employer-filed claims than the same quarter in the previous year.
- ✓ Historically, the first quarter of the year has more employer-filed claims than the second quarter, which also occurred in 2009.

REPEAT CLAIMANTS: 2nd Quarter Profiles

In the second quarter of 2009, there was a marginal increase in repeat claimants (defined as a claimant who filed a claim in the two years prior to their current claim), suggesting economic hardships are extending past the normally unemployed segments of the population. The industries with the largest percentage of repeat claimants this quarter—Administrative Support/Waste Management (which includes temporary staffing firms), Agriculture/Hunting, and Mining/Extraction—were somewhat different compared to the second quarter of 2008. A 20% decline in repeat claimants occurred in the Manufacturing industry in the second quarter of 2009 over the previous year while a 168% increase in repeat claims in the Utilities industry reflected the worsening economic conditions experienced throughout the first half of 2009.

Overview

Figure 4-1. Repeat Versus First-Time Claimants, 2009Q2



Source: Commerce analysis of ESC UI Claimant data

In the second quarter of 2009, a total of 76,240 individuals filed a new claim for unemployment benefits. Approximately 42% of these individuals filed at least one other new claim in the two years prior to their current claim. The total number of repeat claims rose from 17,264 in the second quarter of 2008 to 25,377 in the second quarter of 2009. The accompanying increase in the total number of first-time claimants in 2009 kept the percentage of repeat claims to first-time claims fairly consistent between the two years.

Repeat Claimants by Industry

Table 4-1. Percent Repeat Claimants by Industry, 2009Q2 vs. 2008Q2

Industry	% 2008Q2	% 2009Q2
Administrative Support/Waste Mgmt	39.5%	44.6%
Agriculture/Hunting	33.1%	42.8%
Mining/Extraction	22.7%	36.3%
Food Services	36.9%	36.1%
Other Services	37.7%	35.9%
Construction	29.0%	34.9%
HealthCare	33.5%	34.5%
Manufacturing	43.1%	34.5%
Transportation/Warehousing	27.7%	32.7%
Real Estate/Leasing	16.8%	31.7%
Arts, Entertainment & Recreation	27.6%	30.8%
Professional Services	29.7%	29.3%
Public Administration	24.0%	27.8%
Wholesale Trade	23.5%	26.4%
Management	31.5%	26.1%
Retail Trade	21.4%	26.1%
Information	13.7%	25.6%
Educational Services	27.9%	24.8%
Finance/Insurance	17.6%	24.5%
Utilities	7.1%	19.1%

Source: Commerce analysis of ESC UI Claimant data

Seasonal industries and industries with high turnover rates had higher numbers of individuals filing for benefits more than once in the past two years. In the second quarter of 2009, the three industries with the highest percentage of repeat claimants were somewhat different than those with the highest percent in 2008. While Manufacturing experienced a 20% drop in repeat claims, the Utilities industry experienced a 168% increase in repeat claims from 2008Q2 to 2009Q2.

Seasonality of Repeat Claims

Figure 4-2. Repeat Claims by Month Filed, 2008Q2 to 2009Q2



Source: Commerce analysis of ESC UI Claimant data

Repeat claims follow highly seasonal patterns, with sharp increases in repeat claims being filed in January and July, corresponding with temporary facility closings. Employer-filed repeat claims closely follow the same seasonal pattern.

- ▶ June 2009 had the highest number of repeat claims in the second quarter of 2009 and had 55.6% more repeat claims compared to June 2008.

Table 4-2. South Carolina Repeat UI Claims Filed by Month, 2009Q2 vs. 2008Q2

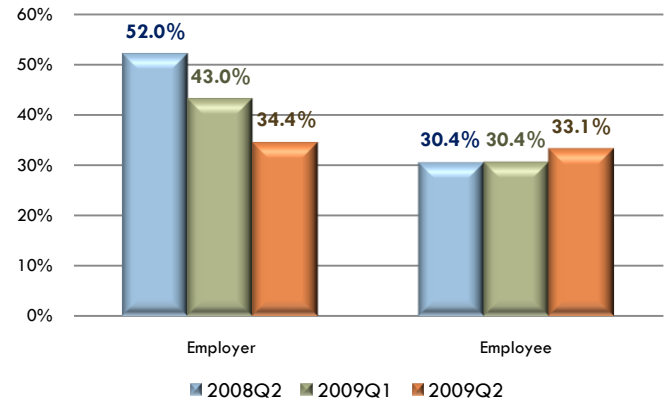
Month	2008Q2 Claims	2009Q2 Claims	% Increase
April	6,102	8,920	46.2%
May	4,846	6,627	36.8%
June	6,316	9,830	55.6%

Source: Commerce analysis of ESC UI Claimant data

The percent increase in claims in June 2009 is the highest of all the second quarter 2009 months when compared to 2008.

Filing Method

Figure 4-3. Percent Repeat UI Claims by Filing Method, 2009Q2 vs. Previous Quarter and Year Ago



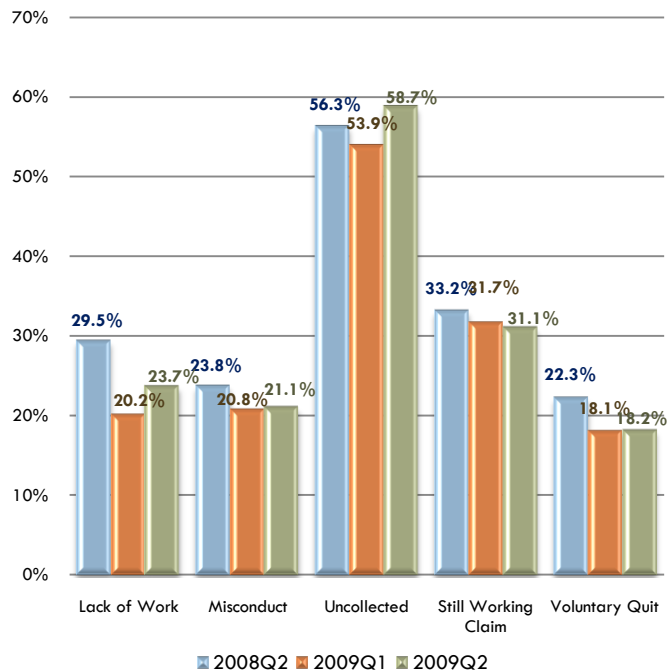
Source: Commerce analysis of ESC UI Claimant data

Large differences exist in the tendency to file a repeat claim by filing method. In the second quarter of 2009, claims that were employer-filed were repeat filings 34.4% while 33.1% of employee-filed claims were repeat claims. During the first quarter of 2009 (during seasonal peak), repeat claims were much more likely to have been filed by employers rather than employees. In the second quarter of 2008, the difference by filing method was even more pronounced with 52.0% of employer-filed claims having at least one previous new claim in the prior two years while only 30.4% of employee-filed claims were considered to be repeats.

The economic downturn most likely contributed to the decrease in repeat employer-filed claims in this quarter. Many new employers and new employees filed in 2009 as businesses contracted and workforces were downsized.

Reason for Separation

Figure 4-4. Percent Repeat UI Claims by Separation Reason, 2009Q2 vs. Previous Quarter and Year Ago



Source: Commerce analysis of ESC UI Claimant data

Of all claims filed with an uncollected separation reason, 58.7% were from claimants with a prior claim. This is somewhat higher than the percent in the first quarter of 2009 or the second quarter of 2008. A slightly lower percentage of claims filed in the second quarter of 2009 were repeat claims citing Lack of Work as their reason for separation (23.7%). Employer-filed claims are more likely to be both repeat claims and more likely to have an uncollected reason for separation. This may partially explain the high percentage of repeat claims in this category.

Age and Education Levels

Table 4-3. Percent Repeat Claims by Age and Education, 2009Q2 vs. Previous Quarter and Year Ago

Age	Percent Repeat 2008Q2	Percent Repeat 2009Q1	Percent Repeat 2009Q2
< 18 years	7.5%	4.0%	6.8%
18-24 years	24.8%	23.5%	26.7%
25-40 years	29.4%	30.0%	32.9%
41-55 years	31.4%	30.2%	33.9%
56-65 years	30.4%	27.5%	33.9%
> 65 years	32.9%	29.7%	35.4%
Unknown	53.3%	44.1%	38.3%
Educational Attainment			
0: Unknown	44.3%	41.0%	33.5%
1-8: No High School	32.2%	33.6%	34.5%
9-11: Some High School	32.8%	35.2%	35.1%
12: High School Graduate	32.3%	33.1%	36.4%
13-15: Some College	27.9%	26.4%	31.0%
16+: College Graduate+	20.9%	16.6%	21.9%

Source: Commerce analysis of ESC UI Claimant data

Repeat claims peak in the prime working age groups between 25 and 65 years. The percentage of repeat claims is lowest among new workers less than 18 years old who have not accumulated enough experience to use the system more than once. A large percentage of claims with unknown ages are repeat claimants. In the second quarter of 2009, 38.3% of all "unknown" age claims were made by repeat claimants.

Educational attainment exhibits an inverted U-shaped trend in relation to repeat claims: as education increases, the percent of repeat claims first increases and then decreases. Claimants with 12 years of education (high school degree) exhibit the largest percentage of repeat claims at 36.4%. Those with at least one year of post-secondary education have significantly lower percentages of repeat claimants. This suggests that as skill or experience increases, the probability of repeated spells of unemployment decreases.

The percentage of repeat claims in the second quarter of 2009 that have an unknown level of educational attainment (33.5%) was lower than in the same quarter during 2008 (44.3%). About 74% of these repeat claims with unknown levels of education were filed by employers who are not required to report such information.

Key Points

Central findings regarding repeat claims for the second quarter of 2009 include the following:

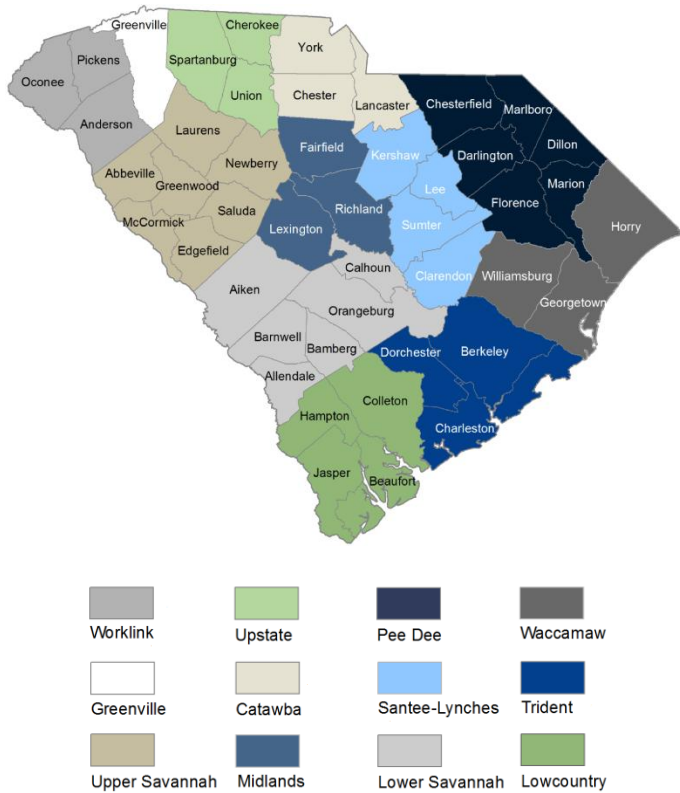
- ✓ Employer-filed claims tended to have a strong association with repeat spells of UI.
- ✓ Approximately 42% of individuals filing a new claim for UI in the second quarter of 2009 had filed at least one other new claim in the previous two years.
- ✓ The likelihood of being a repeat claimant appears to be related to both age and educational attainment. Those in their prime working ages had a higher percentage of repeat claimants and those with lower levels of education also tended to have greater numbers of repeat claims.

WORKFORCE INVESTMENT AREAS (WIAs): 2nd Quarter Overview

Accounting for differences in population, the Upstate WIA had the largest number of unique claimants in the second quarter of 2009. Sizable differences exist in the percentage of each WIA's workforce involved in seasonal industries such as Manufacturing, Construction, and Entertainment. Greenville experienced the largest percent increase in claims from second quarter 2008 to 2009.

Distribution by WIA

Figure 5-1. South Carolina Workforce Investment Areas



South Carolina has twelve Workforce Investment Areas as displayed in Figure 5-1. Table 5-1 shows the Upstate WIA had the highest percentage of their population file at least one claim during the second quarter of 2009.

Table 5-1. New UI Claimants as a Percentage of Population by WIA, 2008Q2 vs. 2009Q2

WIA	2008 Population	2008Q2 % of Pop.	2009Q2 % of Pop.
Upstate	362,804	1.6%	2.4%
Upper Savannah	255,721	1.2%	1.8%
Pee Dee	335,958	1.4%	1.8%
Lower Savannah	307,616	1.3%	1.8%
Worklink	371,014	1.1%	1.8%
Greenville	438,119	0.9%	1.7%
Santee Lynches	216,089	1.2%	1.5%
Waccamaw	353,201	1.0%	1.5%
Midlands	635,954	1.1%	1.5%
Trident	644,506	1.0%	1.5%
Catawba	325,979	0.9%	1.3%
Lowcountry	232,839	0.8%	1.2%

Source: US Census Bureau County Population Estimates and Commerce analysis of ESC UI Claimant data

2.4% of the Upstate WIA's population filed a claim in the second quarter of 2009 alone. The Upstate WIA also had the highest percentage of their population file at least one claim in 2008 as well. Each WIA experienced an increase in the percentage of their population filing claims. The Lowcountry WIA had the lowest percentage of its population file a claim for UI in the second quarters of both 2008 and 2009.

Claims by WIA

Table 5-2. New UI Claims by WIA, 2008Q2 vs. 2009Q2

WIA	2008Q2 Claims	2009Q2 Claims	% Change
Trident	6,153	9,808	59.4%
Midlands	7,232	9,490	31.2%
Upstate	5,969	8,875	48.7%
Greenville	4,008	7,230	80.4%
Worklink	4,094	6,588	60.9%
Pee Dee	4,629	6,077	31.3%
Lower Savannah	4,082	5,564	36.3%
Waccamaw	3,482	5,218	49.9%
Upper Savannah	3,021	4,551	50.6%
Catawba	3,006	4,174	38.9%
Santee Lynches	2,539	3,150	24.1%
Lowcountry	1,857	2,771	49.2%
MISSING	2,353	2,747	16.7%

Source: US Census Bureau County Population Estimates and Commerce analysis of ESC UI Claimant data

The Midlands WIA had the most claims in second quarter of 2009. The Greenville WIA had the largest percent increase in claims from second quarter 2008 to second quarter 2009, an 80.4% increase in claims from the year prior. Other WIAs experiencing large increases in claims over the previous year include: Worklink (60.9%), Trident (59.4%), Upper Savannah (50.6%), and Waccamaw (49.9%). The smallest percentage increase in UI claims was experienced by the Santee Lynches WIA, which witnessed a 24.1% increase.

2nd Quarter 2009 WIA Characteristics:

- ▶ Greenville had the highest increase in participation in the UI system, increasing the number of claimants by 80.4% over 2008 numbers.
- ▶ The Worklink WIA had a higher percentage of Caucasian claimants while the Lower Savannah, Midlands, and Pee Dee serve significantly higher percentages of African-American claimants.
- ▶ High numbers of employer-filed first claims include Worklink (22.8%), Upper Savannah (30.6%), and Greenville (18.8%) possibly related to higher concentrations of Manufacturing industries in these areas that have temporary layoffs on a regular or semi-regular basis.
- ▶ Areas with the highest levels of educational attainment were urban areas, including Greenville, Midlands, and

Trident WIAs. Areas with the lowest educational attainment were the Pee Dee, Lower Savannah, and Upper Savannah.

- ▶ The percent of claims citing Manufacturing as their industry were highest in the Upstate (40.6%), Lower Savannah (35.0%), and Pee Dee (33.8%) WIAs. Areas with a low concentration of Manufacturing claims include the Midlands (13.7%), Lowcountry (9.2%), and Waccamaw (13.8%).
- ▶ Claims working in the Administrative Support/Waste Management (includes temporary staffing) industries were concentrated in Greenville, the Upstate, and Upper Savannah WIAs.

Key Points

Main points regarding geographic distribution of claims in the second quarter of 2009 are provided as follows:

- ✓ In the second quarter of 2009, 1.7% of South Carolina's population applied for UI at least once.
- ✓ The Upstate WIA had the largest percent growth in the number of claimants using the UI system in the second quarter of 2009, increasing 80.4%.
- ✓ Santee-Lynches WIA had the smallest percent growth in the number of claims using the UI system in the second quarter of 2009, up 24.1% from 2008.
- ✓ There were important demographic and industrial differences between the WIAs as evidenced by differences in racial composition, educational attainment, and concentrations in specific industries.

BENEFITS RECEIVED: 2nd Quarter Trends

While 76,243 new claims for Unemployment Insurance were filed in the second quarter of 2009, only 43,065 of these claims received at least one week of benefit payments (56.5%). This percentage is somewhat lower among claims receiving benefits compared to the second quarter of 2008 (62.9%). Right-censored data may affect these results, as the most recently filed new claims may not have yet had a final determination of their eligibility completed, thus biasing percentages lower. Significant differences in the percentage of claims receiving benefits exist when comparing month of filing, WIA of residence, separation reason, and demographic or job characteristics.

Claims Receiving Benefit Payments

Table 6-1. New UI Claims Receiving Benefits by Quarter and Month

Quarter	Claims Filed	Claims Receiving 1+ Benefit Payment	Percent Receiving Benefits
2008Q2	52,425	32,957	62.9%
2009Q1	103,852	71,386	68.7%
2009Q2	76,243	43,065	56.5%
Apr 09	27,850	17,636	63.3%
May 09	21,058	12,418	59.0%
Jun 09	27,335	13,011	47.6%

Source: Commerce analysis of ESC UI Claimant data

Table 6-1 shows that only 56.5% of the claims filed in the second quarter of 2009 received at least one week of benefit payment. This is somewhat lower than the percentage of claims receiving benefits in either the second quarter of 2008 or the first quarter of 2009.

There are also differences in the likelihood of receiving benefits based on the month the claim was filed even within the same quarter. Those claims filed in April received benefits 63.3% of the time compared to only 47.6% of the time for claims filed in June 2009. This number may be somewhat biased as claims originally filed in June may ultimately receive a payment in the following months of August, September, or October. A lag can exist between the month the claim was filed and when the first payment occurs. Historically since 2006, there has been little difference in the percent of claims receiving payments between April (59.3%), May (58.6%), and June (59.9%).

Benefit Payments by Separation Reason

Table 6-2. New UI Claims Receiving Payment by Separation Reason, 2008Q2 vs. 2009Q2

Separation Reason	2008Q2 Percent	2009Q2 Percent
Lack of Work	77.6%	74.8%
Misconduct	61.2%	42.8%
Still Working Claim	59.5%	53.9%
Voluntary Quit	20.5%	11.3%
Uncollected	64.3%	54.1%

Source: Commerce analysis of ESC UI Claimant data

Those citing lack of work had the highest percentage of claims receiving benefits (74.8%) in the second quarter of 2009. This percent is slightly down from the 77.6% of claims receiving benefits in the same quarter in 2008. Those who voluntarily quit, who are many times not eligible for UI benefits, received benefits 11.3% of the time in the second quarter. Overall claims are receiving benefits at a lower rate in 2009 compared to 2008 although this may reflect a censoring of data and not an actual reduction in claims paid.

Benefit Payments by Filing Method

Table 6-3. New UI Claims Receiving Payment by Filing Method, 2008Q2 vs. 2009Q2

Filing Method	2008Q2 Percent	2009Q2 Percent
Employer	71.8%	59.7%
Claimant	62.1%	56.0%

Source: Commerce analysis of ESC UI Claimant data

Employer-filed claims have historically been paid at a higher rate than those filed by the claimant on their own behalf (63.2% versus 60.4%, respectively). In the second quarter of 2009, 59.7% of employer-filed claims received at least one week of benefits compared to 56.0% of claims filed by the employees.

Benefit Payments by WIA

Table 6-4. New UI Claims Receiving Payment by WIA, 2008Q2 vs. 2009Q2

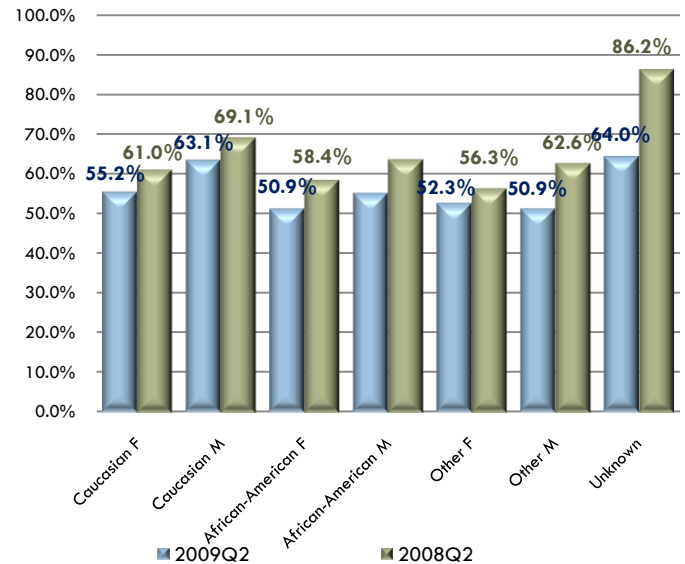
WIA	2008Q2 Percent	2009Q2 Percent
Worklink	66.9%	61.0%
Upstate	69.4%	59.9%
Waccamaw	66.6%	59.1%
Catawba	67.6%	58.9%
Greenville	62.8%	58.8%
Pee Dee	65.6%	56.4%
Upper Savannah	61.4%	56.3%
Lowcountry	68.0%	55.9%
Trident	69.0%	55.4%
Lower Savannah	58.8%	54.9%
Santee Lynches	58.3%	54.7%
Midlands	53.6%	49.3%
MISSING	63.3%	56.5%

Source: Commerce analysis of ESC UI Claimant data

Table 6-4 shows the percent of claims receiving at least one week of UI benefits broken out by WIA of residence. In both the second quarter of 2009 and the second quarter of 2008 the Midlands WIA had the lowest percent of claims receiving benefits. In 2009, the Worklink WIA had the highest percent receiving benefits (61.0%) while in 2008 it was the Upstate WIA (69.4%).

Benefit Payments by Gender and Race

Figure 6-1. New UI Claims Receiving Payment by Gender and Race, 2008Q2 vs. 2009Q2



Source: Commerce analysis of ESC UI Claimant data

There are significant differences between the genders and races in terms of the percent of claims receiving benefits (Figure 6-1). Caucasian males tend to have the highest percent of claims receiving benefits in the second quarter of 2009 (63.1%), followed by African-American males (54.8%). Females receive benefits at a lower rate than their male counterparts (55.2% for Caucasian females and 50.9% for African-American females). Across all gender and racial groups, the percent receiving benefits was lower in the second quarter of 2009 compared to 2008.

2nd Quarter 2009 Demographic Characteristics and Benefits Payments:

- ▶ Those with 16 or more years of education received benefits at the highest rate typically and in the second quarter of 2009 (62.7% vs. 56.1% for those with 12 years of education and 51.6% of those with 1-8 years).
- ▶ The percent of claims receiving benefits tended to increase with the age of the claimant. Those less than 18 years old received benefits at the lowest rate (27.3% in 2009Q2). Those over the age of 65 received benefits 65.7% of the time in the second quarter of 2009. Those with unknown

ages received benefits about as often as those over the age of 56 (65.3%).

- ▶ Industries with the highest percentage of claims receiving benefits in the second quarter of 2009 include: Professional Services (69.7%), Wholesale Trade (69.4%), and Management (69.0%). Those receiving benefits least often include: Unknown (33.7%), Food Services (41.2%), and Public Administration (44.7%).

Key Points

Main points regarding the percent of claims receiving benefits in the second quarter of 2009 are provided as follows:

- ✓ Right-censored data may affect the rate of benefit payment on new claims, as the most recently filed new claims may not have yet had a final determination of their eligibility completed.
- ✓ In the second quarter of 2009 56.5% of claims filed received at least one week of benefits (as of August 2009). This is somewhat lower than the percentage receiving benefits in either the first quarter of 2009 or the second quarter of 2008.
- ✓ Historically there has been little difference between the months of April, May, and June regarding payment of benefits.
- ✓ The reason for separation and method filing both tend to have an effect on the percent of claims receiving benefits. Employer-filed claims received benefits at a slightly higher rate than claimant filed claims. Those citing Lack of Work as their separation reason also received benefits at a higher rate than other reasons.
- ✓ Slight differences appear to occur in the rates of receiving benefits based on geographic location. The Midlands WIA had the lowest percentage of claims receiving benefits in the second quarter of 2009 and 2008.
- ✓ Some differences in likelihood of receiving benefits exist based on demographic characteristics and industry of the job.