

Low income is correlated with numerous negative educational, social, health and occupational outcomes. Cherokee County does not fare as well as peer counties, the state or the nation on measures of income. In fact, per capita income, median household income, median family income and average weekly wage are all lower than in per counties, the state average and the national average (Table EC1).

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Table EC1. Income Estimates 2006-2008

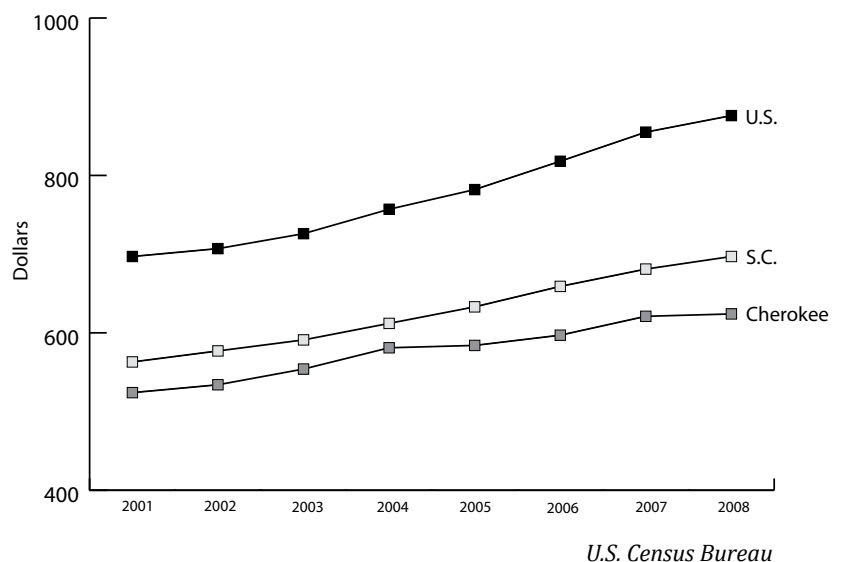
	Cherokee County	Greenwood County	Laurens County	S.C.	U.S.
Per Capita Income*	\$18,389	\$22,470	\$19,003	\$23,668	\$27,466
Median Household Income*	\$35,299	\$41,306	\$38,811	\$44,326	\$52,175
Median Family Income*	\$45,593	\$52,766	\$47,693	\$54,710	\$63,211
Average Weekly Wage (second quarter, 2009)**	\$618	\$666	\$622	\$685	\$840
Individuals Below Poverty Level	19.1%	15.2%	18.9%	15.5%	13.2%

* in 2008 inflation-adjusted dollars
 ** assumes a 40-hour workweek, year round
 U.S. Census and U.S. Bureau of Labor Statistics

The U.S. Department of Commerce, Bureau of Economic Analysis, reports that in 2008, Cherokee County had a per capita personal income (PCPI), calculated as the total personal income of the residents of an area divided by the population of the area, of \$26,002. This was 80% of the state average and placed the county at 33rd among S.C. counties for PCI. This was also 65% of the national average. The 1998-2008 average annual growth rate of PCPI for Cherokee County was 3.2%. The average annual growth rate for the state was 3.7%, and for the nation it was 4.0%.

Trend analysis indicates that the average weekly wage in Cherokee County has been below the state and national averages for at least the last eight years (Figure EC1).

Figure EC1. Average Weekly Wage, 2001-2008





As of April 30, 2009, South Carolina was among the states with the highest proportion of the population receiving supplemental nutrition assistance (formerly known as Food Stamps). One in seven of the state's residents received assistance. During the 2006-2008 period, the average percentage of Cherokee County households that received food stamps was 14.9%. This is a markedly greater percentage than the national and state averages. In terms of peer counties, Laurens and Cherokee are comparable on this measure and both are higher than Greenwood County. Geographical comparisons are provided in Table EC2.

According to the USDA Economic Research Service, in 2009 8.9% of US households had low food security* and 5.7% had very low food security**. By region, the south had lowest food security. For the period 2006-2008, the average prevalence rate of food insecurity for South Carolina was 13.1%. Reliable data at the county level is not available; however, the nationwide prevalence ranges from 6.9% to 17.4%, placing SC, and Cherokee County by extrapolation, as more highly food insecure.

** Low food security households obtain enough food to avoid substantially disrupting their eating patterns or reducing food intake by using a variety of coping strategies such as eating less varied diets, participating in Federal food assistance programs, or getting emergency food from community food pantries*

*** in very low food security households normal eating patterns of one or more household members were disrupted and food intake was reduced at times during the year because they had insufficient money or other resources for food.*

Table EC2. Food Stamp Recipients, 2006-2008

	# households receiving food stamps	% of Total Household	% Households receiving food stamps with children under 18
Cherokee	3,047	14.9	56.7
Laurens	3,740	14.4	57.1
Greenwood	2,345	9.4	62.2
SC	171,202	10.2	58.8
US	9,139,593	8.1	58.6

US Census Bureau

Poverty covaries with, or is predictive of, low educational status, teen child-bearing, crime, poor health status, and numerous other negative outcomes.

The poverty rate in South Carolina is markedly higher than the national average. For the ten Upstate counties (see Table EC3), Laurens County has both the greatest percentage of people living in poverty and the greatest percentage of children living in poverty. Laurens County also has the lowest median household income. Cherokee County ranks fourth of the ten counties for highest percentage of residents living in poverty and third for highest percentage of children living in poverty.

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Table EC3. Poverty by Upstate County, State, and Nation 2007

	Total People in Poverty	Percent Total People in Poverty	< Age 18 in Poverty	Percent < Age 18 in Poverty	Median Household Income
Abbeville	4,301	17.4	1,258	21.9	\$35,993
Anderson	24,512	13.8	7,981	18.7	\$41,691
Cherokee	8,953	16.8	3,169	23.8	\$37,815
Greenville	50,966	12.2	16,653	16.1	\$47,867
Greenwood	9,908	15.0	3,574	21.9	\$40,428
Laurens	13,567	20.2	4,448	28.2	\$35,832
Oconee	9,740	13.9	2,990	19.8	\$42,279
Pickens	17,997	16.4	4,614	19.2	\$42,453
Spartanburg	36,851	13.7	12,165	18.6	\$41,160
Union	4,861	17.7	1,483	24.3	\$35,887
State	646,061	15.1	220,854	21.1	\$43,508
U.S.	38,052,247	13.0	13,097,100	18.0	\$50,740

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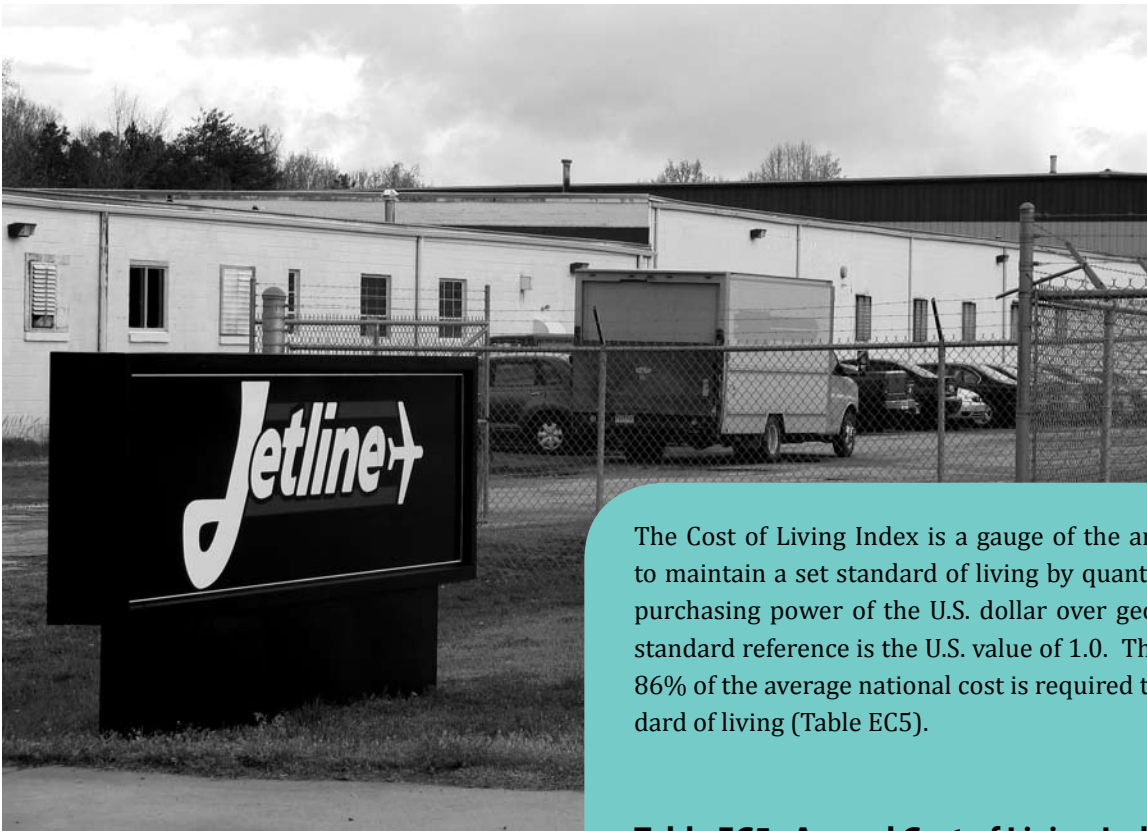
According to Brizius & Foster (1993), poverty is the single best predictor of a child's failure to achieve in school. The 2006-2008 three-year estimate of poverty for families with children was 15.2% in Cherokee County. This was higher than all peer counties, the SC average and the US average. Of these families, the percentage was significantly higher for female-only households (39.1%), a finding borne out in all geographical comparisons (Table EC4).

Free and reduced cost meal eligibility is another indicator of student poverty status. The S.C. Department of Education reports that, in 2008, there were 9,527 students enrolled in Cherokee County Schools. Of these students, 61.23% were eligible for Free and Reduced Lunch. By school, the highest percentage of student eligibility was at Mary Bramlett Elementary where 92.78% of students were eligible. The lowest percentage of student eligibility was at Grassy Pond Elementary where 35.89% of students were eligible.

Table EC4. Percent of Families With Related Children Under age 18 Whose Income in the Past 12 Months is Below Poverty Level, 2006-2008

	All Families	Married Couple Families	Female Householder (no husband present)
Cherokee	15.2%	8.4%	39.1%
Greenwood	11.1%	3.5%	34.8%
Laurens	13.0%	8.0%	29.9%
SC	11.5%	4.7%	33.0%
US	9.6%	4.6%	28.2%

US Census



The Cost of Living Index is a gauge of the amount of money required to maintain a set standard of living by quantifying the variation in the purchasing power of the U.S. dollar over geographical locations. The standard reference is the U.S. value of 1.0. Thus, in South Carolina only 86% of the average national cost is required to maintain the same standard of living (Table EC5).

Table EC5. Annual Cost of Living Index, 2007

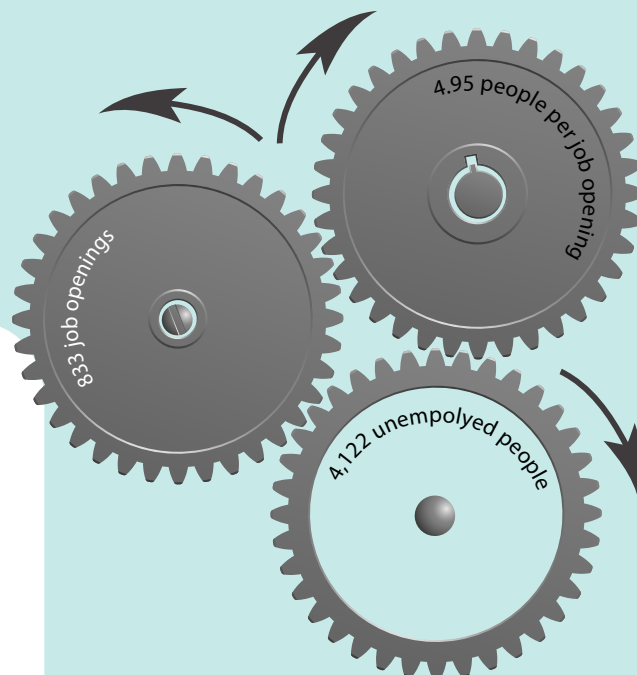
	Cost of Living Index Value	Per Capital Income	Adjusted Per Capita Income
Cherokee	0.80	\$24,794	\$30,877
Laurens	0.81	\$26,237	\$32,593
Greenwood	0.83	\$27,297	\$32,967
S.C.	0.86	\$31,103	\$36,124
U.S.	1.00	\$38,615	\$38,615

S.C. Department of Commerce

South Carolina ranks 42nd among the 48 contiguous states in per capita income for 2007. However, once adjusted for cost of living, SC rises to 33rd. Cherokee County's cost of living is lower than the state average and lower, in fact, than the cost of living in Laurens and Greenwood counties. However, even when per capita income is adjusted by cost of living, Cherokee County still maintains the lowest per capita income among peer counties and the state and national averages.

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As of March 2010 in Cherokee County



The unemployment rate in South Carolina is consistently higher than the national average. In fact, it is among the highest for all states. Further, Cherokee County's unemployment rate is consistently higher than the state average (Table EC6 and Figure EC2). In March 2010 Cherokee County had the 14th highest unemployment rate among the state's 46 counties at 15.4%. This was a 0.9% decrease in unemployment from the previous month.

Table EC6. Average Annual Unemployment Rate, 2004-2008

	2004	2005	2006	2007	2008	2009
Cherokee	8.8	7.9	7.6	6.7	9.1	16.4
Greenwood	8.7	9.1	7.9	6.9	7.7	12.9
Laurens	7.1	6.7	6.8	7.1	7.4	12.0
S.C.	6.8	6.8	6.4	5.6	6.9	11.7
U.S.	5.5	5.1	4.6	4.6	5.8	9.3

US Department of Labor, Bureau of Labor Statistics

Job losses due to mass layoffs and plant closures are documented in Table EC7. Numbers of jobs lost are attributable to a number of variables including economic factors, technical advancement, economic development trends, and a variety of other factors. Therefore, these data should be interpreted accordingly.

Table EC 7. Upstate Job Losses due to Mass Layoffs and Plant Closures, 1999 – 2009*

County	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total (to date)*
Abbeville	180	-	204	240	110	211	121	421	55	-	221	1,763
Anderson	100	93	1,035	941	257	240	342	147	462	599	339	4,555
Cherokee	147	639	1,086	-	178	324	47	118	75	451	100	3,165
Greenville	1,150	792	3,913	3,315	2,855	1,506	1,373	1,359	299	946	607	18,115
Greenwood	648	453	1,189	390	467	560	611	397	71	475	544	5,805
Laurens	38	-	1,127	542	215	-	1,165	13	176	-	-	3,276
Oconee	-	124	559	122	318	436	1,924	639	30	-	311	4,463
Pickens	-	351	1,132	195	878	374	669	260	20	282	40	4,201
Spartanburg	973	215	2,649	504	1,893	1,029	607	951	485	1,833	1,146	12,285
Union	-	193	211	70	343	-	360	-	78	-	453	1,708
Upstate	3,236	2,860	13,105	6,319	7,514	4,680	7,219	4,305	1,751	4,586	3,761	59,336
State	8,156	11,579	26,701	12,947	18,230	13,576	17,464	16,753	9,345	12,372	12,062	159,185

* through July 31, 2009
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Education Pays

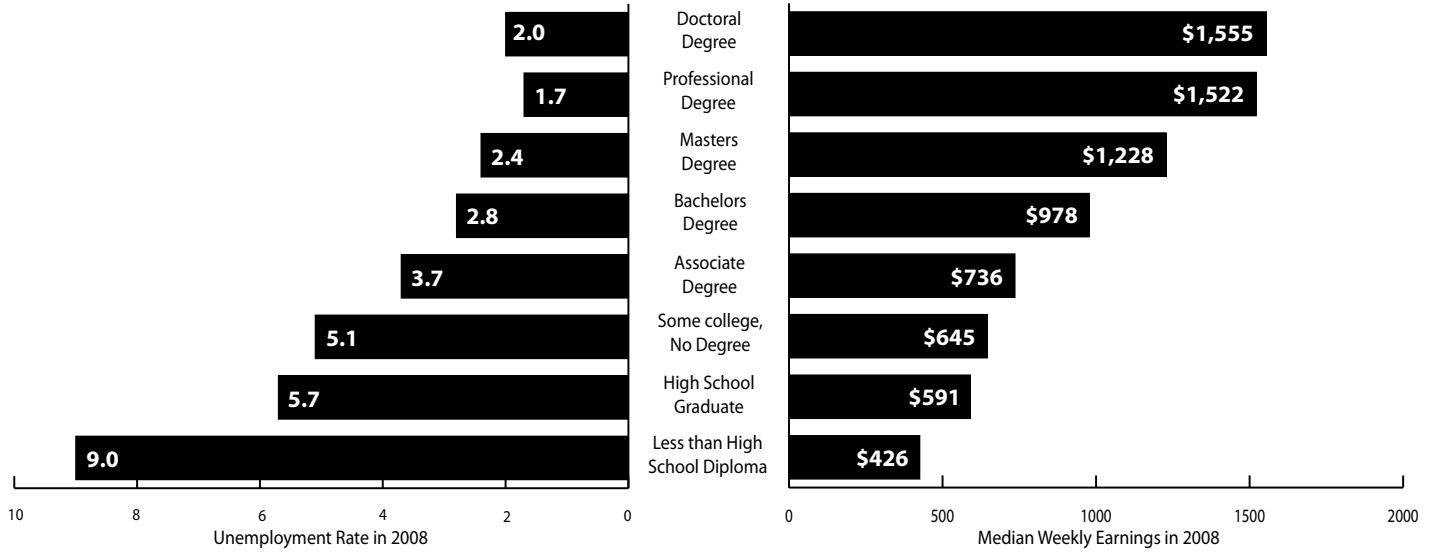


Figure EC2. Average Annual Unemployment Trend

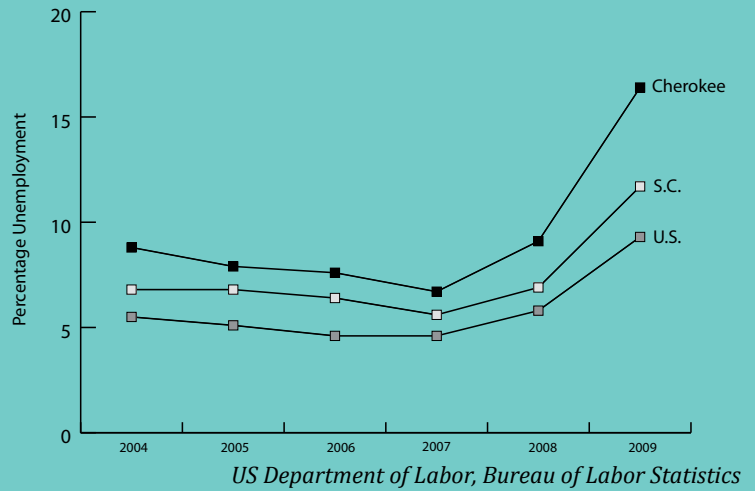
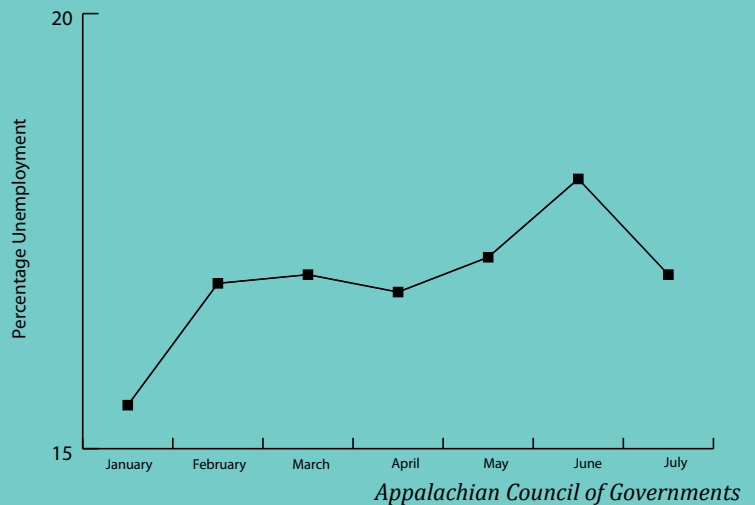


Figure EC3. Unemployment by Month, 2009, Gaffney Micro Area



The data demonstrate a clear spike in the unemployment rate at the county, state, and national level in 2009. In the Gaffney area, unemployment rose to a high of 18% in June 2009 (Figure EC3). Monthly data, August to December, are not available at this time.



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A constant churning occurs in the labor market. Individuals are hired and exit jobs, businesses expand and contract or start and end, and the difference of all these transactions determines whether or not jobs are created or destroyed. If exits equal hires, stability exists with the same employment level as the previous year. Net change in employment is the traditional way of studying economic growth. If net job flows (i.e. the sum of net job gains or losses) and job flow rates are positive, then job creation is occurring (employment in the present time period is greater than employment in previous periods). Similarly, if employment in the present time period is less than employment in previous time periods, job destruction is occurring. The turnover rate (i.e. the total number of exits from employers divided by the total number of jobs) measures average tenure of employees in their jobs.

Table EC8 demonstrates negative job growth trends in Cherokee County on most measures, especially as the first quarter of 2009 is compared to the average of the preceding quarters. Job creation is diminishing and earnings are lower for both new hires and existing workers. There are similar findings statewide.

Table EC8. Quarterly Job Growth Indicators, Cherokee County and S.C.

	First Quarter 2009		Quarterly Average Second Quarter 2008 - First Quarter 2009	
	Cherokee County	S.C.	Cherokee County	S.C.
Total Employment	20,606	1,749,949	21,454	1,824,231
Net Job Flows	-898	-15,376	-491	-15,831
Job Creation	635	83,971	742	93,552
New Hires	1,774	210,451	2,639	285,533
Separations	3,118	277,234	3,670	361,671
Turnover	8.2%	9.0%	8.6%	10.0%
Average monthly earnings	\$2,717.00	\$3,061.00	\$2,800.25	\$3,134.50
Average monthly New Hire earnings	\$1,740.00	\$1,820.00	\$1,826.75	\$1,985.50

Source: U.S. Census Bureau, Local Employment Dynamics

Table EC9. Projected Occupational Growth Rate, All Occupations by Workforce Area

	2004 Estimate	2014 Projected	Growth Rate
Upstate*	139,936	164,586	1.6357
Greenville	233,262	265,285	1.2947
Upper Savannah	84,265	90,051	0.6663
Midlands	316,815	376,357	1.7371
Catawba	96,325	111,553	1.4785
Santee-Lynches	68,174	75,982	1.0902
Pee Dee	124,279	138,032	1.0551
WorkLink	119,201	131,905	1.0179
Waccamaw	148,783	180,680	1.9614
Trident	276,525	323,881	1.5933
Low Country	86,817	101,430	1.568
Lower Savannah	109,457	118,499	0.7969

* Spartanburg Cherokee, Union Counties
SC Employment Security Commission, LMI Division

While employment in the Upstate is expected to continue to grow, it is unclear how much of this growth is projected for Cherokee County (Table EC9).

Table EC10 provides 2008 data pertaining to numbers of jobs by industry in Cherokee County, as well as numbers of employees and average wages.

Table EC10. Cherokee County Employment and Wages by Industry, 2008 Annual Average

Industry Designation	Number of Companies Employment	Average Monthly Wage	Average Quarterly Wage	Average Weekly Wage
Total Private	907	17,155	32,008	616
Private, Goods-Producing	170	7,542	40,783	784
Natural Resources and Mining	3	48	41,899	806
Construction	99	1,322	40,942	787
Manufacturing	68	6,171	40,740	783
Private, Service-Providing	737	9,614	25,125	483
Trade, Transportation and Utilities	271	4,121	28,968	557
Wholesale Trade	39	569	37,227	716
Retail Trade	200	2,246	20,307	391
Transportation & Warehousing	21	1,189	37,422	720
Utilities	11	118	68,720	1,322
Information	10	78	38,872	748
Financial Activities	95	539	32,672	628
Professional and Business Services	97	934	24,378	469
Education and Health Services	73	1,845	27,149	522
Leisure and Hospitality	94	1,814	12,213	235
Other Services	97	281	23,025	443
Total Federal Government	7	96	48,561	934
Total State Government	14	211	35,234	678
Education and Health Services	1	5	37,230	716
Total Local Government	32	2,079	35,515	683
Education and Health Services	22	1,458	36,637	705
TOTAL	960	19,540	32,497	625

SC Employment Security Commission
Appalachian Council of Governments

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Commuting, the flow of workers from one area into another, promotes efficient labor markets. Workers who are willing and able to travel outside their home area will have access to a wider range and greater number of jobs. Worker flow into a community gives employers access to a wider labor force. Worker commuting patterns also indicate, to some extent, whether workers can find work within their counties of residence.

When the difference between the local “labor shed” (where workers live) and the local “commuter shed” (where residents work) is examined, conclusions can be drawn about the number and quality of jobs, as well as the nature of the local labor force. Commuting patterns also provide planners, economic developers, transportation authorities and others with useful data.

When considered at the county level, commuter sheds are affected by proximity to other counties, transportation arteries, and a number of other variables. The SC Department of commerce data from 2006 indicate that, of the three peer counties, Greenwood has the highest percentage of resident workers, and Laurens has the lowest (Figure EC4).

EC4. Commuting Patterns, 2006

