

# Nonemployment Duration and the Consequences of Job Separations

Question your work tried to answer	How do workers' earnings change following separation from an employer?
<b>Local Employment Dynamics</b> data sources used	<p>___ OnTheMap</p> <p>___ QWI</p> <p>___ Industry Focus</p> <p>___ Raw data files from CD or VRDC</p> <p><u>✓</u> Other: <u>  </u>Confidential data from the Longitudinal Employer-Household Dynamics program that underlie the LED.</p>
Other data sources used	None
Software/ data processing tools used	<p>SAS</p> <p>Excel</p>
Brief description of methodology <i>(if someone wanted to do a similar analysis, how should they approach it?)</i>	<p>Identify separations in a reference quarter in the LEHD.</p> <p>Classify separations by the growth rate of the origin employer.</p> <p>Measure time until re-employment.</p> <p>Estimate a model of time until re-employment.</p> <p>Identify control group of non-separators.</p> <p>Measure full-quarter earnings for both separators and non-separators.</p> <p>Estimate OLS regressions of earnings change upon re-employment for each duration of nonemployment.</p> <p>Estimate quantile regressions of same.</p>
Benefits of methodology/ data	<p>The data cover almost all employment in the states in our sample.</p> <p>Earnings are administrative and presumably more accurate than in surveys of individuals.</p>
Drawbacks/problems with methodology/data	<p>We cannot identify the reason for a separation; we must impute this from the growth rate of the employer.</p> <p>At present, we do not follow individuals across states, although the data would allow this.</p> <p>We cannot separate wages &amp; salaries from other types of compensation.</p>
Anything else?	
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