Job-to-Job Flows (J2J): New public use data on worker flows across jobs

LED Partnership Conference June 2015

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Job-to-Job Flows (J2J) fills an important data gap:

In 2000, about ½ of all hires were workers moving from one job to another.

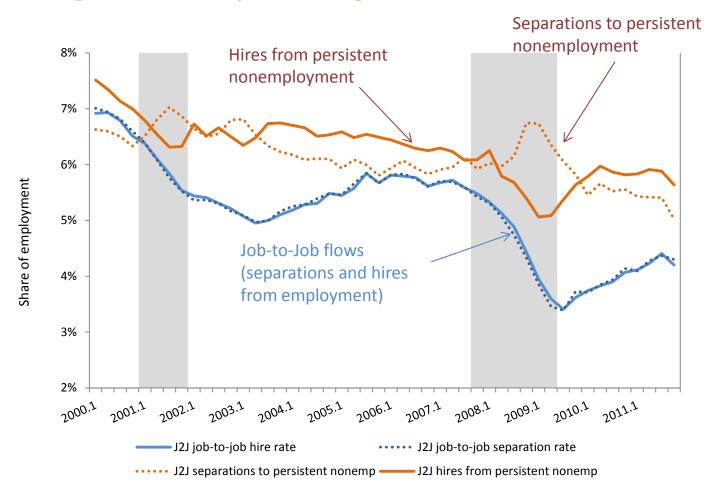
Most job vacancies are not for entry-level workers

Most job moves are moves 'up the job ladder'

- ½ of wage growth for young workers is from job change (Topel & Ward, 1992).
- Procyclical worker reallocation from lower paying to higher paying firms (Haltiwanger, Hyatt, & McEntarfer, 2015; Kahn & McEntarfer, 2014).

Better understanding of worker moves across industries and labor markets

National Job-to-Job Flows: Steep decline in job change in last two recessions

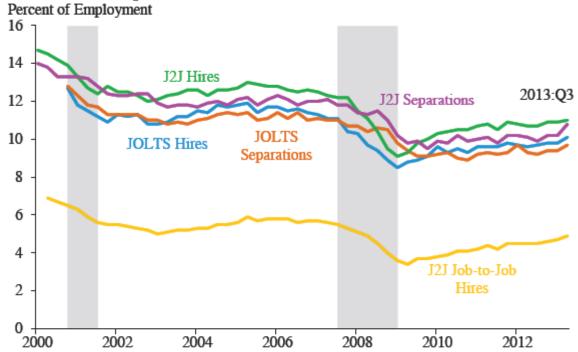


Note: Source: Job-to-Job Flows, national data. Shaded regions indicate NBER recession quarters. All data are seasonally adjusted.



Within months of initial beta release, J2J appeared in the 2015 Economic Report of the President:

Figure 3-19
Hires, Separations, and Job-to-Job Flow Rates, 2000–2013



Note: J2J job-to-job hires are generally equal to J2J job-to-job separations (not shown). Shading denotes recession.

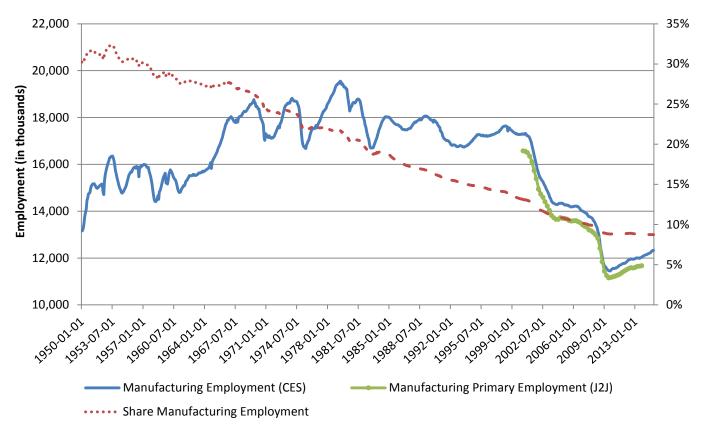
Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey; Census Bureau, Job-to-Job Flows.



Using Job-to-Job Flows to look at industry growth and decline, an example:

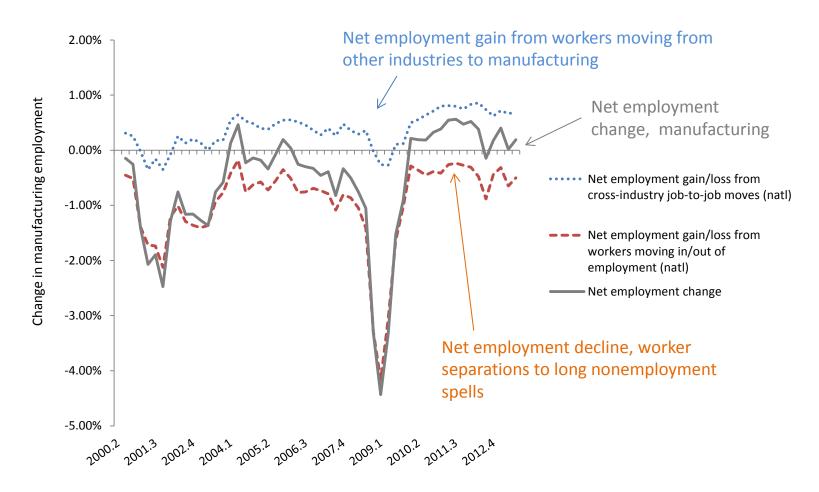
Did the construction boom help displaced manufacturing workers?

There was a surprisingly swift decline in U.S. manufacturing employment between 2000-2013

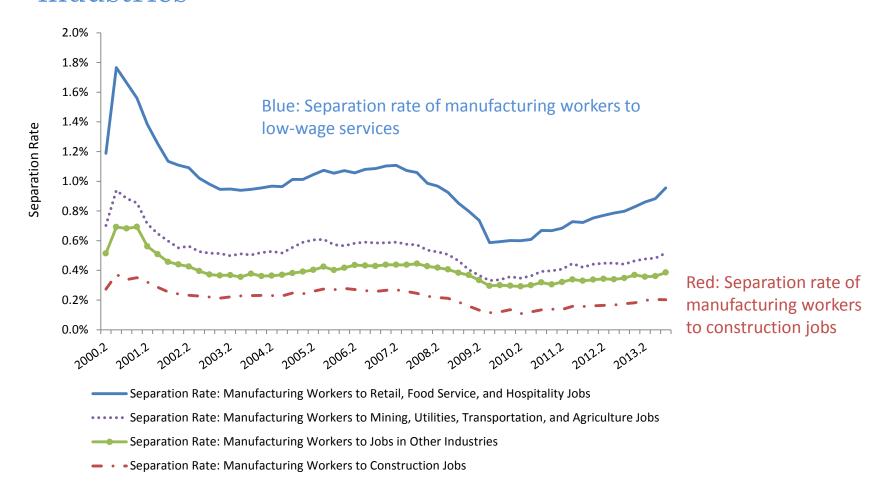




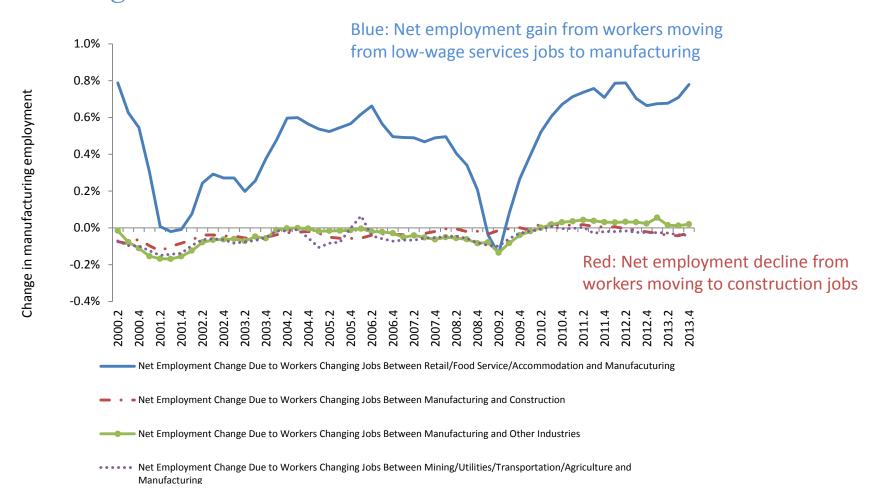
J2J: decompose employment decline into flows to other industries vs. flows to long nonemployment spells



Separation rates from manufacturing to other industries



Net employment change in manufacturing from job change





Did downsized manufacturing workers eventually move into construction after longer nonemployment spells?:

J2J data tell us whether workers found new jobs within about a 3-5 month window.

 But looks like most of the downsizing in manufacturing employment involved workers moving into longer nonemployment spells

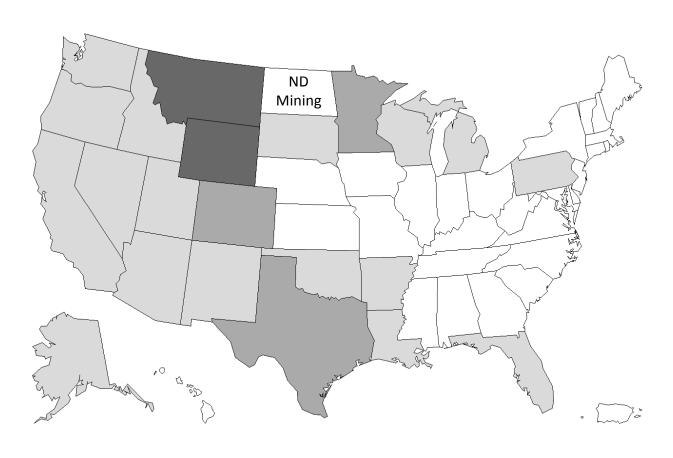
Can look to microdata to see what happened to them. For 2000-2003 separators:

- About 35% were eventually recalled to previous employer or found another manufacturing job
- About 45% found jobs in other industries
 - ½ of these after a nonemployment spell of over a year
 - Very few move into construction, mostly general laborers and truck drivers
- Another 20% appear to leave the labor market altogether.



Using Job-to-Job Flows to look at regional economic migration:

Net economic migration into ND mining sector: 2008-2012

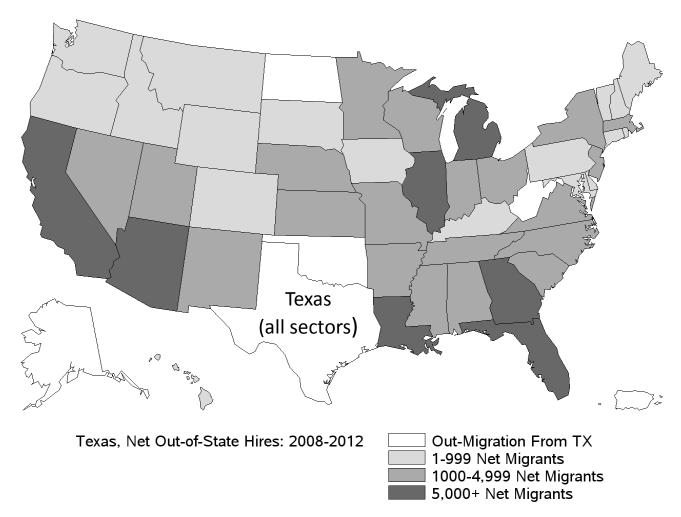


North Dakota Mining, Net Out-of-State Hires: 2008-2012



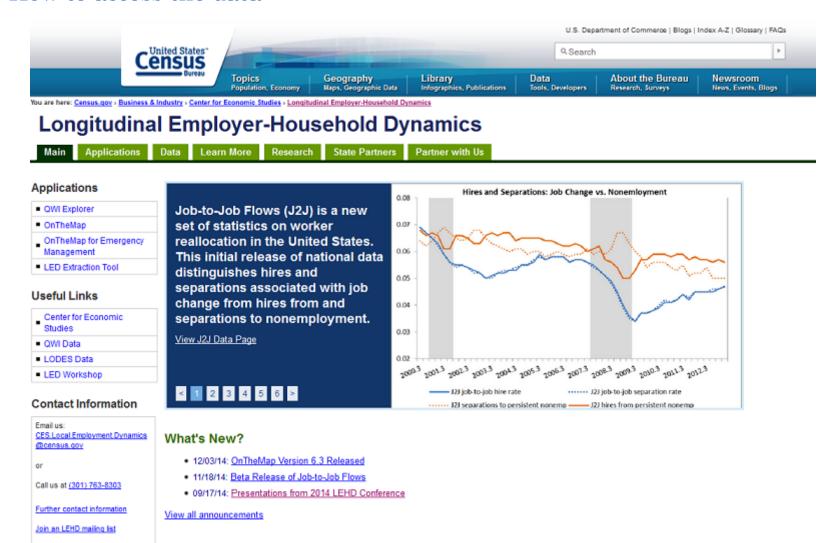


Net economic migration to Texas: 2008-2012



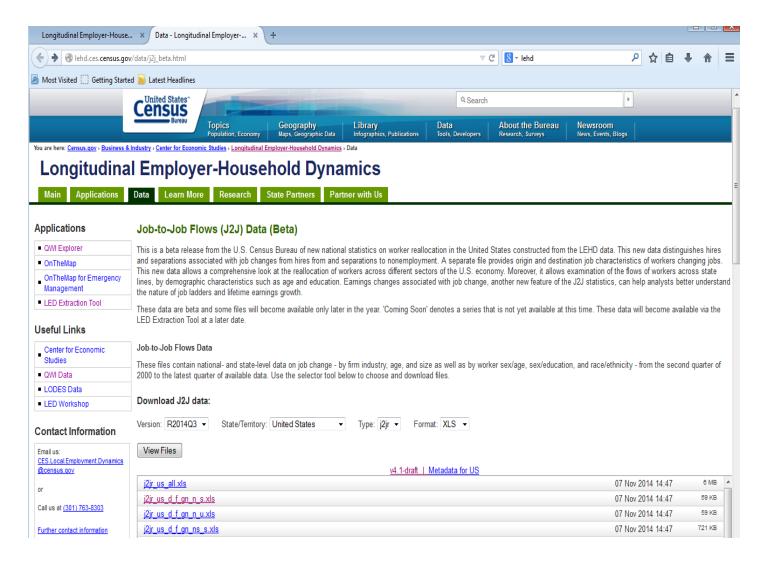


How to access the data





How to access the data



J2J: beta releases in 2014-2015

- November 2014:
 - National J2J rates (NSA, SA)
- June 2015:
 - National J2J counts (NSA, SA)
 - State J2J counts and rates (NSA, SA)
 - Except New England, KS/MO
- August 2015 (planned)
 - Origin-destination J2J counts
 - State-to-state worker flows, industry-to-industry
 - Wage transitions No date set yet for release

The Job-to-Job flows development team:

Henry Hyatt Erika McEntarfer

K

Stephen Tibbets

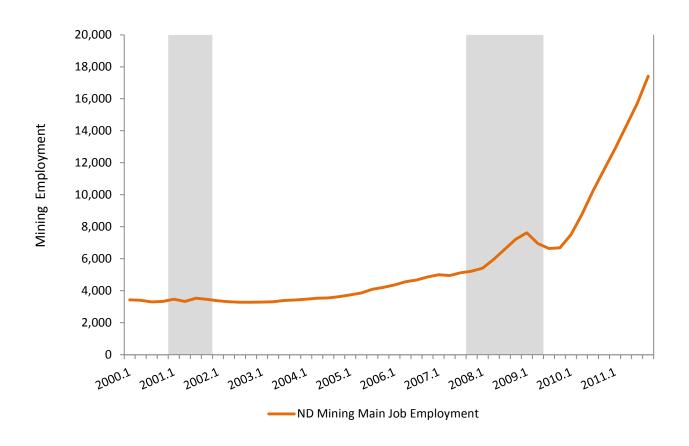
Kevin McKinney

Lars Vilhuber

Using Job-to-Job Flows to look at regional growth and decline, an example:

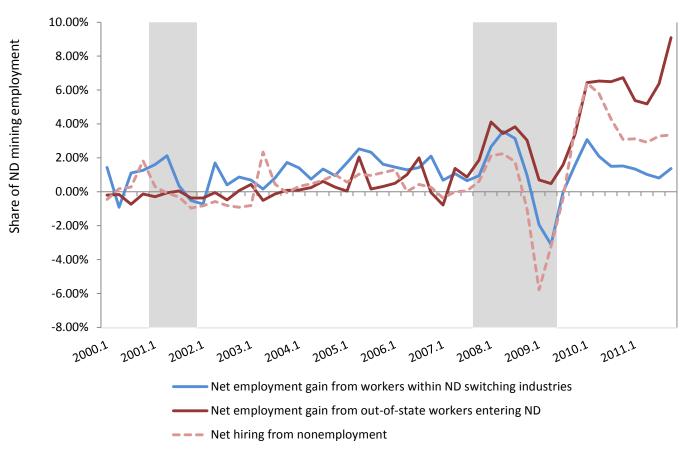
Where are North Dakota's oil boom workers coming from?

Employment Growth in North Dakota Mining Sector



Note: Source: J2J flows, dominant beginning of quarter jobs in North Dakota mining sector (NAICS 21). Shaded regions indicate NBER recession quarters. All data are seasonally adjusted.

Increasingly, North Dakota mining sector is growing by poaching workers holding jobs out of state.



Net employment gain from workers moving from jobs in other states

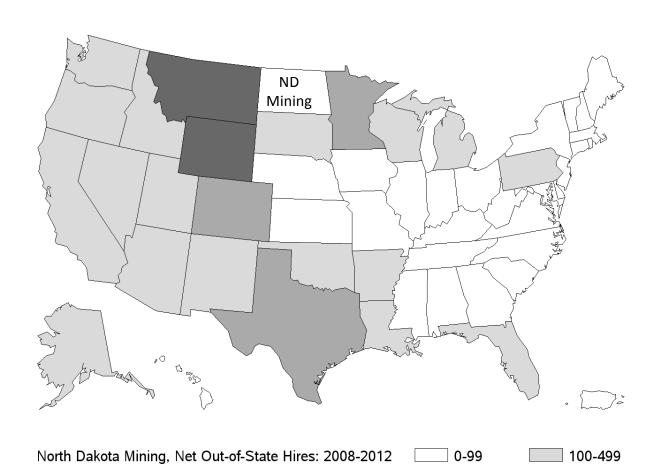
Net flows from nonemployment (any state)

Net flows from jobs in other industries in ND

Note: Shaded regions indicate NBER recession quarters. Some missing state data may bias net nonemployment flows and net flows from other states early in the time series. By 2006, all states except MA are present in the data



Where are the out-of-state workers coming from? Net economic migration from job-to-job moves into ND mining sector: 2008-2012



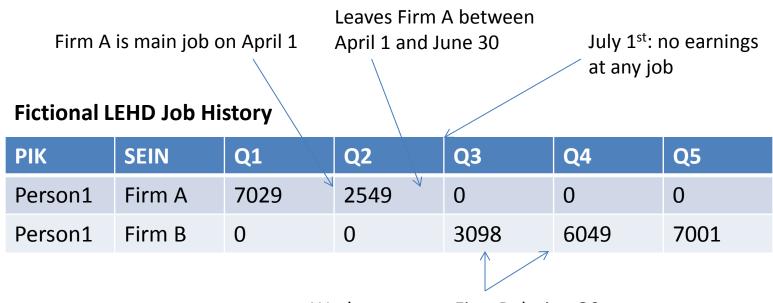


Source: J2J prototype origin-destination data. Massachusetts has partially missing employment data in part of this time series, data for all other states is present. Net economic migration is hires into ND mining of workers who recently held a job in a different state, minus flows of ND mining workers to jobs in that state.

500-999

1000+

How job transitions in J2J are identified:

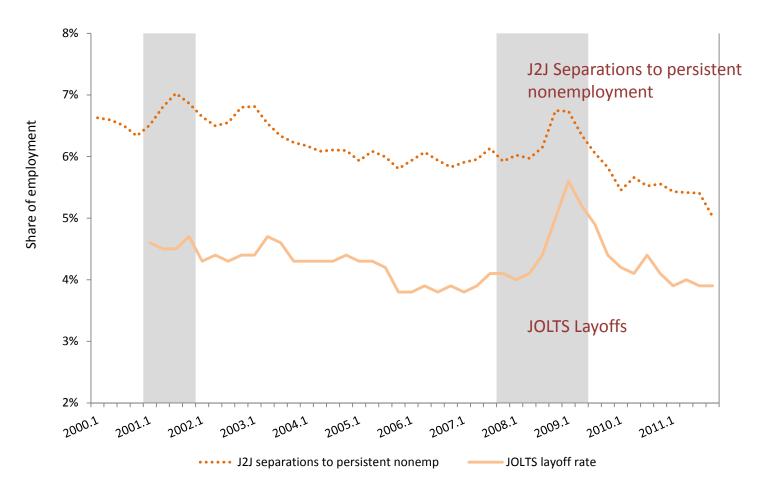


Worker starts at Firm B during Q3 B is main job on Oct 1

Only main jobs held on first day of quarter are linked, shorter transitory jobs are dropped.

How do J2J compare to other related series?:

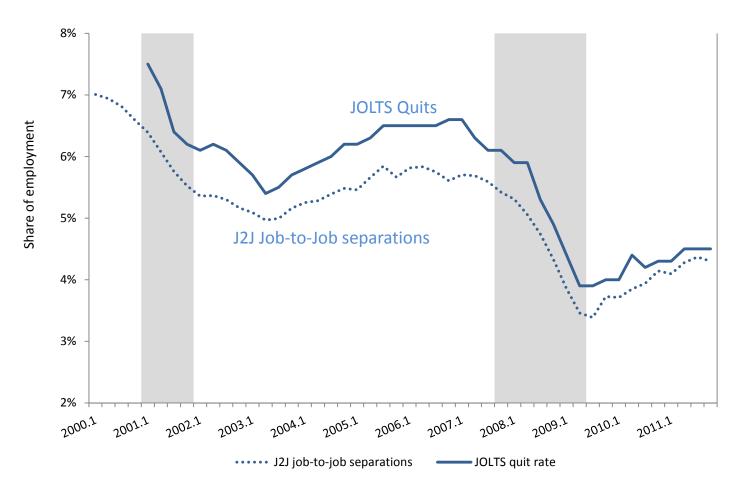
Comparison to JOLTS: Layoffs



Note: Shaded regions indicate NBER recession quarters. All data are seasonally adjusted. These J2J tabulations do not include planned adjustments to the J2J series to account for partially-missing geography early in the time series.



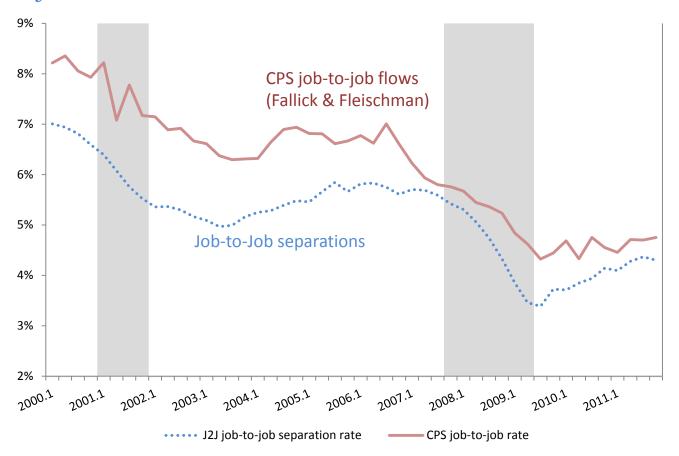
Comparison to JOLTS: Quits



Note: Shaded regions indicate NBER recession quarters. All data are seasonally adjusted. These J2J tabulations do not include planned adjustments to the J2J series to account for partially-missing geography early in the time series.



J2J separations-to-employment vs. CPS employer-toemployer flows



Note: Shaded regions indicate NBER recession quarters. All data are seasonally adjusted. These J2J tabulations do not include planned adjustments to the J2J series to account for partially-missing geography early in the time series.

Some anticipated users J2J data:

Federal policy makers interested in the overall health of the labor market

• 70% of decline in hires in Great Recession was decline in job-to-job moves.

State governors, economic development, and labor market analysts

- concerned about losing workers to job opportunities in other states, more information about own in-migrants
- better targeting trade adjustment labor training

Academic and non-profit researchers

 interested in the reallocation of workers in response to demand shocks