Job-to-Job Flows: New Census Bureau statistics on labor mobility from administrative data

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Want a Raise? Quit Your Job
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Why care about job-to-job flows?

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

2. Most job moves are moves ‘up the job ladder’
   - Almost 1/2 of wage growth for young workers is from job change (Topel & Ward, 1992).
   - This job ladder is strongly procyclical.
Why care about job-to-job flows?

3. Better understanding of reallocation of workers across different industries

- 2.3 million construction jobs disappeared between 2006 and 2011. Where did these workers go?
- Can use Job-to-Job Flows data where construction separators are going.
- 60% of workers left the labor market or moved to different industries after the housing boom
Net migration of out-of-state workers into the North Dakota mining sector: 2010-2014

Why care about job-to-job flows?

4. Better understanding of reallocation of workers across different geographies

Source: J2J origin-destination data, 2016Q1 release. Net migration of out-of-state workers is hires into the North Dakota mining sector of workers who recently held a job in a different state, minus flows of North Dakota mining workers to jobs in that state.
Structure of Job-to-Job Flows Data:

Count and rate files

- **Job-to-job flows**
  - Hires
  - Separations

- **Employment flows**
  - Hires
  - Separations

Currently available by:
- National and state
- By worker demographics
- By industry sector, firm age and size
- Seasonally adjusted and not seasonally adjusted data

Origin-destination files

- **Job-to-job flows: origin job to destination job**

Currently available by:
- Origin State and Industry by Destination State and Industry
- Origin State to Destination State by worker demographics
- Origin State and (Age/Size) by Destination State and (Age/Size)
Job-to-Job Flows: Count and Rate Data

Steep decline in job change in the U.S. in the last two recessions

70% of the fall in hiring in 2008 was decline in job-to-job moves

Most of this decline comes from workers remaining longer at the lowest paying firms in recessions

Note: Source: Job-to-Job Flows, national data. Shaded regions indicate NBER recession quarters. All data are seasonally adjusted.
Job-to-Job Flows: Origin-Destination Data
Net exchange of workers, CT vs. other states (2010-2014)

Note: Calculated from Census Job-to-Job Flows data, 2016Q1 release
Job-to-Job Flows: Origin-Destination Data
Net exchange of workers, CT vs. other states (2010-2014)

Here we control for the size of the labor market in each state - CT loses more workers to New England and the Sunbelt, controlling for market size.

Note: Calculated from Census Job-to-Job Flows data, 2016Q1 release
Job-to-Job Flows: Origin-Destination Data
Net exchange of workers, CT vs. other states (2010-2014)

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Job-to-Job Flows: Origin-Destination Data
Net exchange of workers, CT vs. other states (2010-2014)

Job-to-Job flows between CT and the Mid Atlantic are reallocating more educated workers to CT.

Job-to-Job flows between CT and the Sun Belt are reallocating a broad array of young and mid-career workers to the Sun Belt.

Note: Calculated from Census Job-to-Job Flows data, 2016Q1 release
Job-to-Job Flows is the third new public use statistical product derived from the Local Employment Dynamics (LED) state-federal partnership.

An innovative federal statistical program, collecting existing data and linking it together to provide new information sources at low cost.

New linked national jobs data for the U.S.
The other two are Quarterly Workforce Indicators (QWI) and OnTheMap.

QWI: Female share of start-up employment:

OnTheMap: Where residents of Vancouver, WA, work:
Enhancements under development

- MSA-level origin-destination J2J data
- Industry by demographics data
- NAICS3 origin-destination data
- Earnings associated with origin and destination jobs
Possible future enhancements to J2J

‘Blue sky’ thoughts on new possible statistics from J2J:

- Employment and earnings outcomes for displaced workers separating to longer nonemployment spells
- Modeled estimates to make data more timely
  - Currently there’s a 9-month lag, but job-to-job flows mirror JOLTS trends quite well.
- Future links to education data to better understand labor supply pipelines and worker reskilling after layoffs
Questions or comments:

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Extra slides
How job transitions in are identified in the admin data:

**Fictional Job History**

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- **Job on April 1**
- **Leaves Firm A during Q2**
- **July 1: no earnings at any job**
- **Employed on Oct 1 at Firm B, hired sometime during Q3**
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-to-employer 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.