



Liberty Street Economics

Heterogeneity Series II: Labor Market





Liberty Street Economics

Labor Market Heterogeneity

ON TODAY'S CALL



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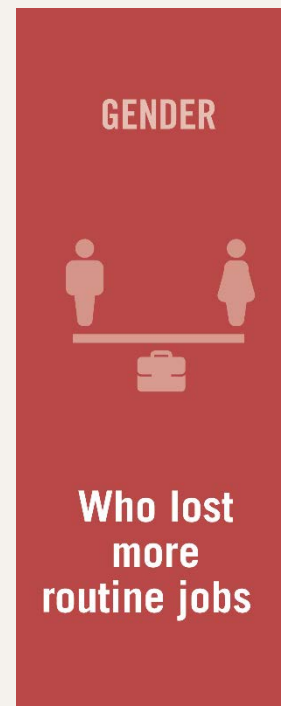


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Labor Market Heterogeneity

Women Have Been Hit Hard by the Loss of Routine Jobs, Too

Jaison R. Abel and Richard Deitz





RICHARD DEITZ
Assistant Vice President

Women Have Been Hit Hard by the Loss of Routine Jobs, Too

- While much attention has focused on men, women have also lost a tremendous number of routine jobs. In fact, women have not only lost a significant number of production jobs but have also experienced an even larger drop in administrative support jobs.
- The combined loss of production and administrative support jobs since 2000 is actually more than three times as large for prime-age women than prime-age men.
- Close to half of all working prime-age women in the 1970s had these jobs, a share that plummeted to less than one-fifth by 2019.
- With the loss of routine jobs, women have shifted into health care jobs more than men. A larger share of both prime-age men and women now work in low-skilled service jobs, or have left the labor force altogether.



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Labor Market Heterogeneity

Is the Tide Lifting All Boats? A Closer Look at the Earnings Growth Experiences of U.S. Workers

*René Chalom, Fatih Karahan,
Brendan Moore, and Giorgio Topa*

EARNINGS



Who sees
a pay
increase?



GIORGIO TOPA
Vice President

Is the Tide Lifting All Boats? A Closer Look at the Earnings Growth Experiences of U.S. Workers

- Over the past two decades, earnings growth at the bottom of the wage distribution has been stronger than at the top.
 - This finding is in part the result of temporary shocks to income, and is still consistent with increasing wage inequality.

- Looking at education attainment, earnings growth has been faster for college-educated workers.

- There is some indication that hourly earnings of minority workers (African American and Hispanic) have been catching up with those of white workers in more recent years.



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Labor Market Heterogeneity

Searching for Higher Job Satisfaction

Gizem Kosar, Leo Goldman, and Kyle Smith

SATISFACTION



Why look
for a
new job?



Searching for Higher Job Satisfaction

- Using data from the New York Fed's *Survey of Consumer Expectations* Labor Market module, we investigate job satisfaction as one potential mechanism for why workers search for jobs while employed.
- Lower job satisfaction is associated with an increased likelihood of on-the-job search.
 - The degree of satisfaction with the experience/skills fit is the most important factor.
- Job satisfaction is important for realized job-to-job movements as well.
 - This relation is stronger for women and college graduates.
- Our findings provide an explanation for why job-to-job movements may not lead to wage increases for all demographic groups.



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Labor Market Heterogeneity

How Does Credit Access Affect Job-Search Outcomes and Sorting

Kyle Herkenhoff and Gordon Phillips

SEARCH



**Does credit
affect job
decisions?**



How Does Credit Access Affect Job-Search Outcomes and Sorting

Question:

- How do consumer credit limits impact job finding rates, re-employment earnings, and the types of jobs displaced workers take?
- If credit limits tighten during a recession, what happens to labor sorting, productivity, and the subsequent recovery?

Main Findings:

- Link longitudinal employer household dynamics (LEHD) to TransUnion credit reports.
- Among those able to replace 10% of prior annual earnings with revolving credit, we find...
 - Displaced workers take $\approx .33$ to 1.8 weeks longer to find job
 - Replacement earnings between $\approx .6\%$ to 1.7% greater, among job finders
 - More likely to work for more productive, larger firms