

WHERE ARE ALL THE GOOD JOBS GOING?

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Good Jobs and Good Workers

- Distinguishing Good Jobs from Good Workers
- Are the Good Jobs Disappearing in the US? If so, where and for whom?
- Implications for Displaced Workers and Metro Areas (Large and Small)
- Implications for Policy???
- Short-Term v. Long-Term View – Great Recession and Beyond

Measuring Good Jobs and Workers

- Good Job: Pays a Premium for Worker Above Their Market Wage – Firms!
- Good Workers: Earn High Wages Regardless of Jobs
- Firm and Person Effects – Calculated with Longitudinal Data on Each

Data Used Here

- LEHD Data – US Census Bureau
- Based on UI Earnings Data from Participating States – Linked to other Census Survey Data (LED program, QWI Data)
- Micro Data at Census Bureau – Follow Universe of Workers and Firms Over Time
- This Book: 12 States, 1992-2003 (3 Subperiods)

Findings

- Where are the Good Jobs and Who are the Good Workers – Top Quintiles of Each
- Good Jobs Not Disappearing! Top Quintile Growing Rapidly
- Changing Distributions of Top Jobs across Industries: Manufacturing Declining; Replaced by Construction, RT, Finance, Professional Services, Administration, Health Care

Findings (Cont'd)

- Persons by Industry: Declining Mfg. Employment for Lowest-Skilled Workers
- Where are the Good Jobs for Them?
Retail Trade, Administrative
- Health Care: 2nd and 3rd Quintiles
- Construction Also
- Matching of Workers to Firms...

Punch Line on Jobs

- Good Jobs Not Disappearing Overall...
- But in Different Industries and for Different Workers
- Previous Generations: Good Jobs Substituted for Good Skills
- Today: Good Skills are Complements and Preconditions for Good Jobs
- Implication: Rising Inequality Unless Skill Levels Rise!

Other Findings

- Dislocated Workers: Largest Long-Term Losses are When Good Jobs Lost and Not Replaced by One – Older, Less-Educated Men!
- Metro Areas, Large v. Smaller – Latter Suffer Most from Industrial Restructuring – Difficulties Replacing Good Jobs
- Many Good Jobs Created and Destroyed in US – Dynamics! Esp. in Large Firms and Establishments

Policy Implications

- Creating Good Workers to Fill Good Jobs, esp. among Non-College Grads
- Creating More Good Jobs for Them
- Help for Those Whose Skills and Jobs Cannot be Improve

What about the Great Recession?

Short v. Long Run

- Job Quantity v. Quality and Fit with Workers
- Even Now: Hints of a Structural Unemployment Problem – Rising vacancies, long-term unemployment
- Time to start building a better workforce system
- Caveats: Resources, Lack of Demand Now

Good Workers for Good Jobs

- Young Workers in US: Too Few with Post-Secondary Credentials (Attendance v. Completion), esp. in High-Paying Sectors
- Middle-Skill as well as High-Skill!
- Links between Education Institutions, Workforce Development System and Employers

Good Workers (Contd.)

- High-Quality CTE as well as College
- Colleges: Supports for Disadvantaged Youth or Adults; Information (Career Counseling) and Incentives
- Workforce System: Sectoral Approaches, Career Pathways linked to Trends in Labor Demand (WIA)
- Too Narrow??? General Skills, Incumbent Training
- Dislocated Adults Also

More Good Jobs

- Grants, Tax Credits and Technical Assistance for Firms Creating Good Jobs
- Links to Broader Economic Development Strategy (WRTP and COWS in WI)

Supports for Low-Skill Workers

- Health Insurance, Wage Insurance
- EITC Expanded