

## Characteristics of displaced workers 2007–2009: a visual essay

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Individuals who are displaced from their job often face difficulties finding new employment. Since 1984, the U.S. Department of Labor's Employment and Training Administration has sponsored surveys of displaced workers. These surveys have been conducted biennially in January as a supplement to the Current Population Survey, the nation's monthly labor force survey. The supplemental survey collects information on the number and characteristics of people age 20 and over who lost or left jobs during the prior 3 years because their plant or company closed or moved, there was insufficient work, or their position or shift was abolished. Information also is gathered about the job they lost and whether they are employed, unemployed, or no longer in the labor force at the time of the survey.

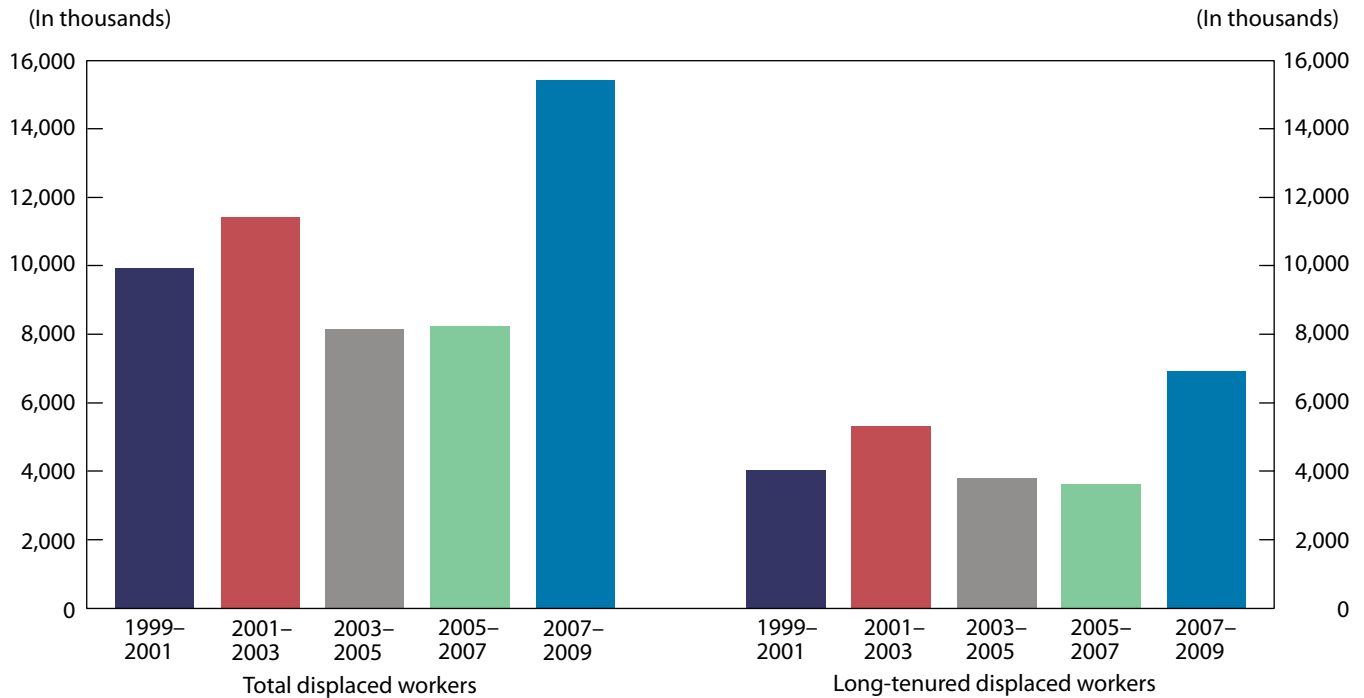
This visual essay examines the labor force status of workers displaced between January 2007 and December 2009 (also referred to as the 2007–2009 reference period), and looks at the differences by various characteristics—gender, age, education, industry, occupation, and earnings. Some comparisons are made to earlier refer-

ence periods. For this analysis, it is important to note that the 1981–1983, 1991–1993, 2001–2003 and 2007–2009 reference periods included recessions, as determined by the National Bureau of Economic Research, the official arbiter of recessionary periods.

Much of this analysis focuses on long-tenured displaced workers—individuals who lost or left jobs they had held for 3 or more years. Long-tenured workers are likely to have acquired firm-specific or other specialized skills unique to their jobs. For this reason, these displaced workers are thought to be more likely to have lost jobs due to poor overall labor market conditions rather than as a result of a job that ended because the employee was not a good fit for that particular job or employer. Also presented in this essay are data for total displaced workers—that is, people who lost or left jobs regardless of how long they had held their jobs.

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**1. The numbers of both total and long-tenured displaced workers rose sharply during the 2007–2009 survey period**

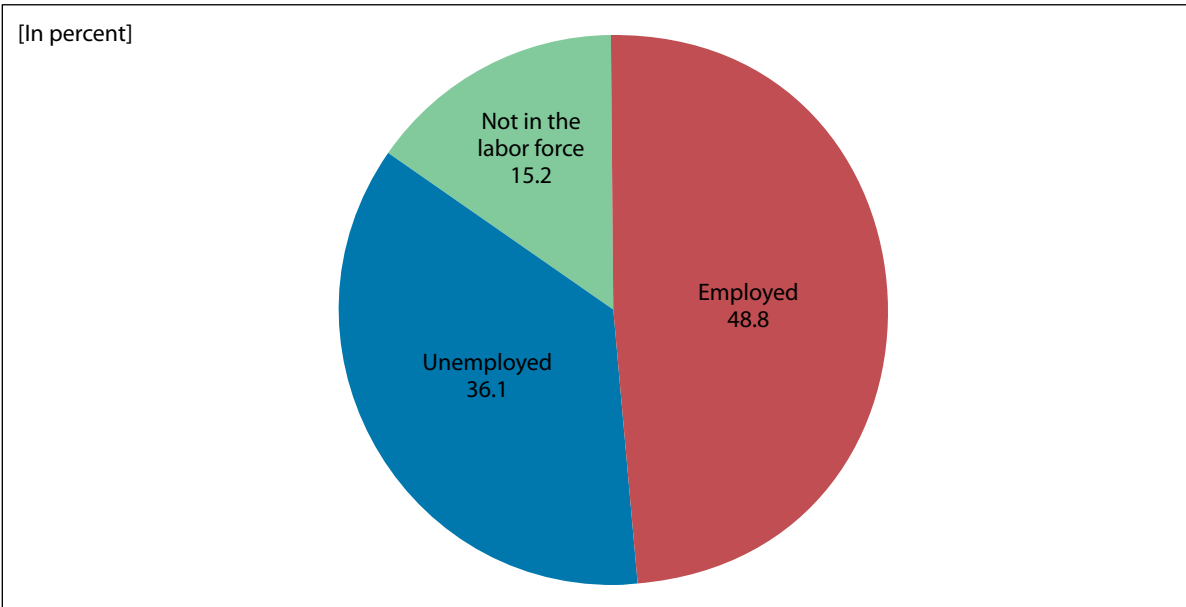


NOTE: Dates refer to survey reference period. Survey took place in January of the next year (for example, January 2002 for the 1999–2001 reference period).

SOURCE: U. S. Bureau of Labor Statistics.

- The numbers of total and long-tenured displaced workers have followed a cyclical pattern, increasing during periods that include economic downturns and poor labor market conditions and improving during economic recoveries. Both numbers rose sharply during the 2007–2009 period, which included the December 2007–June 2009 recession.
- For total displaced workers, the number of workers who lost or left their job was 15.4 million during the 2007–2009 period, up from 8.3 million for the 2005–2007 period.
- For the 2007–2009 period, 6.9 million long-tenured workers were displaced from their jobs, up from 3.6 million during the 2005–2007 survey period.

## 2. About half of long-tenured displaced workers were reemployed in January 2010

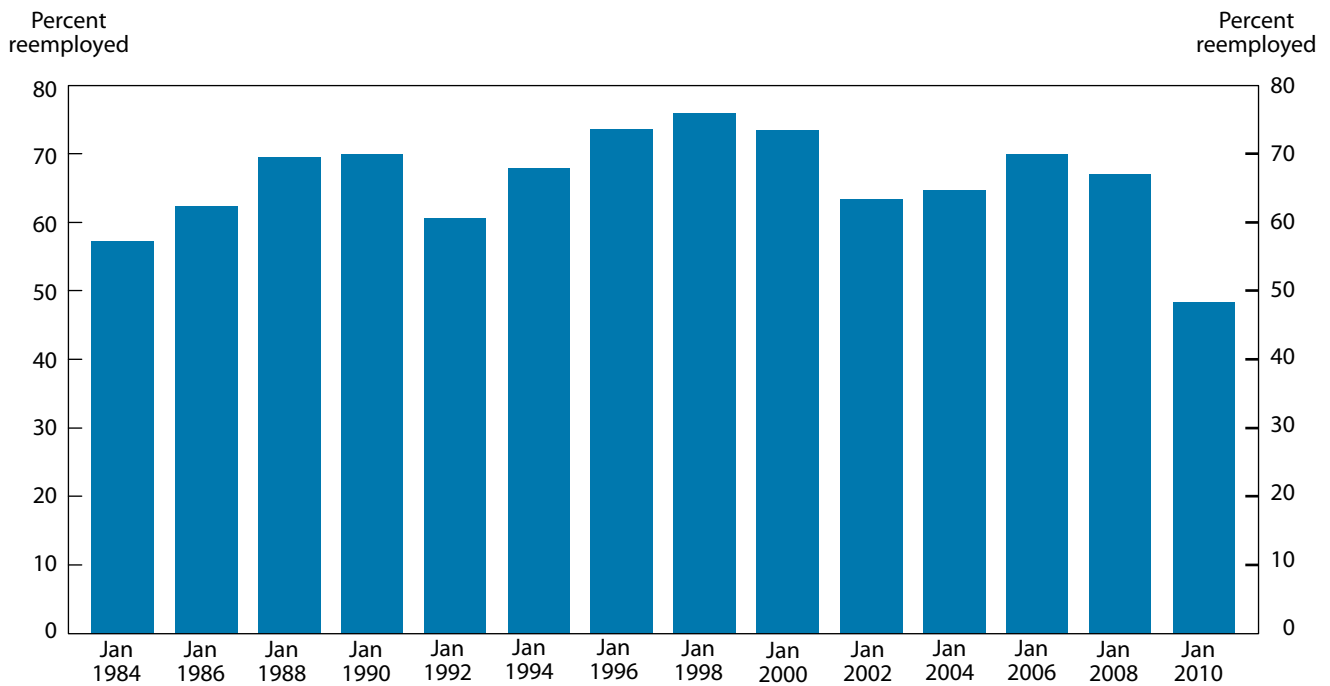


NOTE: Data refer to workers who, during 2007–2009, lost or left jobs they had held for 3 years or more.

SOURCE: U. S. Bureau of Labor Statistics.

- Of the 6.9 million long-tenured workers displaced from jobs during the 2007–2009 period, the reemployment rate—the proportion of displaced workers that were employed at the time of the survey—was about 49 percent in January 2010.
- Thirty-six percent of long-tenured employees who became displaced workers during the 2007–2009 period were unemployed at the time of the survey in January 2010.
- The remaining 15 percent of long-tenured displaced workers were not in the labor force in January 2010; that is, they were neither working nor looking for work.

**3. The proportion of long-tenured displaced workers who were reemployed was lower in January 2010 than in all prior surveys**

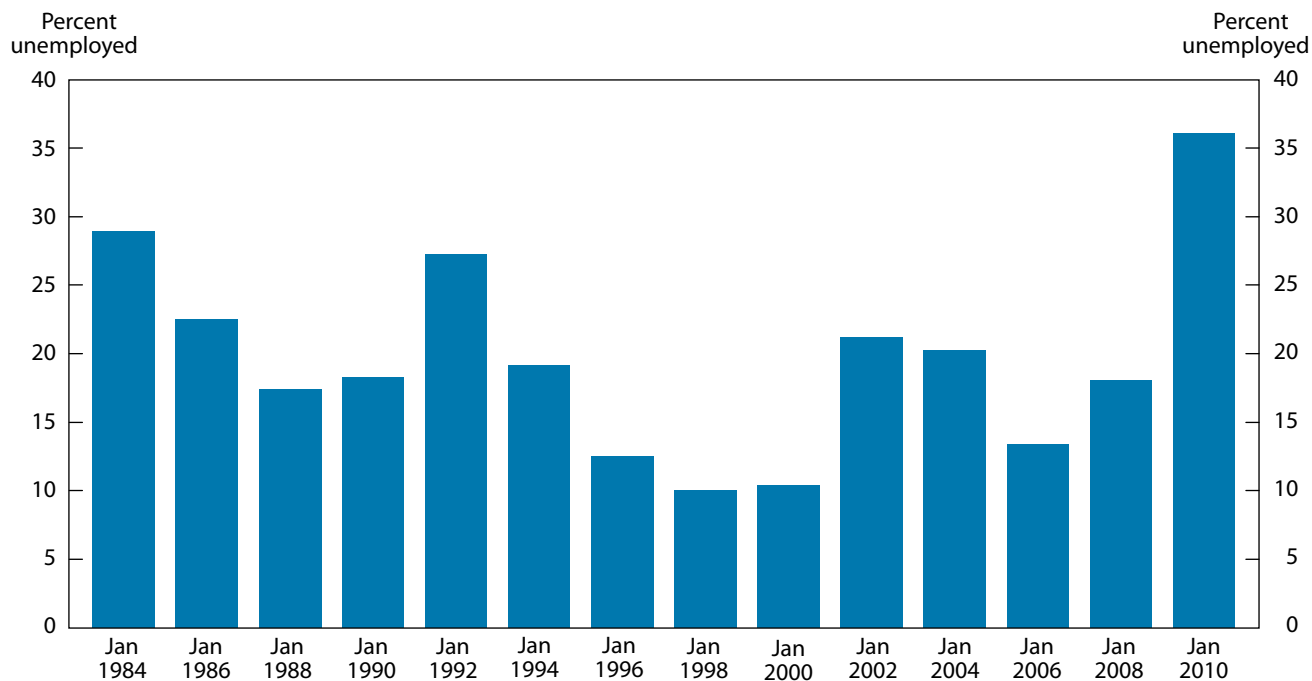


NOTE: Survey reference period is the 3 previous years (for example, January 1981–December 1983 for the January 1984 survey). Data refer to workers who lost or left jobs they had held for 3 years or more.

SOURCE: U. S. Bureau of Labor Statistics.

- At 49 percent, the reemployment rate for long-tenured displaced workers recorded in January 2010 was the lowest in the history of the series, which began in 1984. Although the recession ended in June 2009, employment continued to trend down and unemployment continued to rise until late 2010.
- The reemployment rates during expansionary periods are higher; in the mid- to late-1990s, for example, about three-quarters of long-tenured displaced workers were reemployed, compared with less than two-thirds during the recession-containing periods before and after.

#### 4. More than one-third of long-tenured displaced workers were unemployed in January 2010

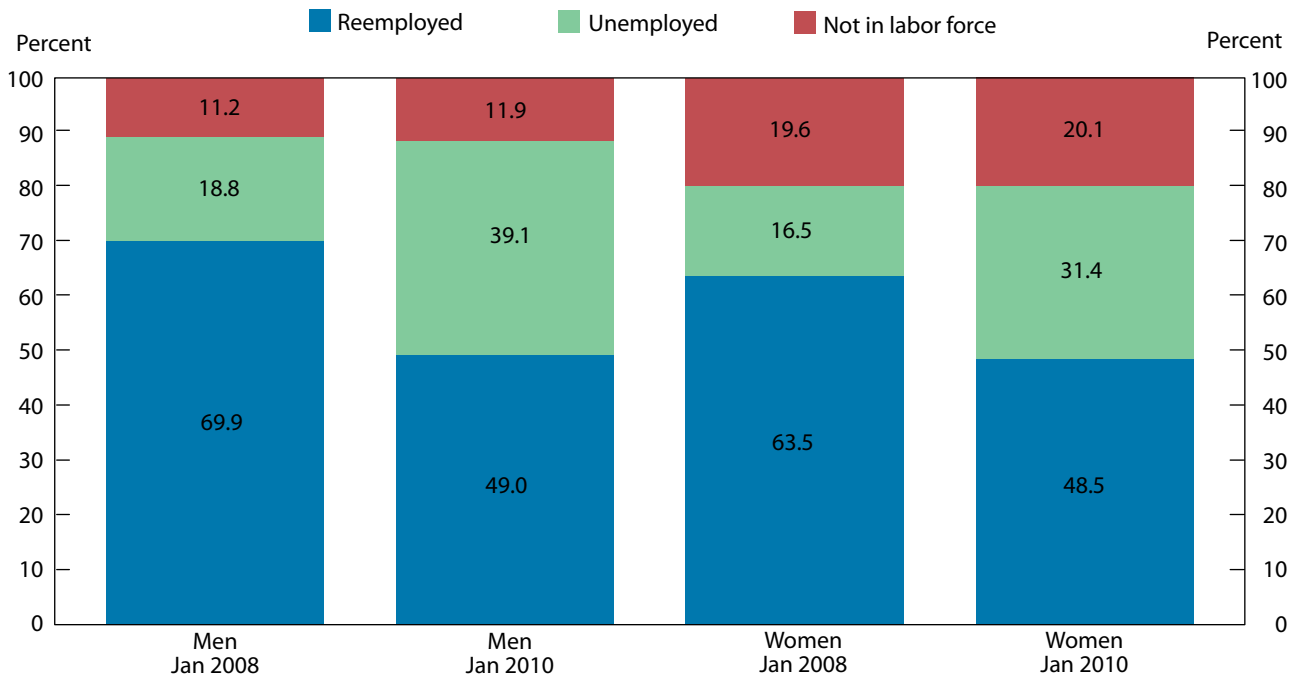


NOTE: Survey reference period is the 3 previous years (for example, January 1981–December 1983 for the January 1984 survey). Data refer to workers who lost or left jobs they had held for 3 years or more.

SOURCE: U. S. Bureau of Labor Statistics.

- Thirty-six percent of long-tenured displaced workers who lost jobs during 2007–2009 were unemployed in January 2010. This was twice as high as during the previous survey period and was the high for the series, which began in 1984.
- The proportion of long-tenured displaced workers who are unemployed when surveyed rises during periods of poor labor market conditions. The share unemployed was particularly high in January 2010, January 1992, and January 1984; reference periods for these surveys included recessions.

**5. Among long-tenured displaced workers, women were less likely to be in the labor force in January 2008 and January 2010 than were men**

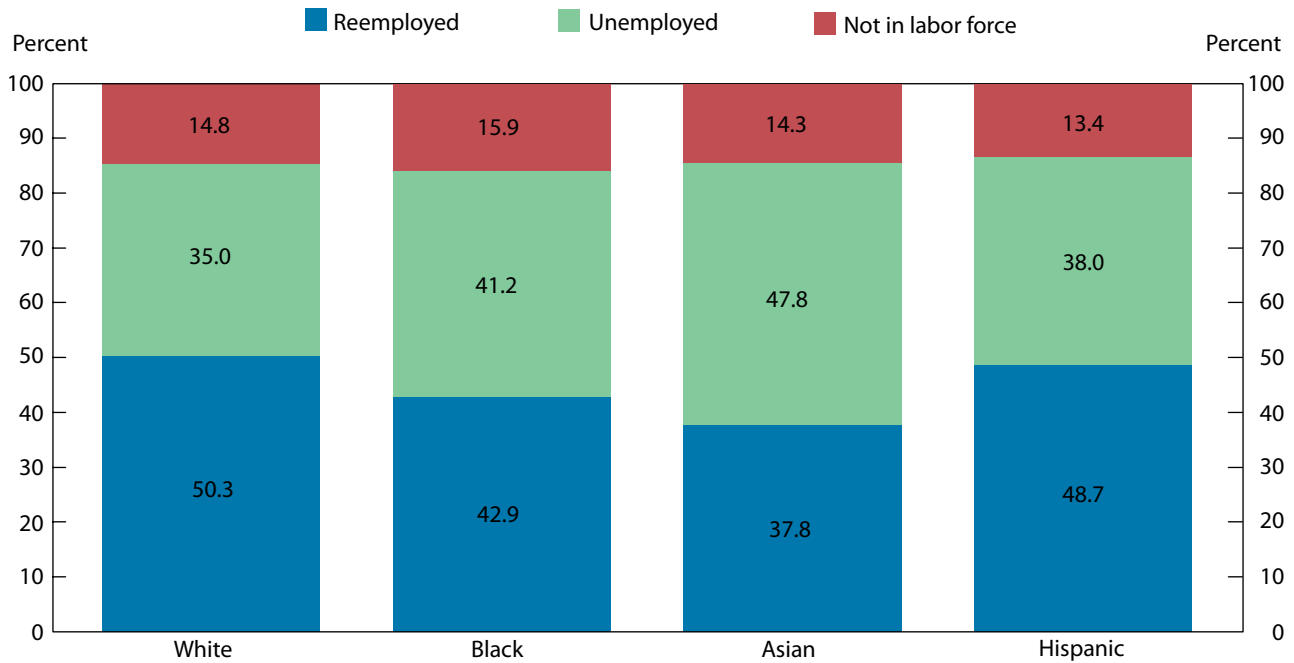


NOTE: Data refer to long-tenured workers who lost jobs during 2005–2007 and 2007–2009, respectively. Long-tenured workers are workers who lost or left jobs they had held for 3 years or more.

SOURCE: U. S. Bureau of Labor Statistics.

- The reemployment rate for long-tenured displaced men fell from 70 percent in January 2008 to 49 percent in January 2010, and the reemployment rate for women fell from 64 percent to 49 percent over the same period.
- In January 2010, 20 percent of women who had been displaced from jobs they had held for 3 years or more were not in the labor force, compared with 12 percent of their male counterparts.
- For both men and women, the share of long-tenured displaced workers who were unemployed increased considerably from January 2008 to January 2010; the proportion that left the labor force was little changed.

## 6. About half of White and Hispanic long-tenured displaced workers were reemployed in January 2010

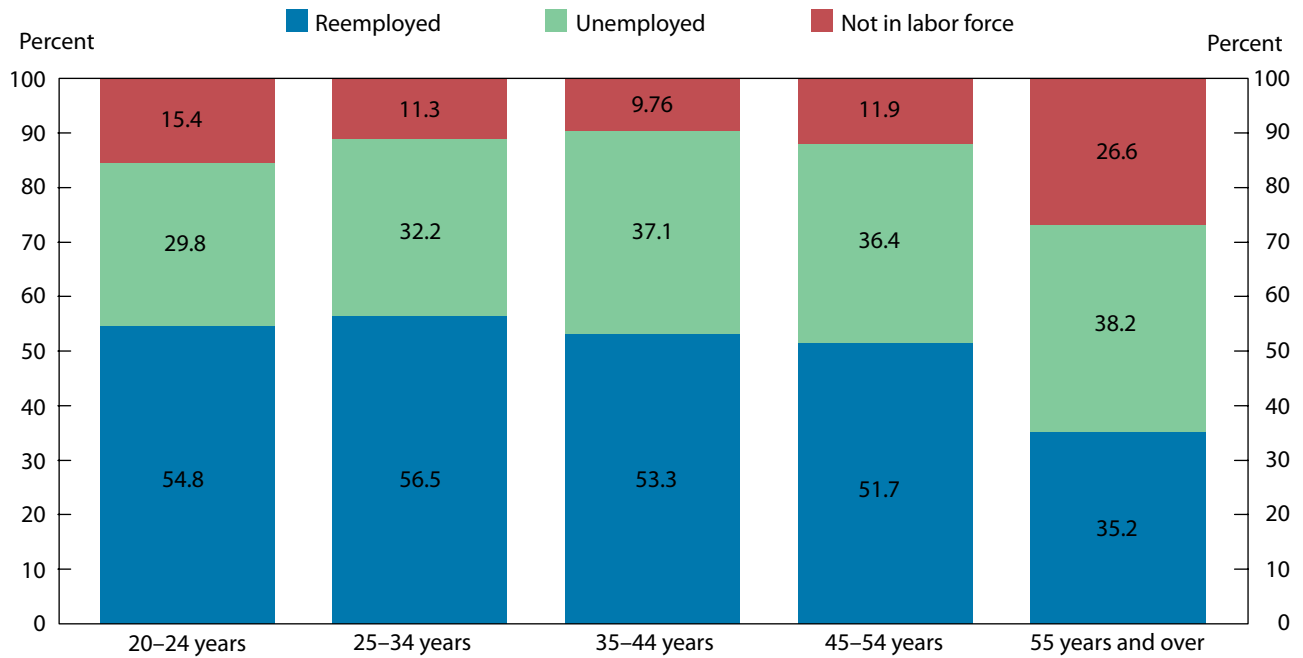


NOTE: Data refer to workers who, during 2007–2009, lost or left jobs they had held for 3 years or more. Persons whose ethnicity is identified as Hispanic or Latino may be of any race.

SOURCE: U. S. Bureau of Labor Statistics.

- The share of long-tenured displaced workers who lost or left jobs during 2007–2009 and were reemployed in January 2010 was highest for Whites and Hispanics—50 percent and 49 percent, respectively.
- The proportion of Black and Asian long-tenured displaced workers that was unemployed in January 2010 was larger than the proportion among White and Hispanic long-tenured displaced workers.
- Long-tenured displaced workers from the major race and ethnicity groups were about equally likely to leave the labor force after losing a job during the 2007–2009 period.

**7. The proportion of long-tenured displaced workers who were reemployed in January 2010 varied by age**



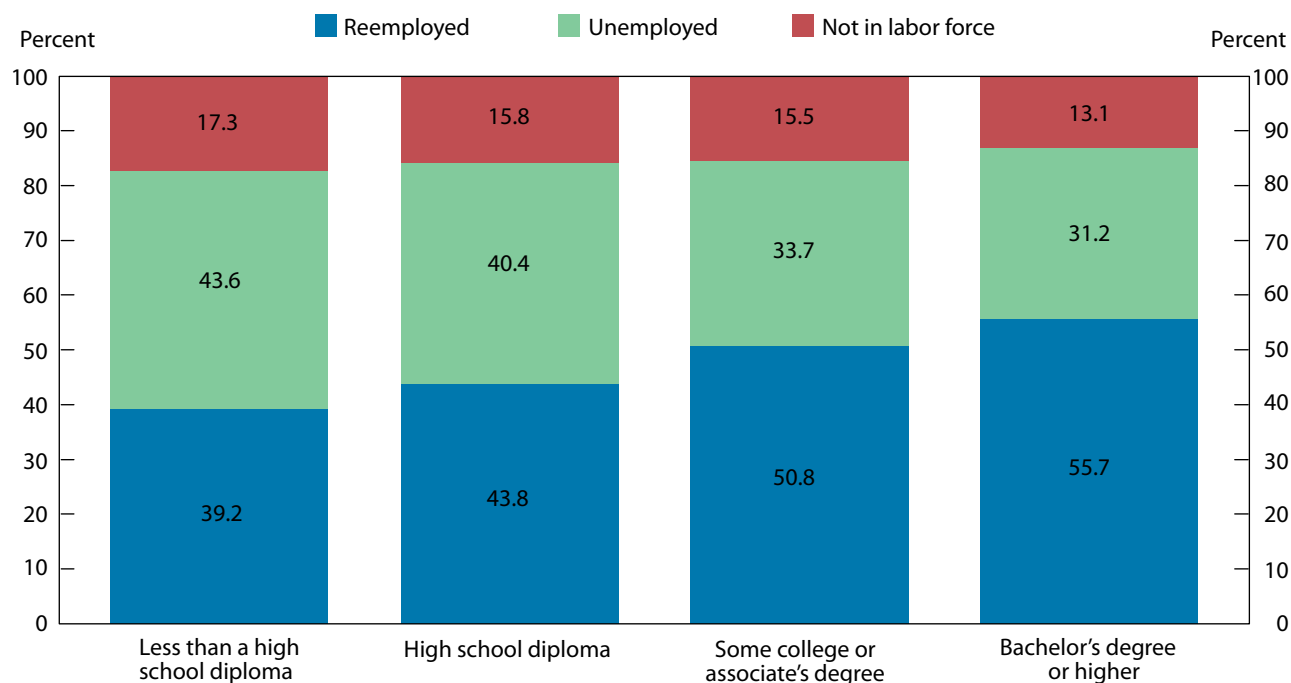
NOTE: Data refer to workers who, during 2007–2009, lost or left jobs they had held for 3 years.

SOURCE: U. S. Bureau of Labor Statistics.

- The share of long-tenured displaced workers who lost jobs during 2007–2009 and were reemployed in January 2010 was highest for 25- to 34-year-olds (57 percent) and lowest for those age 55 and over (35 percent).
- Older (age 55 and over) and younger (ages 20–24) long-tenured workers were more likely to leave the labor force after displacement than were displaced workers in other age groups.



## 8. Long-tenured displaced workers with more education were more likely to be reemployed in January 2010

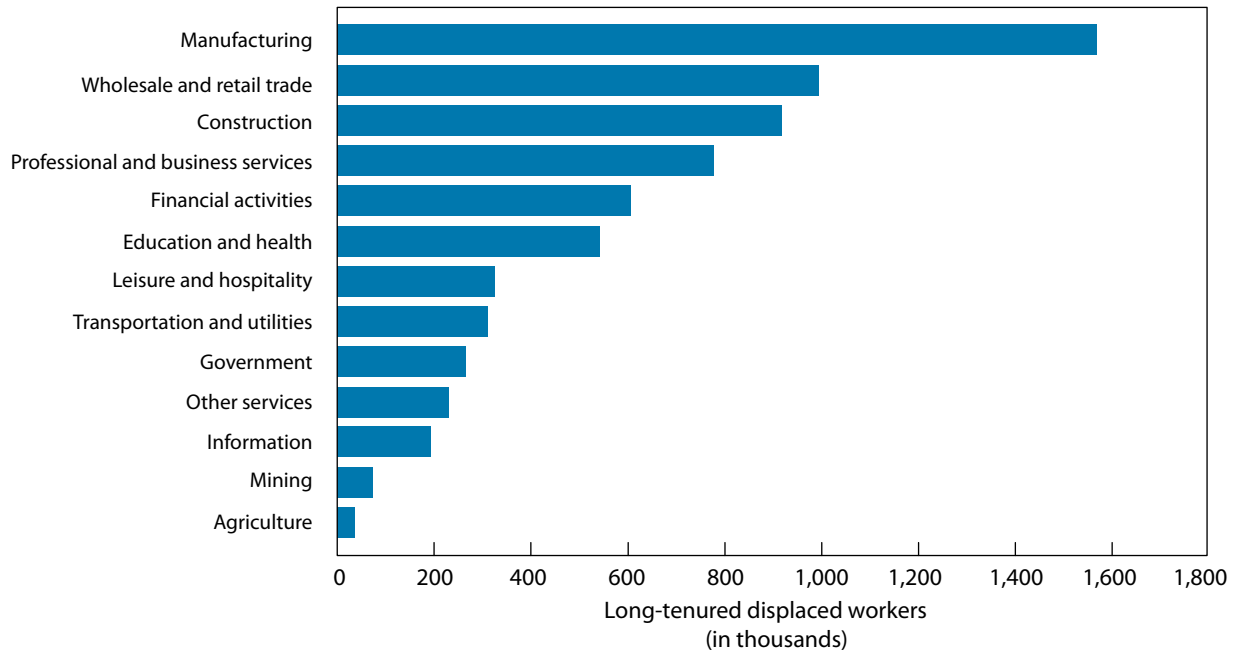


NOTE: Data refer to workers age 25 and over who, during 2007–2009, lost or left jobs they had held for 3 years or more.

SOURCE: U. S. Bureau of Labor Statistics.

- The likelihood that long-tenured displaced workers were reemployed at the time of the survey increased with educational attainment, and the likelihood that they were unemployed or not in the labor force decreased.
- Among long-tenured displaced workers with less than a high school diploma, 39 percent were reemployed in January 2010, compared with 56 percent of those with a bachelor's degree or higher.

### 9. The largest number of long-tenured displaced workers lost jobs in the manufacturing industry

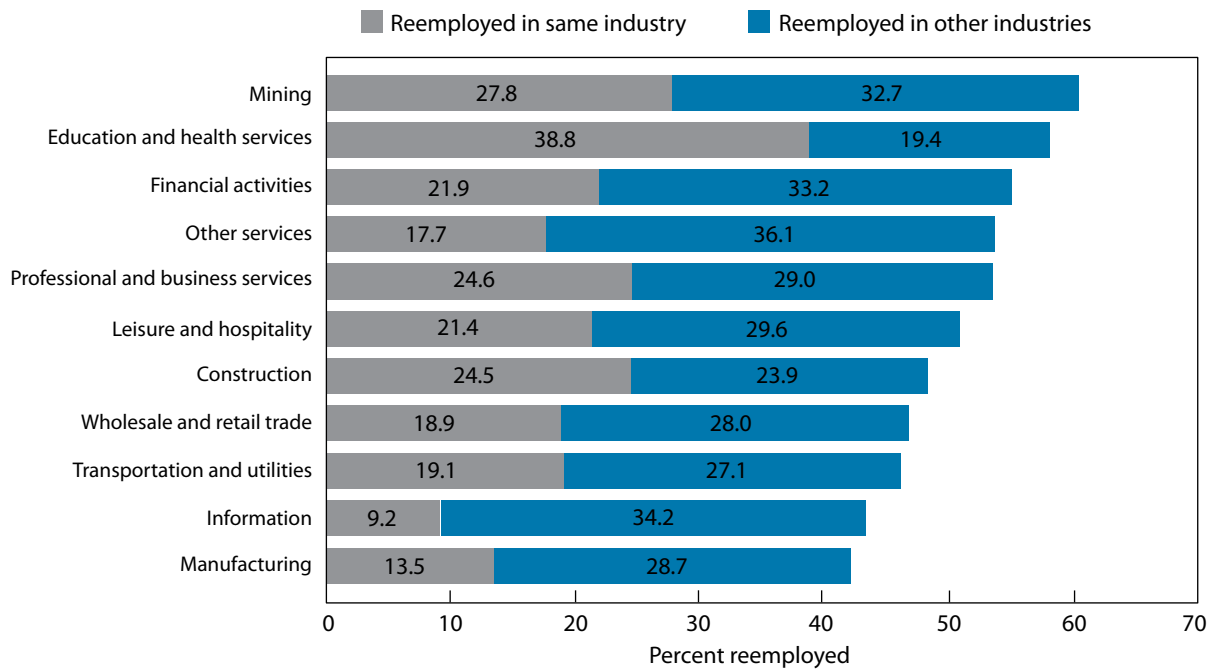


NOTE: Data refer to workers who, during 2007–2009, lost or left jobs they had held for 3 years or more.

SOURCE: U. S. Bureau of Labor Statistics.

- During the 2007–2009 period, more long-tenured workers were displaced from manufacturing jobs than from jobs in any other major industry sector. The 1.6 million factory workers displaced from jobs they had held for at least 3 years accounted for 23 percent of all long-tenured displaced workers.
- Nearly a million long-tenured displaced workers had held jobs in wholesale and retail trade (14 percent of total displaced workers), and more than 900,000 displaced workers had lost or left jobs in the construction industry (accounting for 13 percent of the total).

## 10. Among all displaced workers, reemployment rates in January 2010 varied by industry



NOTE: Data refer to workers who lost or left jobs during 2007–2009, regardless of how long they had held their jobs.

SOURCE: U. S. Bureau of Labor Statistics.

- Among all displaced workers, regardless of how long they had held their jobs, workers who had been displaced from jobs in mining and in education and health services were the most likely to be reemployed in January 2010; their reemployment rates were 61 percent and 58 percent, respectively. However, most reemployed workers who had been displaced from mining jobs found jobs in other industries.
- Displaced workers who had held jobs in information and manufacturing were the least likely to be reemployed, with reemployment rates of 43 and 42 percent, respectively. They were least likely to find employment in the industry from which they had been displaced; only 9 percent of workers displaced from information sector jobs and 14 percent of workers displaced from manufacturing jobs found reemployment in those sectors.
- Workers displaced from jobs in education and health services were the most likely to be reemployed in the same industry as the job they lost; 39 percent of displaced education and health services workers were reemployed in the same industry.

**11. Workers displaced from management, professional, and related occupations were the most likely to be reemployed in January 2010**



NOTE: Data refer to workers who lost or left jobs during 2007–2009, regardless of how long they had held their jobs.

SOURCE: U. S. Bureau of Labor Statistics.

- Among all displaced workers, regardless of how long they had held their jobs, those who had lost or left jobs in management, professional, and related occupations were the most likely to be reemployed; in January 2010, their reemployment rate was 60 percent.
- Forty-one percent of those displaced from management, professional, and related occupations were reemployed in the same broad occupational category, while 18 percent found jobs in different occupational categories.
- With a reemployment rate of 40 percent, workers displaced from production, transportation, and material moving occupations were the least likely to be reemployed. Moreover, only 1 in 5 of workers displaced from these occupations were reemployed in that occupational category.

**12. More than half of reemployed full-time long-tenured displaced workers had earnings in January 2010 less than the earnings of the job they lost**



NOTE: This distribution includes only persons who reported earnings on their lost job. Data refer to workers who lost or left jobs they had held for 3 years or more. Survey reference period is the 3 previous years (for example, January 1999–December 2001 for the January 2002 survey). The years selected for this chart are those which include a recession during either the reference period or the survey year, or both.

SOURCE: U. S. Bureau of Labor Statistics.

- Of long-tenured workers who were displaced from full-time wage and salary jobs and who were reemployed in such jobs in January 2010, 45 percent had earnings that were as much or more than those on their lost job, down from 55 percent in the January 2008 survey.
- Thirty-six percent of long-tenured workers who were displaced from full-time wage and salary jobs during the 2007–2009 reference period and who were reemployed in January 2010 suffered earnings losses of 20 percent or more, up from 25 percent in the prior survey.