

Labor Demand in Crisis and Recovery

Erling Barth

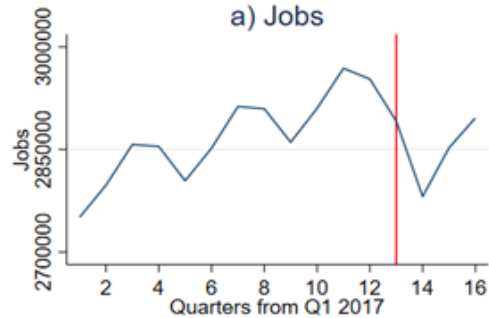
Institute for social research, Oslo

Chutes and Ladders?

Labor demand during COVID-19

- Focus on jobs for newcomers and job openings
 - Young people harder hit by lock down
 - Scarring effects, entry jobs: first job after completed education
 - Competition with new cohorts
- Preliminary results
- Data from Norwegian Labour and Welfare Administration (NAV)
 - Universe of posted job listings 2018, 2019 and 2020
 - Occupation
- Joint work with
 - Harald Dale Olsen, Pål Schøne, Kjersti Misje Østbakken, Institute for social research, Oslo
- Funding from Norwegian Research Council

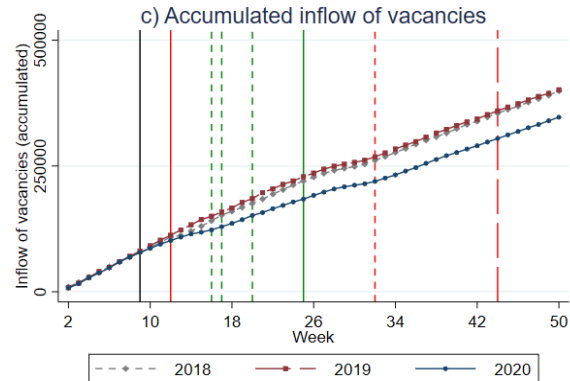
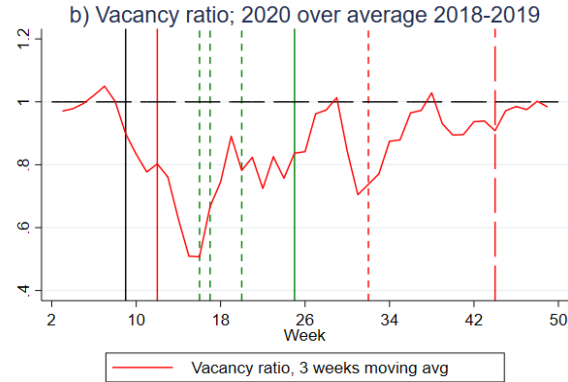
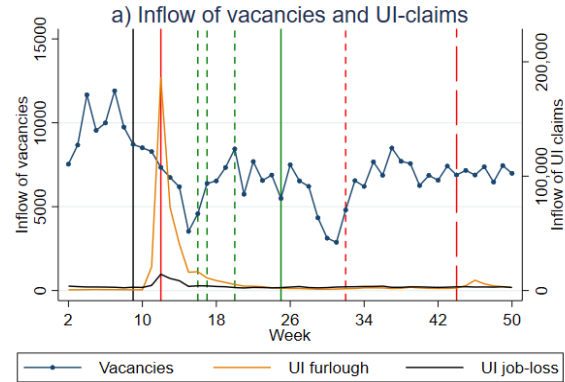
Jobs, Hires, and Separations



Chutes and Ladders?

The demand for new workers during COVID-19. E Barth, H Dale Olsen, P Schøne, K Misje Østbakken Institute for social research, March 2021
Source: Own calculations on data from Statistics Norway

Job Postings - Vacancies

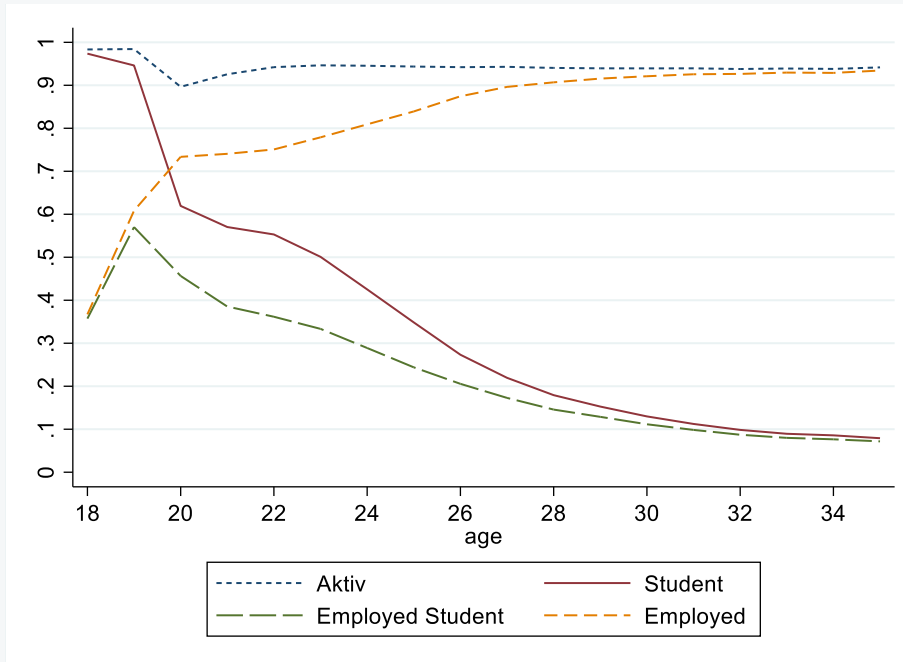


Chutes and Ladders?

The demand for new workers during COVID-19. E Barth, H Dale Olsen, P Schøne, K Misje Østbakken Institute for social research, March 2021. Data source: Own calculations on job posting data from NAV

Focus on youth (18-35)

Activity rates, Employment and Study for students and non-students (2019)



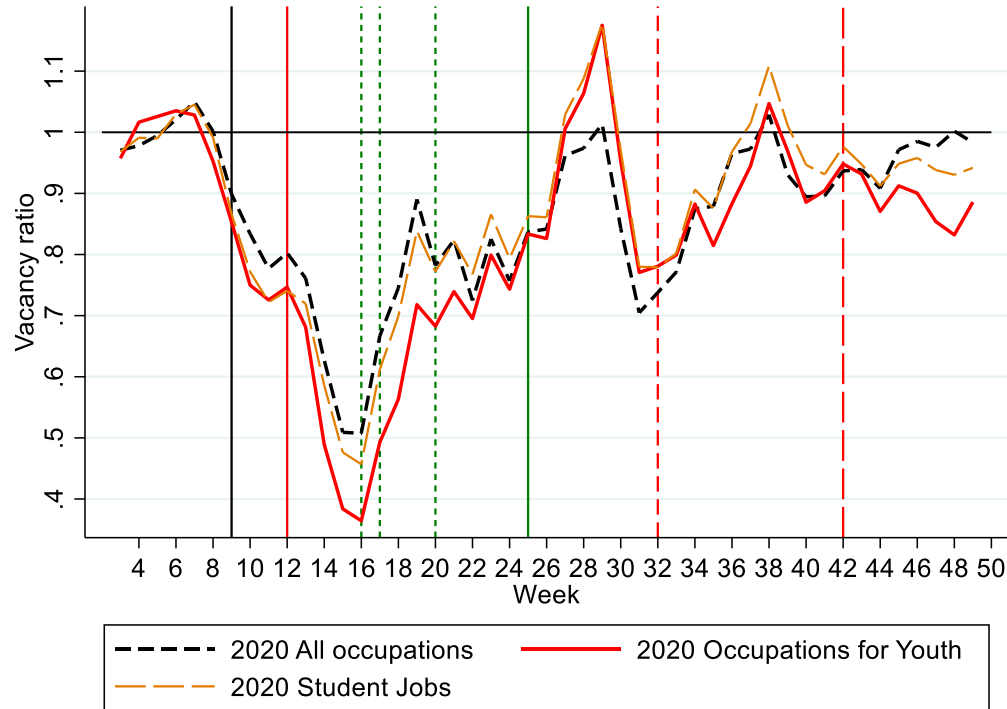
Chutes and Ladders?

The demand for new workers during COVID-19. E Barth, H Dale Olsen, P Schøne, K Misje Østbakken Institute for social research March 2021

Note: Registered employment in May 2019, while student status is registered status as a student per October 2018. Calculated on register data from Statistics Norway.

Vacancy ratio: 2020 vs 2018-19

Jobs for all, youth, and students



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Note: The ratio of weekly vacancies (3 weeks moving average) in 2020 over the average weekly of vacancies in 2018 and 2019. Normalized by average ratio in weeks 2-8 (pre-pandemic). Occupations for Youth: Top 20 occupations in terms of employment share among youth. Vacancies for youth are calculated as the job postings for the top 20 youth jobs multiplied with the share of youth in each occupation.

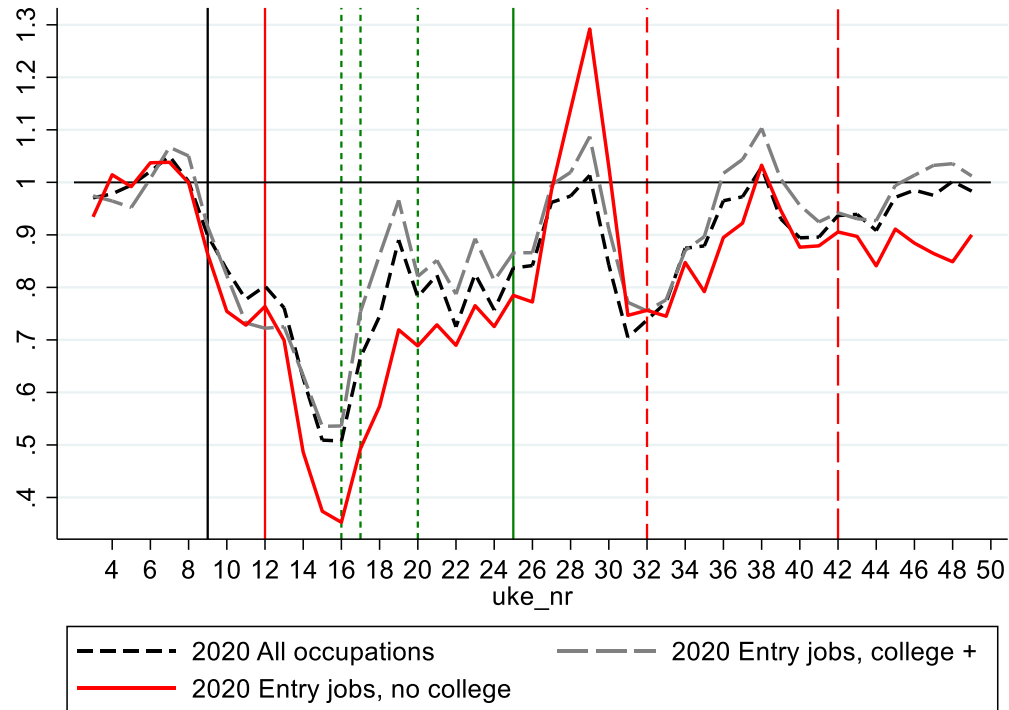
Diff-in-diff estimates by weeks

2020 vs 2018/19

	ALL OCCUPATIONS	YOUTH	STUDENTS
Pre lock-down (weeks 9-11)	-0.109** (0.054)	-0.234** (0.085)	-0.168* (0.090)
Lock-down (weeks 12-16)	-0.521*** (0.079)	-1.031*** (0.286)	-0.810** (0.290)
Re-opening period 1 (weeks 17-24)	-0.368*** (0.058)	-0.596*** (0.110)	-0.472*** (0.138)
Summer (weeks 25-32)	-0.225*** (0.049)	-0.177 (0.106)	-0.176 (0.104)
Lock-down period 2 (weeks 33-42)	-0.119** (0.046)	-0.171* (0.091)	-0.138 (0.101)
Lock-down period 3 (weeks 43-50)	-0.089 (0.054)	-0.267* (0.132)	-0.187 (0.135)

Dep. Var. Ln(job postings), models include control for moving holidays, year=2020 (pre-pandemic), occupationxweek indicators

Vacancy ratios: Entry Jobs by education



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Note: The ratio of weekly vacancies (3 weeks movingaverage) in 2020 over the average weekly number of vacancies in 2018 and 2019. Normalized by average ratio in weeks 2-8 (pre-pandemic). Entry jobs are the top 20 occupations in terms employment share for the first job after graduation in 2019 for graduates from 2018.

Diff-in-diff estimates by weeks 2020 vs 2018/19

	ALL OCCUPATIONS	ENTRY LOW EDUCATION	ENTRY HIGH EDUCATION
Pre lock-down (weeks 9-11)	-0.109** (0.054)	-0.243*** (0.061)	-0.162*** (0.036)
Lock-down (weeks 12-16)	-0.521*** (0.079)	-0.959*** (0.275)	-0.691*** (0.197)
Re-opening period 1 (weeks 17-24)	-0.368*** (0.058)	-0.500*** (0.113)	-0.343*** (0.102)
Summer (weeks 25-32)	-0.225*** (0.049)	-0.172 (0.104)	-0.208*** (0.067)
Lock-down period 2 (weeks 33-42)	-0.119** (0.046)	-0.155* (0.087)	-0.090 (0.066)
Lock-down period 3 (weeks 43-50)	-0.089 (0.054)	-0.189 (0.123)	-0.080 (0.090)

Dep. Var. Ln(job postings), models include control for moving holidays, year=2020 (pre-pandemic), occupationxweek indicators

Summary

- Deep decline in job postings – about 40 percent first lock down period
- Re-opening period: Bounce back but not recovering initial losses. Periods with increasing spread of virus: new declines
- Jobs for youth hit twice as hard as all jobs, but also with a much stronger bounce back.
- Entry jobs for youth with lower education hit the most