

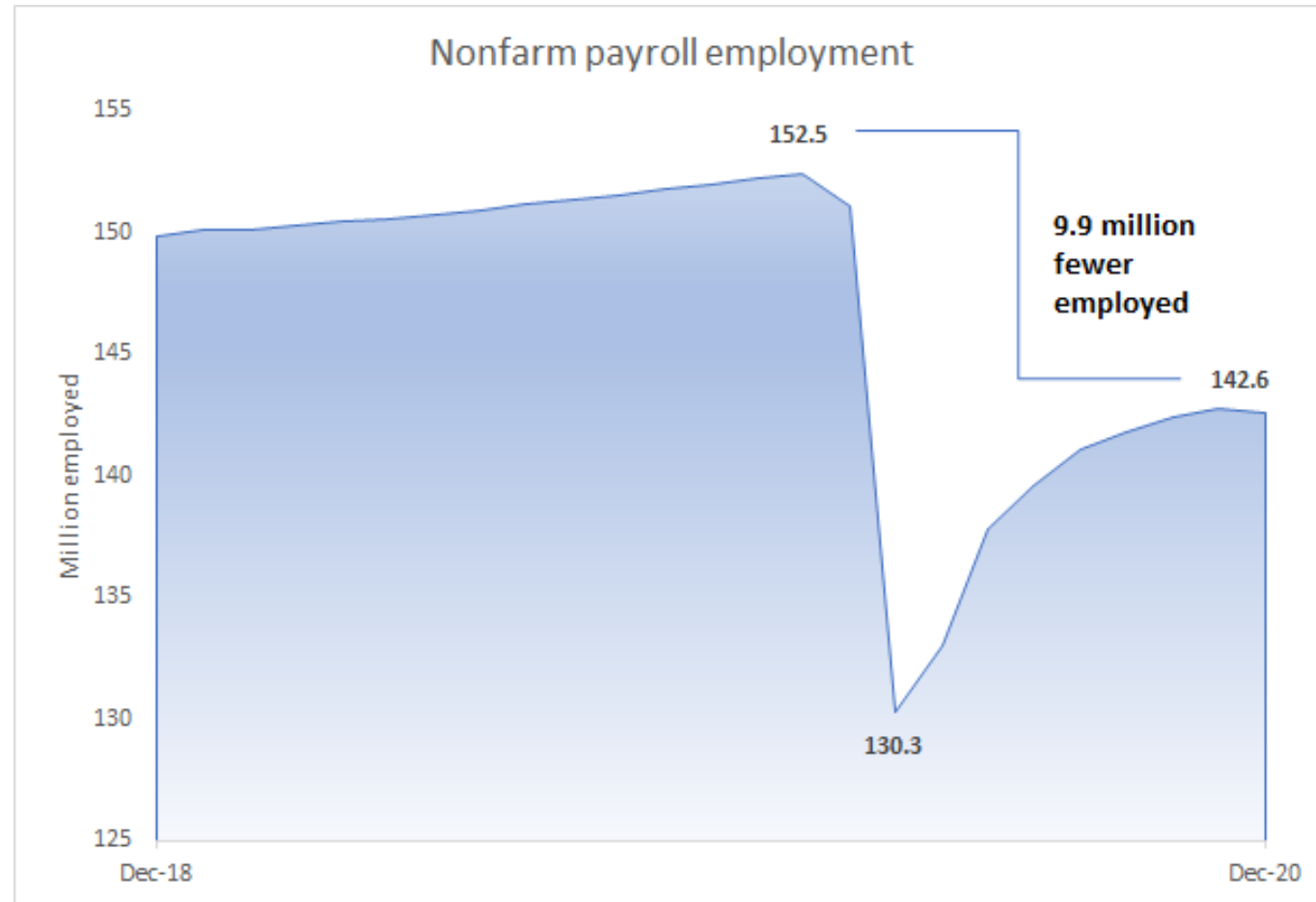
Leveraging data to align economic and workforce development for an inclusive recovery

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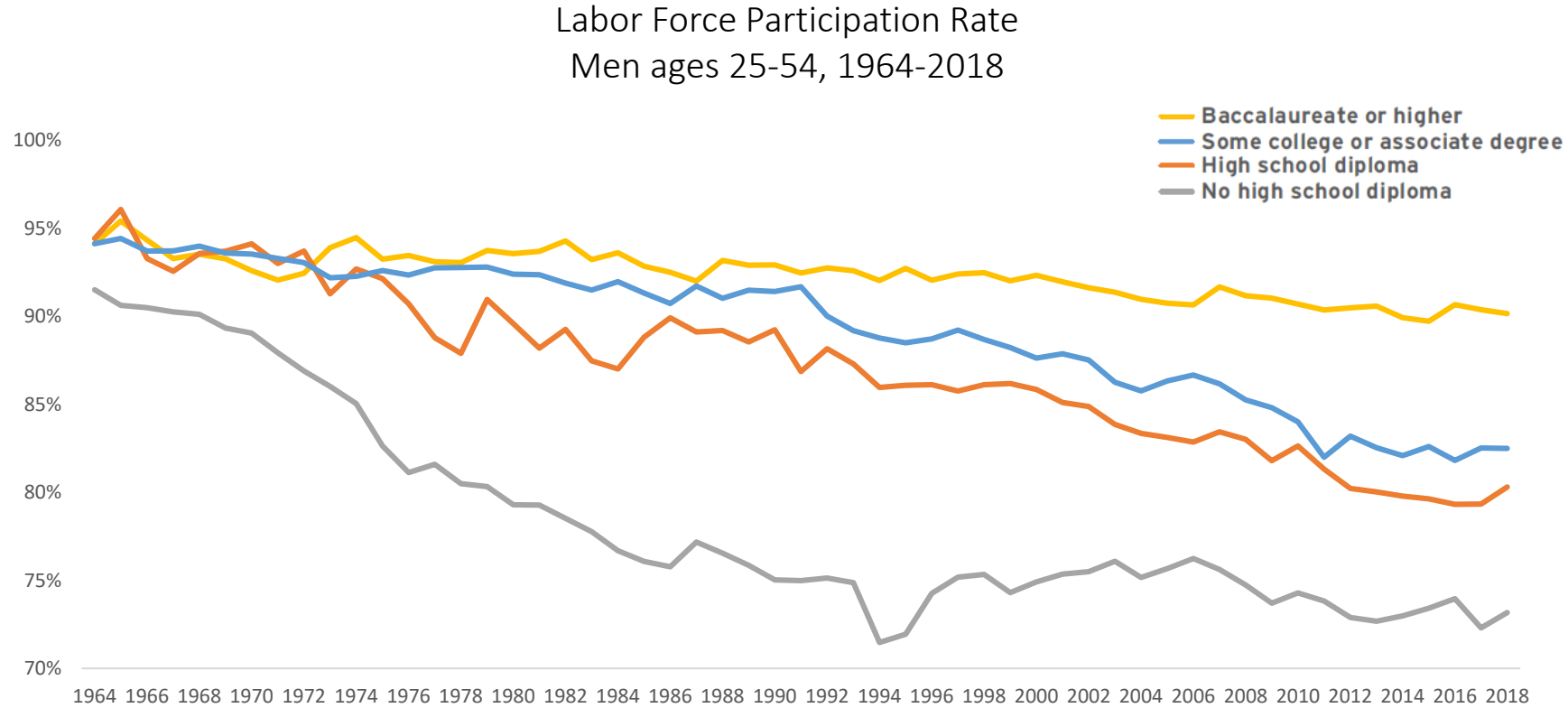
10 million fewer jobs exist now compared to before the pandemic

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As of December 2020, U.S. employment was down 10 million jobs compared to February 2020.

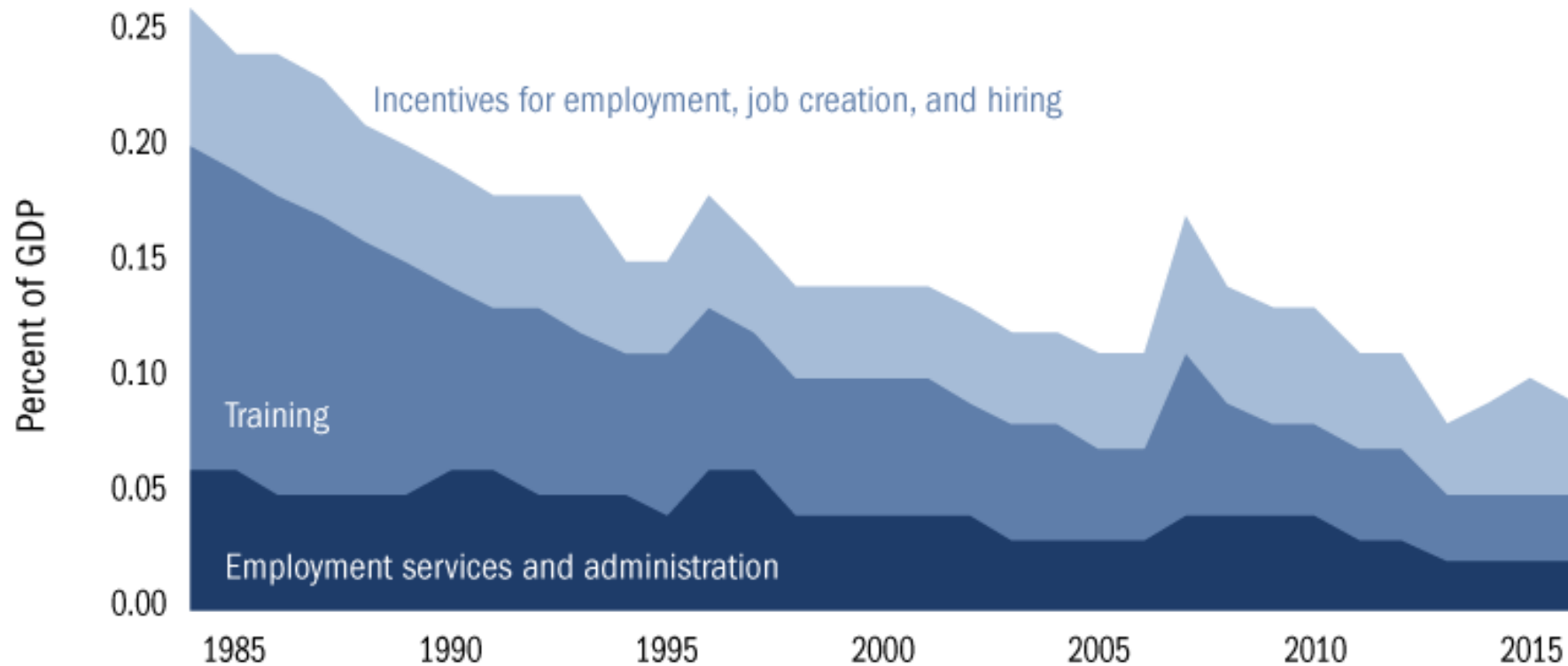
COVID-19 is a shock to an already precarious labor market



The share of people participating in the labor force has declined over the last 20 years. Among men, the trend is 70 years long. Prior to the pandemic, 1 in 4 working age men without a high school diploma were detached from the labor force.

Meanwhile the U.S. government has invested less and less in labor market programs

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Federal funding for workforce development declined from a high of around \$24 billion (in 2017 dollars) in the late 1970s to \$5 billion by 2017. Average spending on training across the OECD is more than four times higher — around 0.13 percent of GDP versus 0.03 percent of GDP in the U.S.

Note: "Incentives for employment, job creation, and start-ups" includes subsidies for the productive employment and rehabilitation of persons with reduced capacity to work and general programs that promote hiring or self-employment of out-of-work populations.

Source: Brookings analysis of Organization for Economic Co-operation and Development data.

Most unemployed workers may struggle to transition to today's in-demand jobs

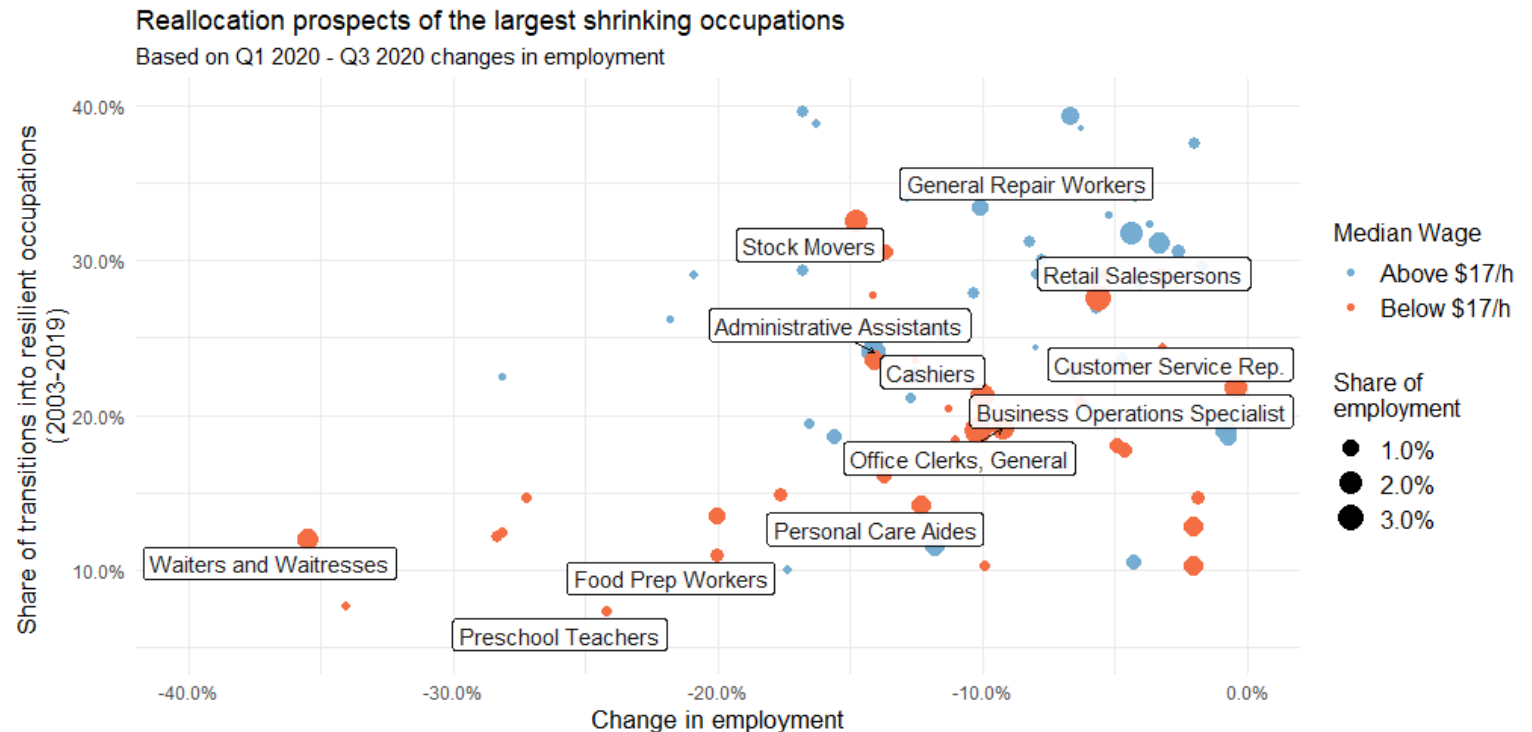
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The New York Times

Reinventing Workers for the Post-Covid Economy

Especially in service industries, old jobs may not be coming back. Training programs are aiming to provide skills for more resilient occupations.

- Economics columnist Eduardo Porter [recently featured our research](#), detailing the difficulties workers will have adapting to the post-COVID economy.
- In an article describing the [new but narrow job pathways for America's unemployed workers](#), we showed that the economy's potential to reabsorb displaced workers is at its lowest point since 2003.



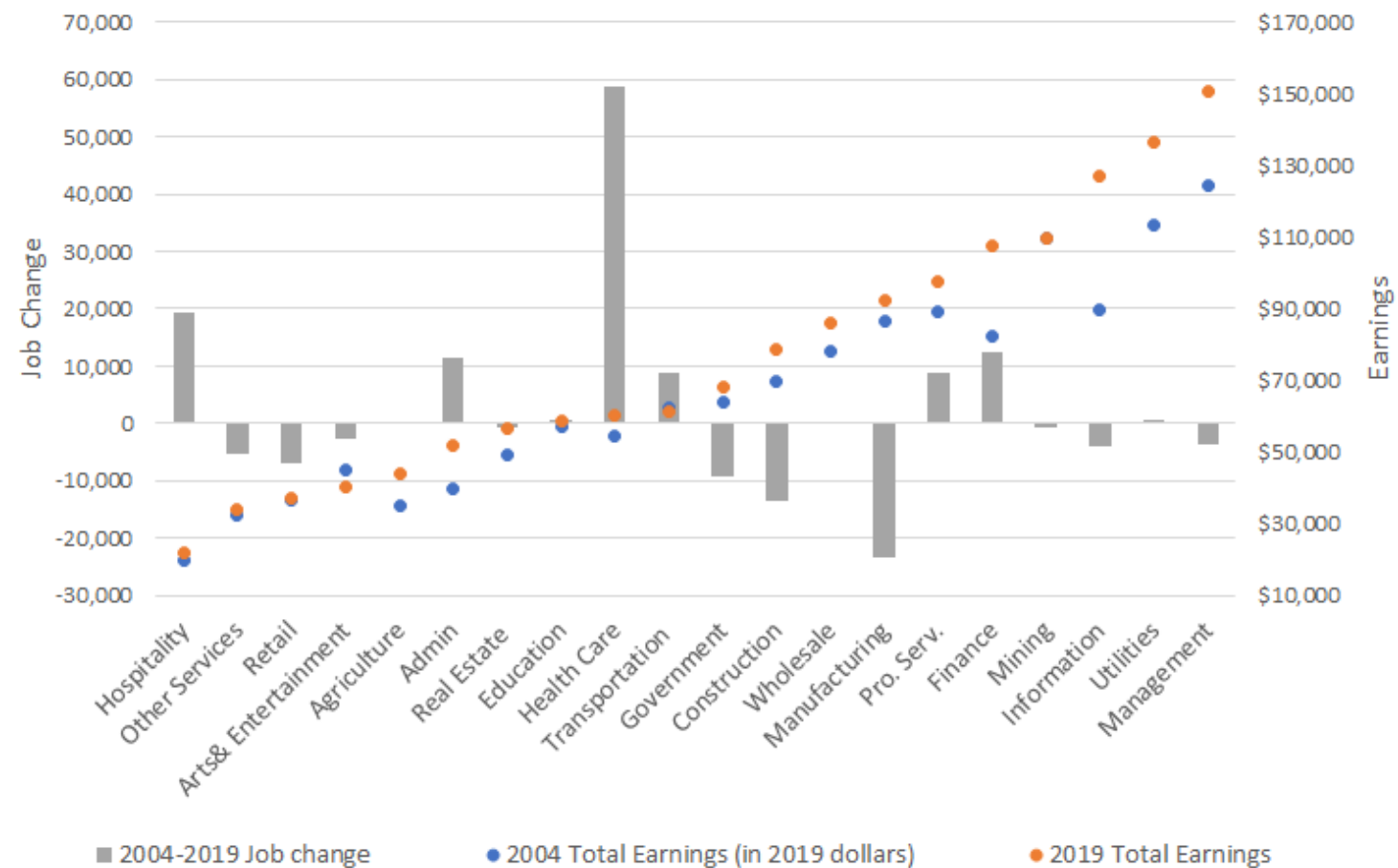
Source: Author's analysis of the CPS.

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Since 2004, employment growth in St. Louis has been driven by lower-paid jobs

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Job Change by Sector in St. Louis Statistical Area: 2004-2019



As of 2019, ~1.4 million people worked in St. Louis, an increase of only 3.7% since 2004. By comparison, national employment grew by 13.6%.

Real earnings in St. Louis over the same period increased from an average of \$60,824 to \$66,626 – 9.5% compared to 13.7% nationwide.

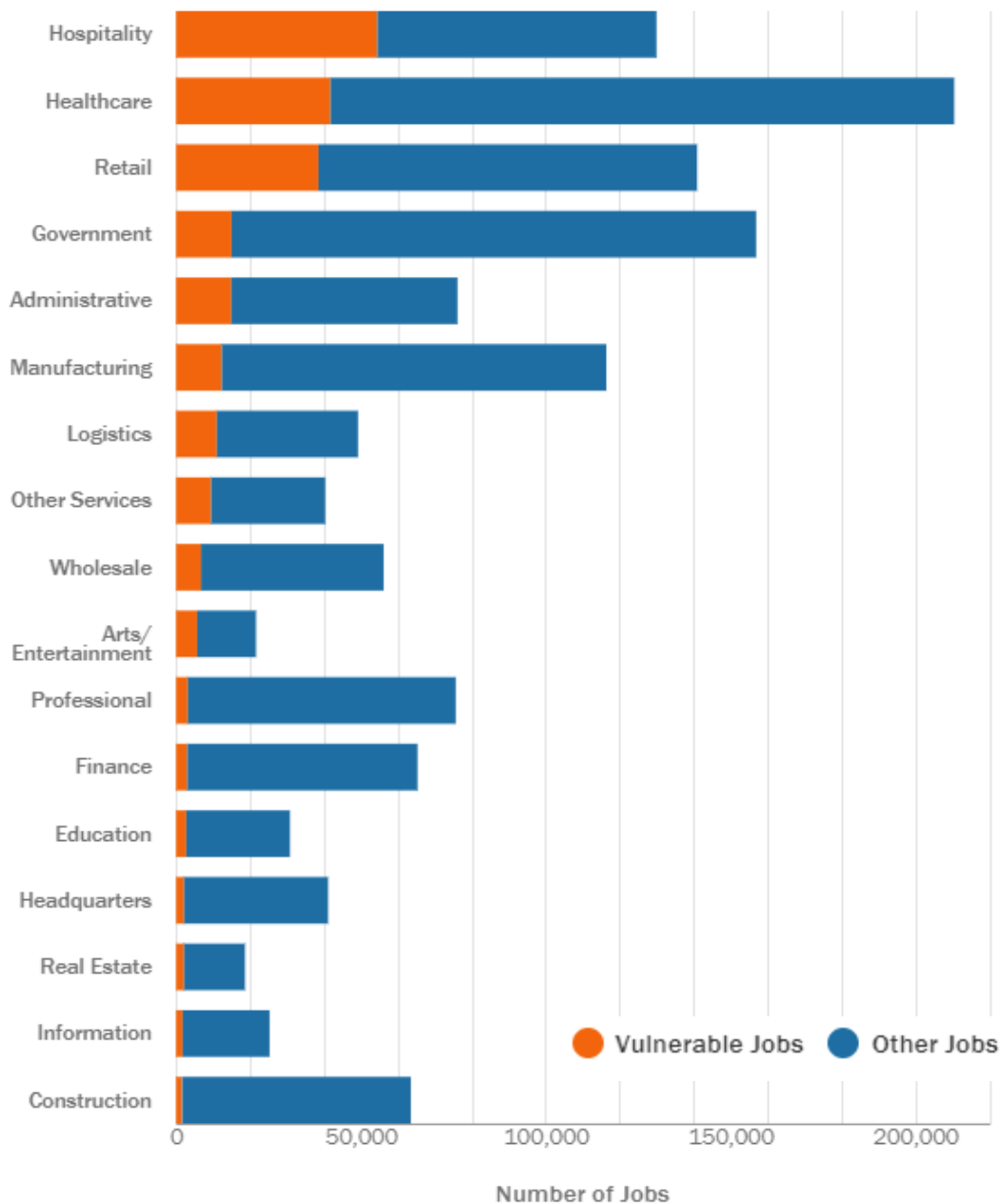
Nearly all job growth came from the health care and hospitality sectors, two that also saw only marginal wage gains.

Source: Brookings analysis of Emsi data.
 Note: Total earnings include wages and employer-provided benefits

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Which sectors employ vulnerable workers in St. Louis?

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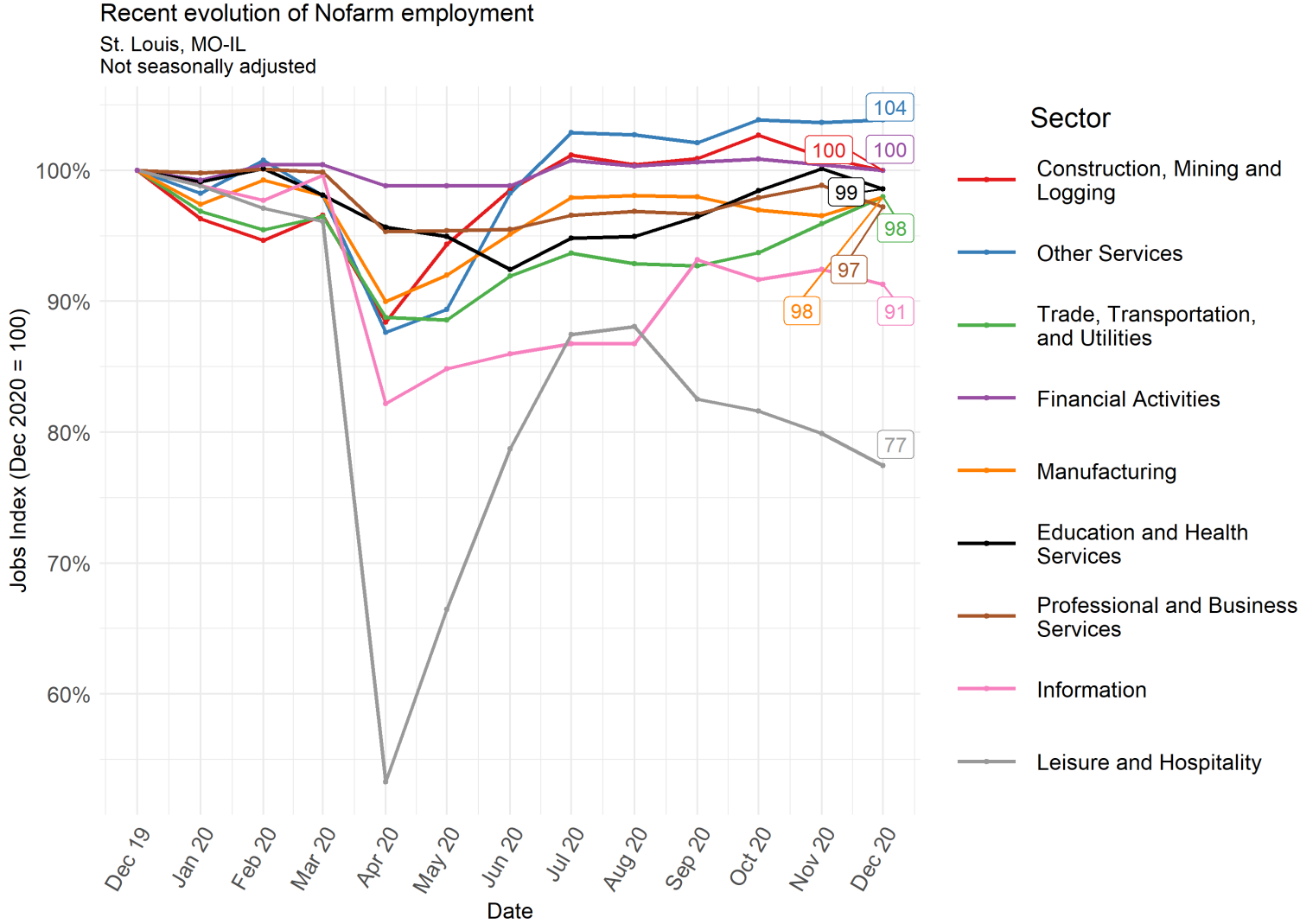
St. Louis, MO
Total workers: 1,370,390
Vulnerable workers: 235,700

Vulnerable Workers
Paid less than city's median wage (\$19.31/hr)
Not offered healthcare benefits

- 17 percent of jobs in St. Louis are vulnerable, compared to 19 percent nationwide.
- Job vulnerability is concentrated in the **hospitality, healthcare, and retail sectors.**
- The same sectors most affected by the pandemic – and which have grown fastest in St. Louis – also employ the most vulnerable workers.

Recovery will take longer in some sectors

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Overall, St. Louis industries have been steadily recovering since April 2020, bouncing back to Pre-Covid 19 levels in sectors like Constuction and Financial activities.

The two largest sectors (Trade, transport and utilities, and Education and Healthcare) are around 2% below pre-pandemic levels. Each accounts for approximately 20% of Nofarm employment.

Leisure and hospitality employment remains 23% below December 2019 levels.

The information services sector also hasn't recovered, at 9% below pre-lockdown levels.

Source: Brookings analysis of CES data.

What are the most feasible “next step” jobs for a retail salesperson?

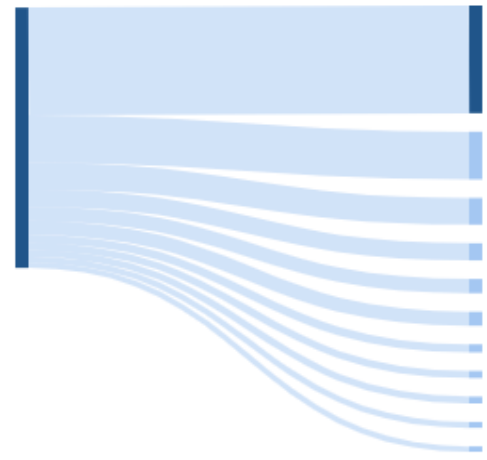
OCCUPATIONAL CATEGORY: Sales and Related Occupations ✕

OCCUPATION: Retail Salespersons ✕

FILTER BY SECTOR: All sectors ✕

Top occupational transitions to **from** Retail Salespersons in All sectors

Destination occupations
Explore the chart and the table to compare selected occupation to related ones.

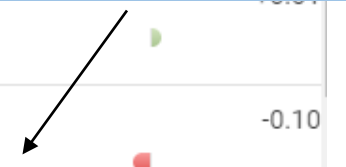


How to read it

- Selected occupation
- Related occupation

Current demand (national) Range: -2 +2	Occupation (share of total transitions) Range: 0% 100%	Median wage Range: 23k \$
▼ -1	Retail Salespersons 23%	
■ 0	First-Line Supervisors of Retail Sales Workers 10%	
■ 0	Cashiers 6%	
▼ -1	Customer Service Representatives 4%	35K \$
▲ 2	Stock Clerks and Order Fillers 3%	27K \$
▼ -2	Sales Representatives, Wholesale and Manufacturing 3%	63K \$

Job postings data show that stock clerks are surging due to COVID-related demand shifts. Retail salespersons have historically successfully transitioned into stock clerk jobs, which also pay higher median wages. Also, companies could consider **strategic employee sharing** to quickly staff up stock clerk roles with laid-off or furloughed retail workers.



Retail salespeople can look for opportunities in their city (Ex: St. Louis)

OCCUPATIONAL CATEGORY: Sales and Related Occupations

OCCUPATION: Retail Salespersons

FILTER BY SECTOR: All sectors

Share of local employment: Transitions to Retail Salespersons

There are 38970 Retail Salespersons in **St. Louis, MO-IL Metro Area**. The table below lists the other top local occupations that transition to Retail Salespersons jobs, with their local share of local employment, wage levels, and demand.

Cashiers and customer service representatives have higher demand (positive or neutral) in St. Louis than they do at the national level (negative), revealing differences in demand by city. Customer service reps' wages are higher in STL than the national median.

Selected location
St. Louis, MO-IL Metro Area

Number of jobs in selected location
1,328,168

Retail Salespersons' share of local employment
2.93%

Destination occupations' combined share of local employment
15.13%

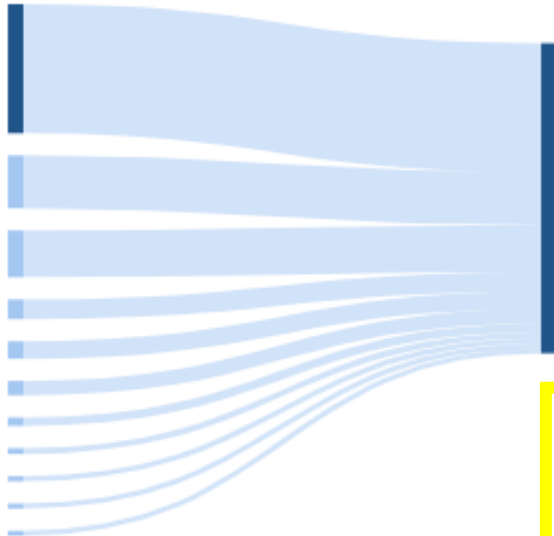
Current demand	Share of Total Transitions	Median wage	Share in local employment
Range: -2 +2	Range: 0% 27%	Range: 20k \$ 69k \$	
▼ -1	Retail Salespersons 27%	25K \$	2.93%
▲ 1	Cashiers 8%	23K \$	2.37%
■ 0	First-Line Supervisors of Retail Sales Workers 8%	39K \$	0.70%
■ 0	Customer Service Representatives 4%	36K \$	1.83%

Employers can staff in-demand occupations while promoting internal mobility

Top **occupational** transitions **to** from **Computer Scientists and Systems Analyst** in **All sectors**

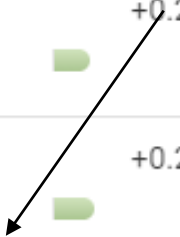
Origin occupations

Explore the chart and the table to compare selected occupation to related ones.



Current demand (national) Range: -2 +2	Occupation (share of total transitions) Range: 0% 100%	Median wage Range: 35	Mobility Index
▼ -2	Computer Scientists and Systems Analyst 28%		
▼ -2	Network Systems and Data Communications Analysts 11%	85K \$	+0.23
▼ -2	Computer Software Engineers 10%	105K \$	+0.28
▼ -2	Computer, Automated Teller, and Office Machine Repairers 4%	40K \$	+0.65

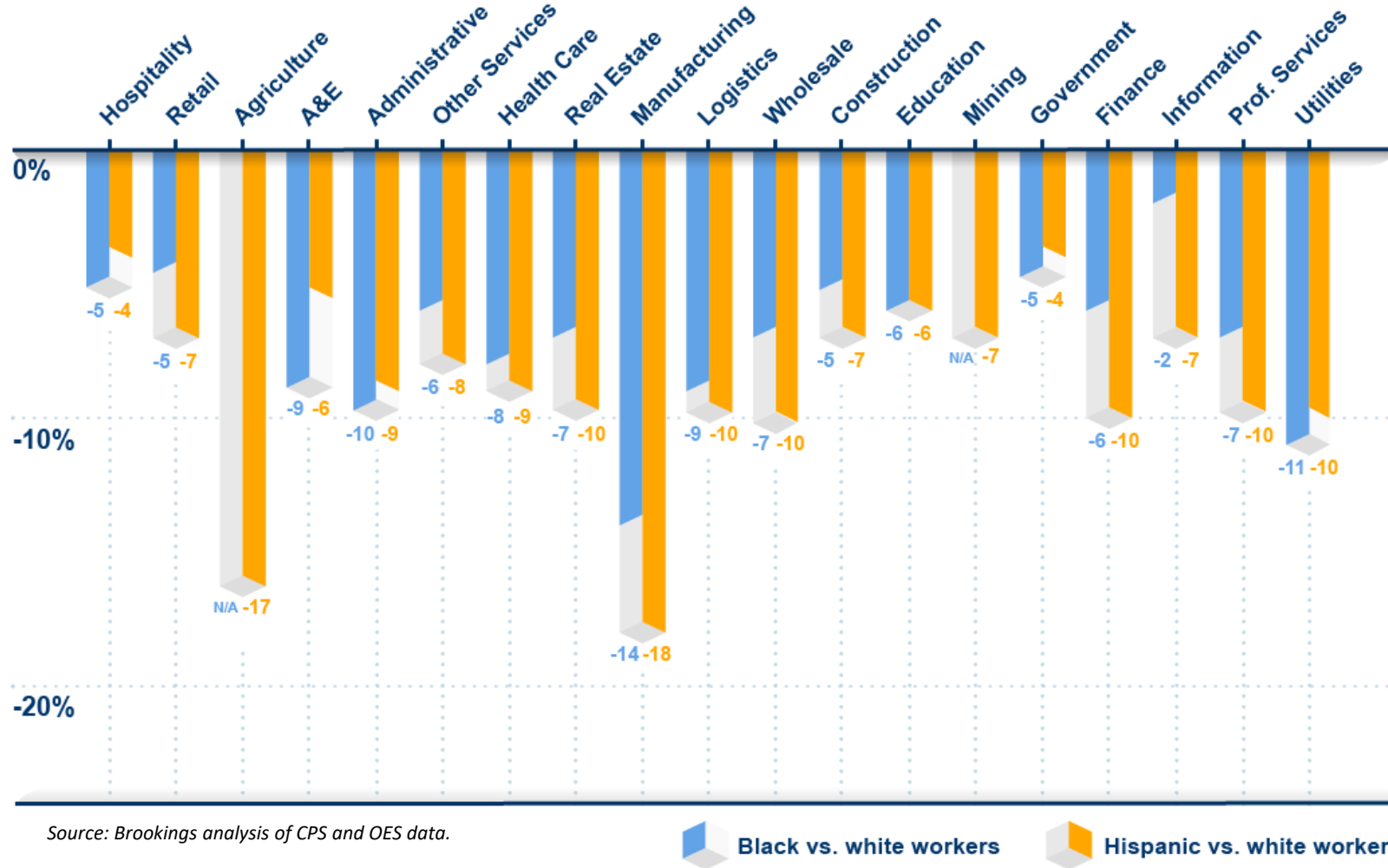
Office machine repairers are a top “origin” occupation for lucrative computer jobs. Employers looking to build up their tech talent can promote internal upward mobility through targeted investments in reskilling these lower-wage workers.



Racial mobility gaps vary by industry

Difference in share of upward transitions: by race

Note: Work in progress. Do not reproduce without author's consent.



Source: Brookings analysis of CPS and OES data.

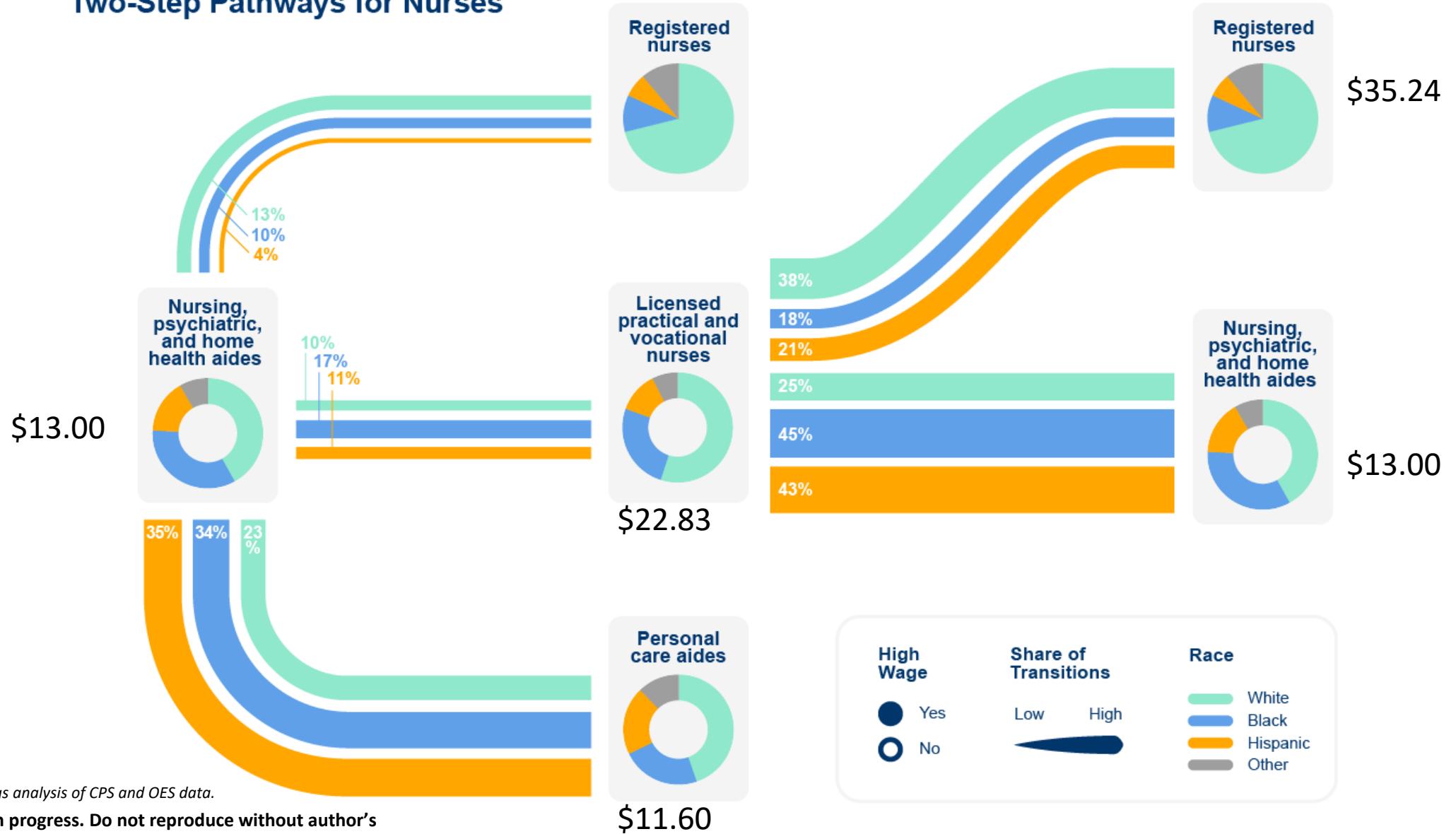
Black vs. white workers Hispanic vs. white workers

The difference in the rate of upward mobility is apparent across all sectors, but they vary. When workers in the manufacturing sector switch occupations, they are 14 or 18 percent less likely to move upward if they are Black or Hispanic, respectively.

Uneven access to mobility within the healthcare cluster

When LPNs switch occupations, they are more than twice as likely to become RNs if they are white. Black and Hispanic LPNs that switch occupations are much more likely to move downward to become a home health aid rather than upward to an LPN job.

Two-Step Pathways for Nurses



Source: Brookings analysis of CPS and OES data.

Note: Work in progress. Do not reproduce without author's consent.

The end-to-end reskilling journey

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Encouraging user entry



Users need an entryway into the lifelong learning ecosystem,

Building self-efficacy



a belief they can succeed throughout the journey,

Navigating careers and systems



a clear view of the pathways to success,

Assisting with economic and social barriers



help managing barriers like childcare and financial insecurity,

Providing good content and good teaching



scaffolded, engaging, and positively affirming content,

Sustaining support



and continued support for on-the-job success and lifelong learning.