RESEARCH NOTES

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New Hires vs. Job Separations | Note: 2017:22

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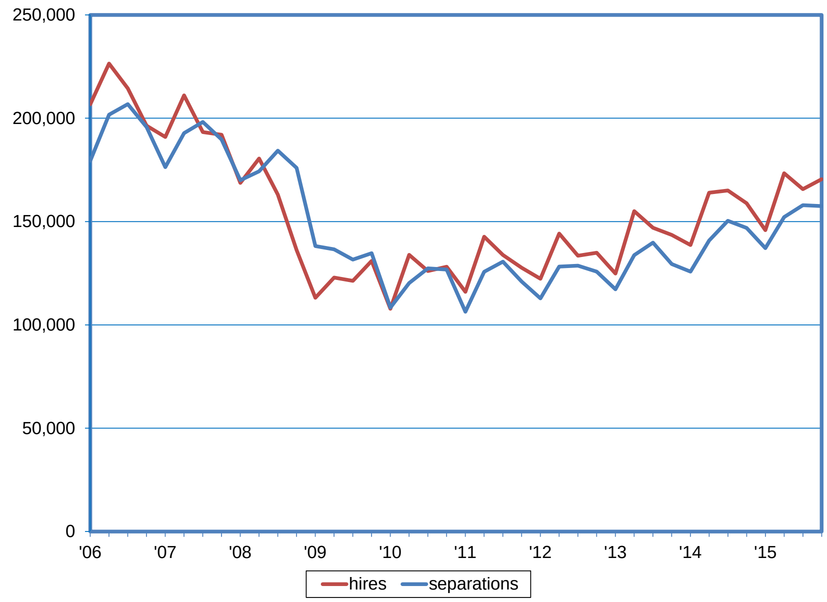
New Hires and Job Separations on the Rise, Reflecting Growing Confidence; Hires>Separations in 21 Consecutive Quarters



- The Census Bureau's Local Employment Dynamics (LED) Program allows for an analysis of new-hire activity and job separations in order to enhance our understanding of important labor market trends.
- Prior to the recession, new hires totaled over 200,000 (measured on a quarterly basis) in Nevada. As the recession took hold, new-hire activity was essentially cut in half as employers reduced payrolls in response to the economic downturn. At the same time, job separations (e.g., retirements, quits, and layoffs) followed the same general pattern. While detailed information is not available, it is likely that workers tended to "stay put" in their jobs, rather than seek out new opportunities, offsetting an increase in layoff activity.
- Hires and separations have both been on the rise since the early part of this decade, when the economy began to improve. The increase in hiring activity is self-explanatory, having occurred as employment levels have risen to record highs. The increase in separations is most likely a reflection of growing confidence on the part of the existing workforce. Improving job prospects is resulting in greater turnover as workers seek new opportunities.
- As labor markets have improved, hiring activity has exceeded separations in 21 consecutive quarters. The most current information suggests that (quarterly) hiring activity stands at 173,000, while separations have increased to 152,000.