



# 2018-2019 Department of Labor Scholars Program

## SUMMARY

In 2018, four researchers were awarded up to \$50,000 to conduct independent research of labor policies and programs through the Department of Labor Scholars Program. These projects result in a final report summarizing the design, analysis, and findings, as well as a public-use data file, if applicable.

Projects focus on a range of labor-related topics such as: recessions in the U.S. local labor markets; registered apprenticeship programs in Ohio; independent contracting in California; and criminal justice contact and employment trajectories among young adults.

## DEPARTMENT OF LABOR SCHOLARS AND FINDINGS

### **Recessions and Local Labor Markets: New Evidence on the Evolution of Economic Activity**

Brad Hershbein, economist and Director of Information and Communication Services at W.E. Upjohn Institute for Employment Research, lead a team of researchers who used newly compiled public-use data from multiple sources to examine how earnings, employment, government transfers, and population evolve across local areas (counties, metropolitan areas, and commuting zones) that were differentially affected by national recessions.

**Findings:** For every national recession, researchers found that areas that experience a larger decrease in jobs suffer persistent relative declines in economic activity, with little evidence of a recovery in employment even ten years afterward. Findings also show that sharp decreases in employment that occur during recessions are not associated with differential pre-trends in economic activity beforehand.

### **How do apprenticeships benefit young workers? An Evaluation of Registered Apprenticeship Programs in Ohio**

Tian Lou, a post-doctoral researcher at The Ohio State University, lead a research team to investigate whether apprentices have better labor market outcomes than individuals who have similar educational backgrounds but did not participate in any apprenticeship programs. The study focuses on high school dropouts and high school graduates, since compared with other education groups, these two groups are more likely to participate in apprenticeship programs and benefit from them.

**Findings:** Compared to individuals who have similar pre-program educational backgrounds but have little or no training, an analysis of the data found apprentices have 38% higher earnings six to nine years after program entry.

### **The “Gig Economy” and Independent Contracting: Evidence from California Tax Data**

Jesse Rothstein, professor of Public Policy and Economics at the University of California, Berkeley and director of the Institute for Research on Labor and





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Employment, lead a team of researchers who measured the prevalence and nature of self-employment, including independent contracting and on-demand platform (AKA “gig”) work in California.

**Findings:** Researchers identified independent contractors by the presence of a Schedule C on the tax return and estimate that 16 percent of California workers aged 18-64 report some Schedule C income. Of those workers, about two-thirds do not have traditional jobs generating W2s and get all of their earnings from Schedule C work.

### **Criminal Justice Contact and Employment Trajectories Among Young Adults**

Naomi F. Sugie, assistant professor in the Criminology, Law and Society Department at the University of California, Irvine, lead a team of researchers who explored the short- and long-term consequences of criminal justice contact for labor force participation and labor market outcomes using nationally representative data from the National Longitudinal Survey of Youth 1997.

**Findings:** Survey data revealed that an arrest or incarceration that occurs at younger ages (from age 19 through 27) is measurably related to labor force participation, employment, and job characteristics when respondents are 28 to 36 years old.

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**TIMEFRAME:** September 2018 – August 2019

**DATE PREPARED:** December 2020

**SPONSOR:** DOL Chief Evaluation Office

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***Please note:** These reports were produced outside of CEO’s independent evaluation and research process. Please see the individual studies for more information on how they were developed.*

