

Labor Market Dynamics in Maine

Introduction

Each month the net change in jobs is published along with the unemployment rate for Maine. These figures are used to measure labor market expansions, contractions and changes across industries or areas.

Underlying the usually small changes are thousands of job transitions that occur. Some start and others leave a job, some hold multiple jobs for part or all of the year. Employers open or expand while others close or downsize. Some sectors have different staffing needs as seasons change.

This report summarizes recent trends that may help to better understand this dynamic labor market environment.

Multiple job holding

Just under eight percent of the workforce holds multiple jobs

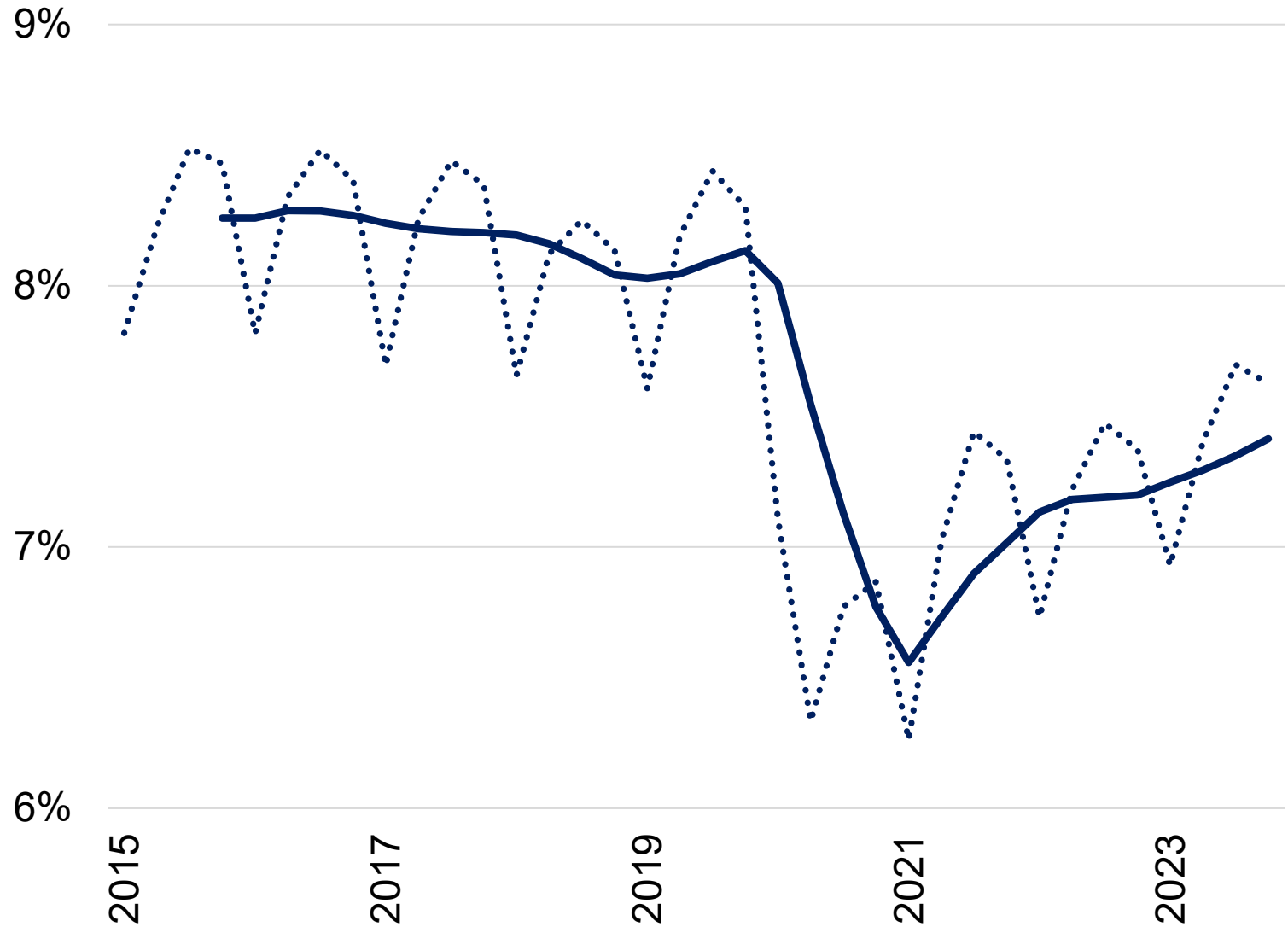
A multiple job holder is an individual worker with two or more jobs.

Multiple job holding rates increase each year as summer approaches due to seasonal hiring and decrease when many seasonal jobs are ending in the fall and winter.

The multiple job holding rate decreased significantly during the 2020 recession. It has since rebounded to just below the rate before the recession.

(A multiple job holder is an individual worker that has two or more jobs, and at least one job that did not start or end during the quarter.)

Multiple Job Holder Rate
(quarterly and four quarter moving average)



70 percent of multiple job holders have a primary job in one of five sectors

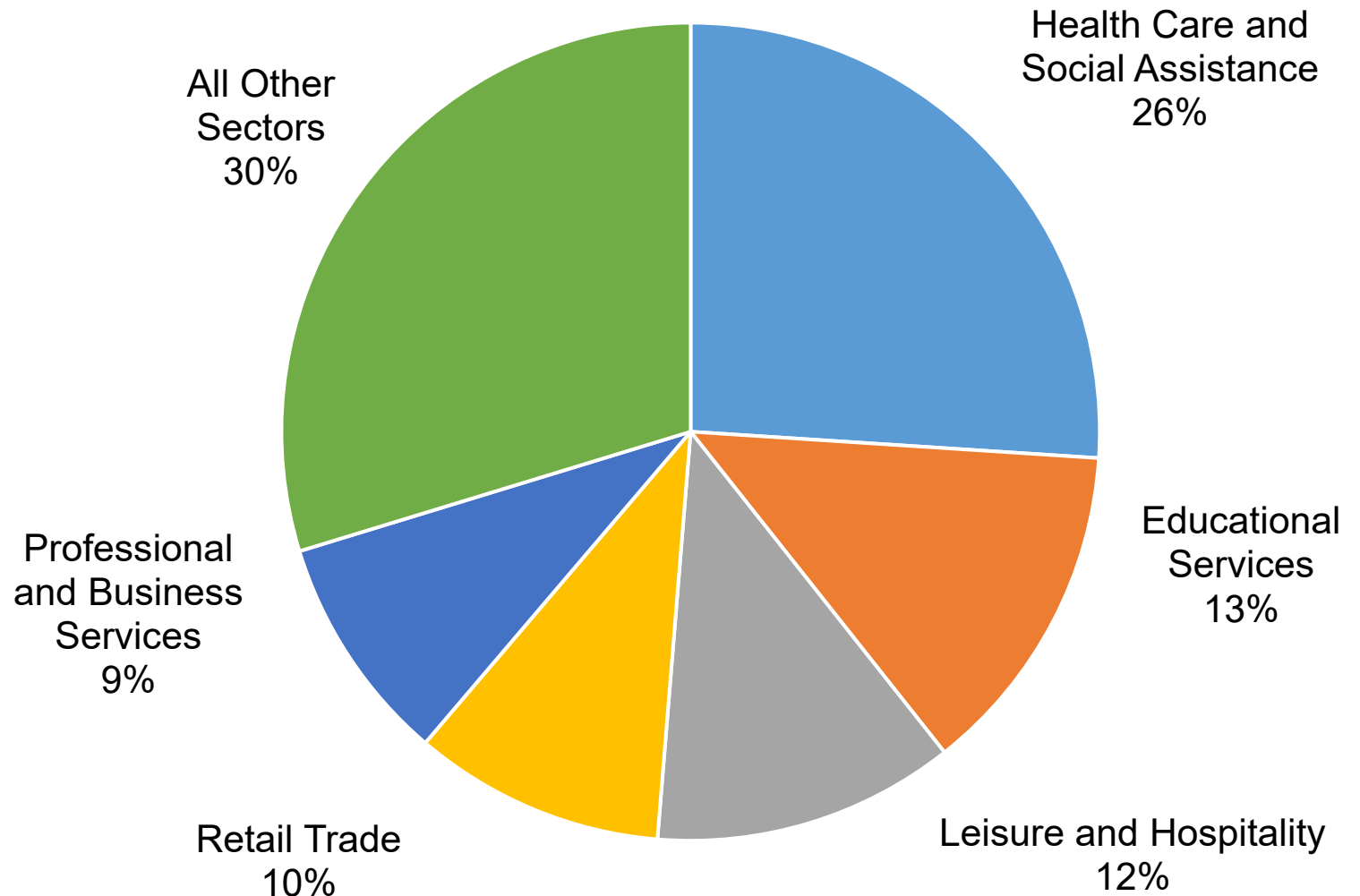
More than one quarter of multiple job holders primarily earn wages in the health care and social assistance sector.

Multiple job holding is more common among workers primarily employed in the education, the leisure and hospitality and the retail trade sectors. This is due to breaks in the academic calendar, a higher prevalence of seasonal and part time work and lower average pay in those sectors.

Multiple job holders earn 77 percent of their annual wages from their primary employer.

(Among workers holding multiple jobs in 2023 where the primary sector represents the sector from which the job holder earned the most wages in the year.)

Share of Multiple Job Holders by Primary Sector of Employment



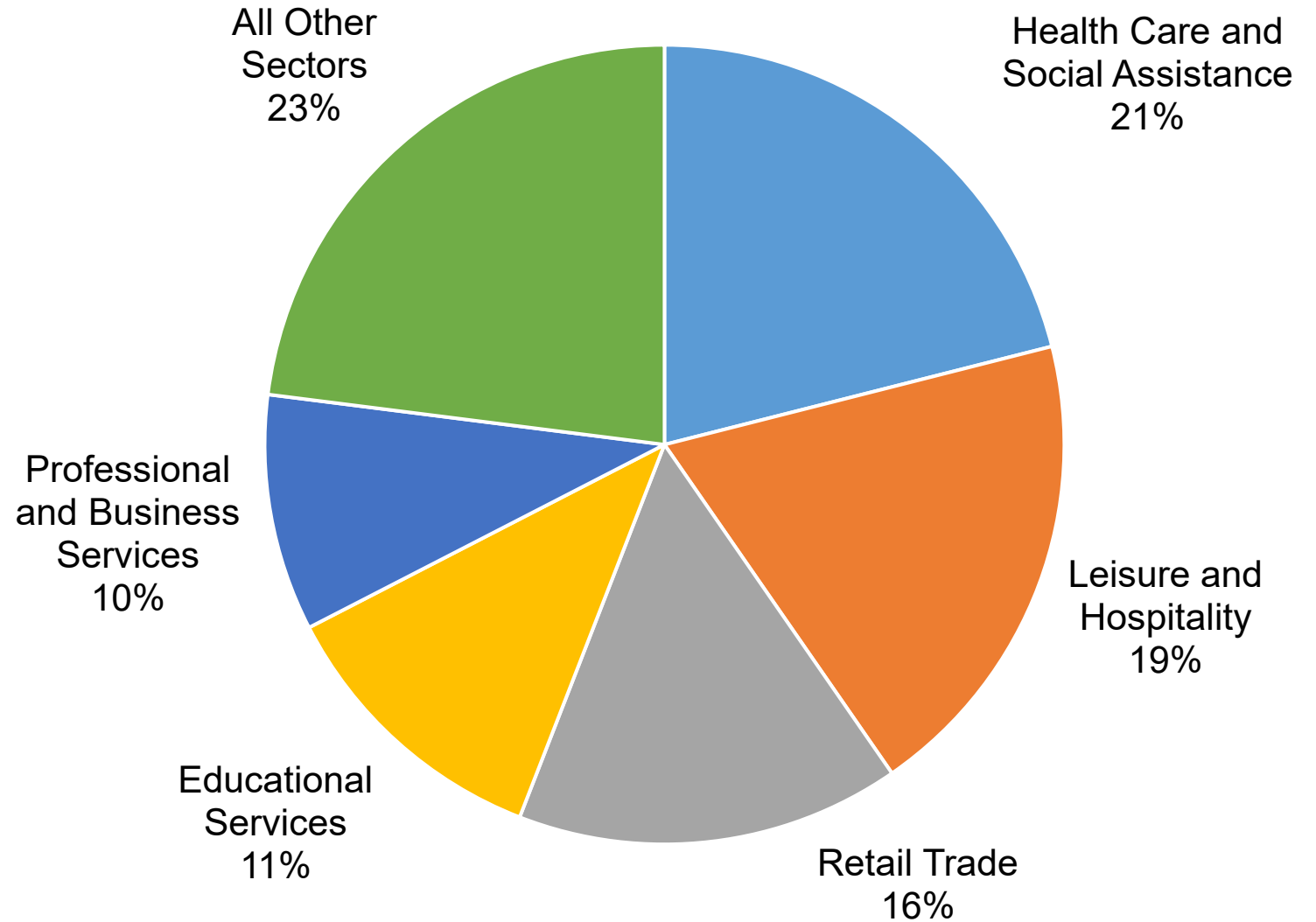
More than half of secondary jobs are in three sectors

While the sector mix is similar, secondary jobs are more likely to be in the leisure and hospitality and the retail trade sectors.

Multiple job holders earn 15 percent of their annual wages from their secondary employer.

(Among workers holding multiple jobs in 2023 where the secondary sector represents the sector from which the job holder earned the second most wages in the year.)

Share of Multiple Job Holders by Secondary Sector of Employment



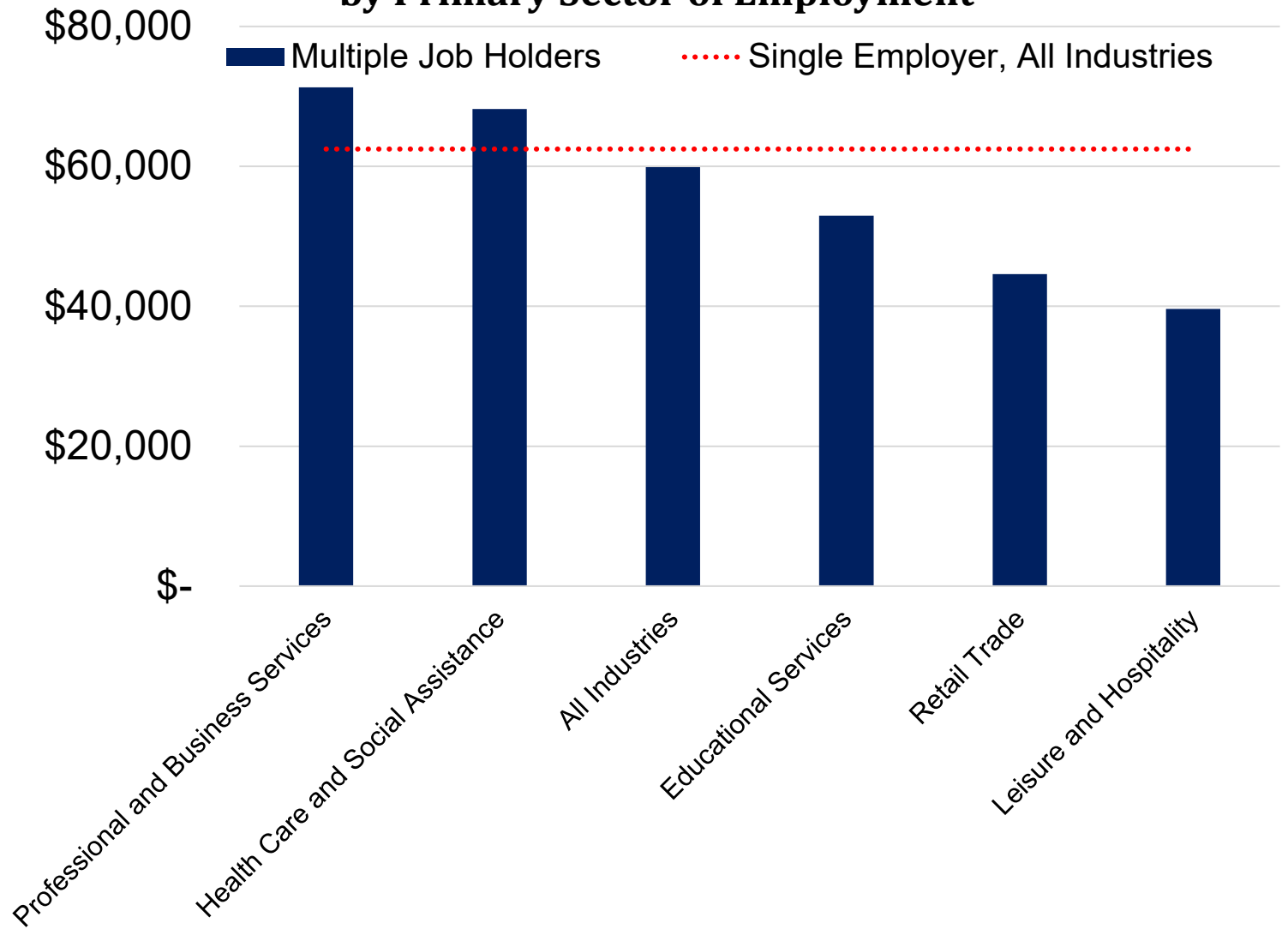
Across all employers, multiple job holders earn slightly less than workers with a single job

Multiple job holders have similar combined earnings from multiple jobs (\$60,000 per year) to that of workers with a single employer (\$62,500 per year).

Earnings among multiple job holders were lowest among those primarily employed in the leisure and hospitality (\$39,600 per year) and the retail trade (\$44,600 per year) sectors. Those with a primary job in healthcare and professional and business services had higher earnings than the average worker with one job.

(2023 annual earnings across all jobs among workers that held multiple jobs at the beginning of the year.)

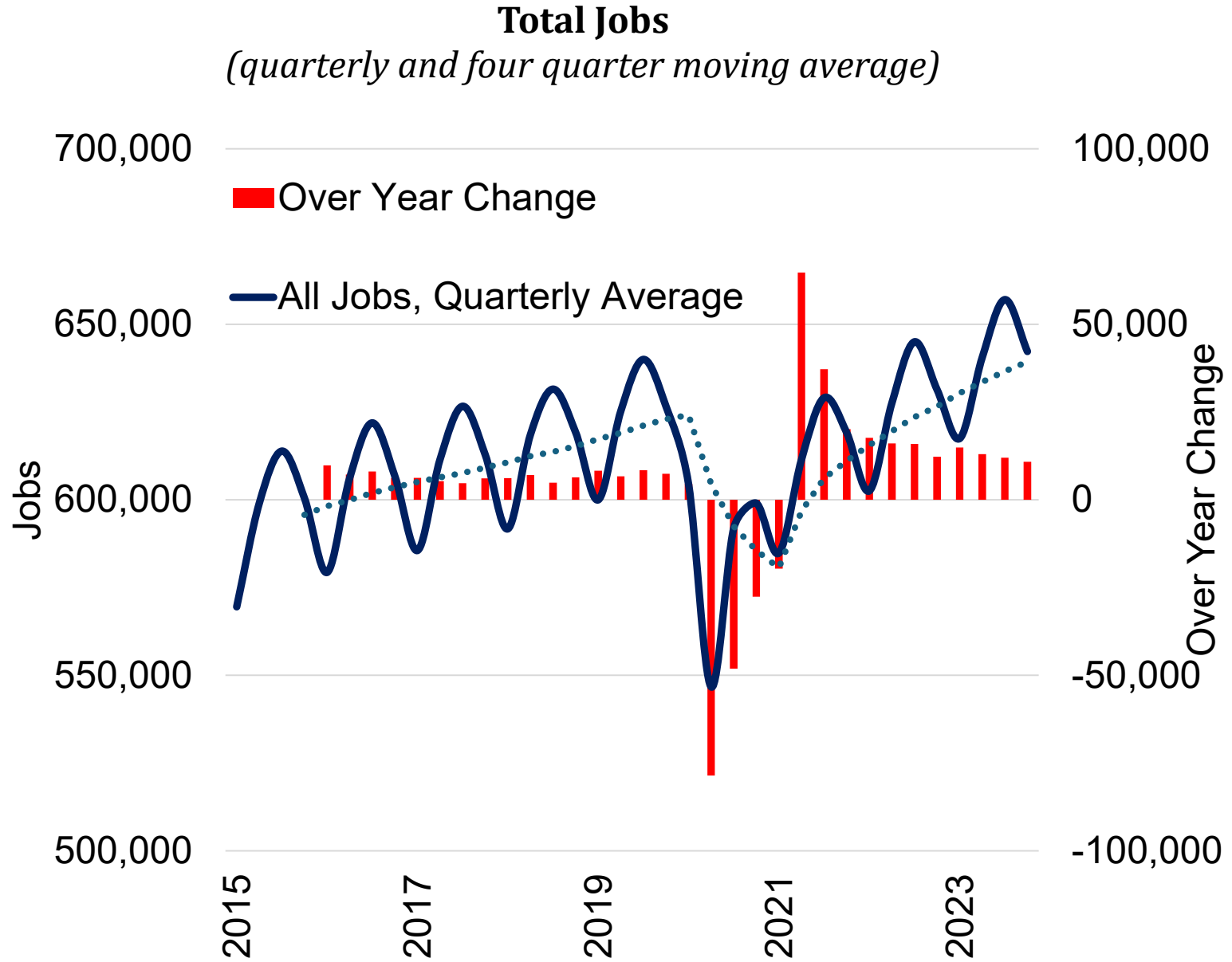
Average Annual Earnings among Multiple Job Holders by Primary Sector of Employment



Job starts and separations

The economic downturn of 2020 was sudden and drastic

Covered employment was 13 percent lower in the second quarter of 2020 relative to the year before.

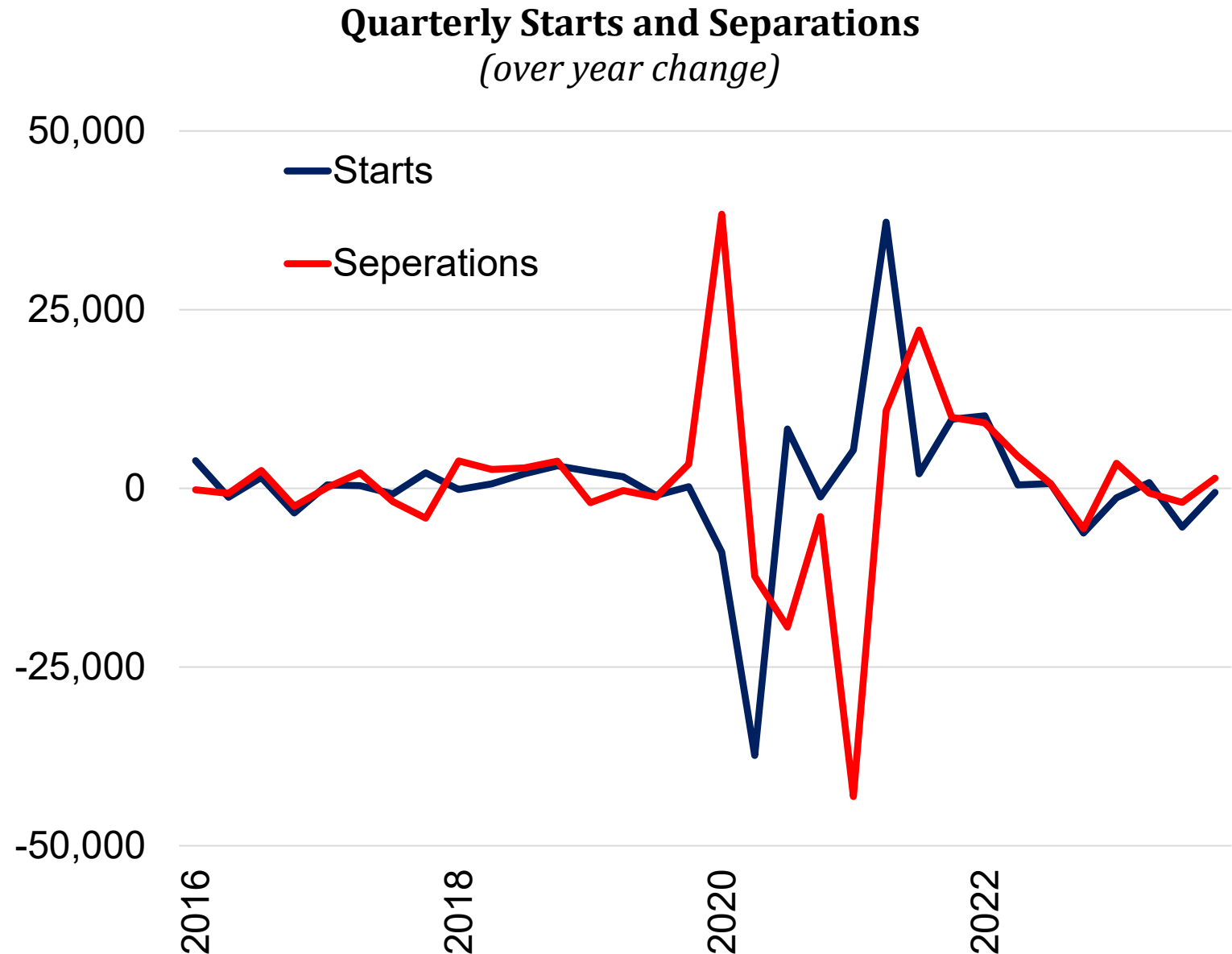


The pace of hiring is an important factor in determining net job changes

The reduction in total jobs that occurred was the result of two factors: a decrease in hiring and an increase in job separations.

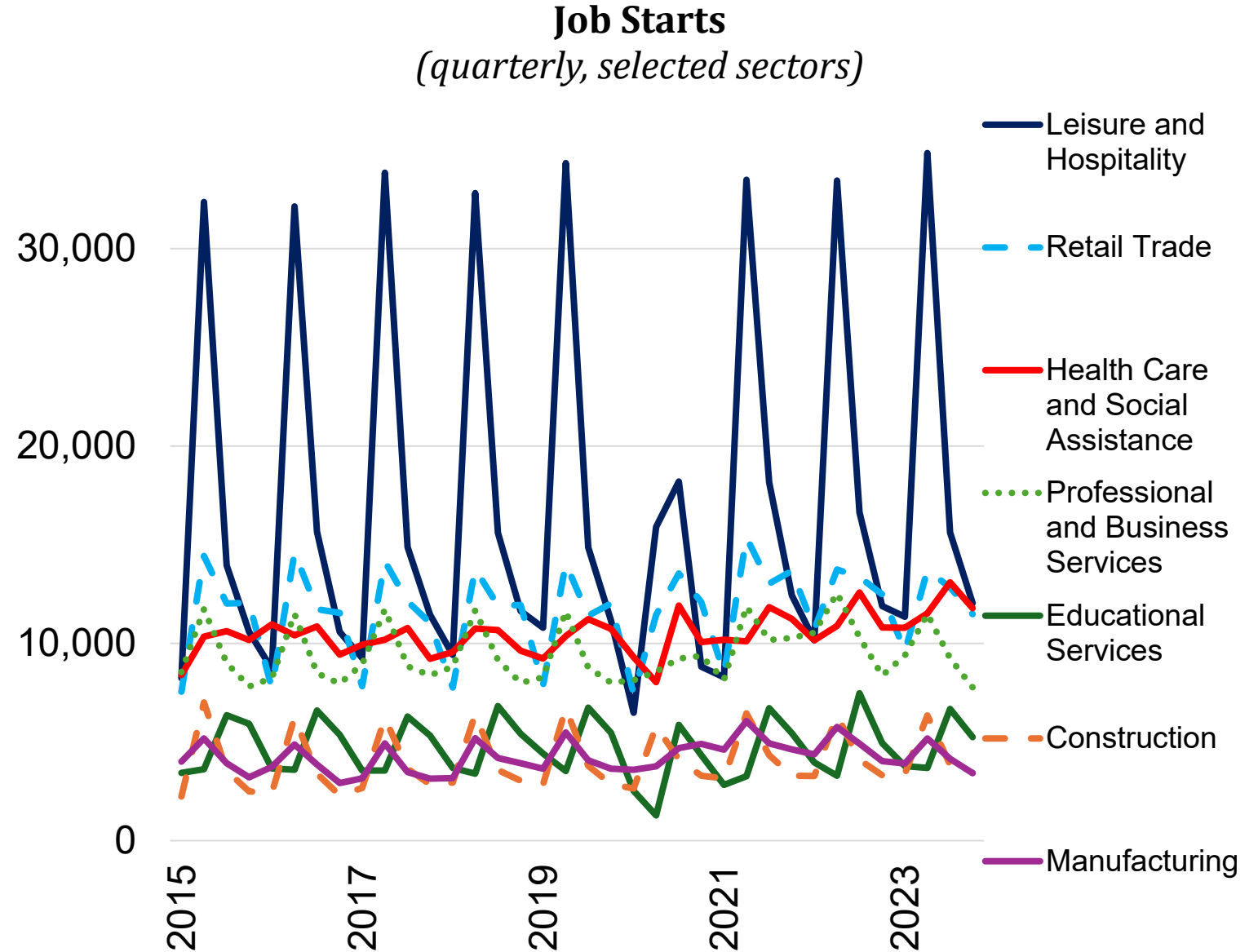
A significant portion of the job impact was from hiring that usually occurs but was reduced in early 2020 relative to the period just before or just after.

During the jobs recovery that ensued, hiring rebounded. New jobs starting in the first and second quarters of 2021 were near the levels from the same quarters two years before.



Hiring patterns vary significantly by sector

Leisure and hospitality has the most pronounced seasonal hiring patterns. This sector typically hires more than 30,000 additional staff in the second quarter as a busy summer season approaches.



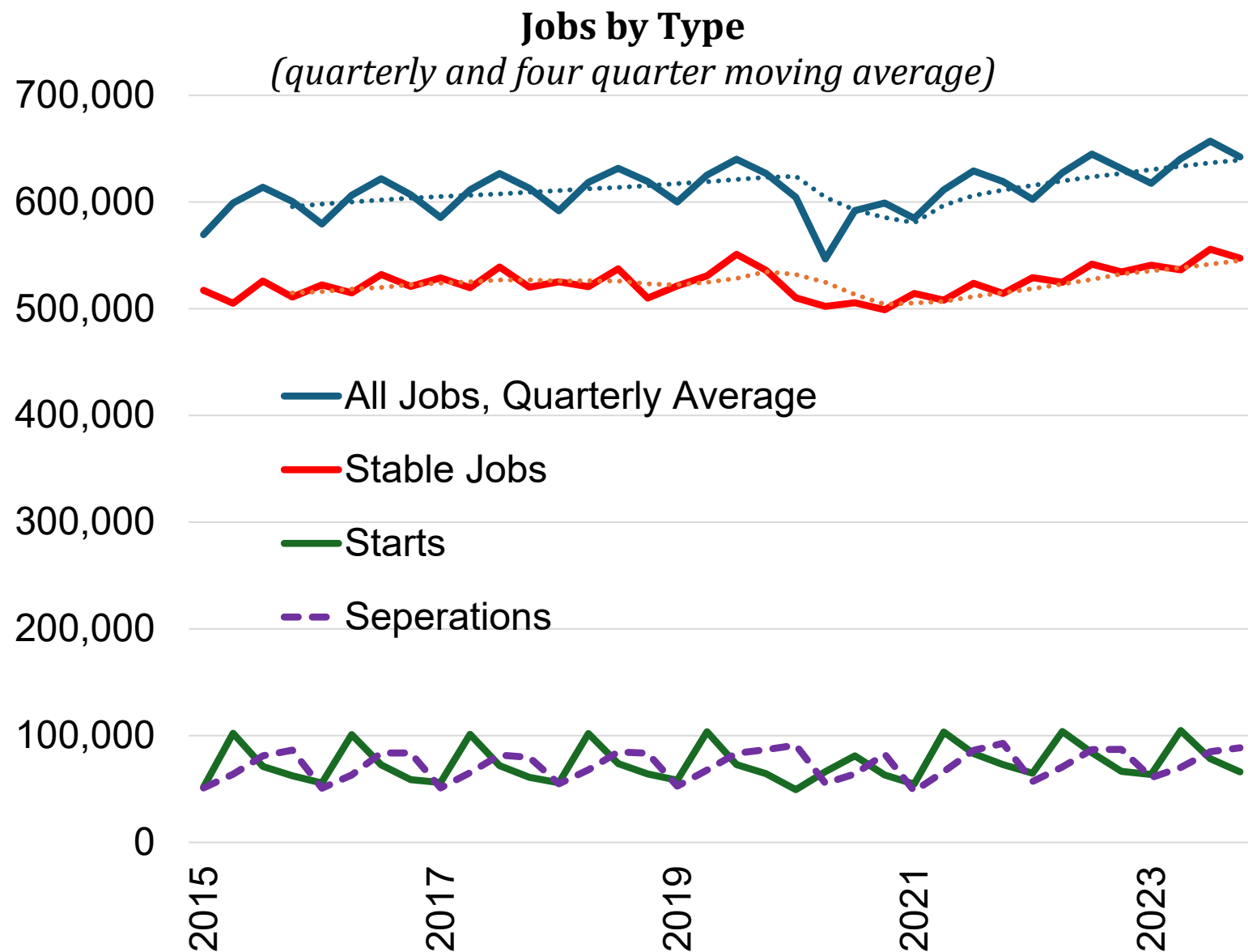
The majority of jobs do not change from one quarter to the next

86 percent of employment relationships do not change from quarter to quarter. These jobs are classified as stable, meaning the job holder is employed by the same employer in the quarter previous and subsequent to it.

More job transitions occur in the lead up to and following summer because of seasonal employment.

Total jobs can vary between 6 and 7 percent between summer highs and winters lows. Stable jobs are much less variable and are the driver of long-term employment trends.

(Jobs that did not start or end during the quarter are classified as stable. These jobs are held by workers that had the same employer in the quarter before and the quarter after. Quarterly average (all) jobs data are from the Quarterly Census of Employment and Wages.)



Appendix

Terms used in this report

Stable Job is an employment relationship between worker and employer in which a job holder is employed by that employer in the quarter before and the quarter after that observation. For example, a job is classified as stable during the 2nd quarter of 2023 if that job holder is observed to have the same employer during the 1st and 3rd quarters of 2023. The stable job measure does not capture promotions or transfers that occur within an organization. See [Bailey and Spletzer \(2020\)](#) for more details about this methodology. This measure is used to distinguish between sequential (job transitions) and simultaneous (multiple) job holding.

Multiple Job Holder is an individual worker that has two or more jobs, and at least one stable job during the reference quarter.

Job Separation is an employment relationship between worker and employer that does not continue. For example, a job is classified as a separation if a job holder is observed to have an employer in the 1st quarter of 2023 and is no longer employed by that employer during the 2nd quarter of 2023. Job separations could occur for a variety of reasons (which are not collected as part of quarterly employment and wage reports) including a voluntary quit, retirement, layoff, a worker that was fired or discharged, or the end of a temporary or seasonal job. See [Quarterly Workforce Indicators 101](#) for more details about this methodology.

Job Start is a new employment relationship between worker and employer. For example, a job is classified as a start if a job holder is observed working for an employer in the 2nd quarter of 2023 but was not employed by that employer during the 1st quarter of 2023. See [Quarterly Workforce Indicators 101](#) for more details about this methodology.

Data source: Maine unemployment insurance quarterly employment and wage reports. Data includes jobs covered by unemployment insurance. Unincorporated self-employment and independent contracting are not included in the data.