

US Labor Market Overview

September 2023

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Indeed Hiring Lab



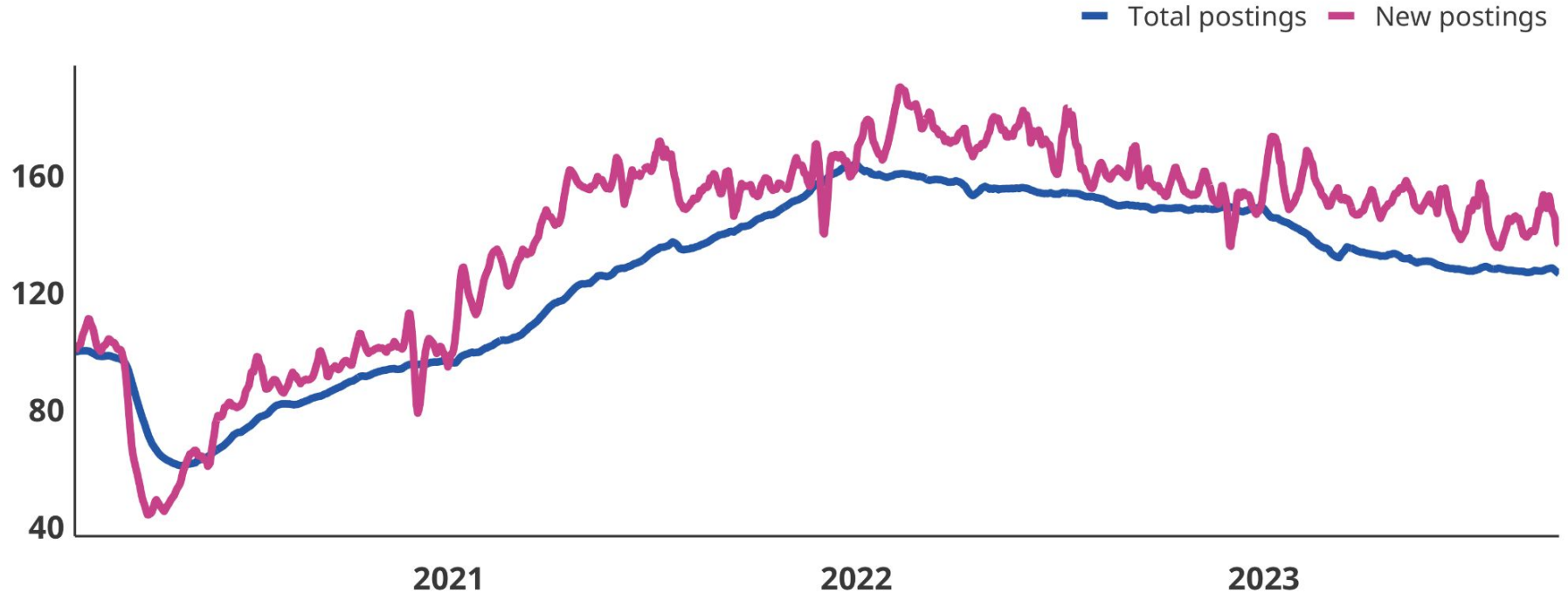
US Labor Market Overview

September 2023

- The resilient US labor market continues to cool as demand moderates, hiring constraints ease, and advertised wages slow down.
- Demand for new hires is cooling, but job postings remain above their pre-pandemic level, and job openings outnumber unemployed workers.
- Employers now have an easier time holding onto current employees as the quits rate has returned to pre-pandemic levels as layoffs remain low.
- Labor supply continues to rebound as prime-age workers' employment and labor force participation rates are near multi-decade highs.
- Wages are slowing down, with posted wages starting to decelerate more rapidly in recent months. Yet wages are still growing faster than prices, leading to inflation-adjusted wage gains for many workers.

Indeed Job Postings Index

Index, 100 = Feb 1, 2020, Feb 1, 2020 — Sep 22, 2023

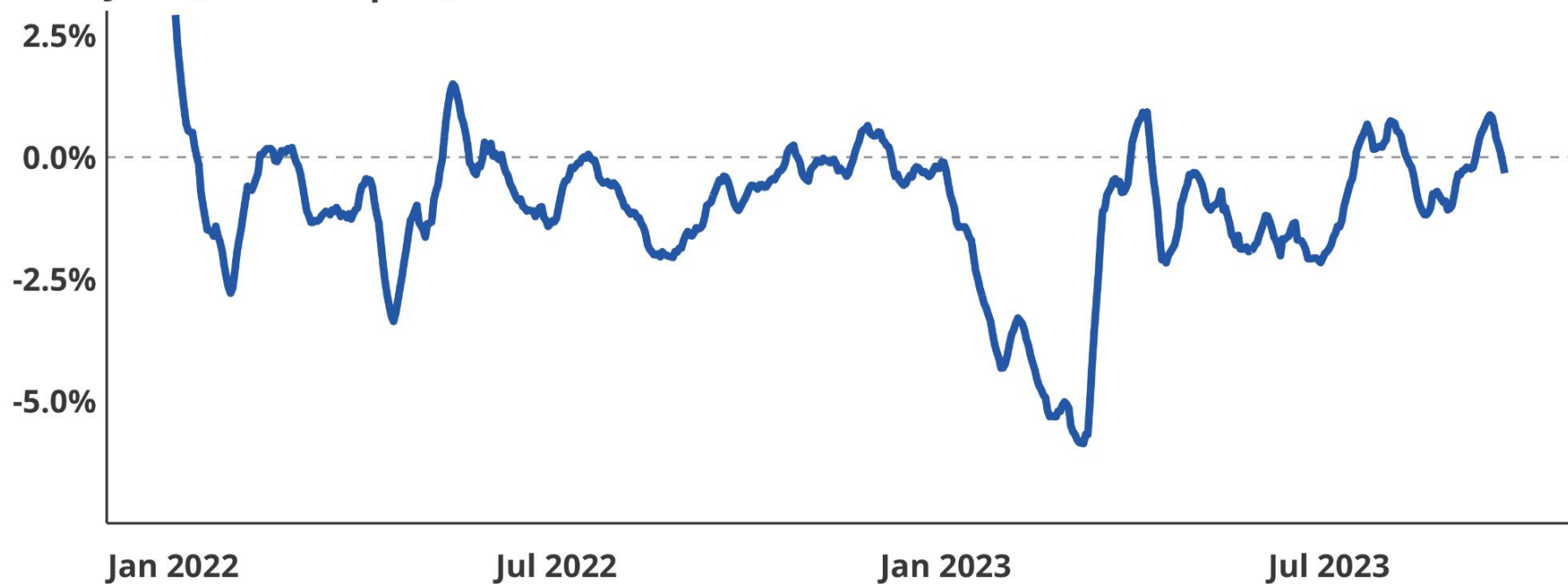


Source: Indeed Job Postings Index. Note: New job postings are those on Indeed for seven days or less.



Job postings on Indeed are down 0.3% from a month ago

Month-over-month growth in Indeed Job Postings Index, seasonally adjusted, Jan 1, 2022 - Sep 22, 2023

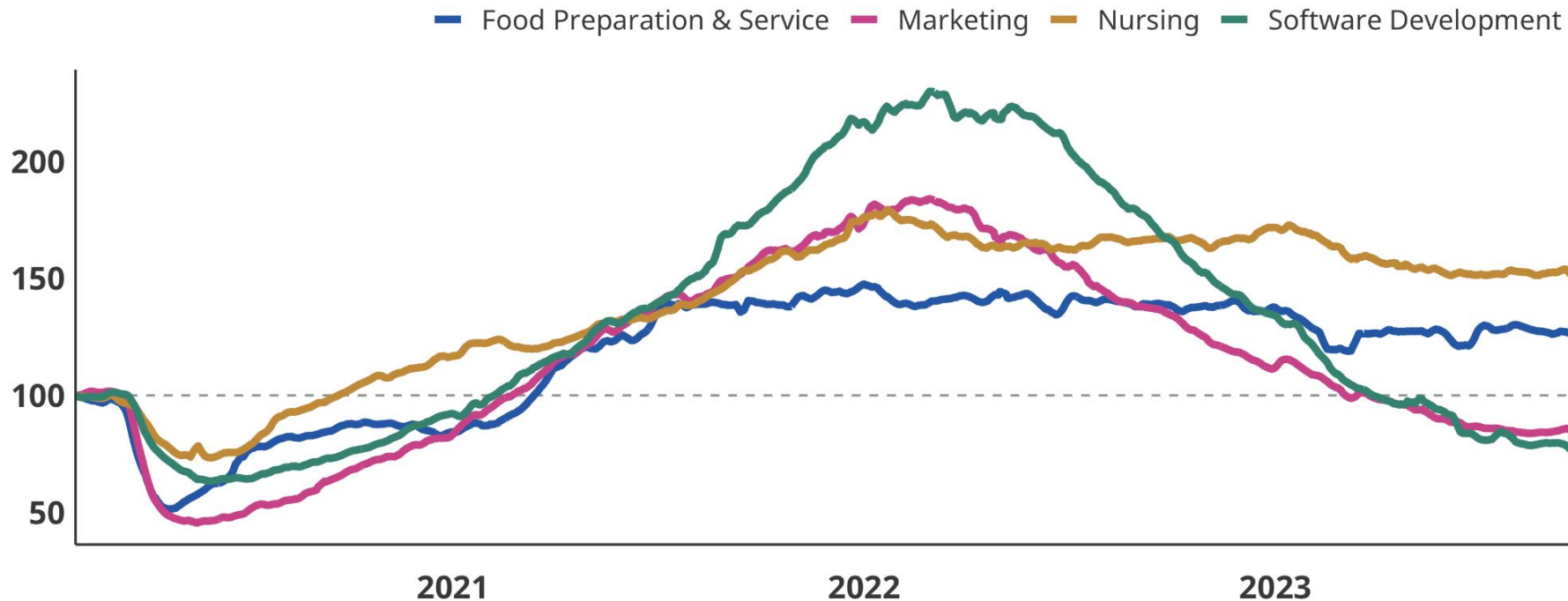


Source: Indeed Job Postings Index. Note: A month prior is defined as 28 day from current date.



Job postings trends differ by occupational sector

Indeed Job Postings Index, 100 = Feb 1, 2020, through Sep 22, 2023

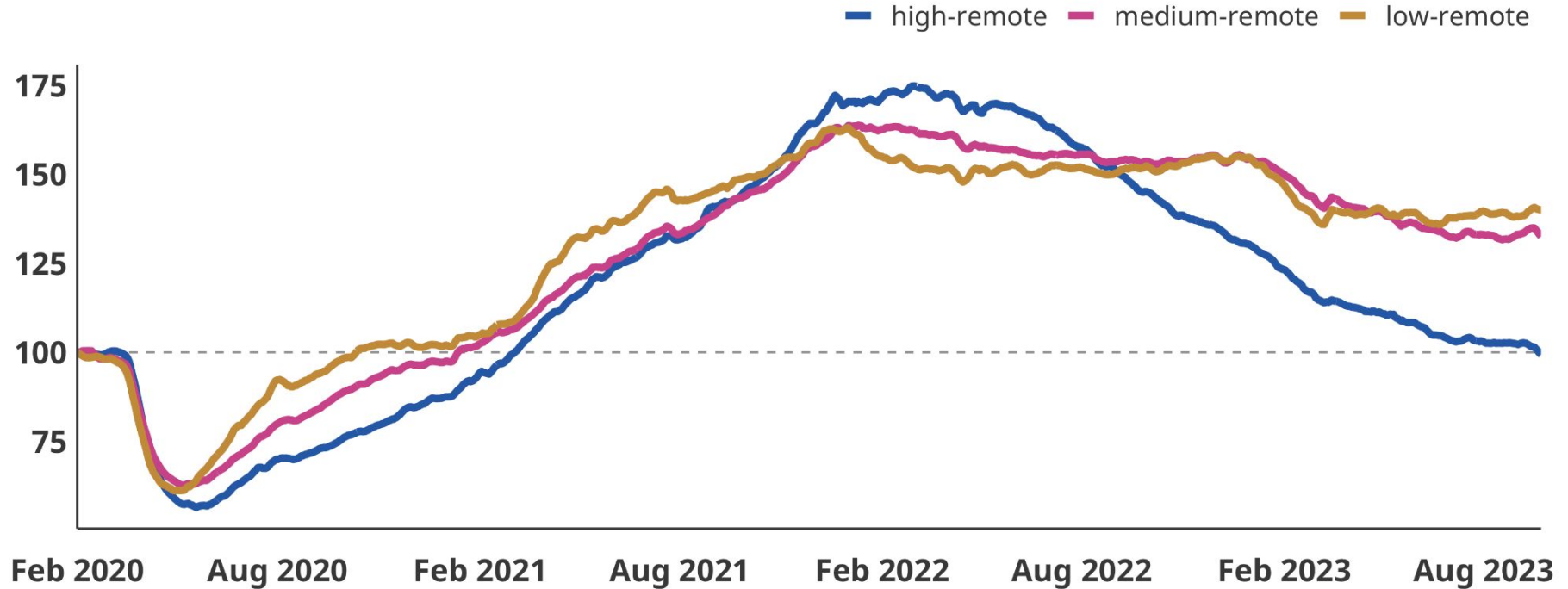


Source: Indeed Job Postings Index



Postings are least elevated in high work-from-home sectors

Job Postings Index by remote-work tier, Feb 1, 2020 - Sep 22, 2023

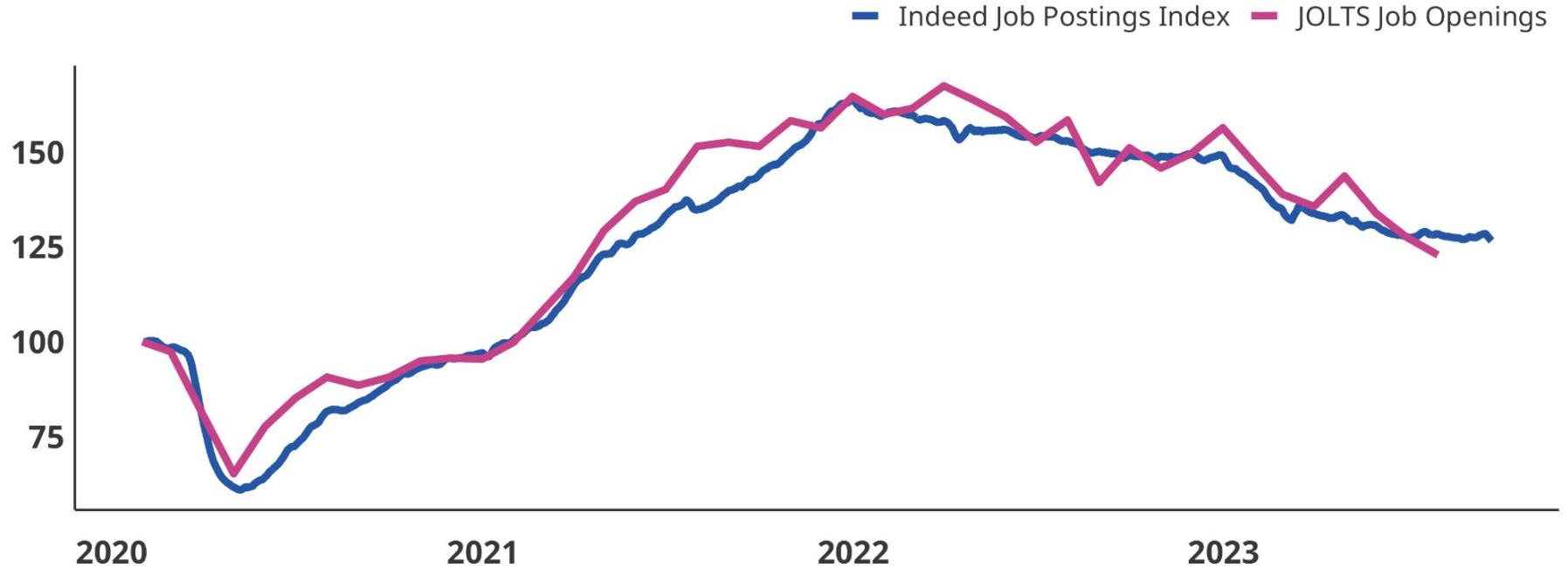


Source: Indeed Job Postings Index



Tracking job openings and postings

Index, Jan 31, 2020 - Sep 22, 2023

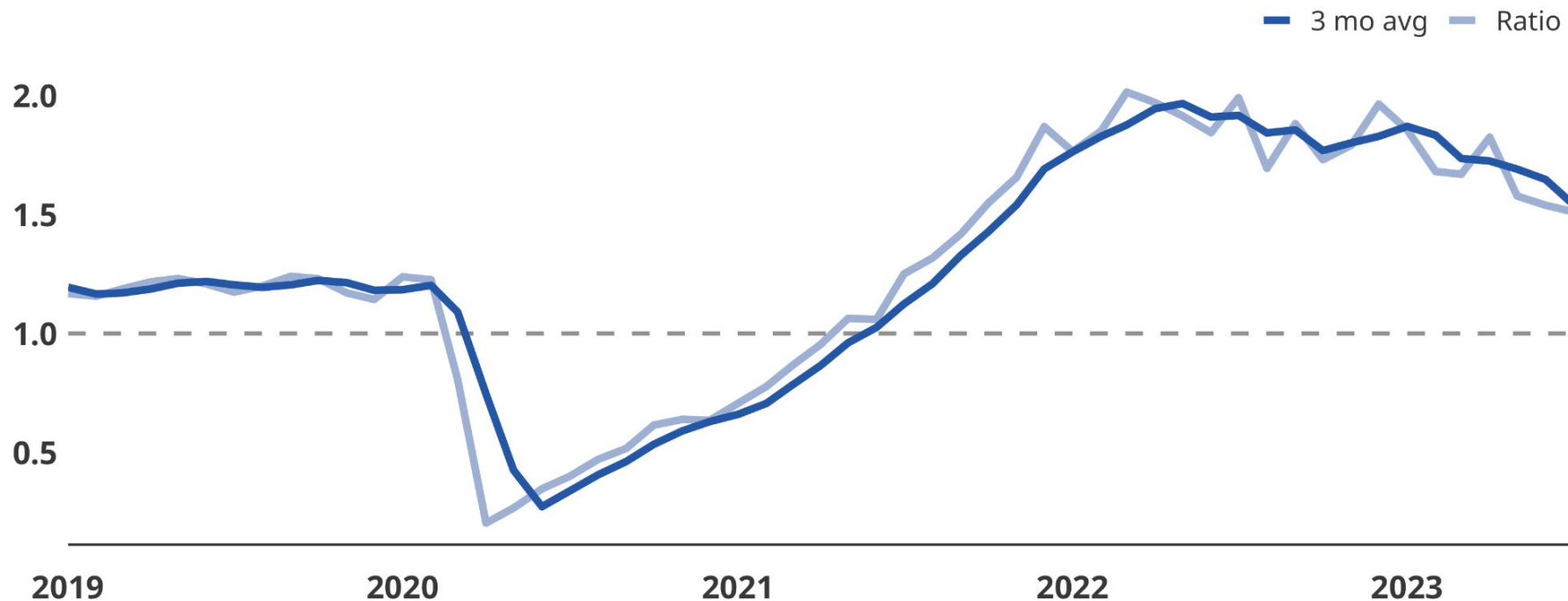


Source: Indeed Job Postings Index, Job Openings and Labor Turnover Survey.
Note: Index is set to 100 = Feb 1, 2020 for Indeed and Jan 2020 (Jan 31, 2020) for JOLTS



Job openings outnumber unemployed workers

Openings per unemployed worker, Jan 2019 - Jul 2023

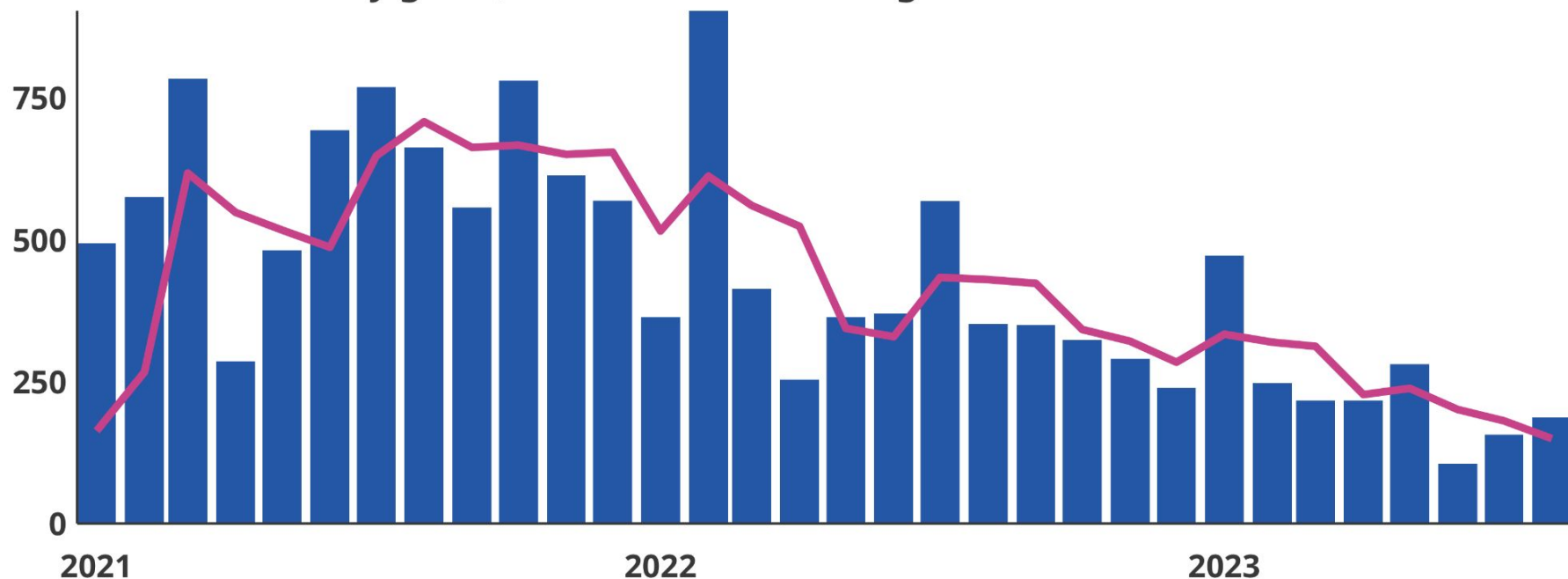


Source: Job Openings and Labor Turnover Survey, Current Population Survey



Pace of monthly job gains

Thousands of jobs, month-over-month change, Jan 2021 - Aug 2023
Bars are monthly gains, line is 3 month average

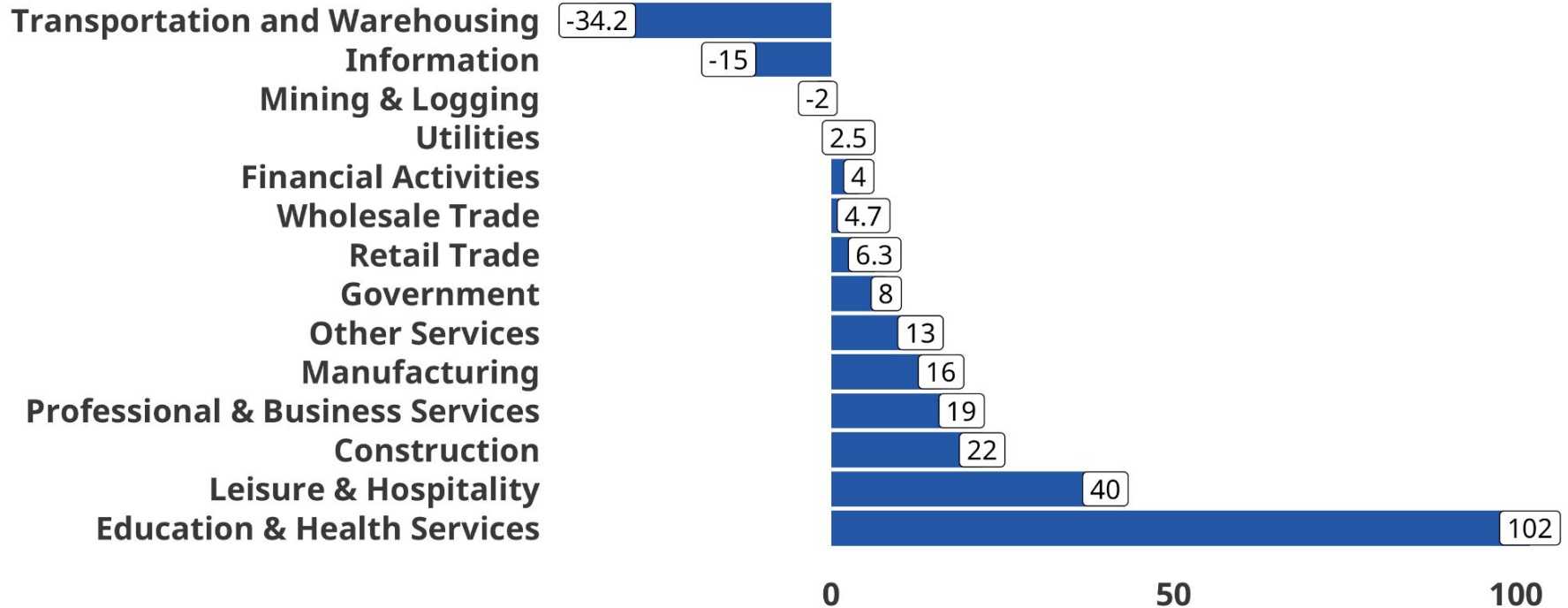


Source: Bureau of Labor Statistics.



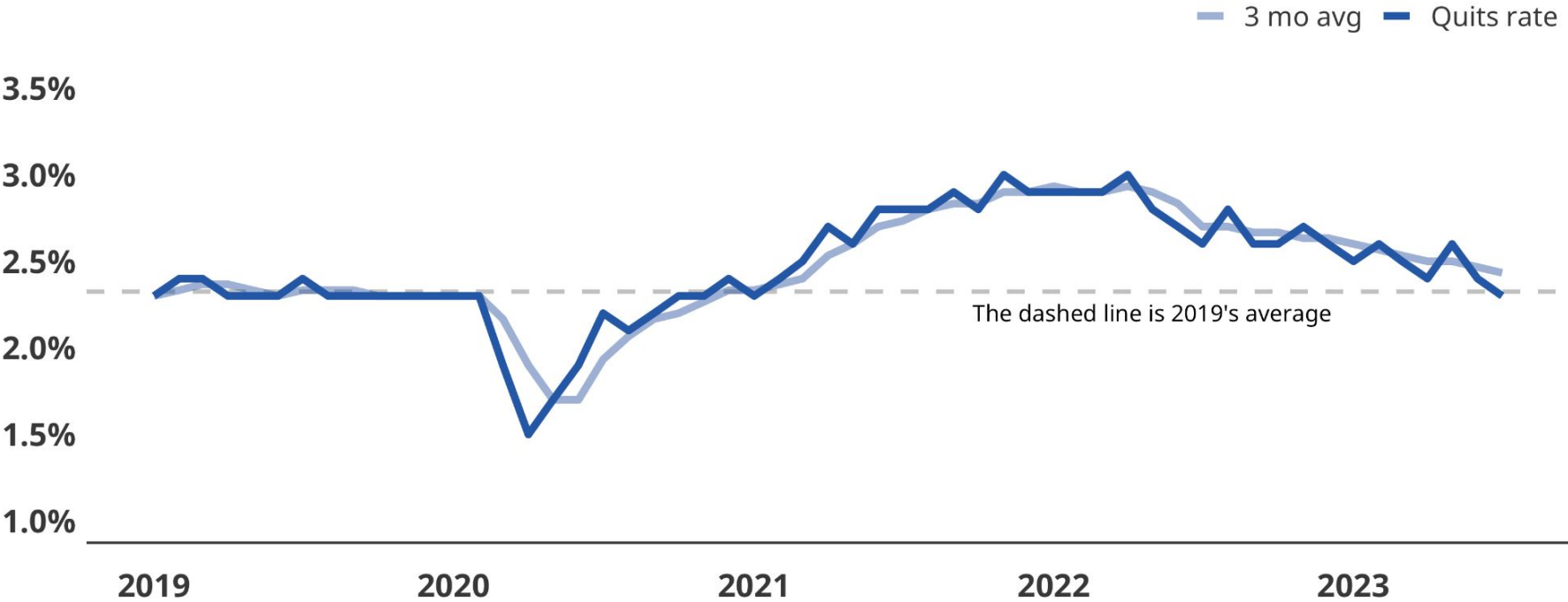
Payroll growth by industry sector

Aug 2023, month-over-month change, thousands of jobs



Quitting is back to its pre-pandemic level

Quits as % of employment, Jan 2019 - Jul 2023

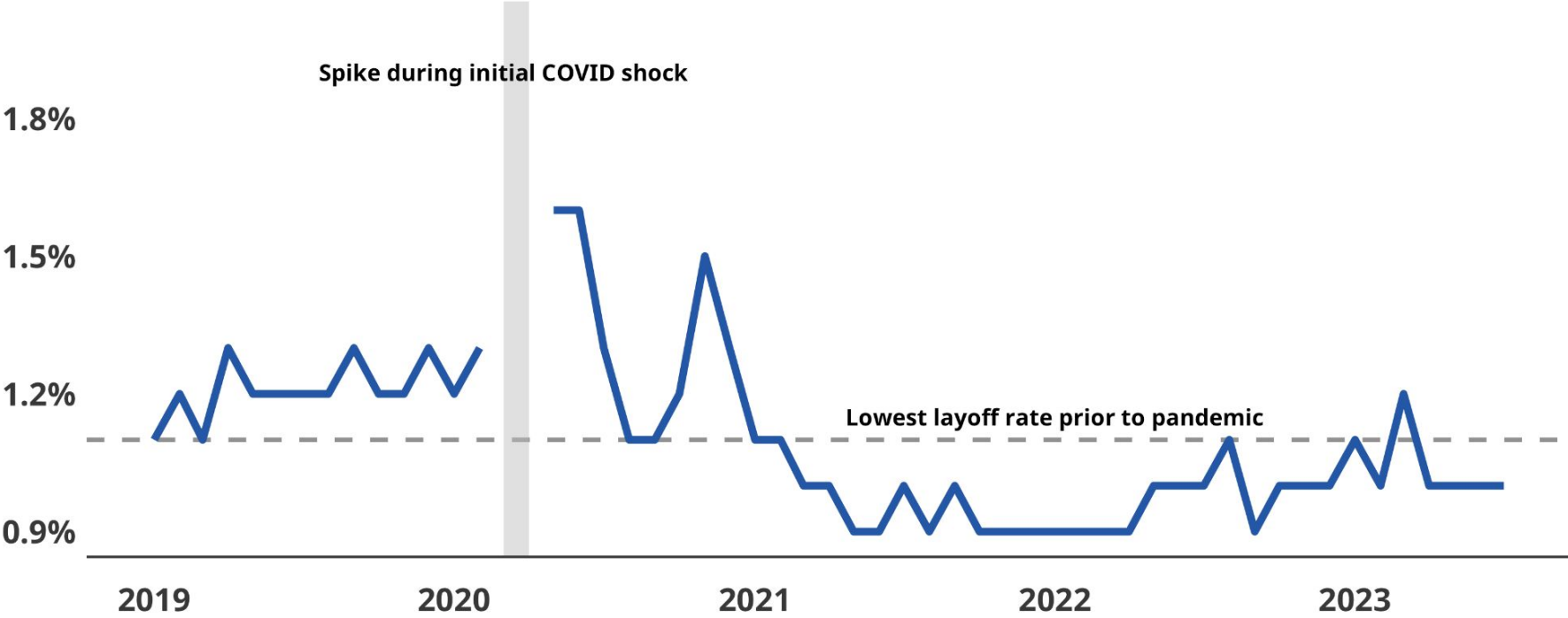


Source: Job Openings and Labor Turnover Survey



Layoffs remain low by historical standards

Layoffs and discharges rate, Jan 2019 - Jul 2023

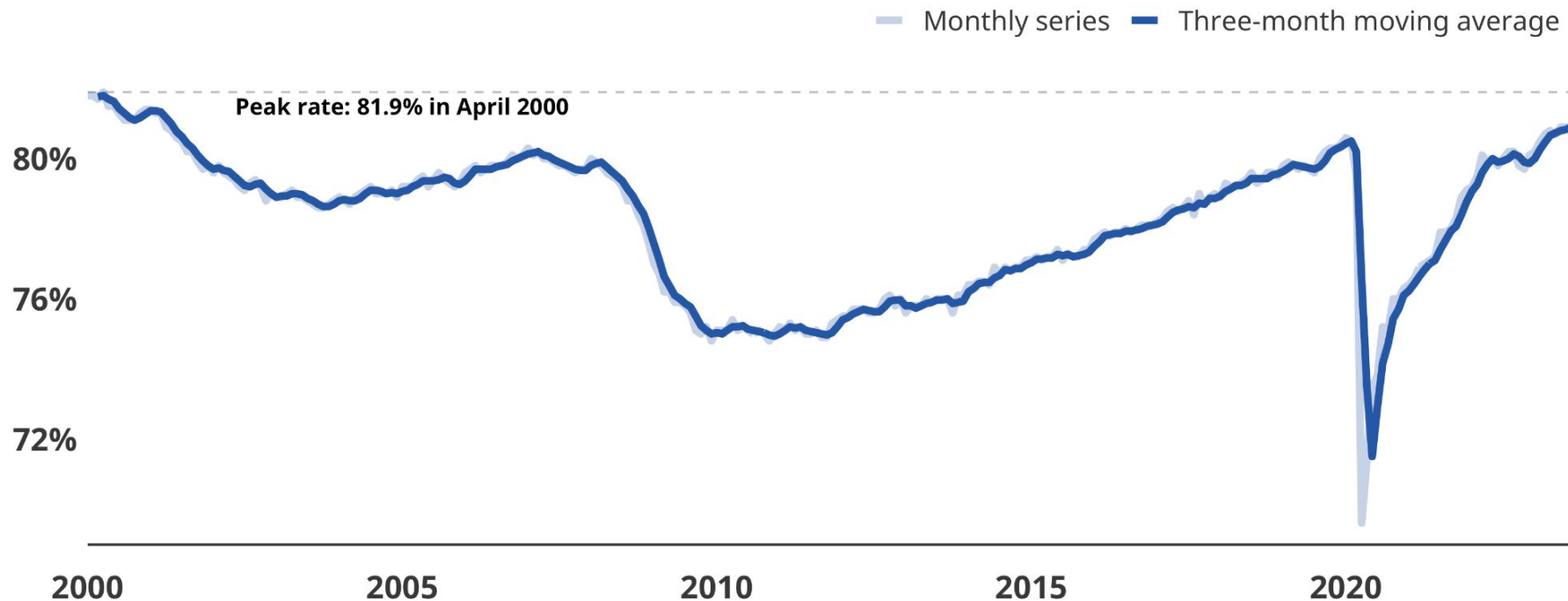


Source: Job Openings and Labor Turnover Survey.



The prime-age employment rate

Share of people ages 25 - 54 with a job, Jan 2000 - Aug 2023

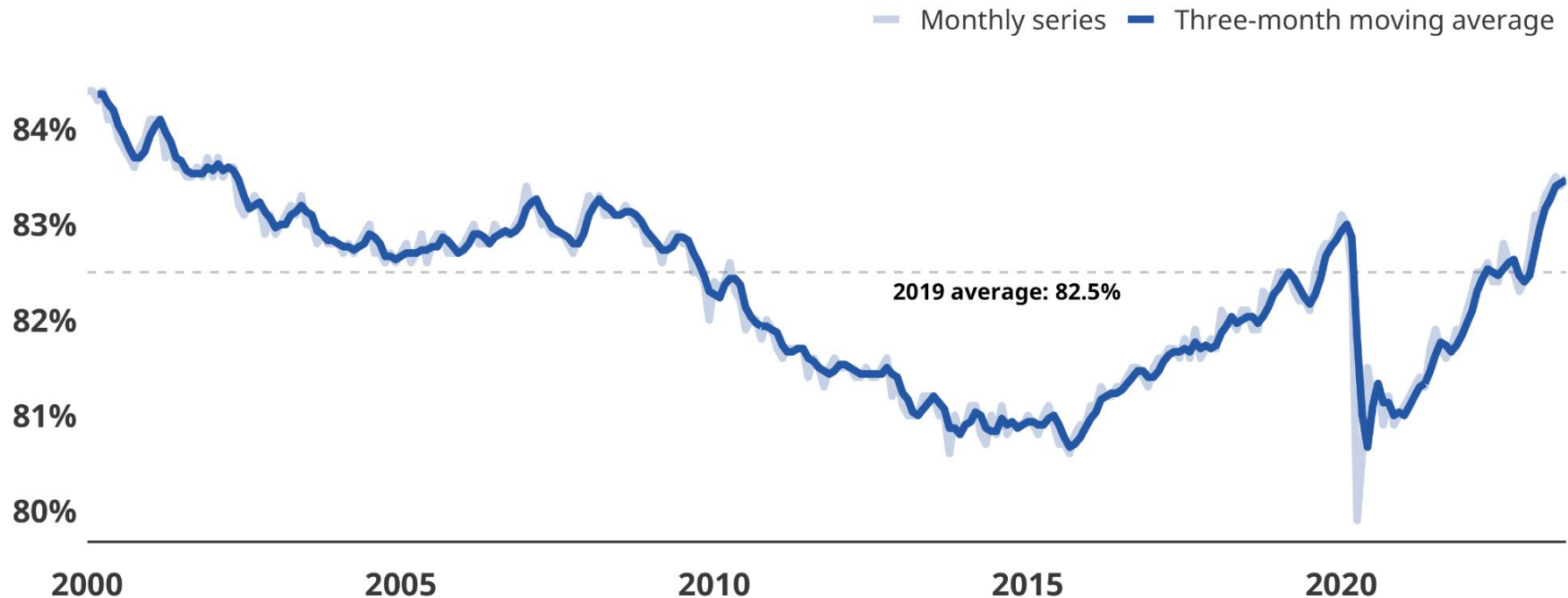


Source: Bureau of Labor Statistics



The prime-age labor force participation rate

Share of workers aged 25 - 54 in the labor force, Jan 2000 - Aug 2023

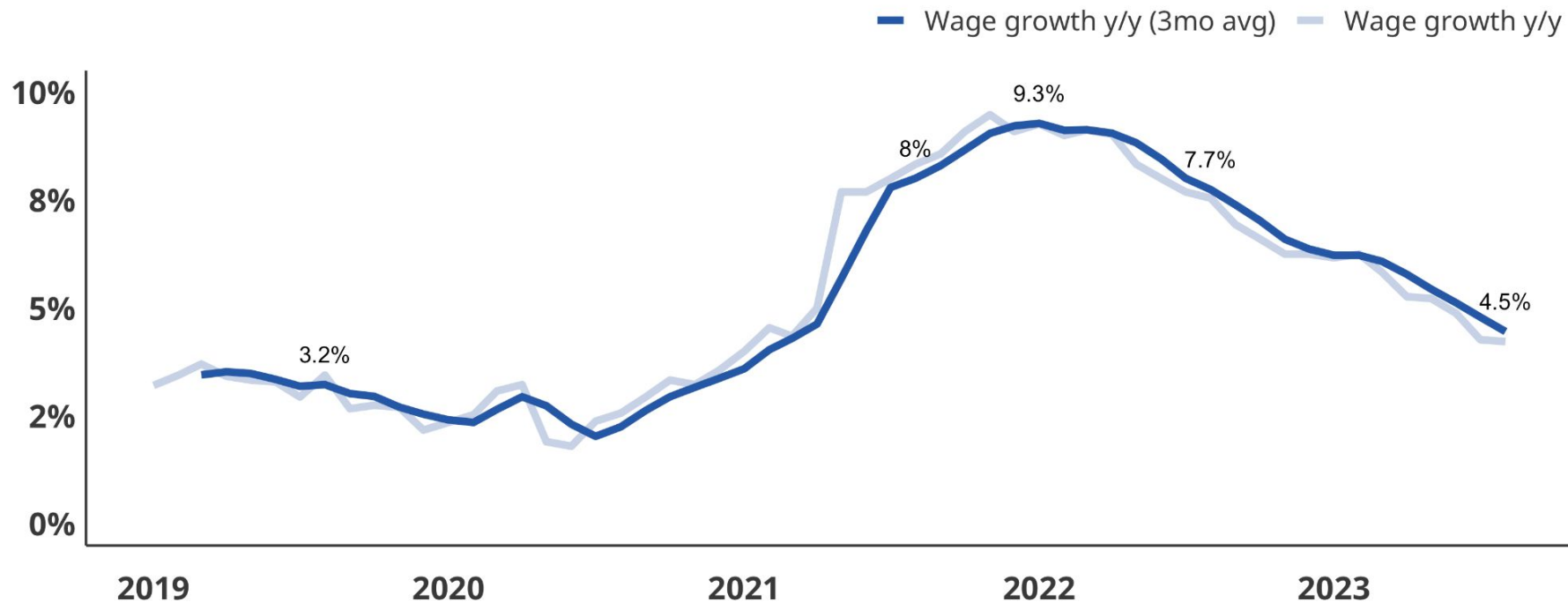


Source: Bureau of Labor Statistics



US posted wages are slowing considerably

Year-over-year growth in posted wages, Jan 2019 - Aug 2023

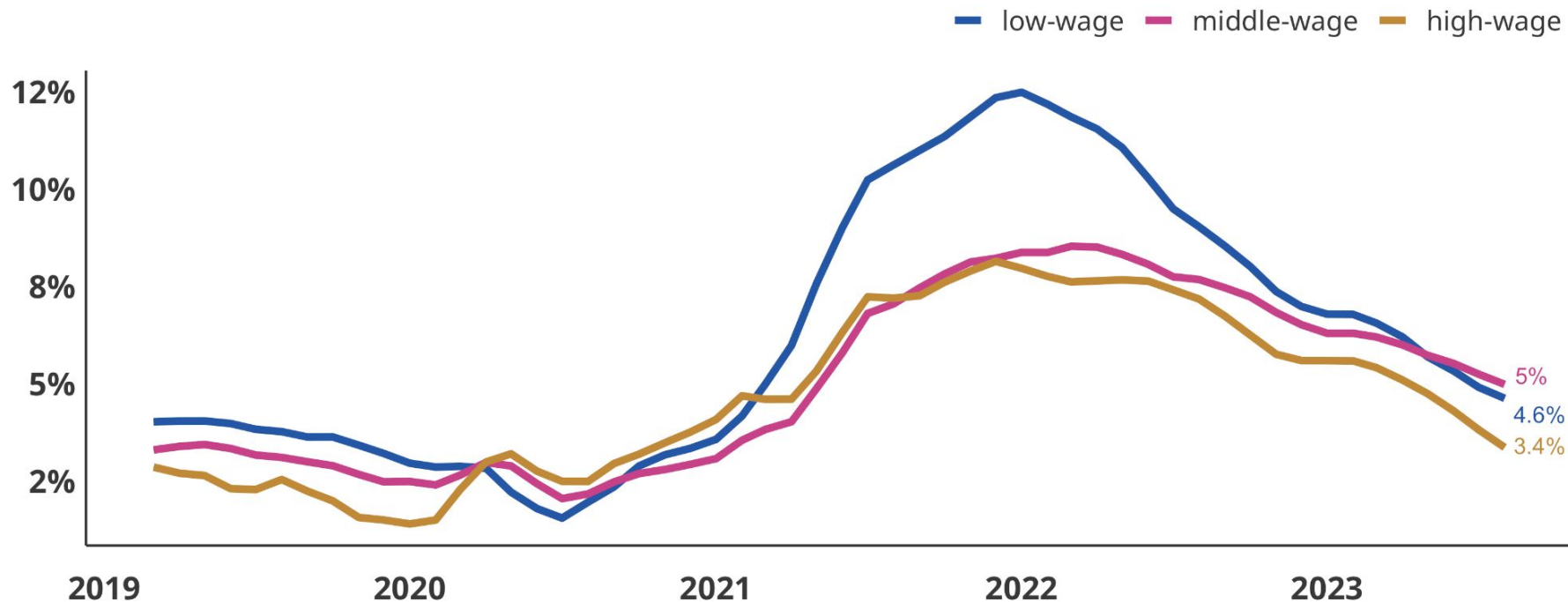


Source: Indeed Wage Tracker



Wage growth is fading across wage tiers

Year-over-year growth in posted wages, 3mo avg, Mar 2019 - Aug 2023

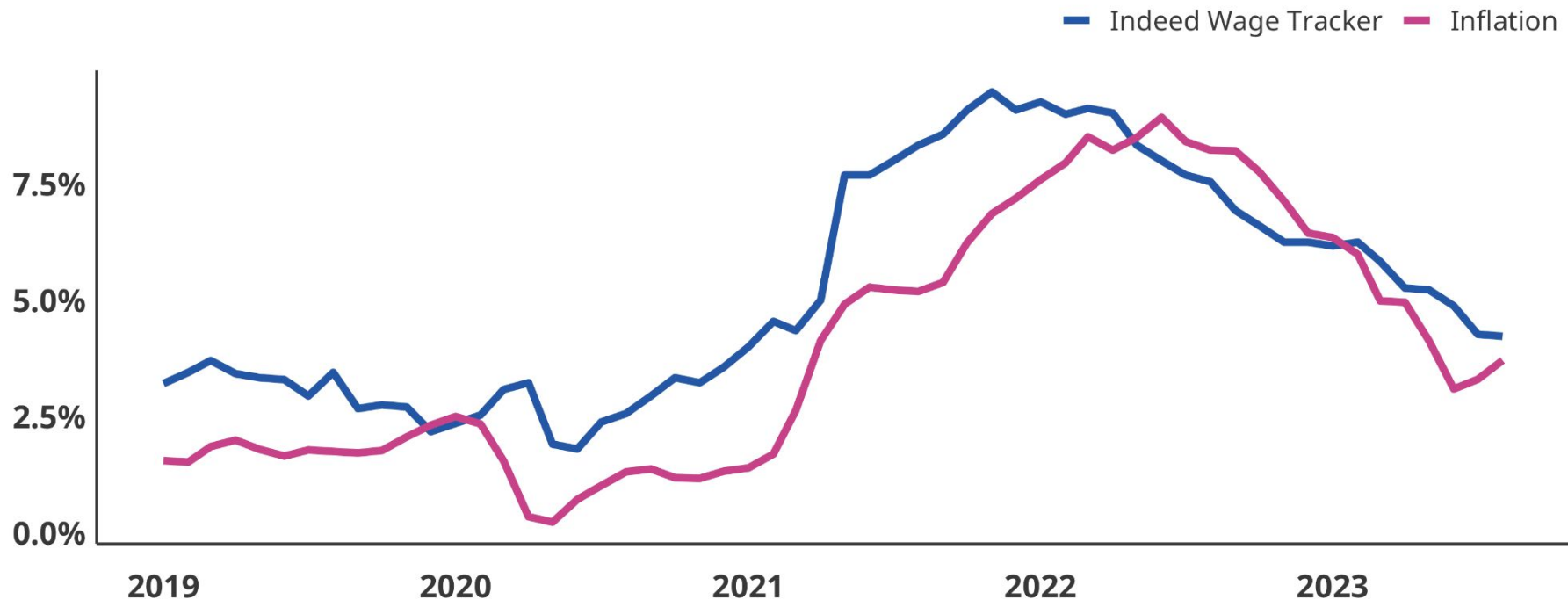


Source: Indeed Wage Tracker. Note: Wage tiers are determined by a category's median posted wage in 2019.



Posted wages are growing faster than prices

Year-over-year growth, Jan 2019 — Aug 2023



Source: Indeed Wage Tracker, Consumer Price Index

