

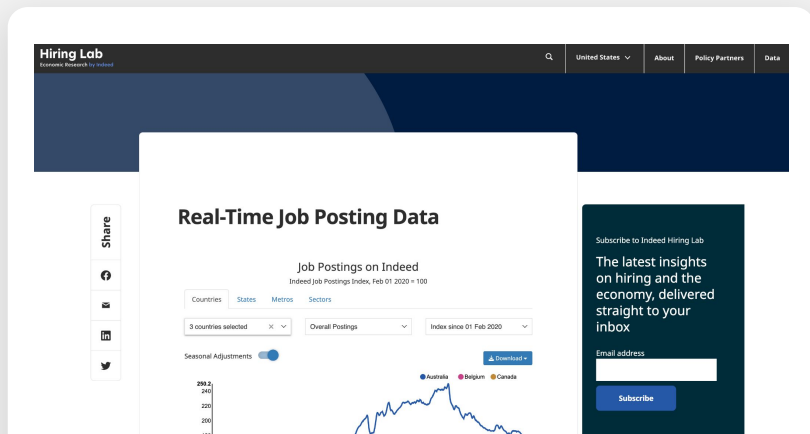
A Labor Market Overview

Insights from the Indeed Hiring Lab

Svenja Gudell, PhD
Chief Economist



www.hiringlab.org



The screenshot shows the Hiring Lab website homepage. The header includes the 'Hiring Lab' logo and 'Economic Research by Indeed'. The main content area features a 'Spotlight' section with the article 'Graduate Job Market Has Bounced Back From the Pandemic' by Jack Kennedy, dated 18 August 2022. The article text states 'But internships remain scarce.' and includes a 'View Article' link with a right-pointing arrow. To the right of the article is a photograph of a woman sitting on the floor, working on a laptop and looking at documents. Below the spotlight is a 'Featured' section with two article cards. The first card is titled 'Irish Job Postings Through 19 August: Continued Resilience' by Jack Kennedy, dated 26 August 2022, with the text 'Job postings remain high.' The second card is titled 'July 2022 UK Labour Market Update: Holding Up as Headwinds Mount' by Jack Kennedy, dated 3 August 2022, with the text 'Demand for staff remains robust, though some'.



Global trends

Australia, Canada, France, Germany, Ireland, Japan, UK, US.



Labor market updates

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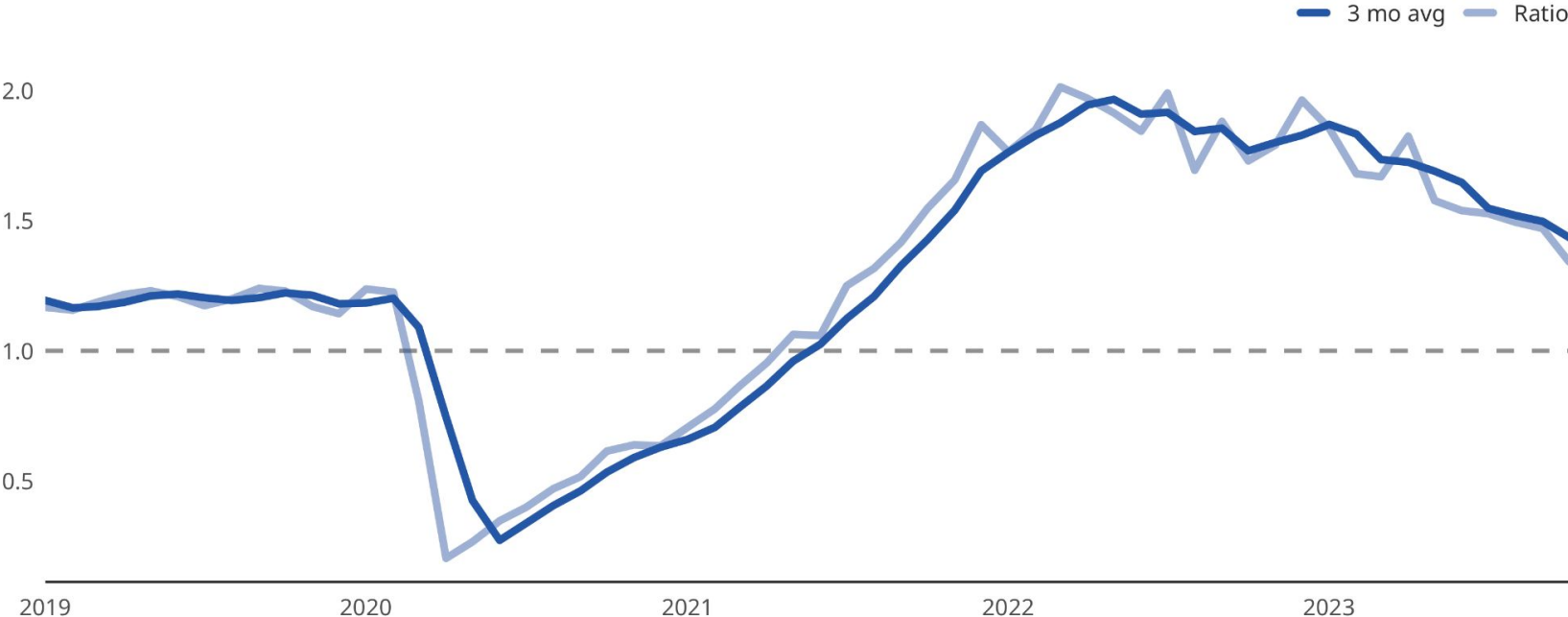
Key Takeaways

- **Demand for new hires continues to moderate, but still robust.** Job postings remain strong, even if some areas have pulled back dramatically.
- Long-term, structural factors should hold labor force participation down, but **cyclical strength has brought in many prime-age workers.**
- **The Great Resignation has ended:** workers are no longer quitting their jobs at elevated rates.
- **Posted wages are slowing down substantially** and with it, inflation is slowing.
- A soft landing in the US looks possible, but **layoffs need to stay low.**
- **Generative AI has tremendous potential and will touch every job.**

Demand for new workers

US job openings outnumber unemployed workers

Openings per unemployed worker, US, Jan 2019 - Oct 2023

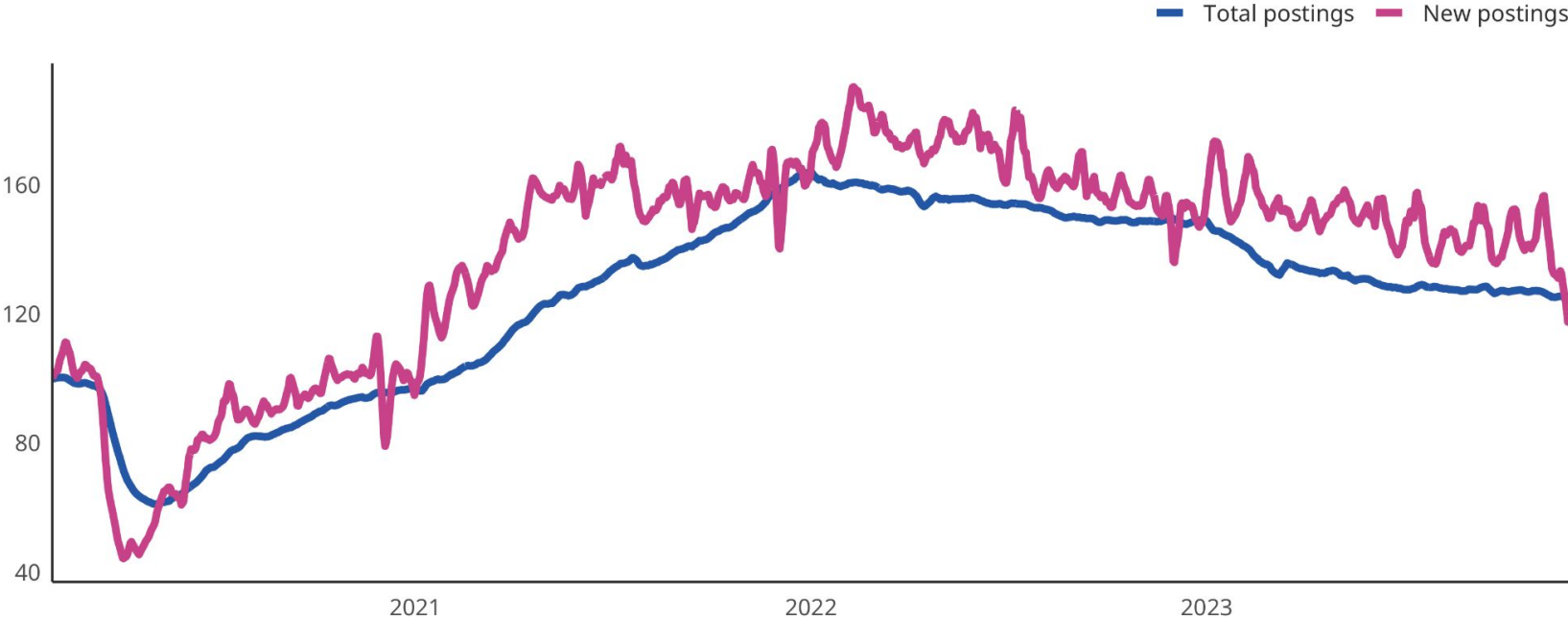


Source: Job Openings and Labor Turnover Survey, Current Population Survey



US job postings have continued to moderate

Index, 100 = Feb 1, 2020, United States, data through Dec 1, 2023

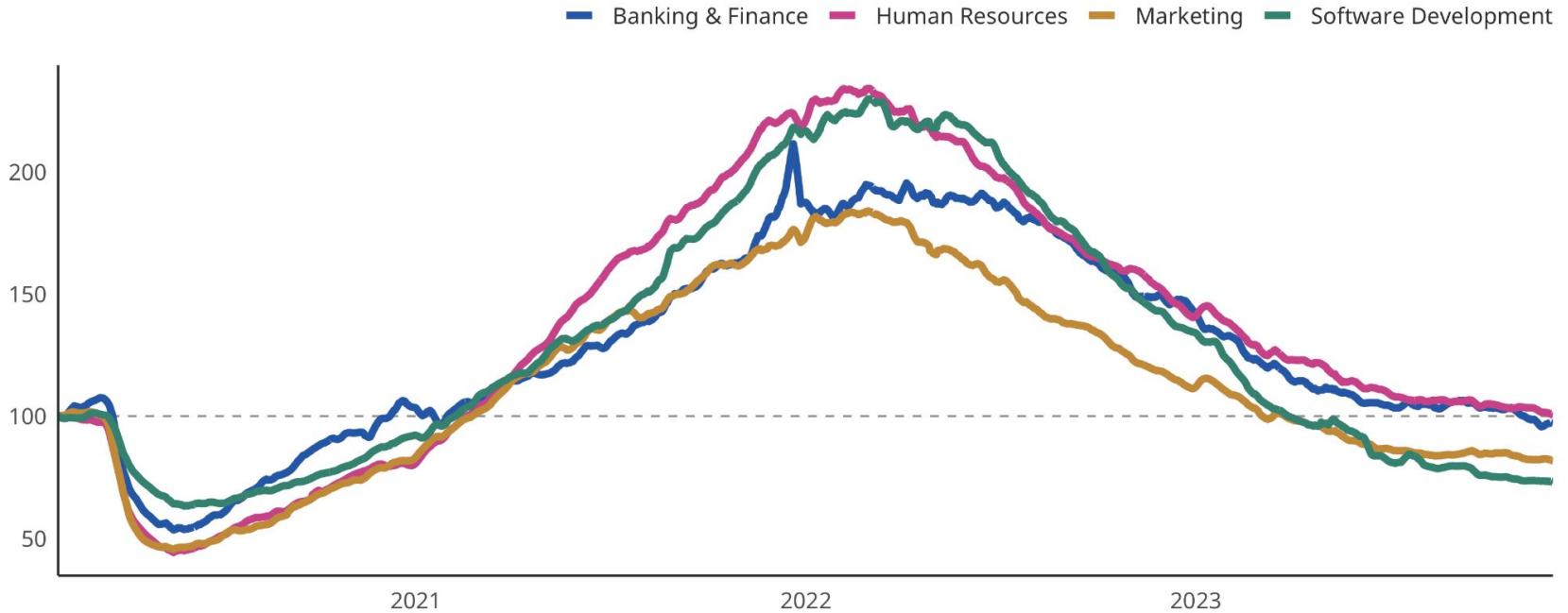


Source: Indeed Job Postings Index. Note: New job postings are those on Indeed for seven days or less.



US postings have dropped most in traditional 'office job' sectors

Indeed Job Postings Index, 100 = Feb 1, 2020, United States, through Dec 1, 2023

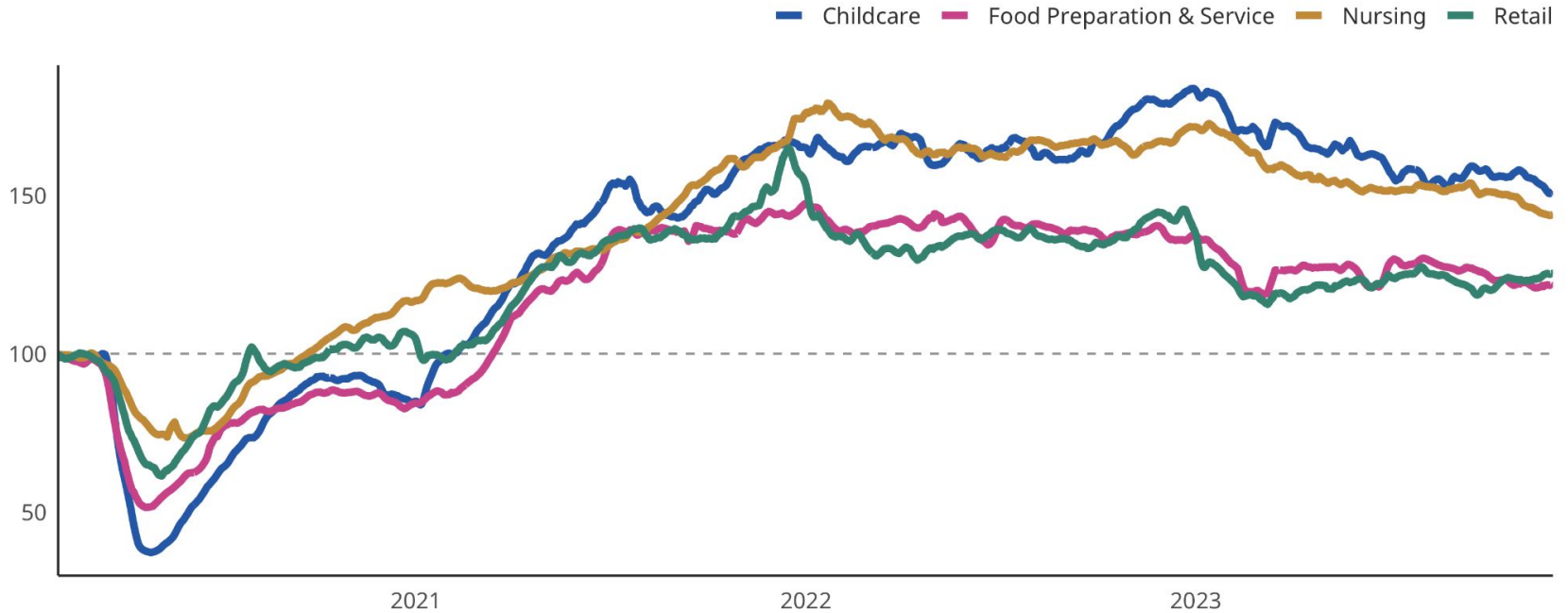


Source: Indeed Job Postings Index



US postings are holding up better in many 'in-person' sectors

Indeed Job Postings Index, 100 = Feb 1, 2020, United States, through Dec 1, 2023

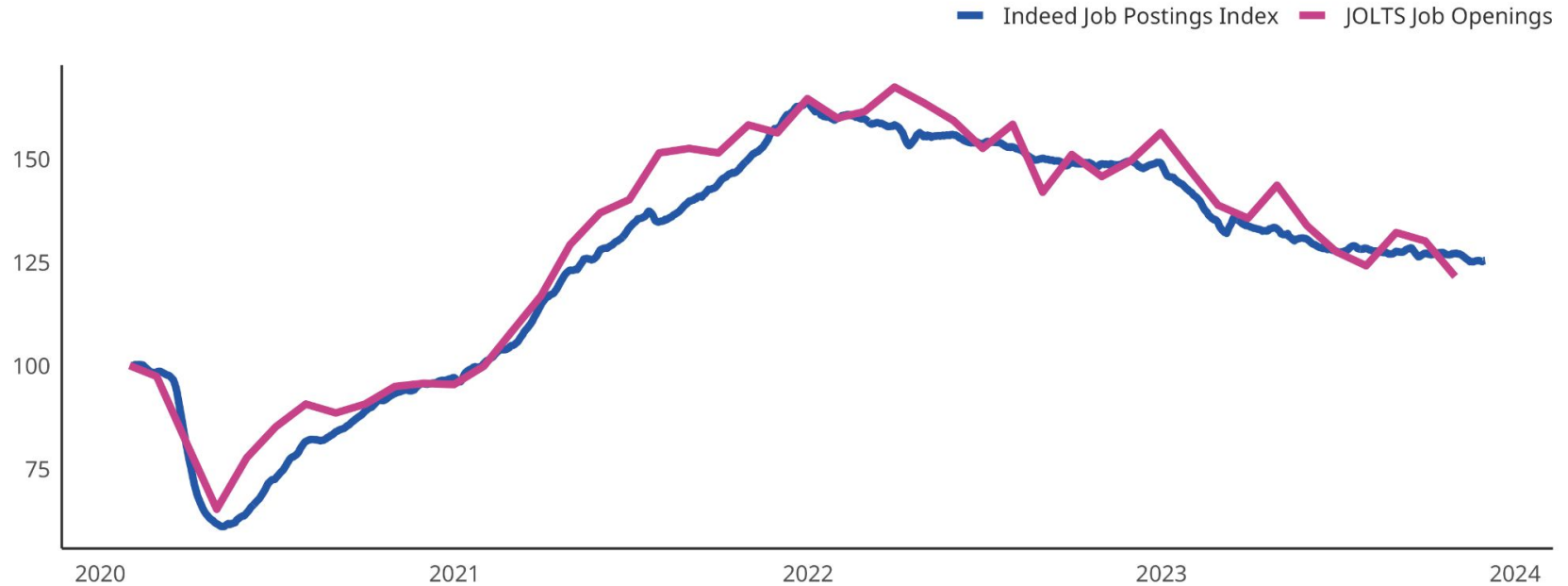


Source: Indeed Job Postings Index



Tracking US job openings and postings

Index, Jan 31, 2020 - Dec 1, 2023



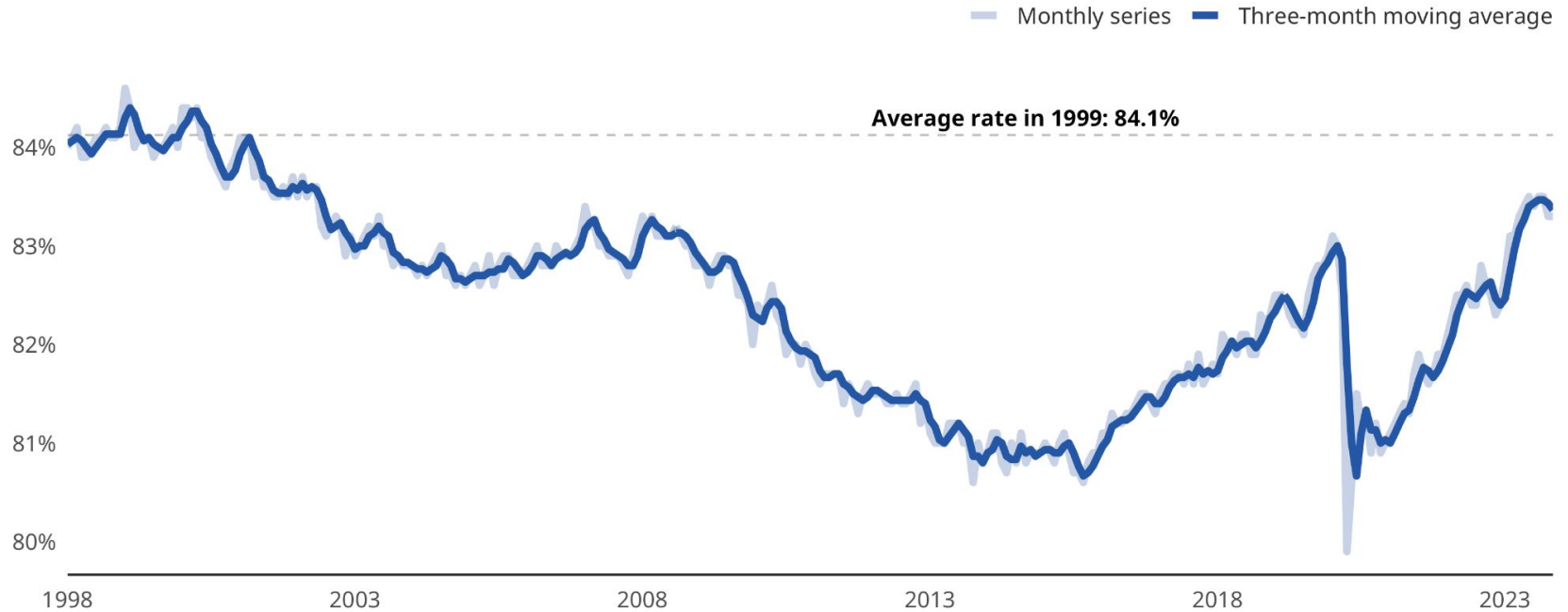
Source: Indeed Job Postings Index, Job Openings and Labor Turnover Survey.
Note: Index is set to 100 = Feb 1, 2020 for Indeed and Jan 2020 (Jan 31, 2020) for JOLTS



Labor supply and retention

The prime-age labor force participation rate

Share of US population aged 25 - 54 in the labor force, Jan 1998 - Nov 2023

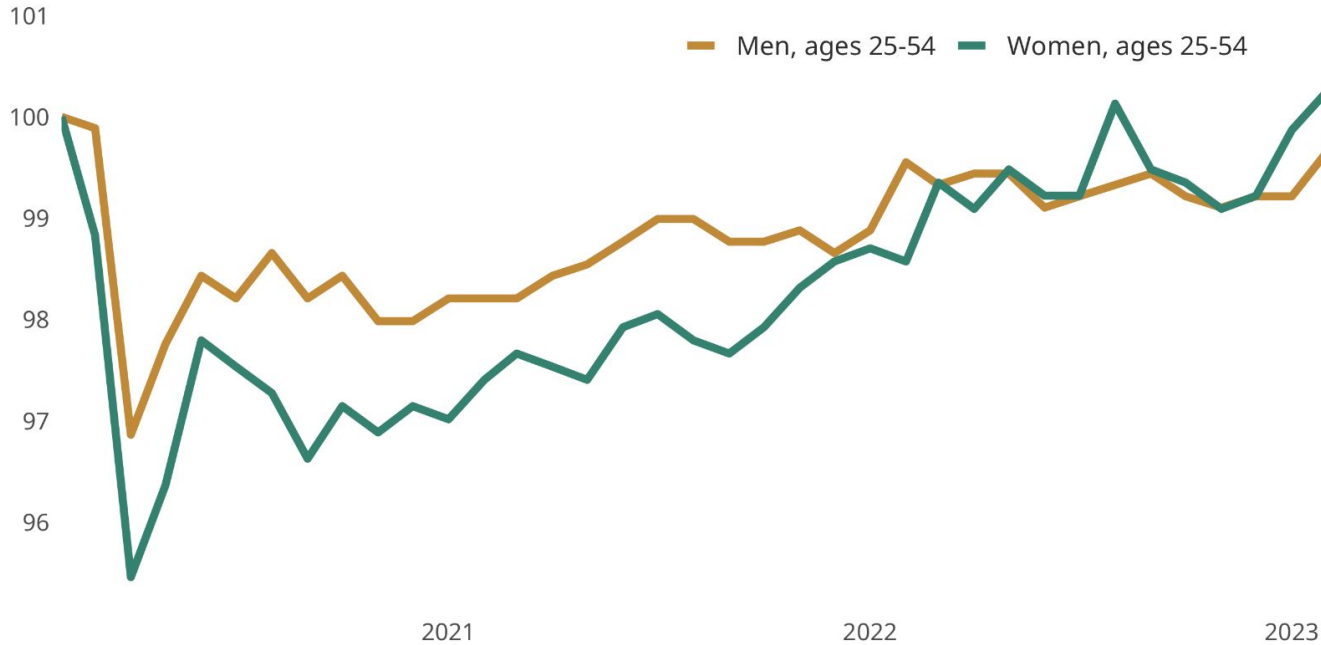


Source: Bureau of Labor Statistics



Gender differences in US labor force participation rates

Labor force participation rate, Index (100 = Feb 2020), Feb 2020 - Nov 2023

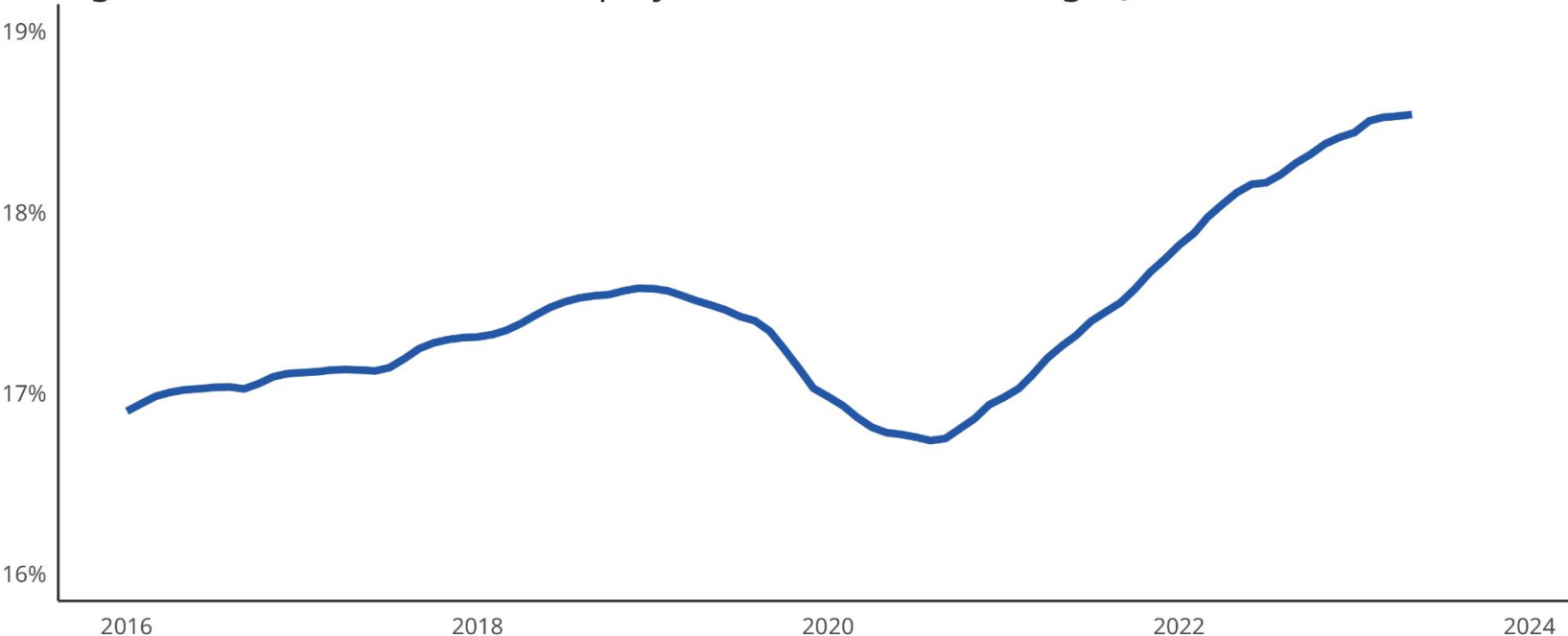


Source: Bureau of Labor Statistics



Foreign-born workers are leading employment growth

Foreign-born share of total US employment, 12 month average, Jan 2016 - Nov 2023

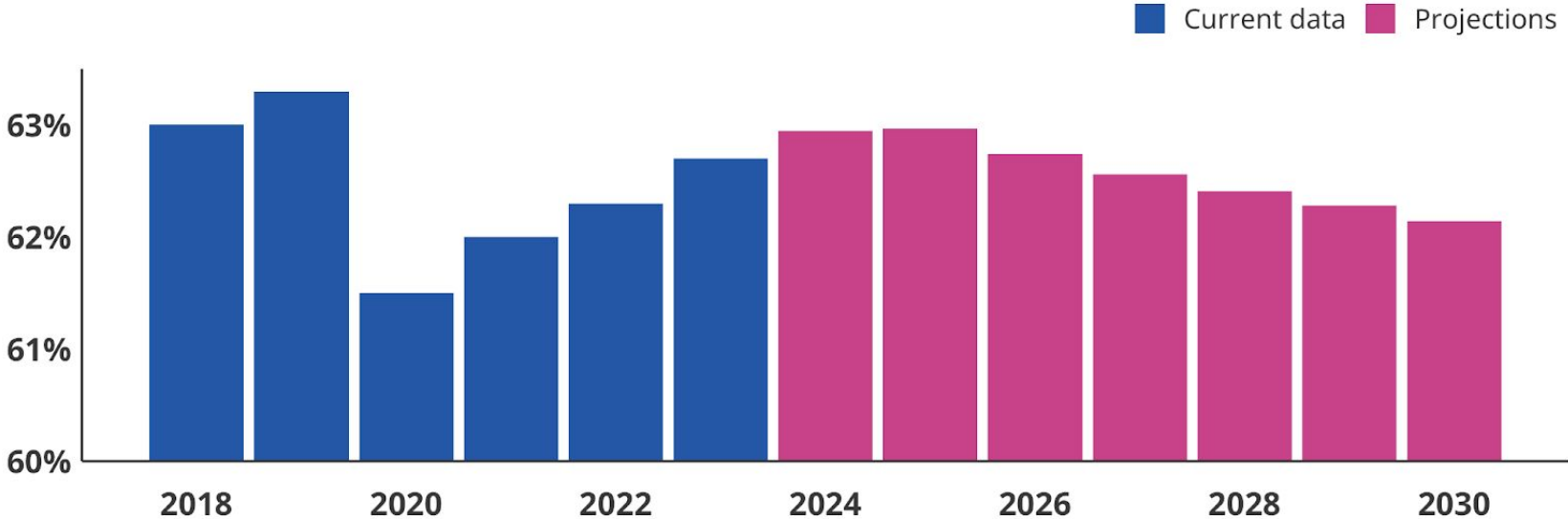


Source: US Bureau of Labor Statistics



An aging population will eventually pull down the US labor force participation rate

Labor force participation rate, 2018 - 2030

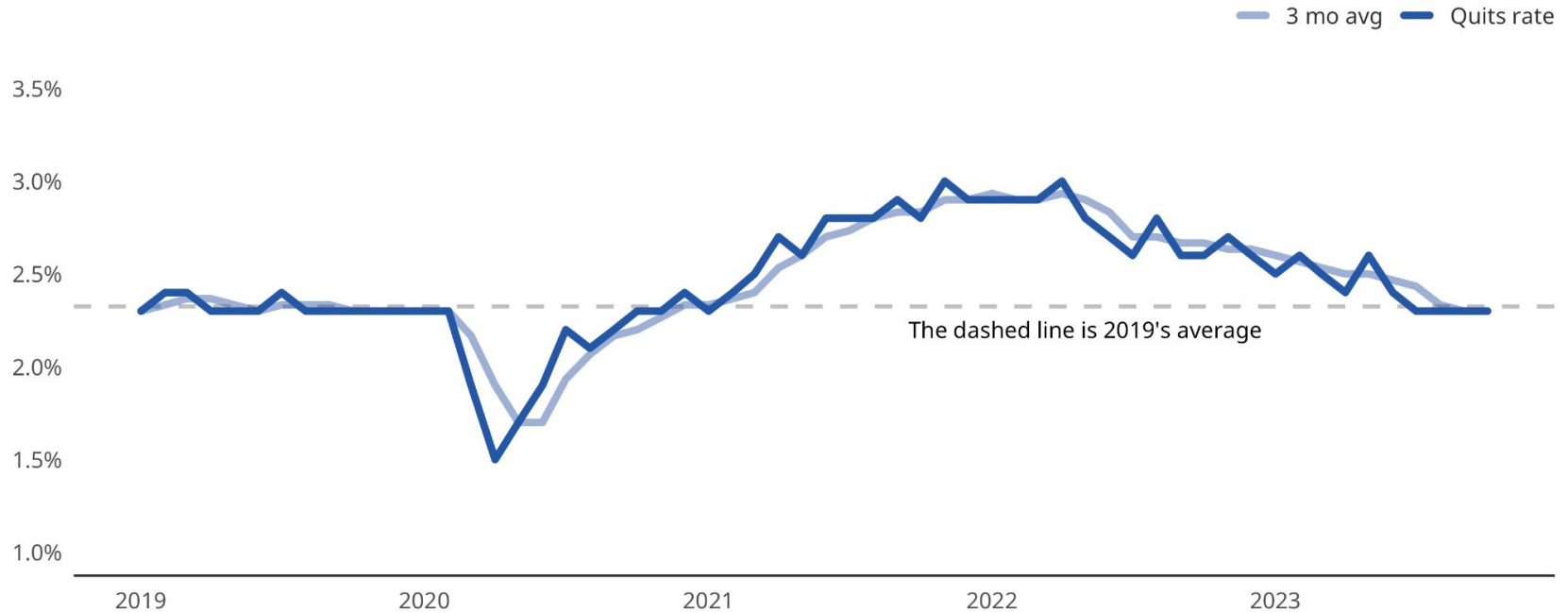


Source: Author's calculations using US Bureau of Labor Statistics data and Congressional Budget Office projections. For a full methodology, see Indeed's 2024 US Jobs & Hiring Trends Report.



The US quits rate is back at its pre-pandemic level

Quits as % of employment, Jan 2019 - Oct 2023



The dashed line is 2019's average

Source: Job Openings and Labor Turnover Survey



Wage growth and inflation

US posted wages are slowing considerably

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

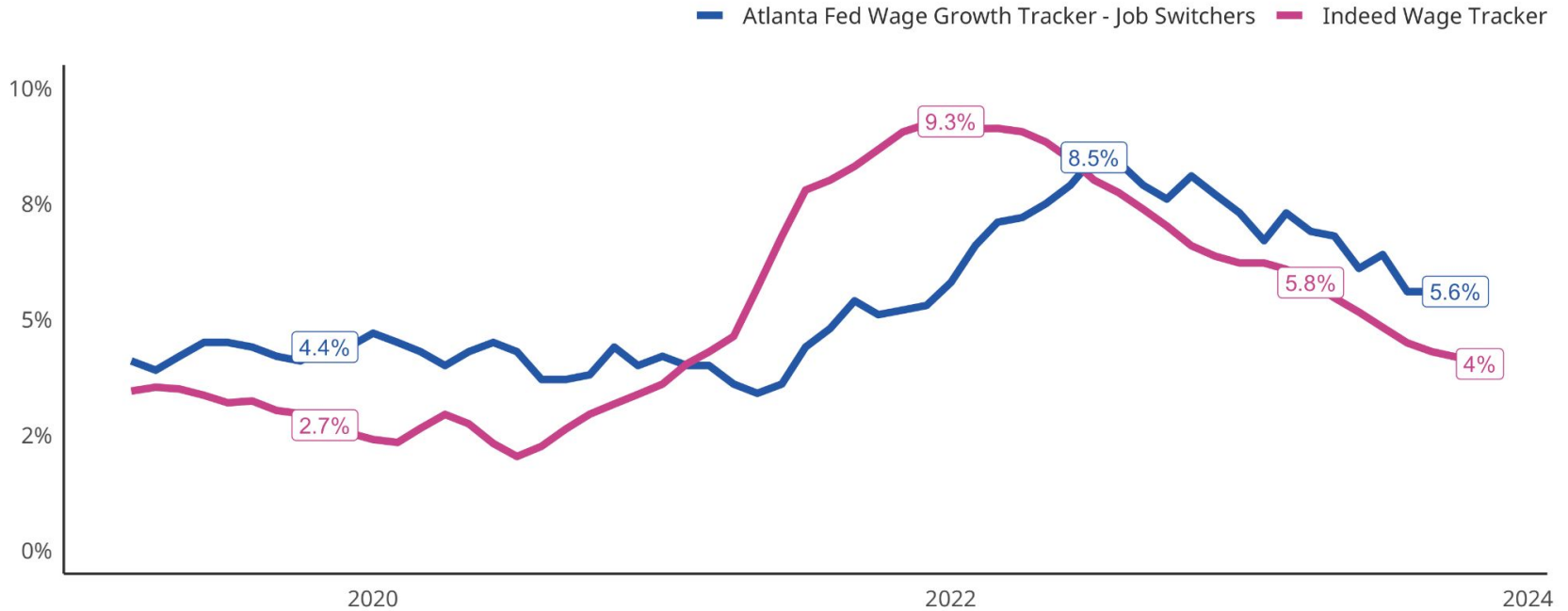


Source: Indeed Wage Tracker



US posted wage growth has led job switcher wage growth

Year-over-year growth, 3 mo moving average, Mar 2019 - Nov 2023



Source: Indeed, Federal Reserve Bank of Atlanta



US posted wages are growing faster than prices

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

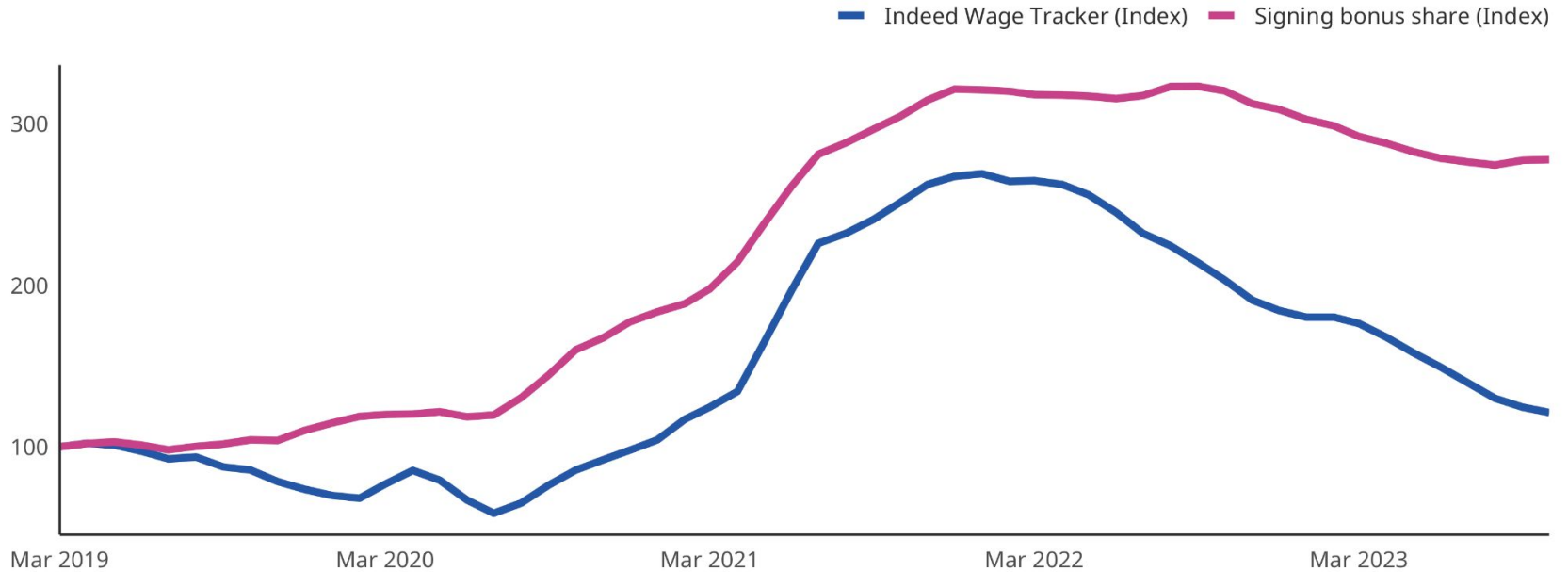


Source: Indeed Wage Tracker, Consumer Price Index



Signing bonuses have flattened but wage growth continues to slow

Share of US postings advertising signing bonuses and US Indeed Wage Tracker growth
Mar 2019 to Oct 2023



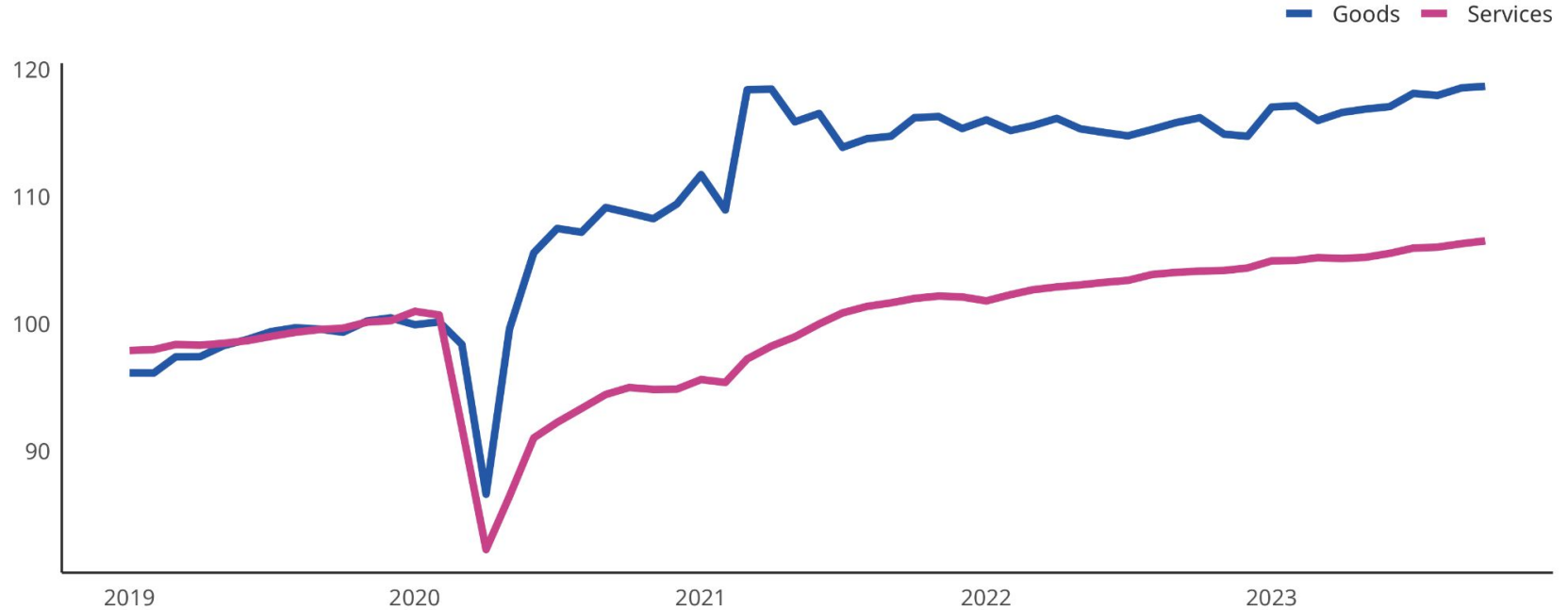
Indeed. Indexed 3-month moving average, Mar 2019 = 100



Soft landing?

Inflation-adjusted Personal Consumption Expenditures

US, Index, Fourth Quarter 2019 = 100, Jan 2019 - Oct 2023

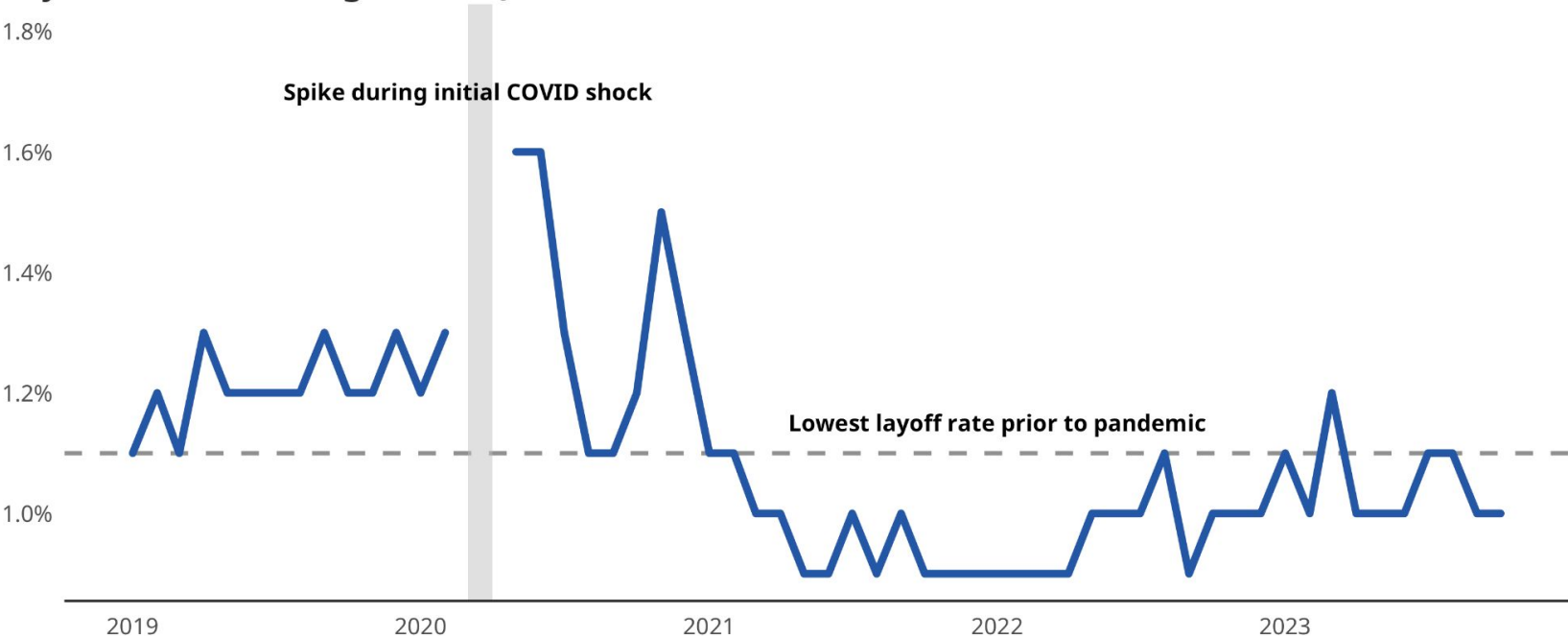


Source: Calculations using Bureau of Economic Analysis data



US layoffs remain low by historical standards

Layoffs and discharges rate, Jan 2019 - Oct 2023

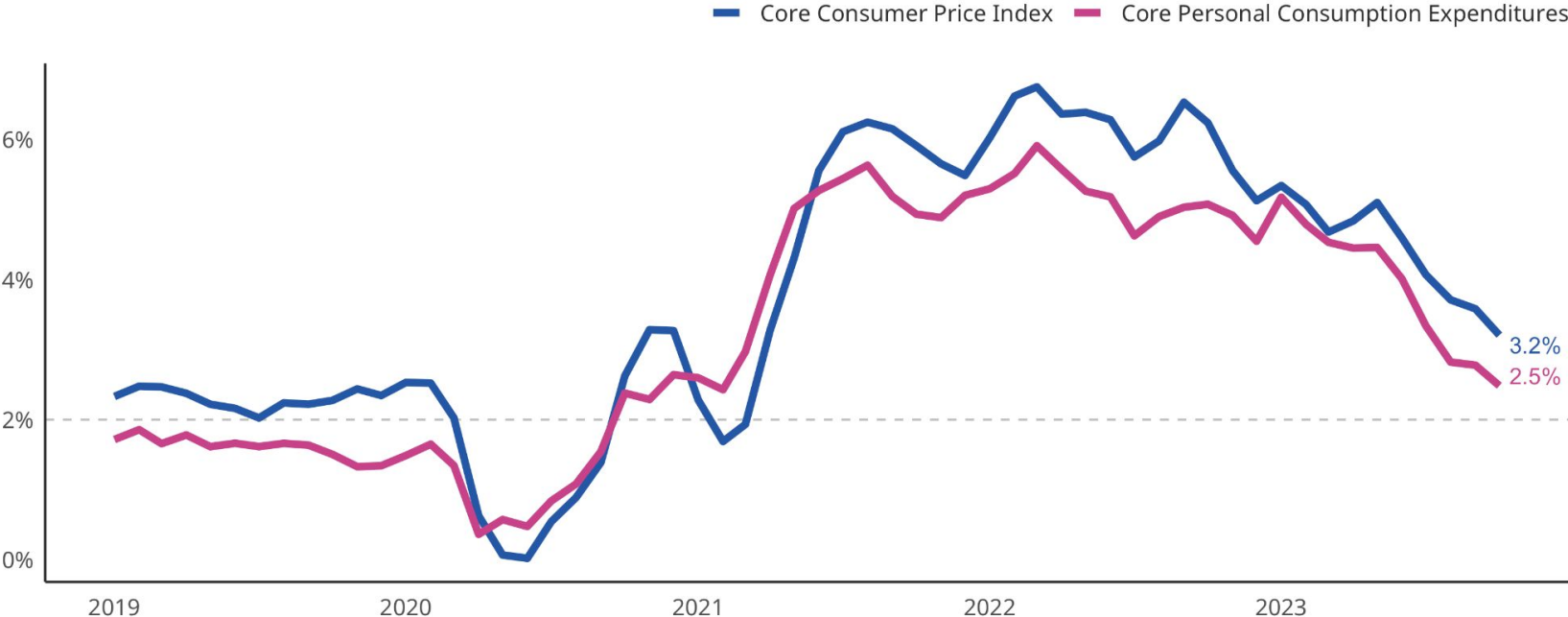


Source: Job Openings and Labor Turnover Survey.



US inflation is trending downward

Six month annualized growth, Jan 2019 - Oct 2023



Source: US Bureau of Labor Statistics, US Bureau of Economic Analysis

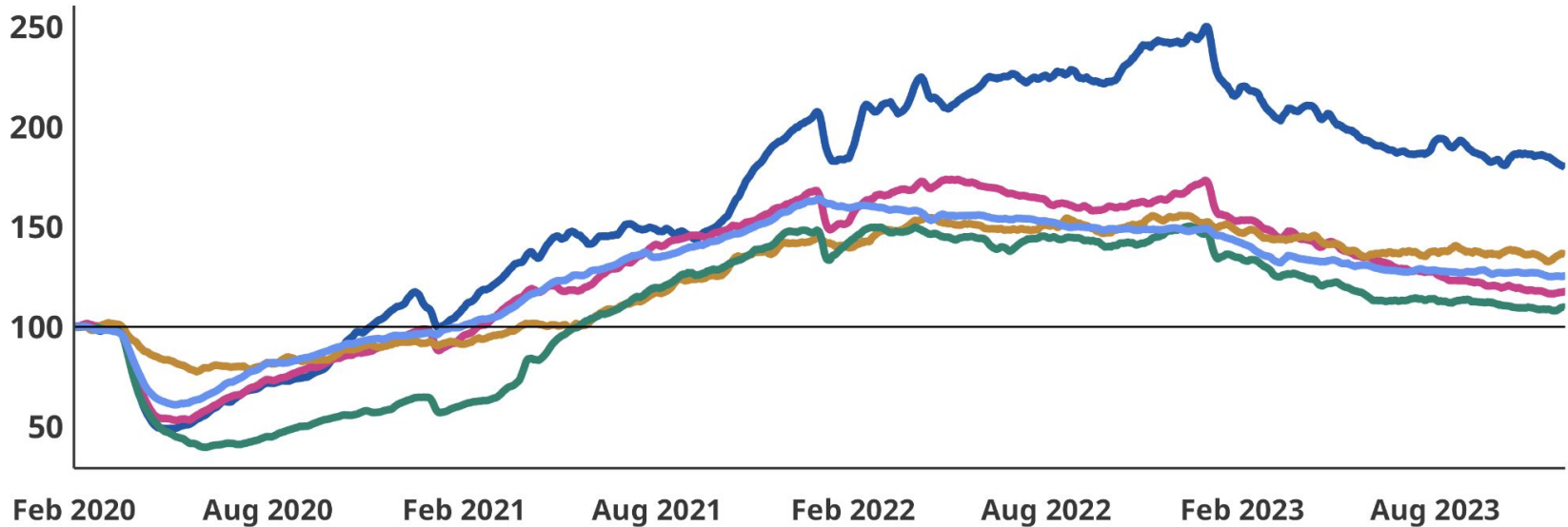


Global Trends

Job postings continue to moderate

% change in job postings since Feb 1, 2020, seasonally adjusted, to Dec 1, 2023

— Australia — Canada — Germany — UK — US

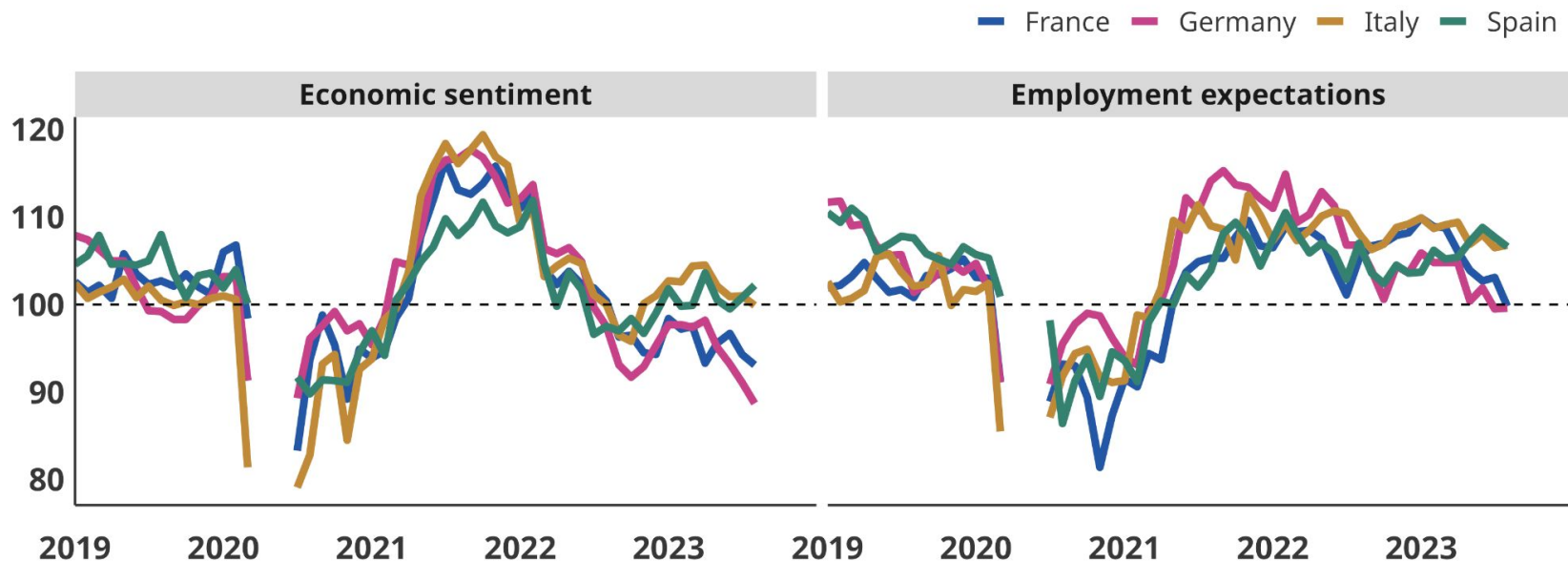


Source: Indeed



Employment outlook stronger than business sentiment

Economic sentiment and employment expectations, selected EU countries
Index (long-term average = 100)

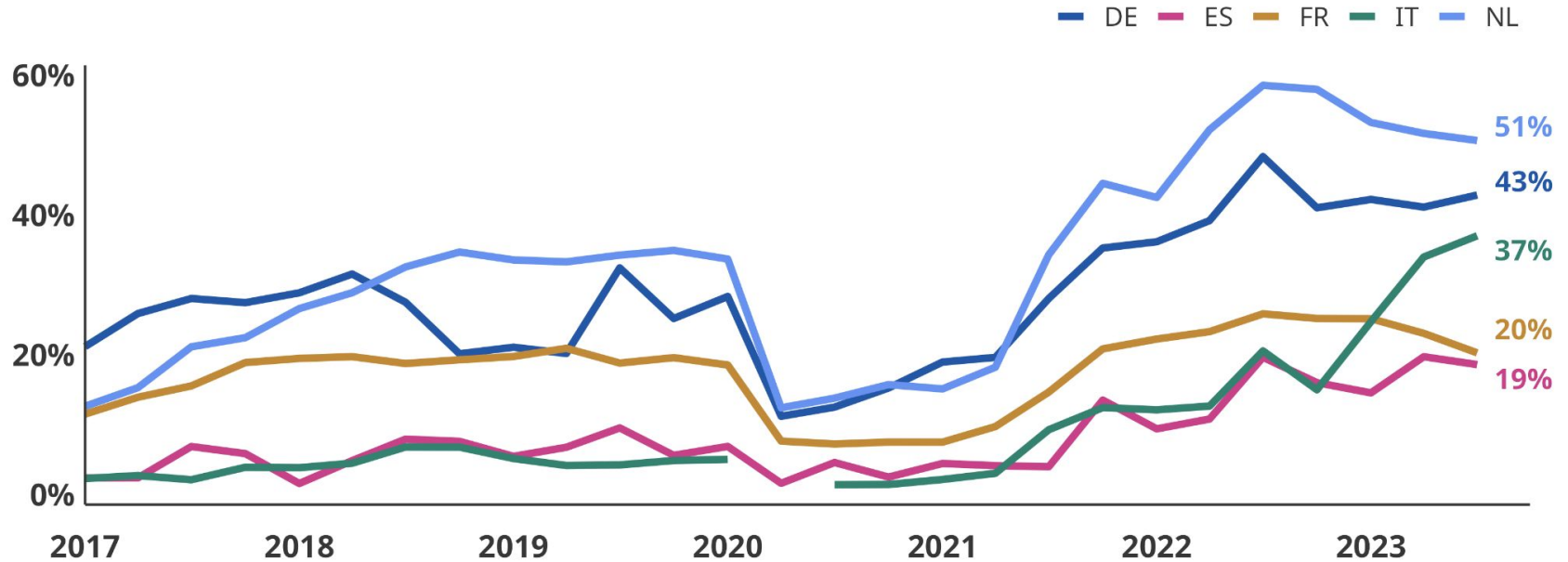


Source: ECB Survey of Professional Forecasters



Hiring challenges persist

Share of companies reporting that labour shortages are limiting production (data to Q3 2023)

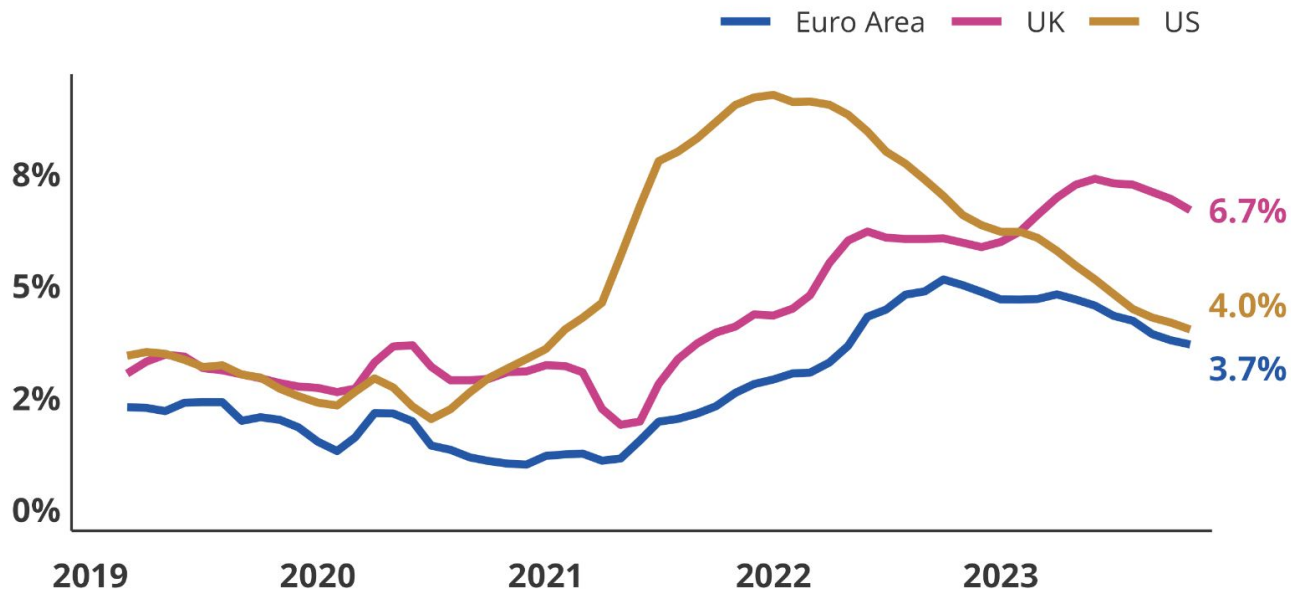


Source: European Commission Directorate General for Economic and Financial Affairs, Business Surveys
Employment-weighted average of construction, industry and services



Wage growth slows further

Year-on-year % change in posted wages to Nov 2023



Source: Indeed Wage Tracker (github.com/hiring-lab/indeed-wage-tracker)

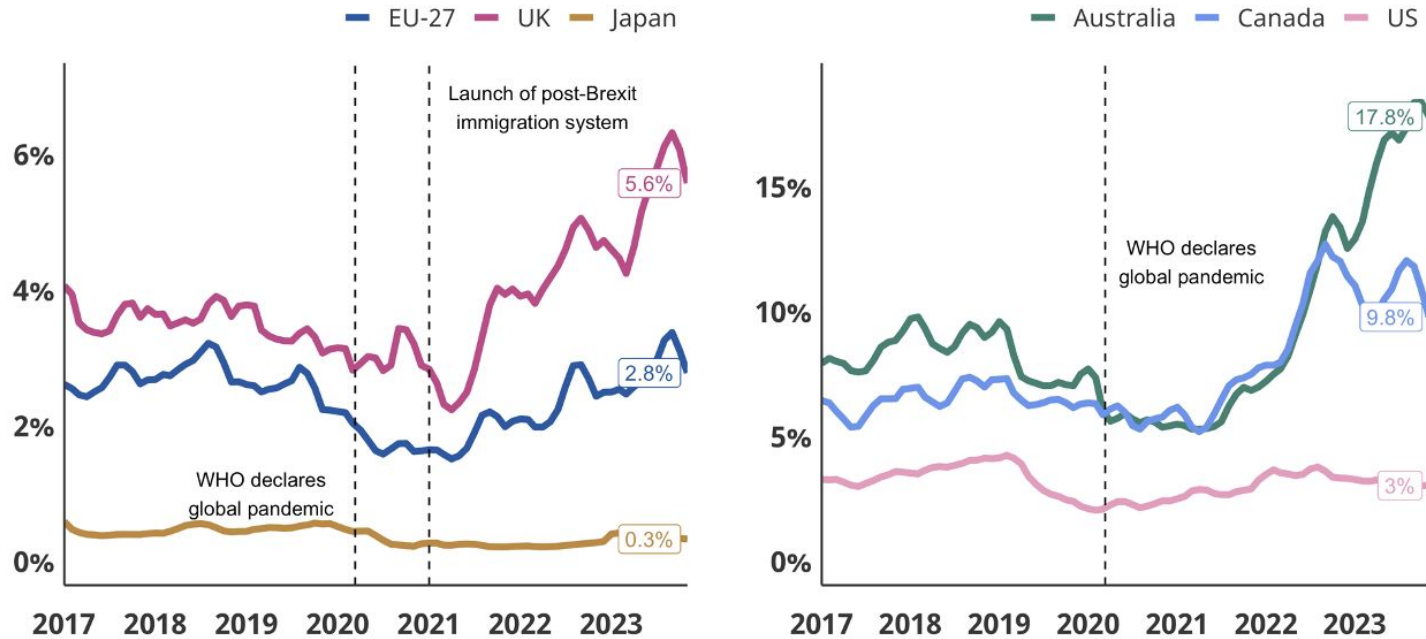
The data are monthly median year-on-year growth rates in advertised wages and salaries across job title-region-salary type combinations. The euro area series is an employment-weighted average of France, Germany, Ireland, Italy, the Netherlands and Spain.



Foreign jobseekers' interest has rebounded

Foreign searches as a share of all searches

Jan 2017 to Nov 2023, 3-month moving average, not seasonally adjusted



Source: Indeed

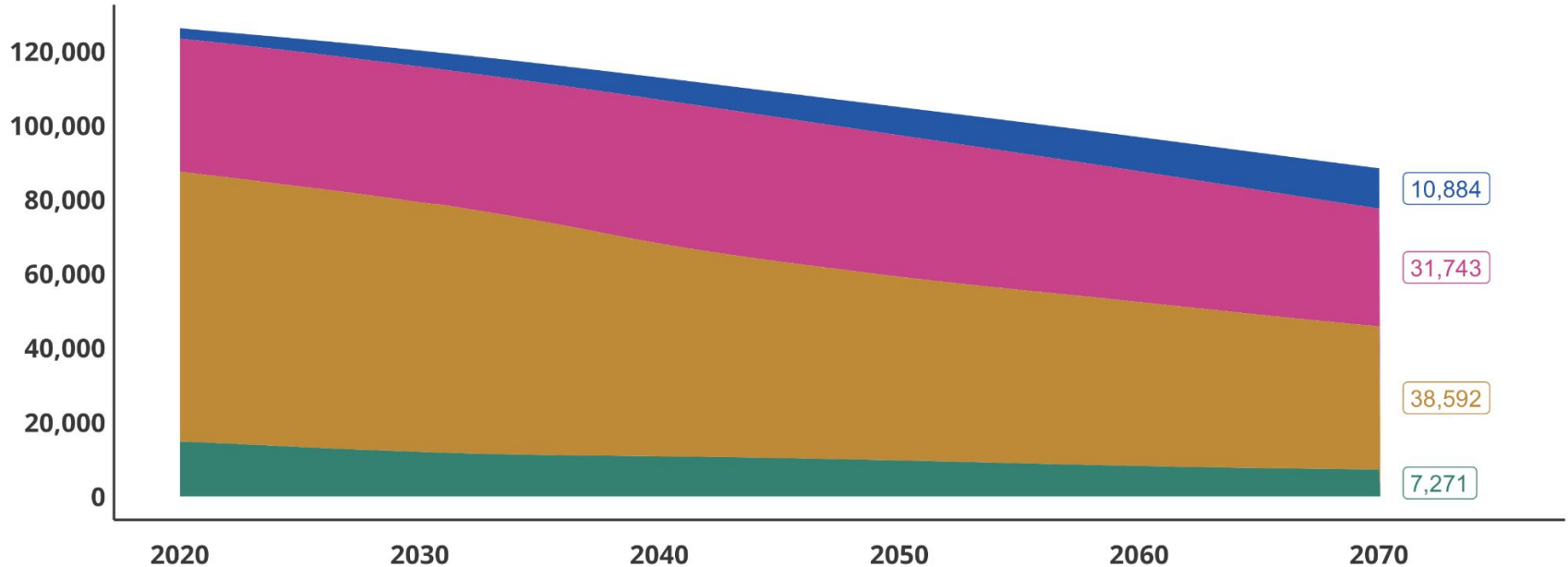
Note: For the EU-27, the line is the share of searches from outside the EU-27



Japanese population expected to decline but foreign population to increase

Future population projection (thousands), 2020 to 2070

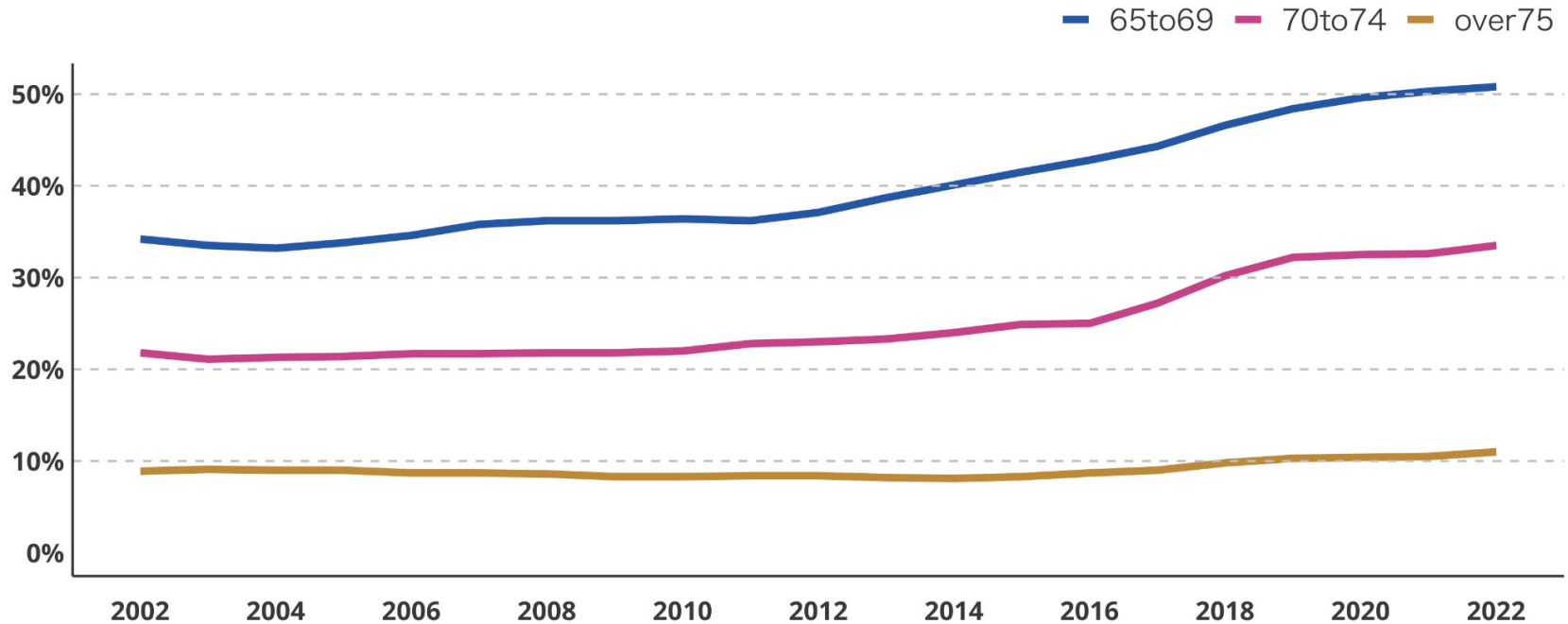
Foreign Resident Citizen Aged 65+ Citizen Aged 15-64 Citizen Aged 0-14



Source: National Institute of Population and Social Security Research.

Senior employment continues to increase, Japan

Senior employment rate by age cohort(%)



Source: MHLW 'Labor Force Survey'



Still stagnant but a growing potential of job switching, Japan

Number of those wishing to change jobs and actual job switchers (in thousands)

■ job seeker wishing to change jobs ■ job switcher



Source: MHLW 'Labor Force Survey'. Values for 2023 are quarterly averages.

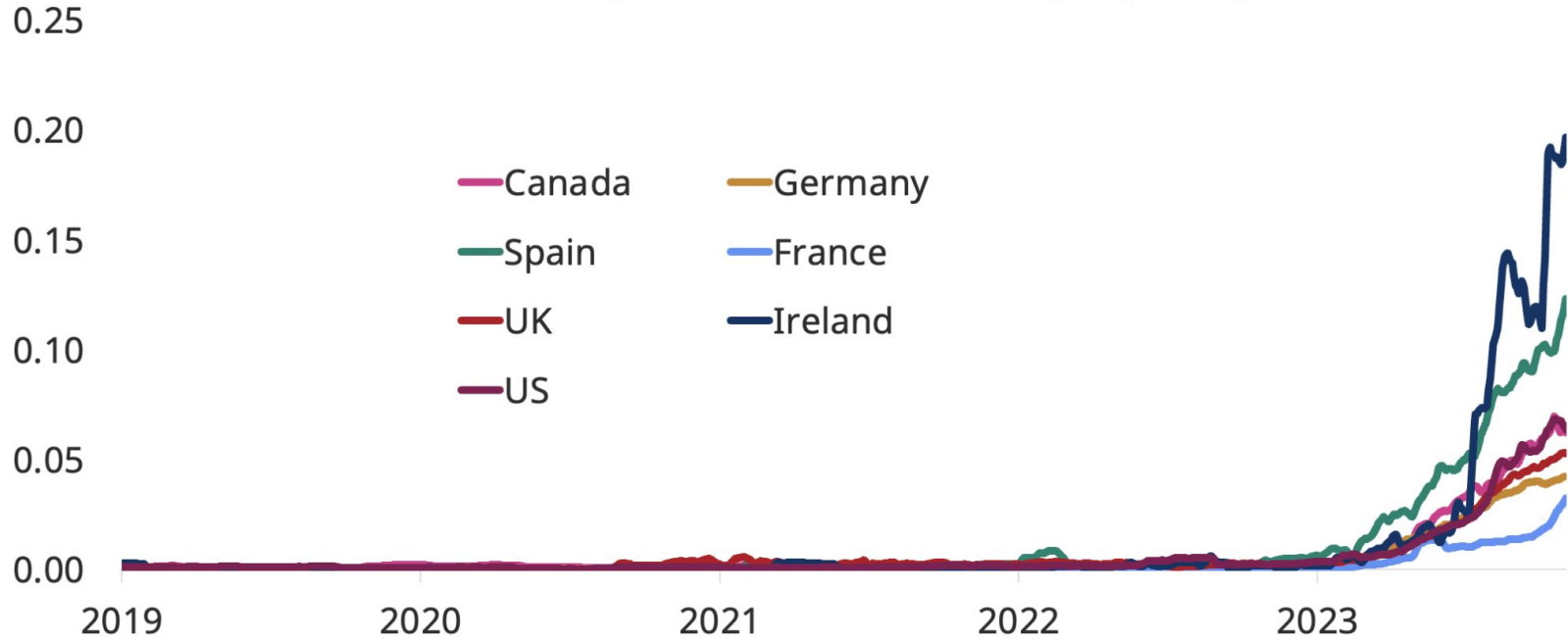


Note: Due to changes in the survey form, the methods for determining the number of people who wish to change jobs and the percentage of people who wish to change jobs are different before 2012 and after 2013.

Generative AI

Gen AI growth is international

Generative AI jobs as a share (%) of all job postings



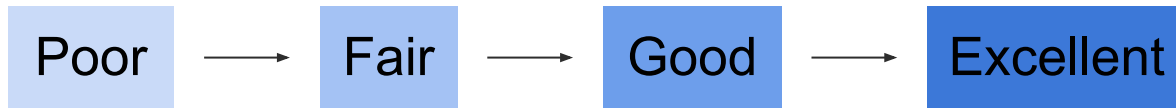
Source: Indeed
Data to October 2023



What jobs will be impacted by GenAI?

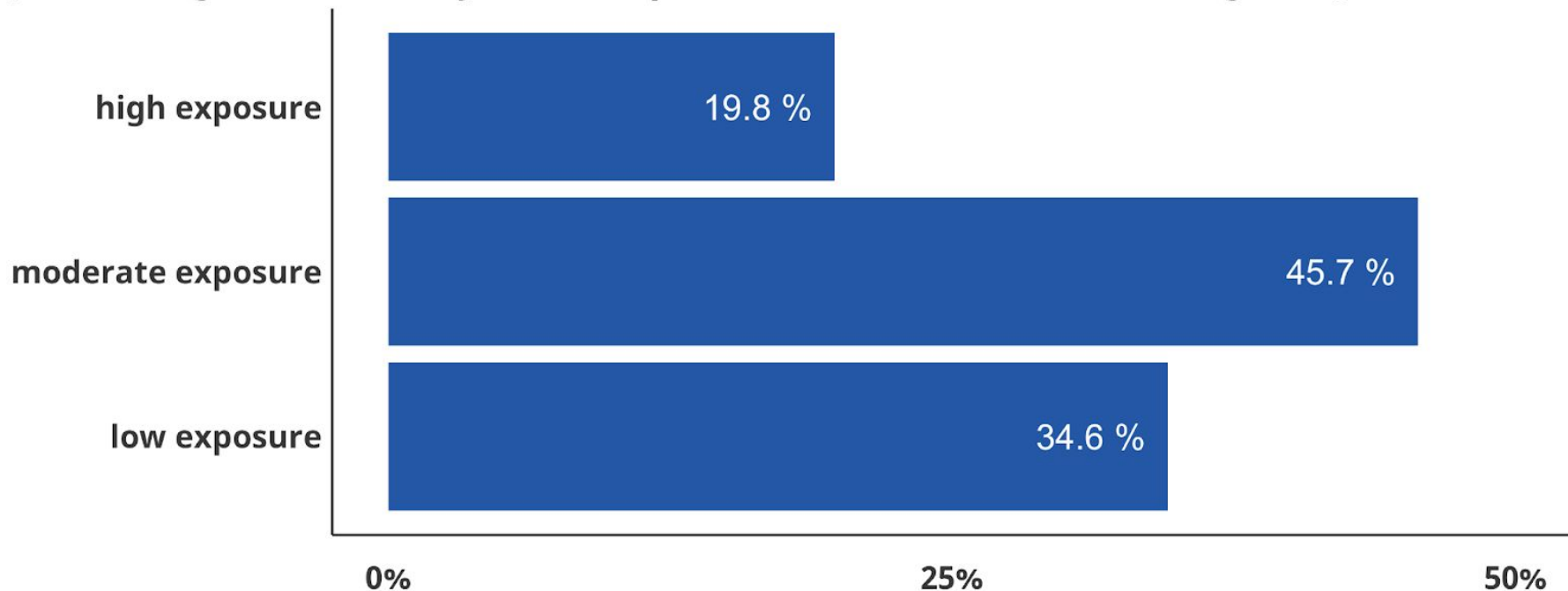
Two stage research:

- 1) First, we looked at how well GenAI performs different skills
- 2) Second, we considered how much different jobs (collection of skills) are exposed to GenAI



Less than 20% of Jobs face a high potential exposure to GenAI

Job Postings on Indeed by GenAI Exposure Share, United States, Aug '22 - Jul '23



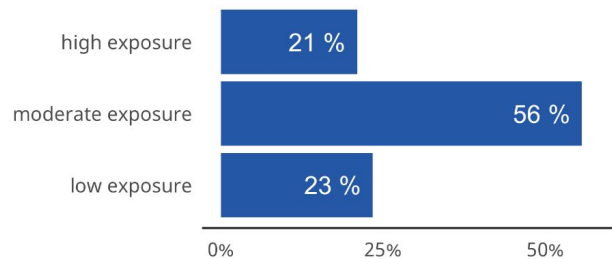
Source: Indeed. High: GenAI can perform at least 80% of skills at a 'good' or 'excellent' level. Moderate: Between 50% and less than 80% of skills. Low: Less than 50% of skills.



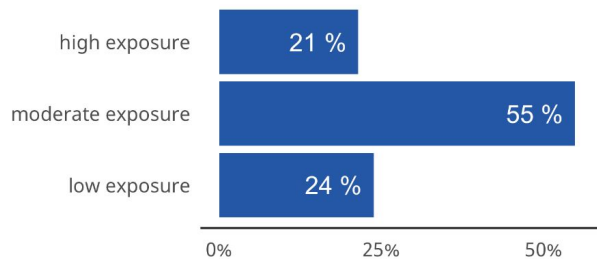
Jobs in Germany Face the Highest Potential Exposure to GenAI

Job Postings on Indeed by average GenAI Exposure Share, Jan 01 - Nov 17, 2023

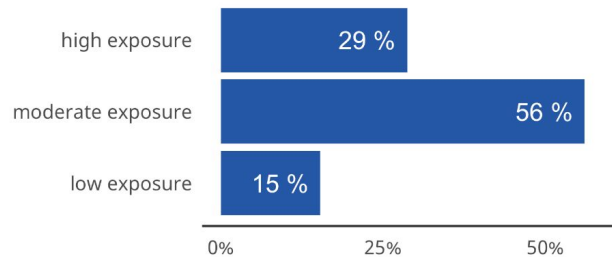
Australia



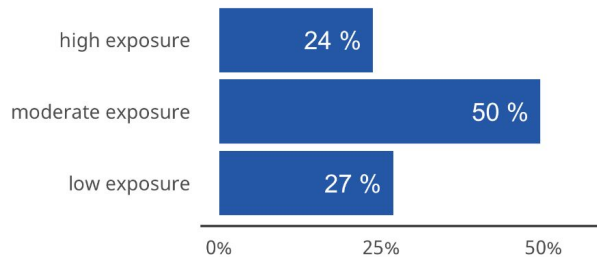
Canada



Germany



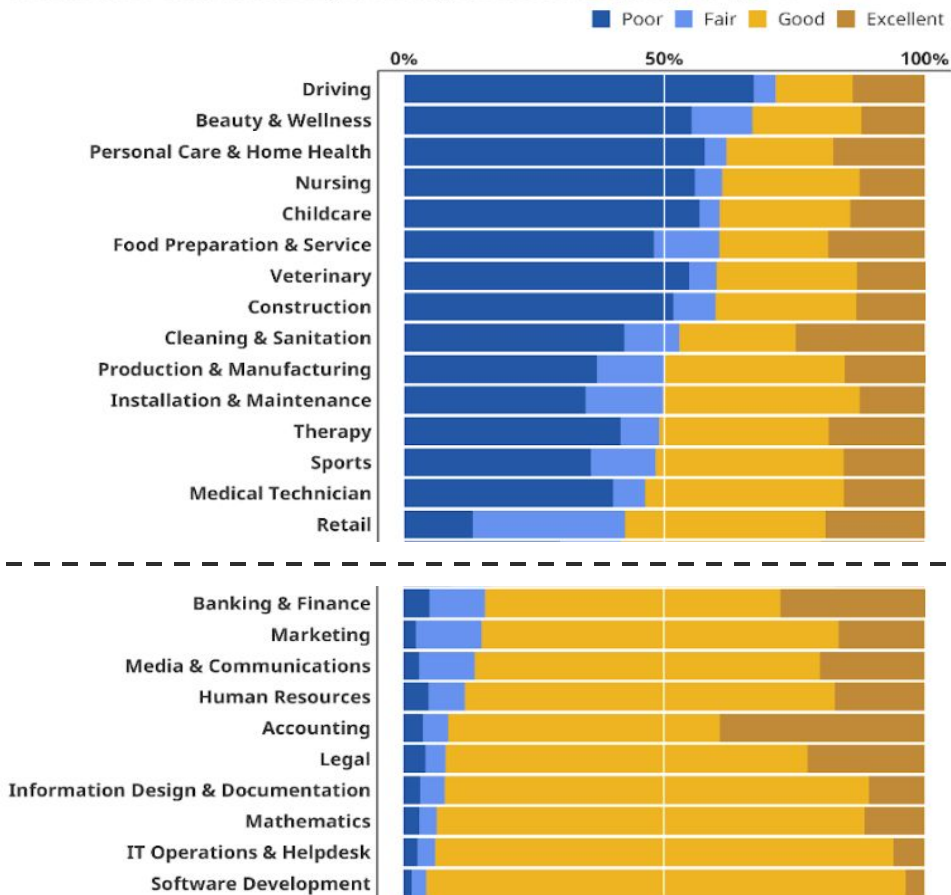
UK



Source: Indeed. High: GenAI can perform at least 80% of skills at a 'good' or 'excellent' level. Moderate: Between 50% and less than 80% of skills. Low: Less than 50% of skills.

Assessing GenAI's Proficiency in Skills

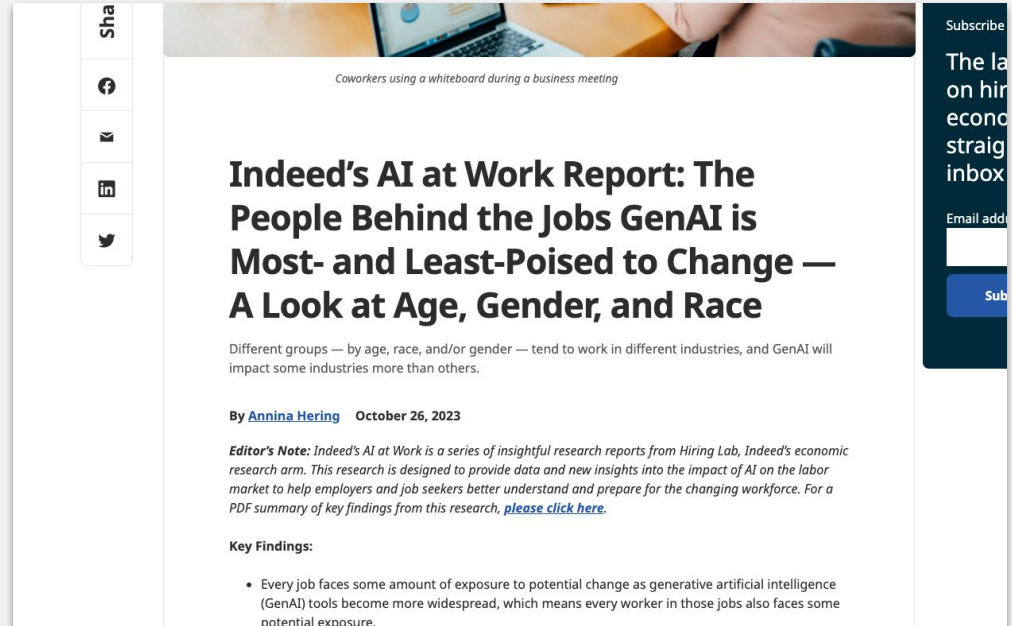
Evaluation of Skills in Indeed Job Postings, United States, Aug '22 - Jul '23



Source: Indeed.

AI at Work Report Series

www.hiringlab.org



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Coworkers using a whiteboard during a business meeting

Indeed's AI at Work Report: The People Behind the Jobs GenAI is Most- and Least-Poised to Change — A Look at Age, Gender, and Race

Different groups — by age, race, and/or gender — tend to work in different industries, and GenAI will impact some industries more than others.

By [Annina Hering](#) October 26, 2023

Editor's Note: Indeed's AI at Work is a series of insightful research reports from Hiring Lab, Indeed's economic research arm. This research is designed to provide data and new insights into the impact of AI on the labor market to help employers and job seekers better understand and prepare for the changing workforce. For a PDF summary of key findings from this research, [please click here](#).

Key Findings:

- Every job faces some amount of exposure to potential change as generative artificial intelligence (GenAI) tools become more widespread, which means every worker in those jobs also faces some potential exposure.



Global trends

Australia, Canada, France, Germany, Ireland, Japan, UK, US.



Labor market updates

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Appendix

Sectors with the sharpest increases in job postings

Year-over-year change in US Job Postings Index as of Dec 1, 2023

Occupational Sector	% change
Driving	8.0
Physicians & Surgeons	5.8
Therapy	2.7
Pharmacy	-2.8
Civil Engineering	-2.9
Dental	-4.6
Sports	-5.1
Beauty & Wellness	-6.3
Social Science	-6.8
Veterinary	-9.6

Source: Indeed



Sectors with the sharpest declines in job postings

Year-over-year change in US Job Postings Index
as of Dec 1, 2023

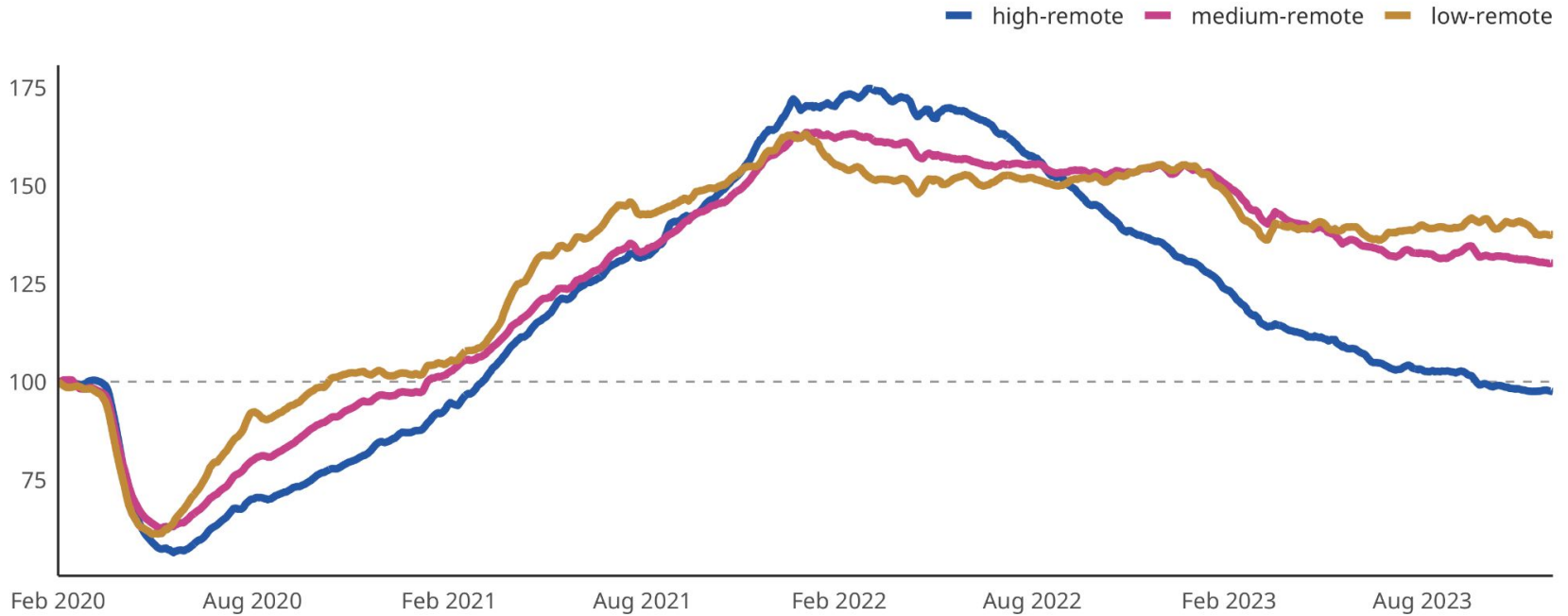
Occupational Sector	% change
Software Development	-48.8
Information Design & Documentation	-42.5
Mathematics	-36.4
Banking & Finance	-34.8
IT Operations & Helpdesk	-33.9
Human Resources	-33.6
Chemical Engineering	-32.9
Media & Communications	-31.8
Marketing	-30.8
Scientific Research & Development	-30.7

Source: Indeed



Postings are most resilient in sectors most likely to be in person

US Job Postings Index by remote-work tier, data through Dec 1, 2023

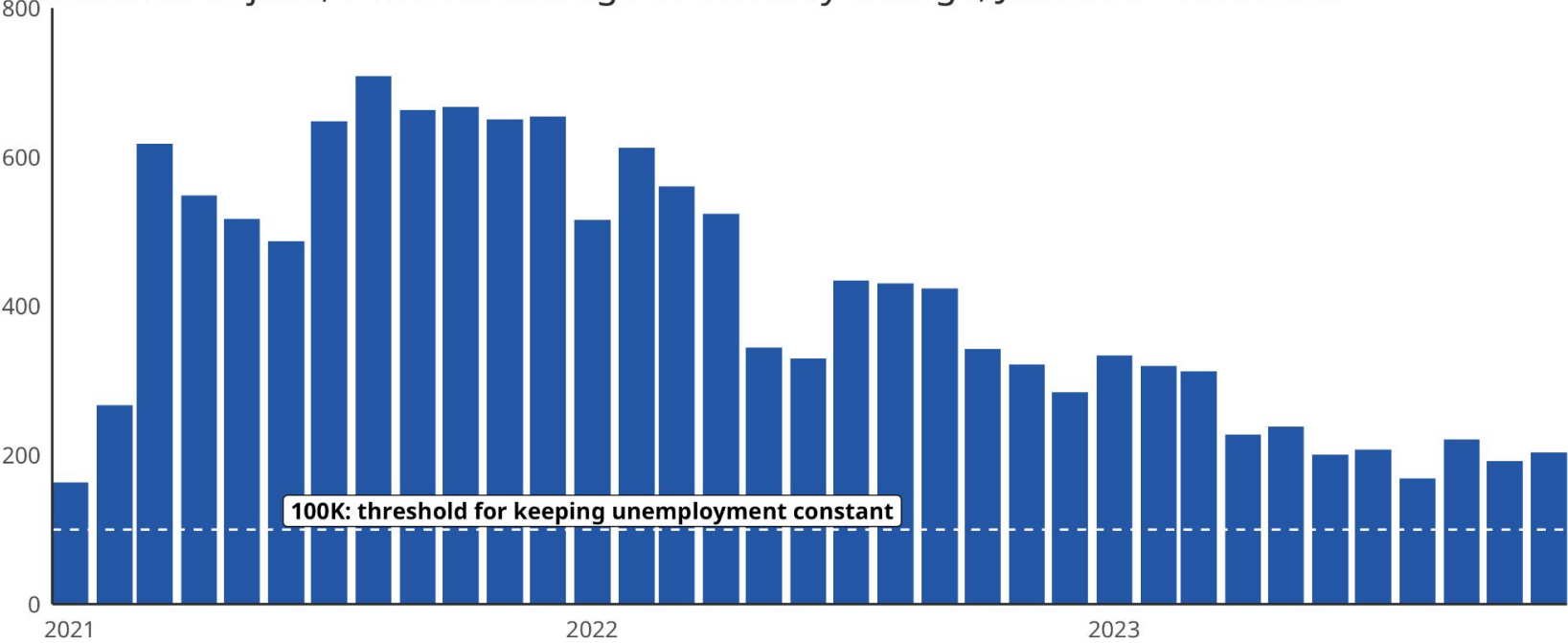


Source: Indeed Job Postings Index



Pace of US monthly job gains

Thousands of jobs, 3 month average of monthly change, Jan 2021 - Nov 2023

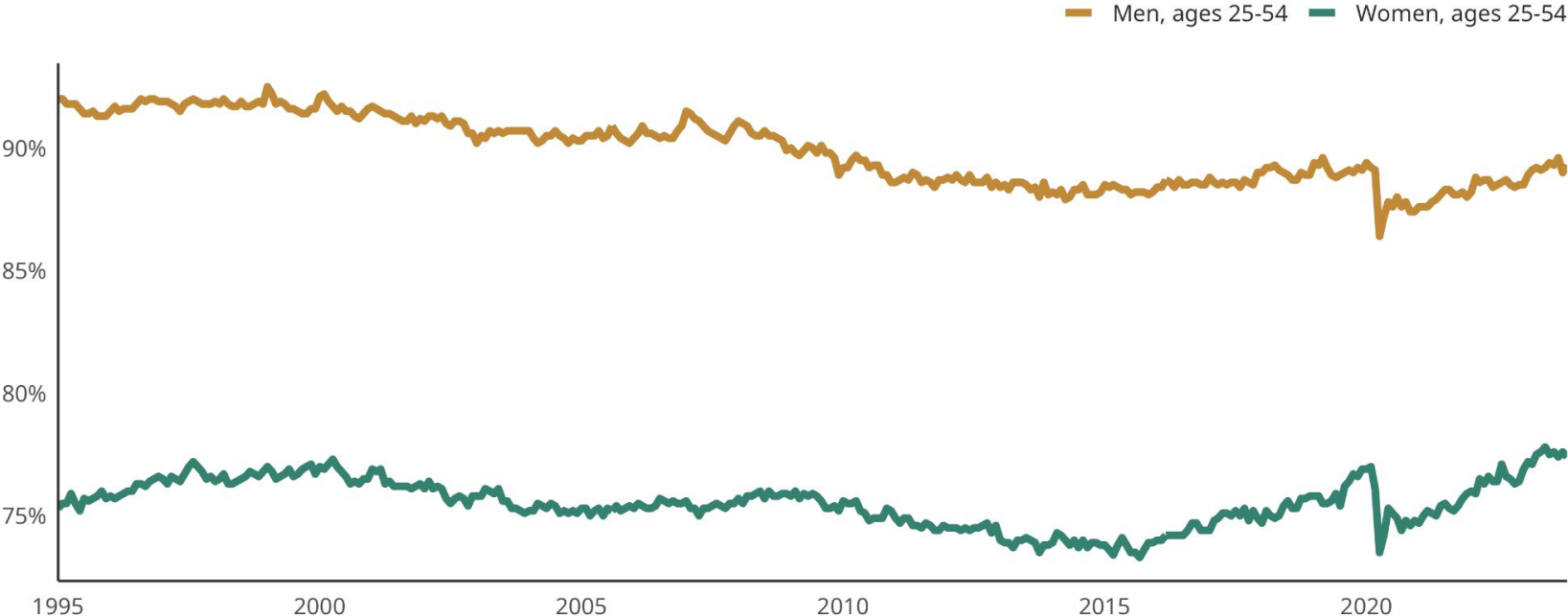


Source: Bureau of Labor Statistics.



Gender differences in US labor force participation rates

Share of population in the labor force, Jan 1995 - Nov 2023

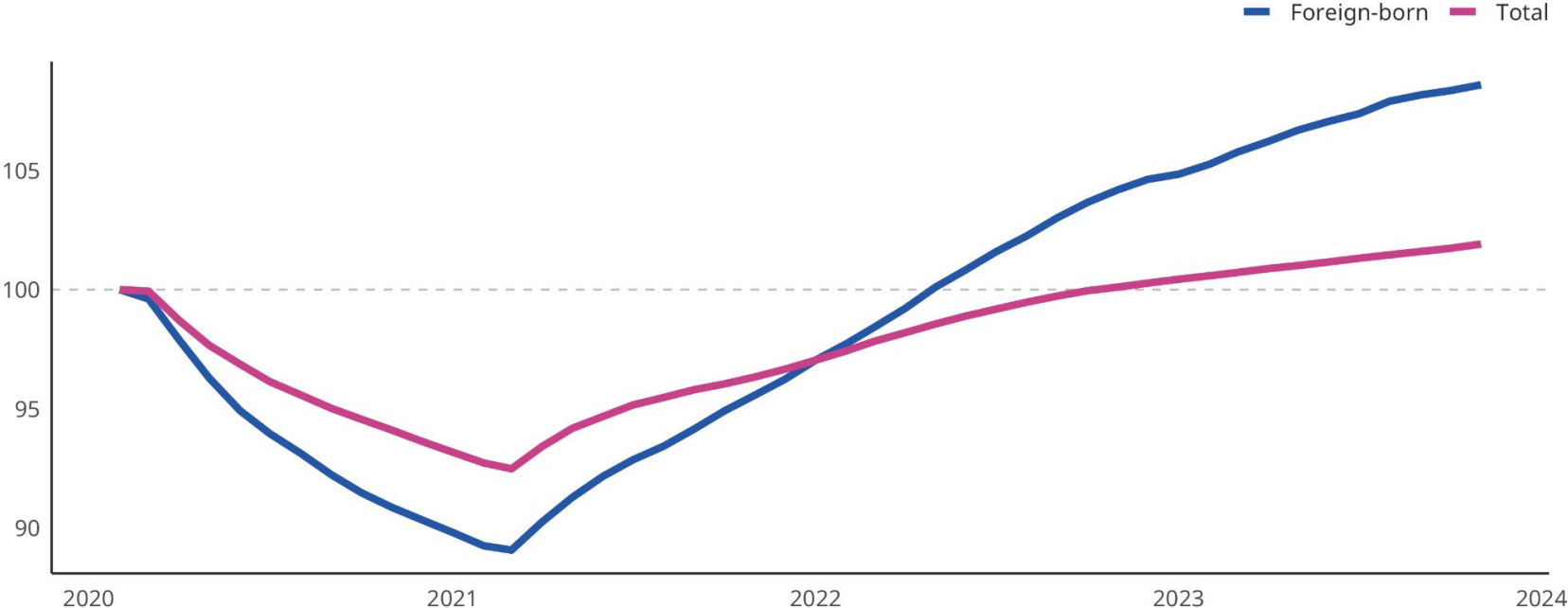


Source: US Bureau of Labor Statistics



Foreign-born workers are leading employment growth in the US

Employment, Index (100 = Feb 2020), data through Nov 2023

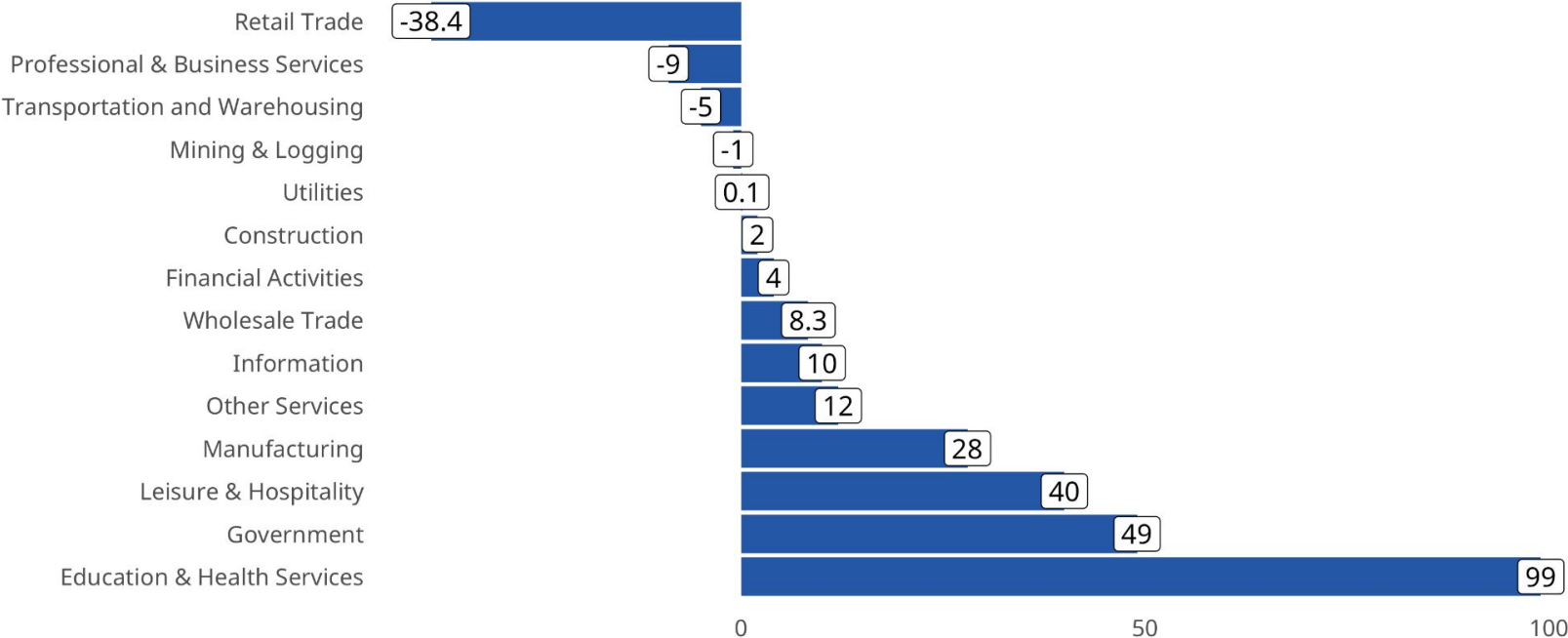


Source: US Bureau of Labor Statistics. Data are 12-month average of non-seasonally adjusted employment



US payroll growth by industry sector

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

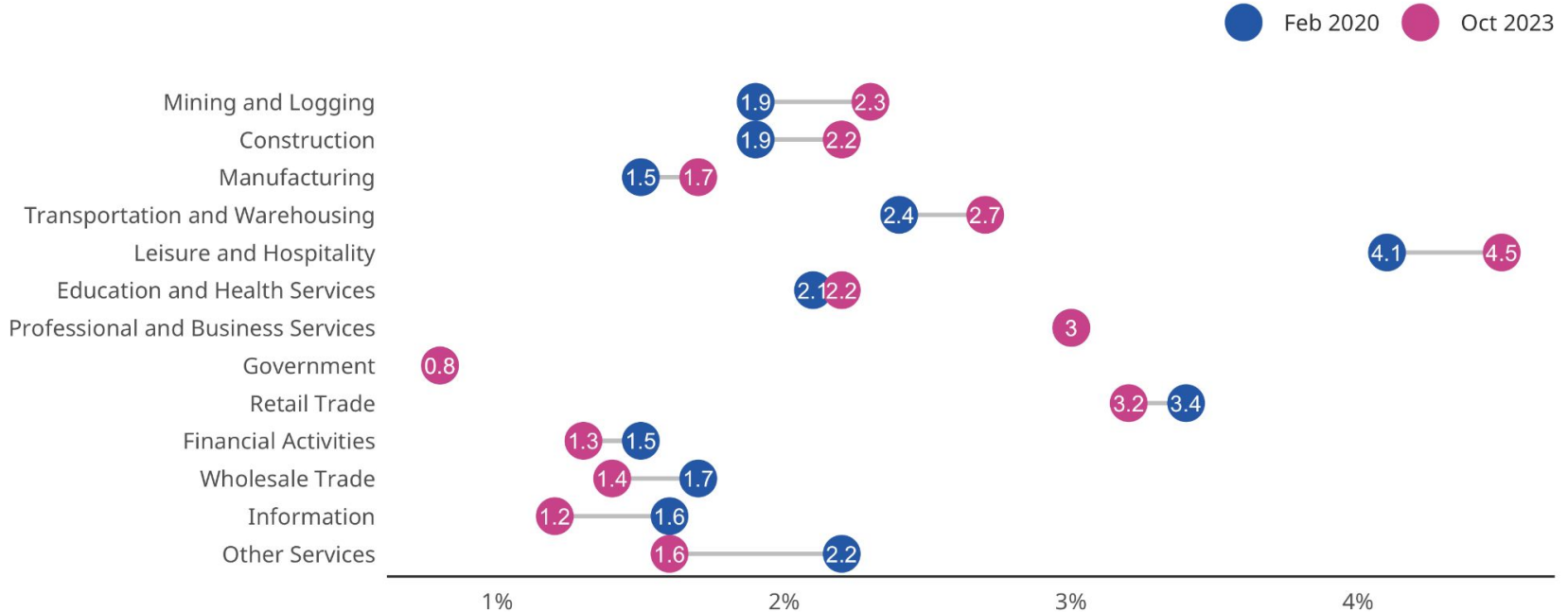


Source: Bureau of Labor Statistics



US quits rate by industry sector

Quits rates, ordered by % chng since Feb 2020

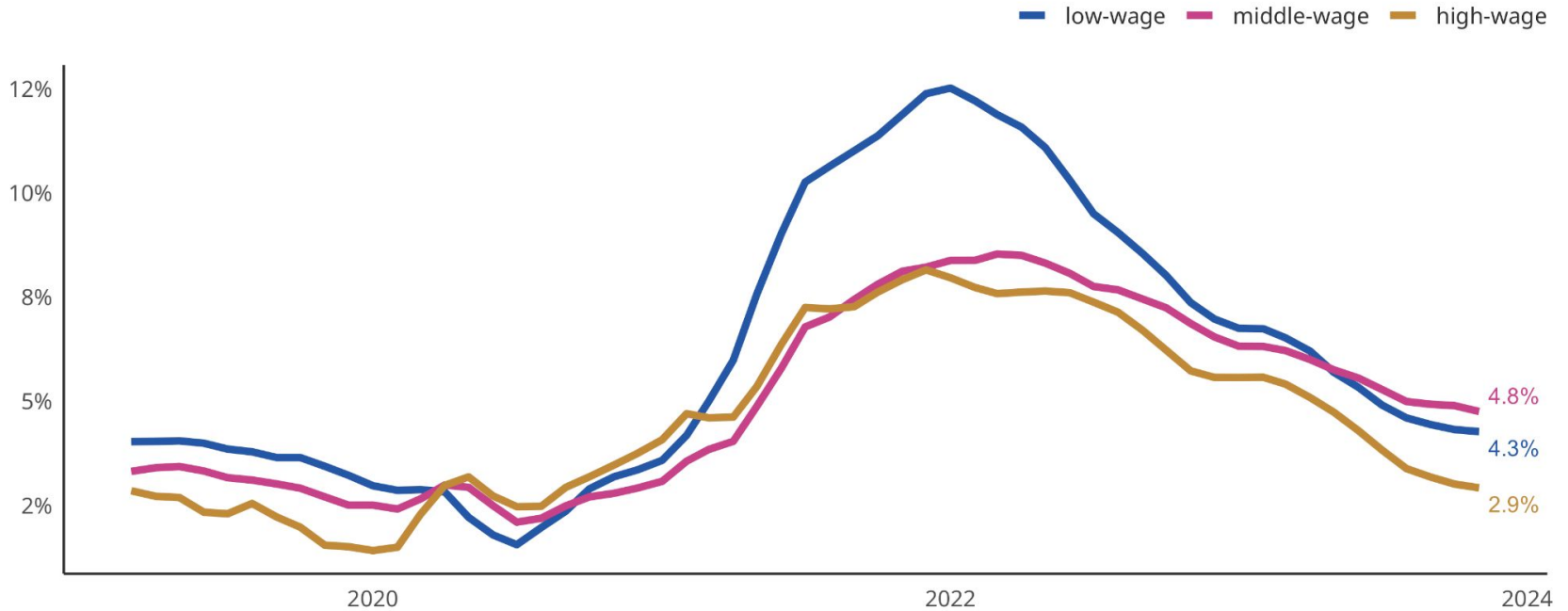


Source: Job Openings and Labor Turnover Survey



US wage growth is fading across wage tiers

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



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



Signing bonuses have increased most in healthcare & in-person jobs since 2019

% of US Indeed job postings offering signing bonuses incentives in 2019 and 2023

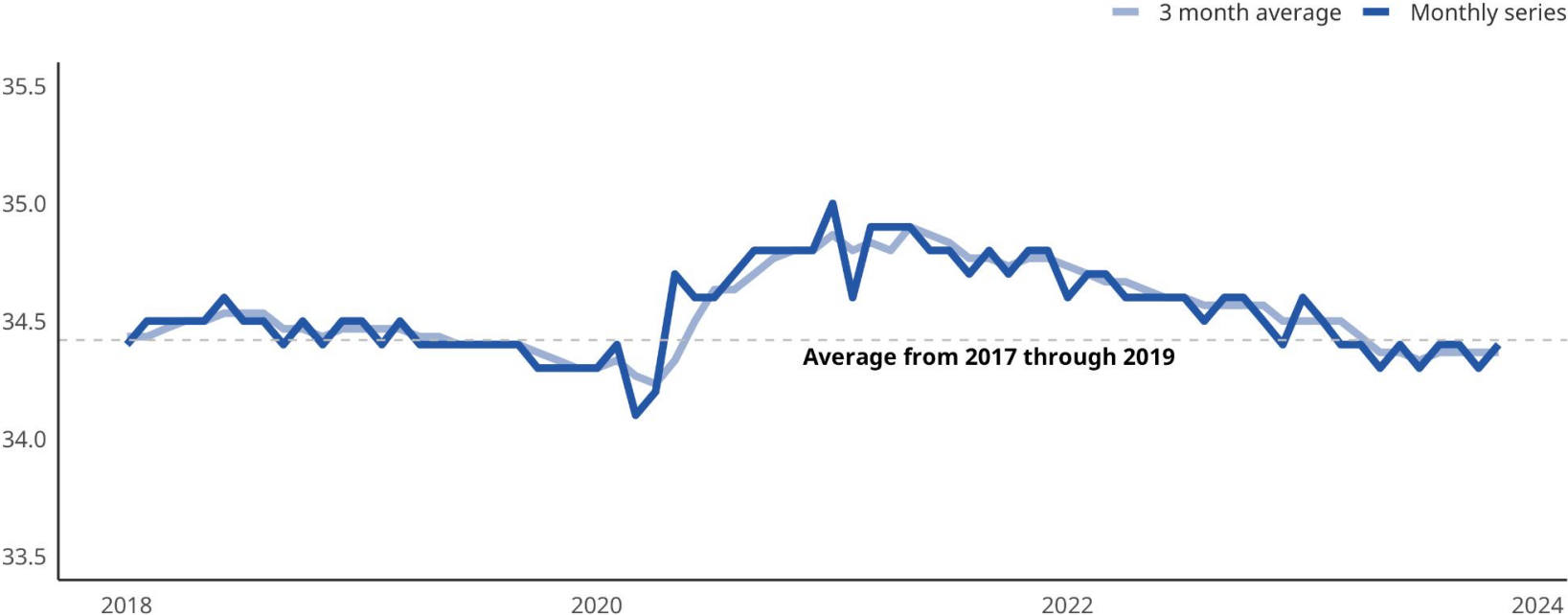
Sector	October 2019 (%)	October 2023 (%)	Change from 2019
Medical Technician	3.0%	12.0%	9.0%
Nursing	6.9%	15.5%	8.6%
Personal Care & Home Health	4.2%	10.4%	6.2%
Social Science	2.4%	8.6%	6.2%
Therapy	4.0%	10.1%	6.1%
Physicians & Surgeons	6.1%	12.2%	6.1%
Beauty & Wellness	6.1%	11.4%	5.3%
Dental	6.8%	11.6%	4.8%

Source: Indeed



US weekly hours have plateaued

Average weekly hours, Jan 2019 - Nov 2023



Source: Bureau of Labor Statistics



Posted wage growth remains high in many countries

Year-on-year % change in posted wages to Nov 2023



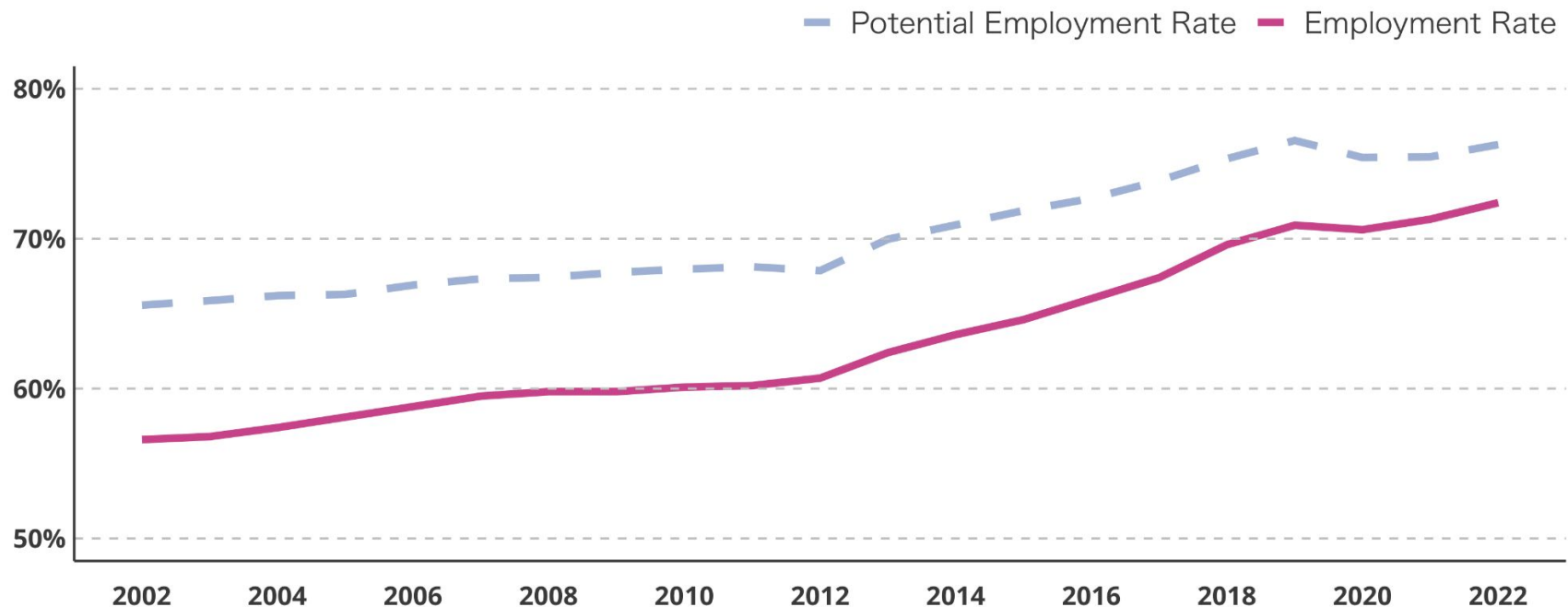
Source: Indeed Wage Tracker (github.com/hiring-lab/indeed-wage-tracker)

The data are monthly median year-on-year growth rates in advertised wages and salaries across job title-region-salary type combinations.



Rising but approaching saturation in women's employment, Japan

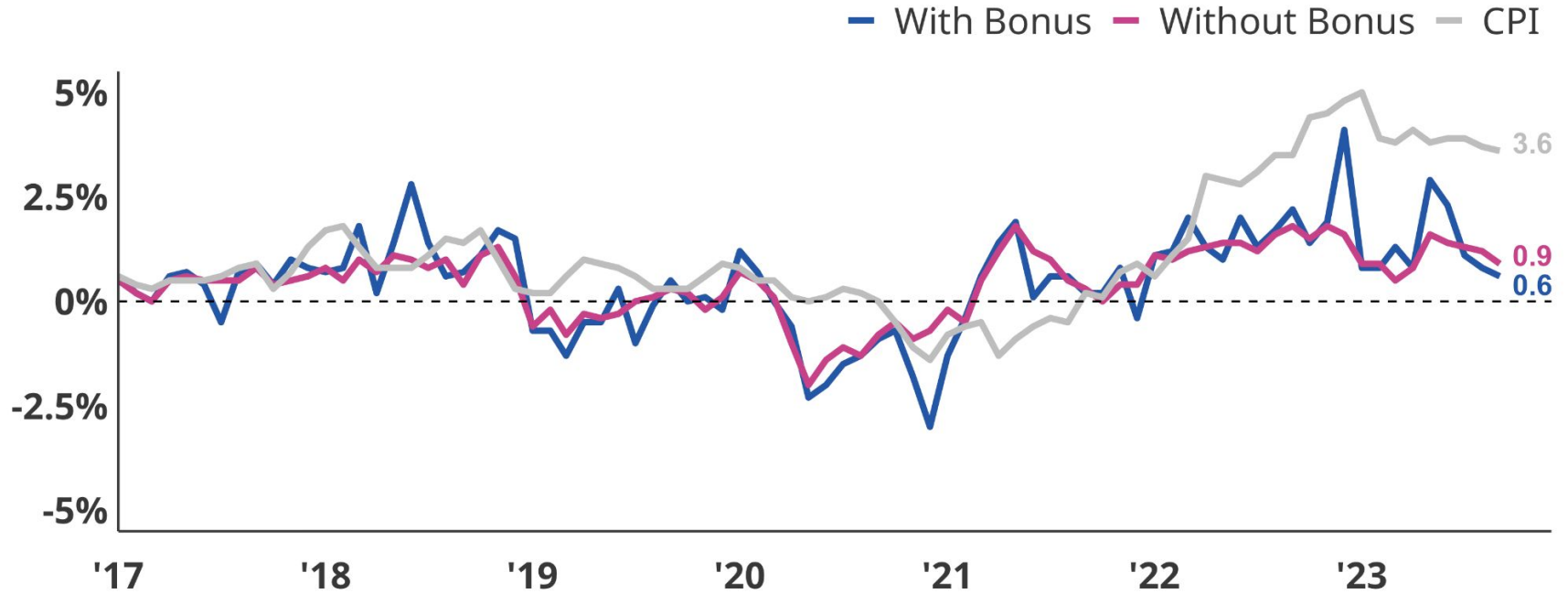
Female potential/actual employment rate (%)



Source: MHLW 'Labor Force Survey', Author's calculation.
'Potential Employment' equals to sum of employed and inactivity population seeking employment.

Nominal wage growth slows, Japan

Nominal wage growth (with bonus, without bonus), CPI, 2017 Jan - 2023 Sep

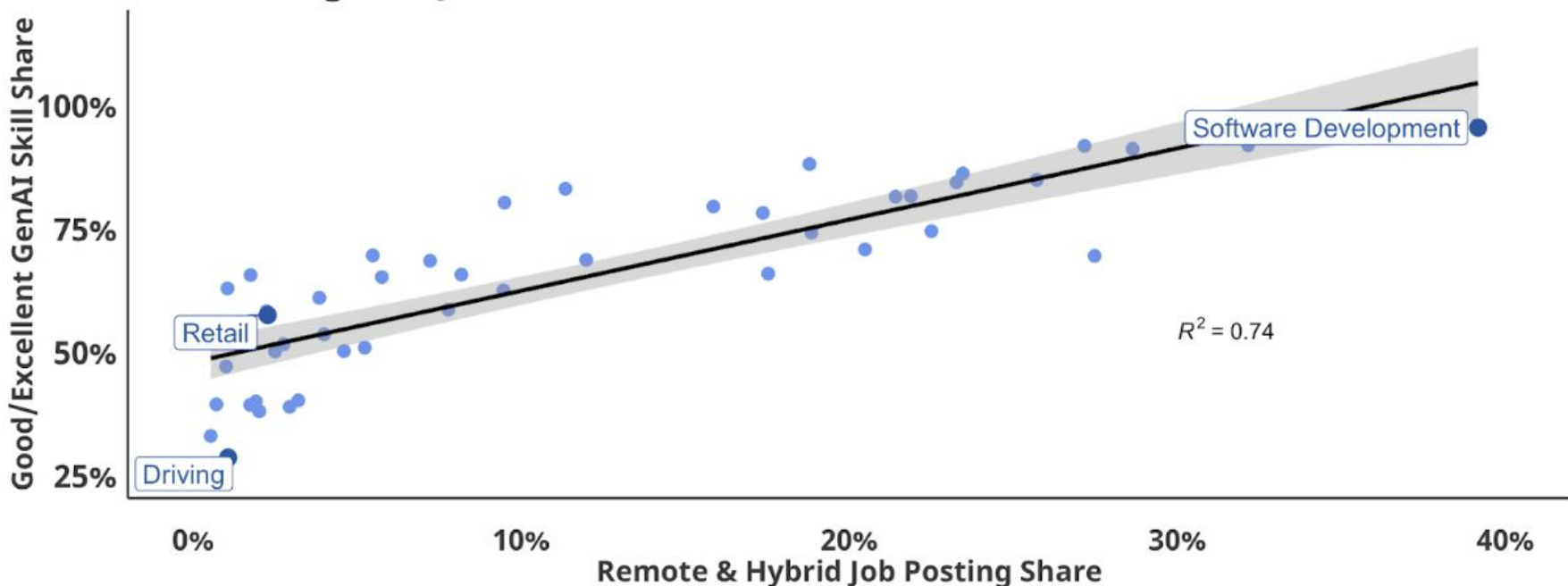


Source: MHLW 'Monthly Labor Survey'



Remote-capable jobs exhibit a higher exposure to GenAI

Occupational groups by GenAI Rating and Remote Potential, United States, Aug '22 - Jul '23



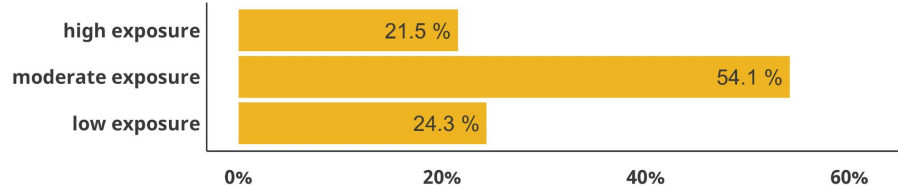
Source: Indeed. Remote & hybrid job posting share reflects the last month of the one-year timeframe.



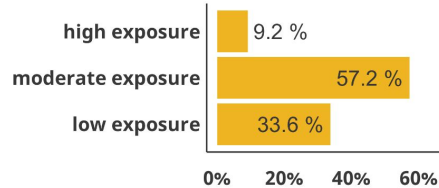
Differences in GenAI exposure by race/ethnicity

Rating of GenAI exposure based on Indeed job postings, US, Aug '22 - Jul '23

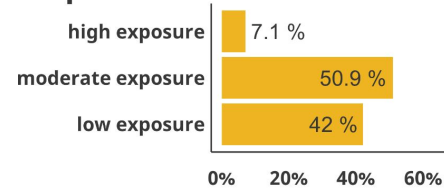
Asian Pacific Workers



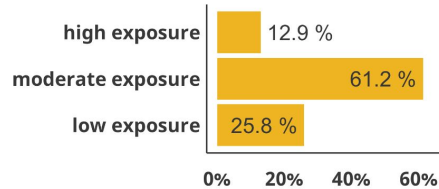
Black Workers



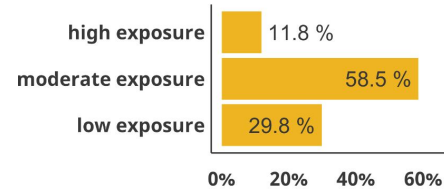
Hispanic Workers



White Workers



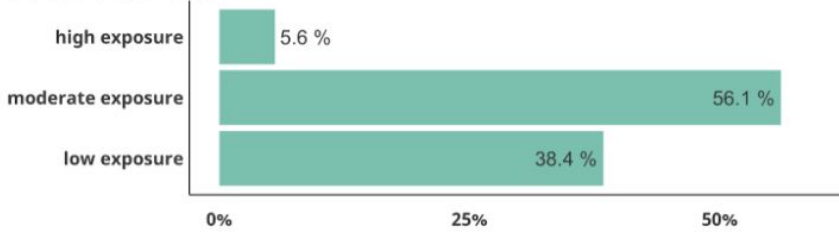
Other



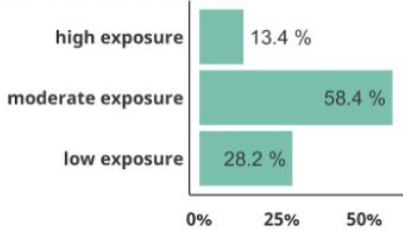
Differences in GenAI exposure by age group

Rating of GenAI exposure based on Indeed job postings, US, Aug '22 - Jul '23

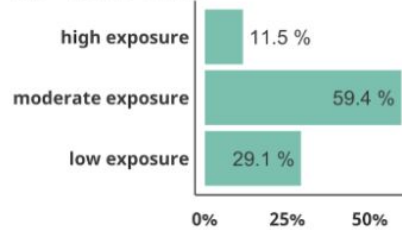
16-24 Year-Olds



25-54 Year-Olds



55+ Year-Olds



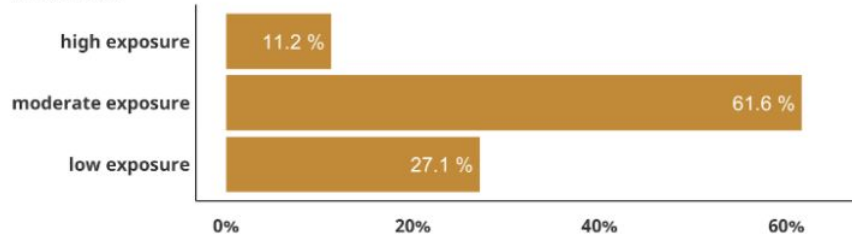
Source: Indeed, American Community Survey 2021. High: GenAI can perform at least 80% of skills at a 'good' or 'excellent' level. Moderate: Between 50% and less than 80% of skills. Low: Less than 50% of skills.



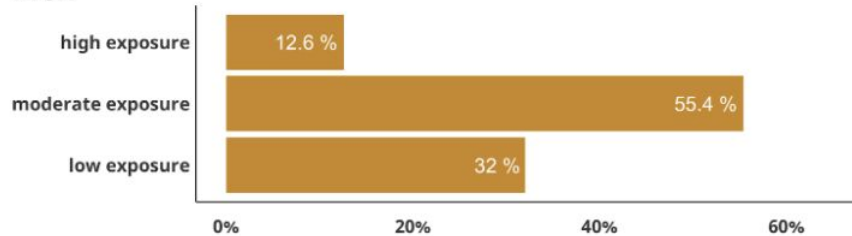
Differences in GenAI exposure by gender

Rating of GenAI exposure based on Indeed job postings, US, Aug '22 - Jul '23

Women



Men



Source: Indeed, American Community Survey 2021. High: GenAI can perform at least 80% of skills at a 'good' or 'excellent' level. Moderate: Between 50% and less than 80% of skills. Low: Less than 50% of skills.

