



JOLTS Data for October Suggest Labor Market Expansion Continues

Headlines

- **Details from the JOLTS data for October point to job growth of 100,000 over the month.** The BLS will release the October jobs report on Tuesday, December 16, a delay of more than one month due to the government shutdown.
- **Both hiring and separations slowed in October from September. Layoffs were up slightly but are still at low levels.**
- **The October JOLTS report is consistent with a solid labor market.**

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Details

Job growth continued in October, according to the Job Openings and Labor Turnover Survey (JOLTS) data from the Bureau of Labor Statistics (BLS). The difference between hires and separations in the JOLTS data can be used as a preview for the change in employment in October, suggesting an increase of about 100,000 from September. Normally the JOLTS data comes after the release of the monthly jobs report from the BLS, and thus is more useful in explaining underlying labor market dynamics. But because of the government shutdown in October and November the release of the October jobs report was delayed from early November until Tuesday, December 16. (The December 16 release will also include employment data for November; today's JOLTS release does not include information on November).

Hiring slowed in October from September, to 5.15 million from 5.37 million. Hiring was down almost 4% from a year earlier in October. But although hiring slowed, so did job separations. **Total separations also fell over the month**, to 5.05 million from 5.26

million. **With more hires than separations, the total number of jobs in the economy increased.**

Within separations layoffs increased to 1.85 million, from 1.74 million in September. Layoffs as a share of total employment were 1.2% in October, up from 1.0% to 1.1% in the previous year. **The layoff rate has been 1.2% in a few months since the pandemic, but it remains right around its average in 2017 to 2019, so is consistent with a solid labor market.** Interestingly, there has been less-than-expected change in federal government layoffs in recent months; PNC expected DOGE employment cuts to surface in the fall as workers received final severance payments and officially lost their jobs, but JOLTS-implied net federal payroll changes of -57k in September and -24k in October indicate a slower-than-anticipated pace. Quits also fell in October from September, more than layoffs, and thus the total number of separations was down over the month.

The number of job openings was essentially flat in October at 7.68 million, up slightly from 7.67 million in September. The job openings rate was 4.6% in

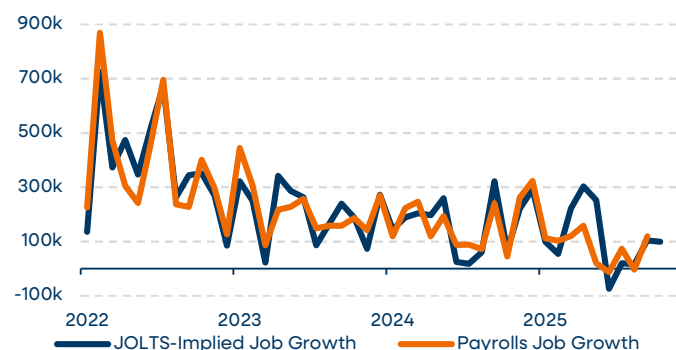


October, unchanged from September and up slightly from the summer. **The job openings rate has been little changed for more than a year, and remains higher than it was before the pandemic, suggesting that businesses are still actively working to recruit employees.**

Because of the government shutdown the JOLTS report for October contains more information than normal, suggesting that job growth held up over the month at around 100,000. The official jobs report for October (and November) will come out next week. **The JOLTS data also indicate that the overall labor market is in solid shape at the end of 2025.** Layoffs were up somewhat in October but remained historically low, and job openings still suggest decent hiring. PNC's forecast is for slower job growth in 2025 and 2026 than in previous years, in part because of softer demand, but also because the supply of available workers is increasing much more slowly than it was a couple of years ago due to immigration restrictions and increased deportations.

The jobs report for October will include data from a survey of employers, but the BLS was unable to collect data from a survey of households for the month because of the shutdown. Because of this, **the BLS will not report the unemployment rate for October.**

Figure 1: JOLTS-Implied Job Growth Mirrors Official Payrolls Job Growth





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