

> Key Economy and Labor Market Indicators

**428K** jobs gained in April

The private sector added 406K jobs in April, up 5.2% year over year. The public sector added 22K jobs, 1.3% YoY. Still, job openings far exceed the number of hires observed in April.

**62.2%** labor force participation rate

Labor force participation declined in April, despite hires and wage inflation. Disengagement in the labor force is a serious problem.

**3.6%** Overall unemployment rate

Even with job gains, the unemployment rate did not change from the last month. Rolling unemployment rates for Actalent labor categories fell slightly. Degreed workers still have a 2.0% unemployment rate.

**4.5M workers quit their jobs in March – a series high.**

- The quits rate returned to its record high of 3.0%
- The South had the highest regional quits level and rate

**Layoffs and Discharges were little changed.**

- Many companies are reluctant to let go of workers given the difficulty of recruiting and retaining.

**The talent drought is evident comparing the ratio of unemployed workers to job openings in Actalent’s core labor categories.**

- SW-HW-IT & Mathematics, Architecture & Engineering and Life, Physical, and Social Sciences all have under 0.2 unemployed workers per job opening over the last 3 months (February-April), continuing a trend of fewer unemployed in these areas.

**The labor force anticipates new entrants with spring 2022 graduates.**

- Employers won’t get them for cheap, though: some entry-level workers are making up to six figures right out of school.

**Average hourly earnings increased 5.5% YoY. Reuters reported “U.S. labor costs surged by the most in 21 years in the first quarter,” with labor costs, wages, and salaries rising substantially.**

- Still, wages are not meeting the pace of inflation. Inflation-adjusted wages have fallen by 3.6% YoY, so workers are far from halting their searches for opportunities with higher pay.

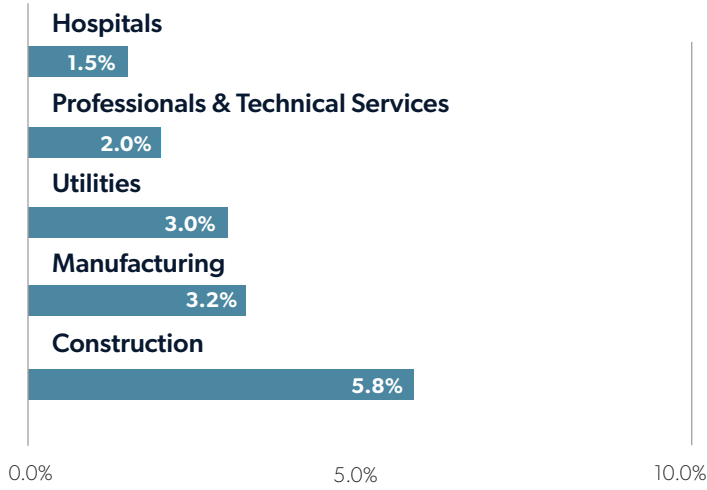
> Industry Employment Trends

Industry	Monthly Job Change + YoY Difference	Trends Impacting Hiring?
Overall Economy	+428K (4.6%)	Job gains exceeded economists’ expectations, but labor force participation actually ticked down. Considering record-high job openings, 428K hires hardly make a dent in the labor market. Economists and employers alike struggle to figure out when, if ever, the many people who left the labor force at the onset of Covid-19 will come back.
Utilities	+300 (0.8%)	More funding opportunities and other plans for the Department of Energy regarding the Infrastructure Bill were announced in April; however, the Biden administration also announced they are restoring stricter environmental regulations for approval of infrastructure projects. Utilities sellers should keep an eye out for where investments are going but understand that the increased regulations could delay projects and the need for workers.
Construction	+2K (3.2%)	Quits in construction were 69K higher than a month prior, and at a rate that was higher than the national average. Growing design contracts and increased backlogs indicate plenty of demand for construction work, but companies still struggle to attract and retain labor. As demand for construction projects remains high, Project Managers top the list of April job postings in the construction industry.
Architecture & Engineering	+4K (5.7%)	Demand for A&E workers increased in April, with notable demand for Electrical, Manufacturing, Mechanical, and Quality Engineers – each of which had postings from 1.7K to 2K competing employers. According to Deloitte, integration of new digital technologies in this industry has contributed to the skills gap, and companies need to rethink their talent management strategies.
Healthcare	+34.3K (1.4%)	There were 46.7K job postings for Medical Assistants between March and April, from roughly 6.5K competing employers. In an industry characterized by high burnout and turnover, high demand for healthcare workers could contribute to attrition as they become aware of the numerous opportunities outside their current roles.
Scientific R&D	+7.3K (7.3%)	Scientific leaders across industries, including Medtronic, AbbVie, Thermo Fisher, and Lab Corp reported strong Q1 financials and expect performance to remain high throughout 2022. Advancements in gene therapy, biopharma, and oncology continue to trend in the R&D sector, and Medtronic reported strong med device recovery for elective procedures since the initial hit from Covid-19. Lab tech and assistant job postings were slightly down from March, but there were thousand of job postings for various lab job titles in April, indicating strong demand regardless.
C&IP – Manufacturing of Durable Goods, Technology, Chemicals, Food Products, etc.	+55K (4.0%)	Manufacturing indexes cite the sector “remains in a demand-driven, supply chain-constrained environment.” Turnover and small labor pools remain key challenges to business. Machinery; Computer & Electronic Products; Food, Beverage & Tobacco Products; Transportation Equipment; and Chemical Products each reported moderate to strong growth in April.

# > Unemployment Analysis

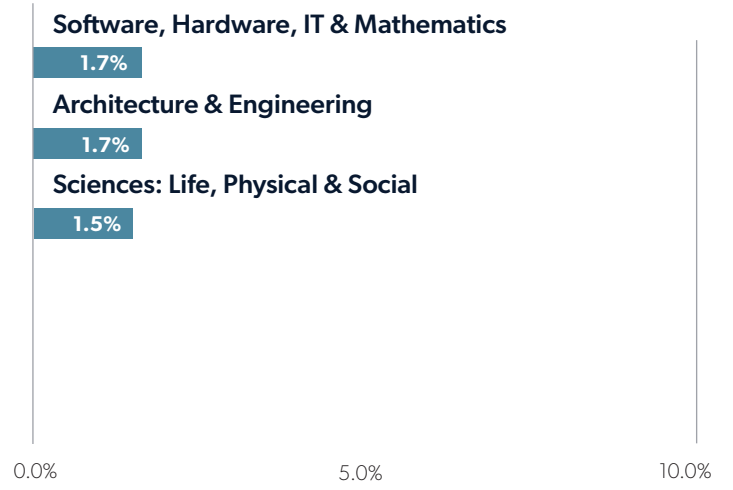
## UNEMPLOYMENT

by Industry (Feb-Apr rolling unemployment average)



## UNEMPLOYMENT

by Labor Category (Feb-Apr rolling unemployment average)



Due to frequent data revisions and statistical noise on a month-to-month basis, Actalent employs a rolling 3-month average to best represent unemployment by labor category or industry.