

> Key Economy and Labor Market Indicators

**236K jobs gained in November**

The private sector added 221K jobs in November, up 3.6% year over year. The public sector added 42K jobs, up 1.4% YoY. These job gains were higher than expected, given current macroeconomic headwinds.

**62.1% labor force participation rate**

Labor force participation declined again to 62.1%, further away from its pre-pandemic level of 63.4%. Participation of prime-age workers (25-54 yrs.) also declined. As savings decline and inflation rises, one would expect more Americans to be working, but that is not the case.

**3.7% Overall unemployment rate**

The overall unemployment rate was unchanged from October. Rolling unemployment rates for Actalent labor categories fluctuated only slightly. Degreed workers have a 2.0% unemployment rate.

**4.0M workers quit their jobs in October, close to the record-high 4.5M**

- The quits rate remained elevated at 2.6% (record-high is 3%)

Layoffs and Discharges, at 1.38M in October, were barely higher than September and still much lower than previous years.

**The talent drought is evident when 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 roughly 0.15 unemployed workers per job opening over the last 3 months (September-November), continuing a trend of fewer unemployed in these areas.

Despite countless announcements of tech layoffs, the information industry (which captures many tech occupations) added 19,000 jobs in November. Perhaps other tech companies have been quick to pick up workers impacted by layoffs.

**Average hourly earnings increased 5.1% YoY**

- ‘Real’ inflation-adjusted wages are down 1.9% YoY

> Industry Employment Trends

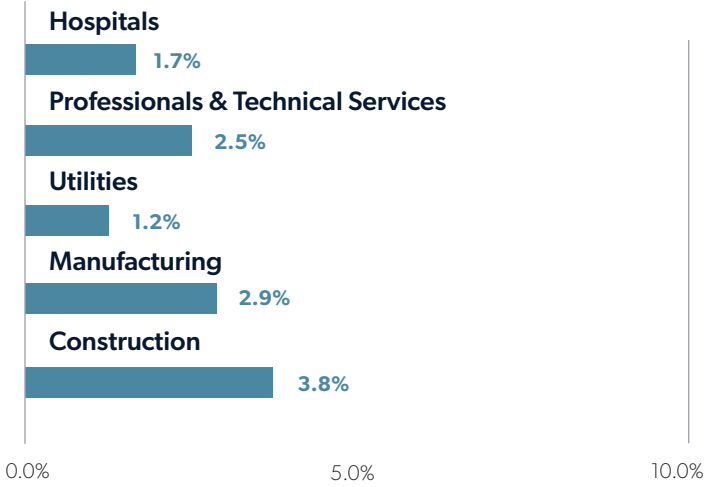
Industry	Monthly Job Change + YoY Difference	Trends Impacting Hiring?
Overall Economy	+263K (3.3%)	Job gains and recent drops in unemployment claims have revealed a disconnect between the media’s coverage of layoffs and the state of the overall economy. Despite the Federal Reserve’s attempt to cool the economy through higher interest rates, wages have seen strong gains, the labor market has seen overall job growth, and labor force participation has declined for three months in a row.
Utilities	+500 (0.8%)	Last month’s decline in utilities jobs was not significant enough to cause concern. The DOE continued to publish updates on federal funding for energy projects last month, indicating that demand for workers will persist. In the last three months, Utilities Manager positions, Mechanical Engineers, and Health and Safety Specialists have seen an increase in demand in the utilities sector.
Construction	+20K (3.3%)	Construction spending has slowed, and industry officials blame most of the slowdown on continued labor shortages. Strict immigration policies are among key factors hurting labor supply. Association leaders continue to request federal funding and support for education and training for construction workers as they face increasing demand from infrastructure investments that the current workforce cannot support.
Architecture & Engineering	5.6K (5.5%)	Leidos recently graduated another class from its CyberEDGE Academy, a training program launched in 2020 to mitigate hiring challenges in response to the shortage of cybersecurity workers. Black & Veatch and GEI Consultants were awarded a dam safety contract from the US Army Corps of Engineers (USACE), for which they will perform architectural and engineering services and infrastructure solutions.
Healthcare	+44.7K (3.4%)	The American Heart Association has selected 52 students for its HBCU Scholars program, a program funded by Quest Diagnostics that is intended to promote representation of black students in the healthcare field. As the US population ages, ACA enrollment reaches record levels, and worker demand increases, programs like this will help both diversify and increase the healthcare workforce. Over the month, phlebotomists, medical assistants, and pharmacy techs increased in demand by over 100%.
Scientific R&D	+400 (5.9%)	Inflation and supply chain shortages have reached the medical device industry, leading to increased prices of supplies and delays in production that negatively impact key players such as Stryker, Abbott, and J&J. Illumina announced a 5% cut to its workforce last month in response to “the current macro-economic environment,” which is believed to be referring to inflation, supply chain challenges, and foreign-exchange rates. On the other hand, medical lab scientists were up in demand by 129% and quality assurance technicians by 102% over the month.
Automotive	1.9K (4.7%)	EV registrations have grown 57% year over year, with more companies gaining market share in the EV business as they transition from combustion engines. BMW is one manufacturer currently rethinking its supplier network’s ability to support its battery plants and EV production. Over the last three months, auto companies have posted for 128% more Engineering talent compared to pre-pandemic posting activity (Sept-Nov 2019).

C&IP – Manufacturing of Durable Goods, Technology, Chemicals, Food Products, etc.	+14K (3.4%)	Taiwan Semiconductor Manufacturing Co. is reportedly planning to invest in a multibillion-dollar chip factory in Arizona, in addition to the factory announced two years ago that is expecting mass production by 2024. Regardless of near-term tech industry concerns, semiconductor chip global sales in the next decade are anticipated to reach \$1 trillion per year, thus motivating factory investors to begin the long process of building new plants. CapEx for equipment and factories are much higher than expected, hinting at potential backlogs in 2023.
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## > Unemployment Analysis

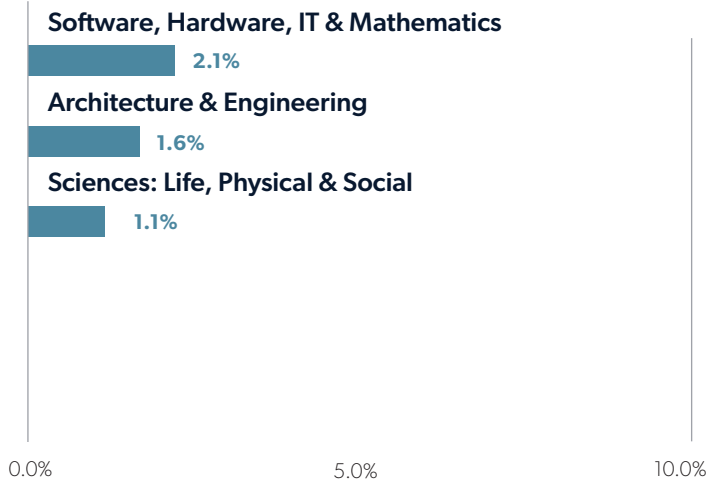
### UNEMPLOYMENT

by Industry (Sept-Nov rolling unemployment average)



### UNEMPLOYMENT

by Labor Category (Sept-Nov 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.