
Note on Data Availability

September 2025

At the time of this report's publication, the U.S. federal government is shut down, and only essential operations are running within unfunded departments and agencies. As a result, the U.S. Bureau of Labor Statistics (BLS) has paused updates to its website and data releases until government operations resume.

Actalent's Labor Market and Economy Reports rely on monthly employment data from the BLS. Because the duration of the shutdown (and the timeline for data updates once operations resume) is unknown, this month's report focuses solely on industry trends.

While layoffs and quits data were released prior to the shutdown, the following metrics have not been updated by the BLS and are therefore not included in this report: employment levels, labor force participation rate, unemployment rate, average hourly earnings, consumer price index and real average hourly earnings.



Labor Market & Economy Report

September 2025

Sharp insights for well-rounded people.

Actalent's monthly Labor Market and Economy Report connects important dots between data and trends in engineering and sciences. The report corresponds with the monthly release of the U.S. Bureau of Labor Statistics Employment Situation, though lends further insight into specific employment trends in engineering and sciences. Specifically, readers can expect to learn about:

- + Job growth in engineering and sciences by industry
- + Unemployment trends in engineering and sciences labor categories and industries
- + Labor force participation
- + Job quits and layoffs
- + Engineering and sciences employment trends by industry
- + Wages
- + Other important news stories impacting the labor market overall and engineering and sciences specifically



August Layoffs

Layoffs declined slightly from 1.8 million in July to 1.7 million in August. Quits declined slightly from 3.2 million to 3.1 million. Note that quits and layoffs data lag one month behind other employment data.

Jobs Gained in September, Labor Force Participation Rate, and Unemployment Rate not available.

Industry Trends

OVERALL ECONOMY

Although September employment figures were not available at the time of this report's publication, labor market conditions likely continued recent trends: slower hiring activity driven by ongoing economic and political uncertainty, yet persistent competition for qualified STEM talent. According to Lightcast, U.S. job postings from non-staffing employers declined by 8% between July and September, with decreases observed across all industries except transportation and warehousing, which saw a 4% increase. By occupation group, postings fell across the board except for business and financial operations (+3%) and architecture and engineering (+2%).

UTILITIES

Clean energy jobs grew 2.8% in 2024, adding nearly 100,000 positions and outpacing overall U.S. job growth by more than threefold, despite being the sector's slowest growth since 2020, according to E2. While job growth is expected to continue amid rising electricity demand, E2 warns that recent policy changes could slow future gains. Lower oil prices, rising costs, demand uncertainty and industry consolidation are pressuring the oil and gas industry. In September, ConocoPhillips announced plans to cut 20-25% of its workforce, and Halliburton began layoffs, though the scope is currently unknown. Meanwhile, Hitachi Energy announced a \$1 billion investment to expand the production of grid infrastructure in the United States, which is expected to create thousands of jobs, including 825 at a new power transformer facility in Virginia.

CONSTRUCTION

Despite slower construction spending and employment growth, firms still face a competitive talent market. According to the 2025 Workforce Survey by AGC and NCCER, 92% of contractors report difficulty hiring, especially for roles including superintendents, estimators, project managers and AI personnel. Top hiring challenges include unqualified candidates (57%), frequent no-shows or quick turnover (48%) and missing credentials (41%). In response, many contractors are raising pay rates, partnering with schools and career programs and working with staffing firms to strengthen recruitment efforts. The Dodge Momentum Index, a leading indicator of nonresidential spending, increased 3.4% in September. Strong construction planning for data centers, healthcare and public buildings points to potential spending growth by early 2027.

ARCHITECTURE & ENGINEERING

The AIA Architectural Billings Index for August (latest data available) reported that most architecture firms saw declines in billings, inquiries into new work and the value of new design contracts, driven by ongoing client hesitation to commit to new projects. Engineering services companies such as Leidos and Jacobs (through its partnership with Dragos) are developing strategies to protect critical infrastructure such as energy, water and manufacturing from cyber attacks. As cyber threats to IT and operational technology (OT) systems become more sophisticated, utilities and infrastructure firms with limited resources or expertise are turning to engineering firms for cybersecurity support. In the engineering services industry, job postings for talent with skills in cybersecurity are up by 38% year-over-year, according to Lightcast.

Industry Trends, continued

AEROSPACE & DEFENSE

Aircraft orders surged between July and August, with nondefense orders up 21.6% and defense orders up 50.1%, far outpacing the 2.9% overall rise in durable goods orders, according to the advance report on manufactured durable goods published September 25. Melius Research suggests that improving aircraft output could prompt airlines to retire more aging narrowbody jets—especially if domestic travel demand remains soft—after years of low retirement rates driven by supply constraints. While this could temper growth for spare parts suppliers and MROs that have benefited from aging fleets, analysts still expect steady demand in these segments. Labor market signals are strong in this sector, with job postings in aerospace product and parts manufacturing up 9% year-over-year, according to Lightcast.

HEALTHCARE

Higher operating costs and mounting financial pressures are driving hospitals and health systems to make difficult decisions about staffing levels and services. According to Fierce Healthcare, providers including Northern Light Health, UC Health, Banner Health, Memorial Sloan Kettering Cancer Center, Seattle Children's Hospital and Overlake Medical Center & Clinics announced workforce reductions in September, with most citing cost-cutting measures and financial headwinds. Uncertainty around policies such as Medicaid cuts tied to the OBBBA and the expiration of ACA enhanced premium tax credits has also been cited as a reason for these decisions.

SCIENTIFIC R&D

The life sciences workforce remains caught between promising developments and persistent obstacles. Dexcom will cut about 350 jobs, including several engineering roles, as part of a broader restructuring. Novo Nordisk will cut about 9,000 jobs in a company-wide transformation aimed at simplifying its organization and reallocating resources to growth opportunities. At the same time, more U.S. investments were announced last month: Amgen will create hundreds of jobs through a \$600 million California center; Eli Lilly will create 2,450 jobs in engineering, sciences and construction through its new \$5 billion Virginia facility; and GSK plans to generate hundreds of jobs through a \$30 billion investment in R&D and supply chain infrastructure across the U.S. over the next five years.

AUTOMOTIVE

The federal electric vehicle (EV) tax credit ended on September 30, and S&P Global Mobility data revealed a 27% surge in EV registrations in July as buyers rushed to claim the credit. Analysts anticipate EV purchases to decline following the phaseout of the tax credit. Automakers continue to scale back EV plans: Bentley delayed plans to go all-electric by 2035, and EV models from Porsche, Ram, Jeep and Honda were delayed or canceled. A 25% tariff on imported heavy-duty trucks was announced last month, though the impact remains unclear as major industry players such as Daimler Truck, International, Paccar and Volvo Group await further details. Despite these headwinds, industry demand is up year-over-year for roles including software developers, industrial engineers and electrical engineering technicians.

C&IP *Manufacturing of Durable Goods, Technology, Chemicals, Food Products, etc.*

Trade uncertainty remains a major headwind for the manufacturing sector, cited consistently across ISM and S&P Global surveys, the NAM Manufacturers' Outlook Survey and numerous S&P 500 earnings calls. According to NAM's Q3 Manufacturers' Outlook Survey, 36.8% of manufacturers expect to increase full-time hiring over the next year, while 44.8% anticipate no change. Despite broader economic uncertainty, 46.6% of NAM survey respondents identified attracting and retaining a quality workforce as their top business challenge, underscoring continued competition for skilled talent.

References

Read more about trends in Engineering & Sciences

UTILITIES: [E2: Clean Jobs America 2025; Global energy layoffs deepen in 2025 as crude prices weaken, M&A deals surge; Exclusive: ConocoPhillips says it will cut workforce by 20-25%, shares fall; Halliburton reduces workforce as oil activity slumps, sources say; Hitachi announces historic \\$1 billion USD manufacturing investment...](#)

CONSTRUCTION: [Total Construction Spending in the U.S.; All Employees, Construction; Report: 92 Percent of Construction Firms Struggling to Hire Workers; 2025 Workforce Survey Analysis; Dodge Momentum Index Increases 3% in September](#)

ARCHITECTURE & ENGINEERING: [ABI August 2025: Softness persists at architecture firms; Leidos Ramps Up Cyber-Physical Protection of Critical Infrastructure; Jacobs and Dragos Collaborate to Strengthen Cybersecurity at Vulnerable US Water Facilities](#)

AEROSPACE & DEFENSE: [Durable-Goods Orders Bounce Back on Surge in Aircraft Demand; Monthly Advance Report on Durable Goods Manufacturers' Shipments Inventories and Orders; Airlines May Finally Have Enough Planes to Throw a Retirement Party; Lightcast Job Posting Analytics](#)

HEALTHCARE: [Hospitals' July operating margins solid, but slipping: Kaufman Hall; Fierce Healthcare Layoff Tracker; What 'federal funding cuts' really mean for health systems](#)

SCIENTIFIC R&D: [Dexcom to lay off about 350 people; Novo Nordisk to streamline operations and reinvest for growth; Amgen investing more than half a billion dollars...; Lilly announces plans to build \\$5 billion manufacturing facility in Virginia; GSK to invest \\$30 billion in R&D and Manufacturing in the United States...](#)

AUTOMOTIVE: [EV registrations jump 27% in July for legacy brands as U.S. tax credit nears end...; Automakers are tapping the brakes on the EV revolution...; Trump Announces 25% Tariff on Heavy-Duty Trucks; Lightcast Job Posting Analytics](#)

C&IP: [September 2025 ISM® Manufacturing PMI® Report; September 2025 S&P Global US Manufacturing PMI®; 21% Decline in the Number of S&P 500 Earnings Calls Citing "Tariffs" for Q2 vs. Q1; NAM Manufacturers' Outlook Survey Third Quarter 2025](#)

About Actalent

Actalent is a global leader in engineering and sciences services and talent solutions. We help visionary companies advance their engineering and science initiatives through access to specialized experts who drive scale, innovation and speed to market. With a network of almost 30,000 consultants and 6,100 clients across the U.S., Canada, Asia and Europe, Actalent serves many of the Fortune 500. We are proud to be an Engineering News-Record (ENR) Top 500 Design Firm for our engineering design services and a ClearlyRated Best of Staffing® winner for both client and talent service.

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