

Labor Market and Economy Report:

A Look at Trends in December 2024

Sharp insights for well-rounded people.

Aston Carter's monthly Jobs Report offers insights into current market demand and trends across accounting and finance; human resources and talent acquisition; and supply chain and procurement. The report corresponds with the release of the U.S. Bureau of Labor Statistics' monthly data. Specifically, readers can expect to learn about:

- **Job growth**
- **Unemployment trends**
- **Labor categories and industries**
- **Labor force participation rates**
- **Job quits and layoffs**
- **Wages**
- **Other important news impacting the labor market**

 **256K**

Jobs Gained in November

U.S. employment increased by 256,000 jobs in December. Job growth was driven by healthcare, retail trade, government and social assistance, while other major sectors experienced little change.

 **62.5%**

Labor Force Participation Rate

The labor force participation rate has remained within a range of 62.5% to 62.7% for the last 12 months. The percentage of the population working or looking for work has hardly changed.

 **4.1%**

Unemployment Rate

The unemployment rate declined by 0.1% to 4.1% between November and December. The unemployment rate has been either 4.1% or 4.2% for the past seven months.

 **1.8M**

October Layoffs

Layoffs increased to 1.8 million in November from 1.7 million in October (revised up from 1.6 million in last month's report). Quits declined from 3.3 million to 3.1 million. Note that quits and layoffs data lag one month behind other employment data.

December 2024 Market Trends

A closer look at
unemployment by industry
and labor category



Overall Unemployment Rate

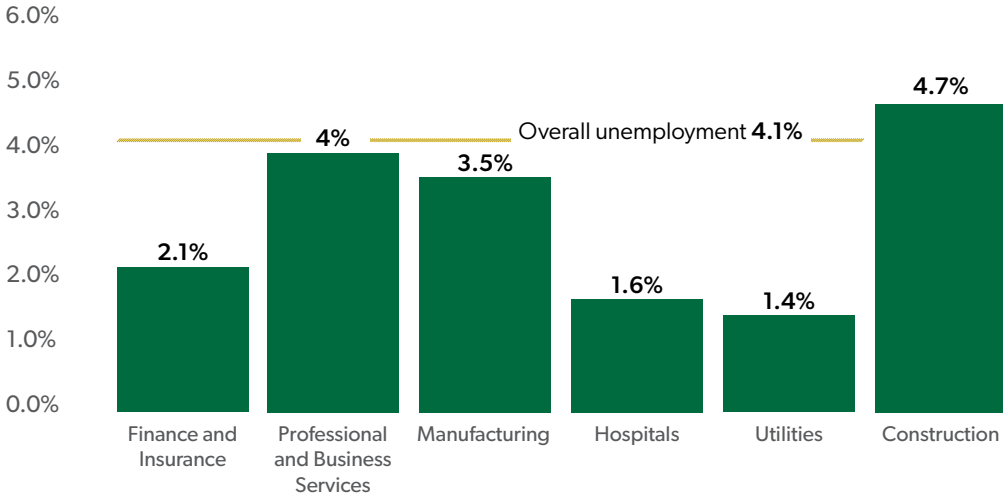


Unemployment Rate for
Degreed Workers

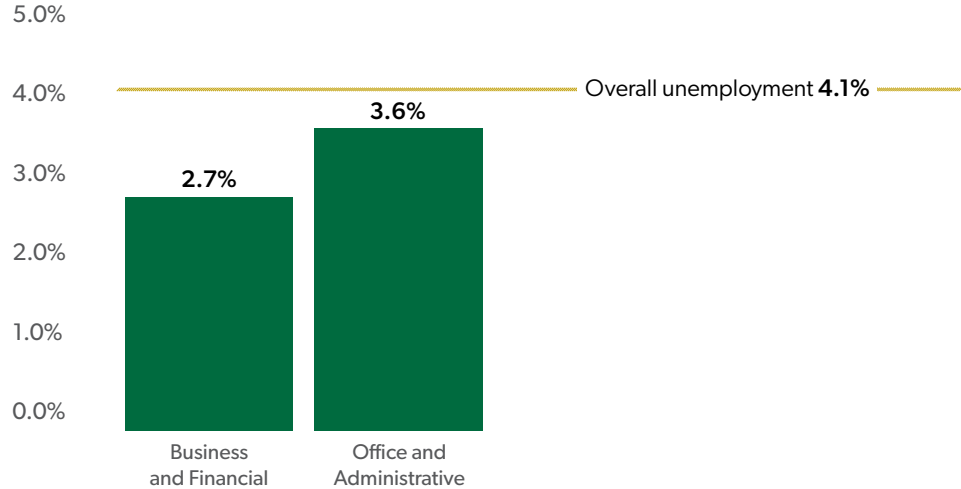


Ratio of Unemployed Workers
(procurement clerks, AP/
AR, and other core office and
administrative roles) available per
job opening

Unemployment Rates by Industry



Unemployment Rates by Labor Category



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

TRENDS

OVERALL ECONOMY

The U.S. economy added 256,000 jobs in December and ended the year with about 2.2 million more jobs compared to December 2023. The healthcare and government sectors accounted for half of total employment gains in 2024, while the manufacturing sector lost 87,000 jobs year-over-year. The 2024 labor market was negatively impacted by high interest rates, high costs (operating, labor and material costs) and continued economic uncertainty carried over from 2023. In 2025, the combined impact of prolonged high interest rates and uncertainty regarding fiscal and trade policies could suppress hiring activity in the first few months.

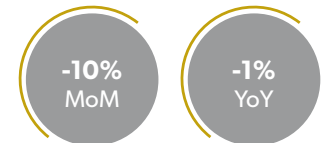


ACCOUNTING AND FINANCE

Amid post-election expectations of more flexible regulatory and tax policies in 2025, and after a year where a predicted recession did not materialize, CFOs are feeling more optimistic about both their own companies and the broader economy, according to a long-running Federal Reserve and Duke University CFO survey. Their top two concerns in Q4 2024 were federal monetary policy along with labor availability and labor quality.

One missing ingredient for increased competition in accounting and finance hiring has been lower M&A activity. An overwhelmingly large majority of respondents to the Association for Corporate Growth's 2025 Middle-Market M&A Outlook Survey believe there will be somewhat or significantly more M&A deal volume in 2025 compared to 2024. Of almost 30,000 portfolio companies held by private equity, more than half have four- or five-year vintages, and that's often the time frame when private equity firms become sellers.

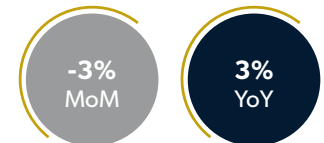
What's heating up in demand? The hiring momentum for tax season is picking up steam with tax managers seeing a 21% demand bump quarter over quarter comparing Q4 hiring demand to Q3 hiring demand. Credit analysts are also experiencing a 15% rise over the same time period. These labor market demand insights are via Lightcast job posting intelligence.



HR AND TALENT ACQUISITION

Trust is a major factor in employees staying motivated and committed, results from new ADP research indicate. How big of a deal is trust in the workplace? Workers who trust managers and supervisors are 26 times more likely to be highly motivated and committed to their work. This places a premium on how HR and leadership communicate to employees around pay expectations and policy changes like RTO or evolving performance standards. Why does motivation and commitment matter so much? They impact the bottom line, with ADP research showing 63% of employees who are highly motivated and committed report no intent to leave their current role compared to only 38% of workers who have lower motivation levels.

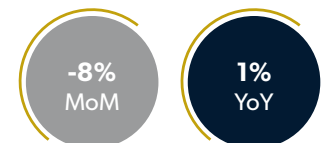
While hiring demand often declines in holiday-packed December, what saw higher growth? HR consultants saw a 7% increase quarter over quarter comparing Q4 hiring demand to Q3 hiring demand while demand for recruiters continues modest gains after sharp declines in 2022 to 2023.



SUPPLY CHAIN AND PROCUREMENT

Threats of new tariffs and retaliatory measures have created a scramble of supply chain activity, particularly rushing frontloaded orders from China and the EU to the U.S. in advance of possible tariffs. Other companies are again rethinking their exposure to China and redrawing supply chains — often at higher costs to address, larger inventories to manage and managing risks with new suppliers. Companies are mentioning tariffs and tariff mitigation the most since late 2019, according to an analysis of S&P 500 companies earnings call transcripts in November. Manufacturing demand (orders, production) showed limited signs of improvement in December per the ISM Manufacturing Report with other sources confirming that electrical equipment continues to be a boom industry for orders and order backlog.

Where is demand heating up? Quarter over quarter comparing Q4 hiring demand to Q3 hiring demand, pricing managers have seen a 19% increase, followed by procurement/sourcing managers at 12%, supply chain managers at 8%, and demand planning analysts at 4%.



Wages in the United States

How they've changed

+2.9%



Consumer Price Index

The consumer price index, a measure of inflation, increased by 2.9% for the 12 months ending December, slightly above November's reading of 2.7%. The Federal Reserve made its third and final interest rate cut of 2024 in December, lowering its key interest rate by 25 basis points. The Fed now plans to make just two rate cuts in 2025, instead of four, due to still-high inflation, economic resilience and policy uncertainty.

+3.9%



Wage Increases

Average hourly earnings increased by 3.9% for the 12 months ending December, only slightly below the 4% increase recorded in November.

+1%



"Real" Earnings

Real average hourly earnings increased by 1% between December 2023 to December 2024. In other words, despite average hourly earnings increasing by 3.9% year-over-year, workers may only feel as if they're making about 1% more, on average, due to the effects of inflation.

References

ACCOUNTING AND FINANCE:

[The CFO Survey](#)

[UMG Outlook Report 2024 ISSU: nwavering Optimisim](#)

HR / TALENT ACQUISITION:

[Why Employee Trust is Good for Business](#)

SUPPLY CHAIN / PROCUREMENT:

[Tump's Tariff Threats Are Setting Off a Global Supply Chain 'Freakout'](#)

[Manufacturing PMI® at 49.3%; December 2024 Manufacturing ISM® Report On Business®](#)

JOB POSTING DEMAND INTELLIGENCE (%'S GROWTH AND CHANGE)

[Lightcast, 2025](#)

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Aston Carter provides world-class corporate talent solutions to thousands of clients across the globe. Specialized in accounting, finance, human resources, talent acquisition, supply chain, procurement and select administrative professions, we extend the capabilities of industry-leading companies. We draw on our deep recruiting expertise and expansive network to meet the evolving needs of our clients and talent community with agility and excellence. With offices across the U.S., Canada, Asia Pacific and Europe, Aston Carter serves many of the Fortune 500. We are proud to be a ClearlyRated Best of Staffing® double diamond winner for both client and talent service.

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