

Labor Market and Economy Report:

A Look at Trends in February 2025

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**



Jobs Gained in February

U.S. employment increased by 151,000 jobs in February, with significant gains in healthcare, financial activities, transportation and warehousing, and social assistance.



Labor Force Participation Rate

The labor force participation rate (LFPR) fell from 62.6% to 62.4% in February. This is the lowest LFPR since January 2023 and remains below the pre-pandemic rate of 63.3%.



Unemployment Rate

The unemployment rate increased by 0.1% in February. The percentage of the labor force who is unemployed and actively seeking work is low compared to the median rate of 5.0% observed over the past 20 years.



January Layoffs

Layoffs declined to 1.6 million in January from 1.7 million in December (revised down from 1.8 million in last month's report). Quits increased to 3.3 million from 3.1 million (revised down from 3.2 million in last month's report). Note that quits and layoffs data lag one month behind other employment data.

February 2025 Market Trends

A closer look at unemployment by industry and labor category



Overall Unemployment Rate

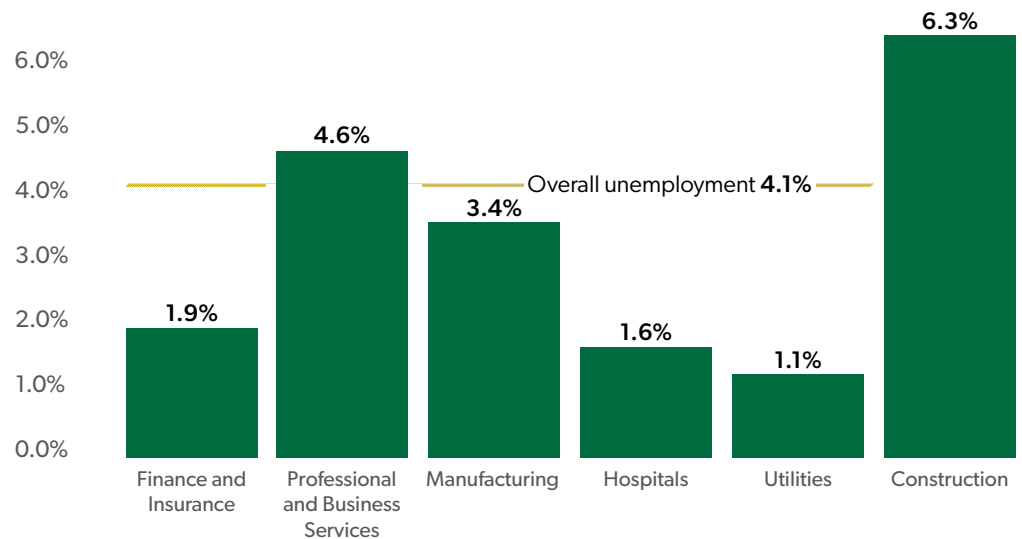


Unemployment Rate for
Degreed Workers

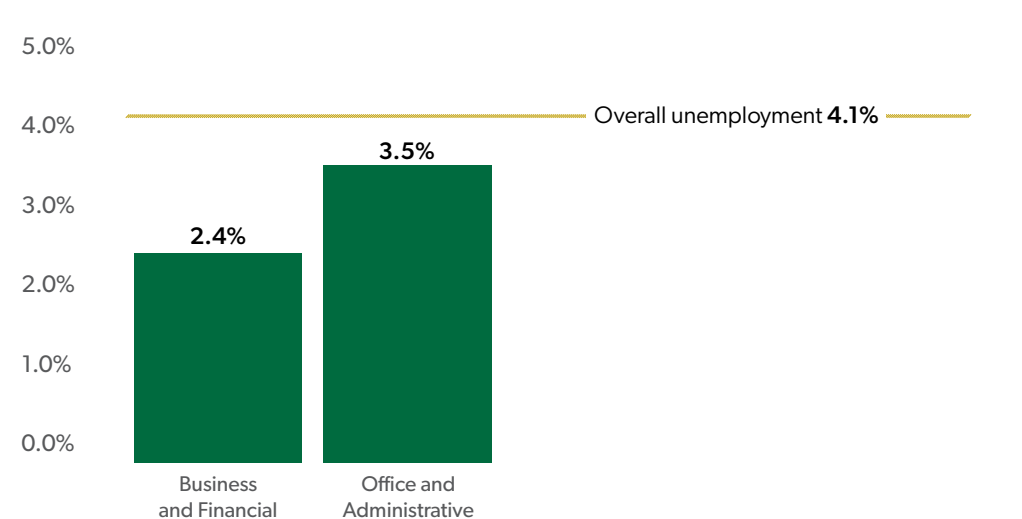


Ratio of Unemployed Workers
(procurement clerks, AP/
AR, and other core office and
administrative roles) available per
job opening

■ 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

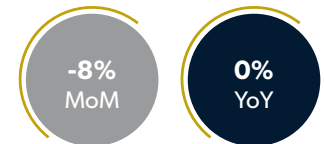
OVERALL ECONOMY

The U.S. economy added 151,000 jobs in February, falling below expectations again. The labor market appears to remain stable, but job growth has been concentrated in only a handful of sectors while others have seen little change in employment. After revisions, employment in December and January combined is 2,000 lower than previously reported. Many companies are believed to be frozen in a “wait-and-see” state as they wait for clarity regarding trade policies and macroeconomic conditions before making additional investments.



ACCOUNTING AND FINANCE

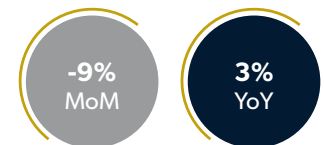
Expectations for how the new administration will approach public company audit enforcement predict changes coming to the board of the Public Company Accounting Oversight Board (PCAOB) and new SEC leadership that could de-emphasize the aggressive enforcement actions of the last administration and instead seek to emphasize collaboration with audit firms and improved standard-setting. These changes could reduce stress and costs for audit firms and auditors themselves, perhaps helping reduce attrition challenges. In promising news for employers taking the long-term view of accounting talent shortages, after two straight years of stark declines in students enrolled in four-year accounting degrees, enrollment rose sharply to 190,243 in Fall 2024, the highest since 2019's 195,149.



What's heating up in demand? February saw a jump in demand for international tax managers of 31% on a month over month (MoM) basis while tax managers continue to be higher on a year over year basis of 76%. Tax season hiring intentions were robust with tax analysts having a 31% increase in demand MoM. Higher for longer interest rates are perhaps sparking increased need for credit managers and credit analysts (36% and 7% respectively MoM).

HR AND TALENT ACQUISITION

Amid new executive orders challenging current DEI strategies and frameworks from the federal government, some companies are looking to leverage valuable people analytics, change management approaches and research insights into the FAIR (Fairness, Access, Inclusion, and Representation) framework, according to new thought leadership in the Harvard Business Review.

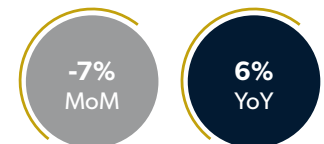


The federal government's restructuring of its workforce through the Department of Government Efficiency's efforts is set to layoff thousands of skilled professional workers in areas such as project management, accounting, procurement and administration. HR and talent Acquisition teams in markets that have dense pools of federal government workers — such as Maryland, Virginia, Texas and California — could soon experience an unusual opportunity to hire experienced talent newly on the market.

What was on tap for HR and talent acquisition hiring in February? HR consultants and training consultants saw jumps of 27% and 26% demand MoM in what was an otherwise down month against rising expectations earlier in January.

SUPPLY CHAIN AND PROCUREMENT

The swift imposition of tariffs in February on a variety of countries and goods categories made certain that supply chain and procurement professionals were busy — navigating pricing and sourcing conditions that seemingly changed weekly with new announcements and negotiations between governments. For now, companies, especially in manufacturing and construction, appear focused on understanding and mitigating their exposure to supply chains for parts, products and raw materials that are already experiencing or under threat of higher costs due to tariffs. Manufactured goods are in healthy demand — seasonally adjusted, the month-to-month percentage change in orders between January and December rose 1.7% along with goods shipments (final products). Meanwhile, the February Logistics Managers' Index showed positive momentum for the fourteenth straight month with a rapid growth in logistics inventories and a modest expansion in warehouse capacity.



Where is demand trending upward? Comparing February to January, procurement and sourcing directors remain in high demand (28%) given growing complexities and emphasis on cost controls while contracts managers saw a modest 7% increase in demand.

Wages in the United States

How they've changed

+2.8%



Consumer Price Index

The consumer price index, a measure of inflation, increased by 2.8% for the 12 months ending February, down from January's reading of 3.0%. This was the first decline since September 2024. "Core" inflation, which excludes the volatile food and energy categories, increased by 3.1%. This is the lowest core inflation rate since early 2021.

+4%



Wage Increases

Average hourly earnings increased by 4.0% for the 12 months ending February, only slightly below the 4.1% increase recorded in January.

+1.2%



"Real" Earnings

Real average hourly earnings increased by 1.2% between February 2024 and February 2025. In other words, despite average hourly earnings increasing by 4.0% year-over-year, workers may only feel as if they're making about 1.2% more, on average, due to the effects of inflation.

References

ACCOUNTING AND FINANCE:

[By the Numbers: Future Accountants, New State Tax Rates](#)

[PCAOB Ramps Up Enforcement as It Faces Possible Shutdown](#)

HR / TALENT ACQUISITION:

[What Comes After DEI](#)

[DODGE Barrels Toward Fresh Round of Federal Firings, the Most Widespread Yet](#)

SUPPLY CHAIN / PROCUREMENT:

[As Trump's Trade War Unfolds, American Companies Brace for Pain](#)

[With Falling U.S. Sales, Companies Are Trying to Hit the Sweet Spot for Prices](#)

[Monthly Full Report n Manufacturers' Shipments, Inventories And Orders: January 2025](#)

[Logistics Sector Grows For 14th Consecutive Month, LMI Forecasts Robust Expansion Ahead](#)

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

[Lightcast, 2025](#)

About Aston Carter

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.

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