

Labor Market and Economy Report:

A Look at Trends in August 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

 **142K**

Jobs Gained in August

The U.S. economy added 142,000 jobs in August. Notable job gains occurred in the construction and healthcare sectors, which have been the only sectors consistently adding jobs over the last few months.

 **62.7%**

Labor Force Participation Rate

The labor force participation rate stayed within the range of 62.5% – 62.8% over the last 12 months, indicating that the share of the U.S. population working or looking for work has been relatively unchanged.

 **4.2%**

Unemployment Rate

The unemployment rate declined very slightly from 4.3% in July to 4.2% in August. Unemployment rates for STEM labor categories remain very low.

 **1.5M**

July Layoffs

Layoffs increased slightly to 1.8 million in July from 1.6 million in June (revised up from 1.5 million in last month's report). Quits were relatively unchanged at 3.3 million. Note that quits and layoffs data lag one month behind other employment data.

August 2024 Market Trends

A closer look at unemployment by industry and labor category



Overall Unemployment Rate

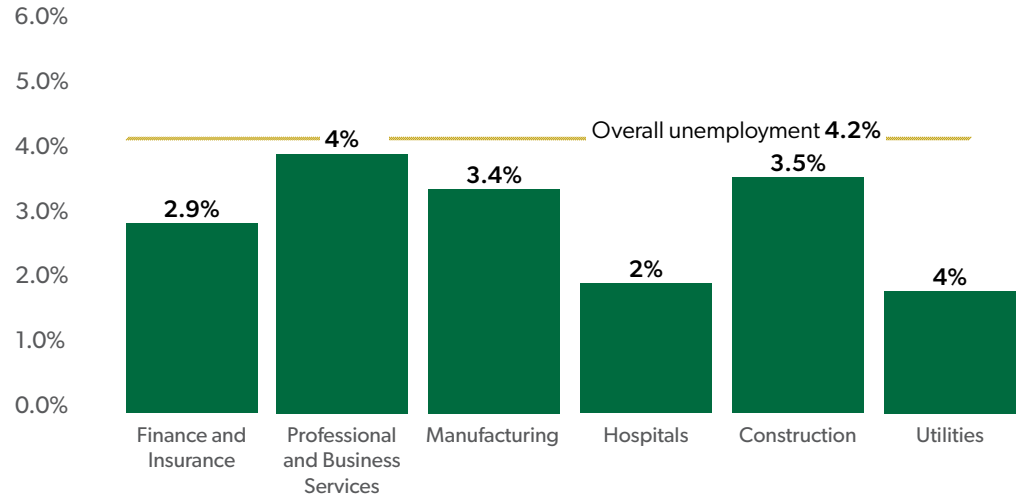


Unemployment Rate for
Degreed Workers

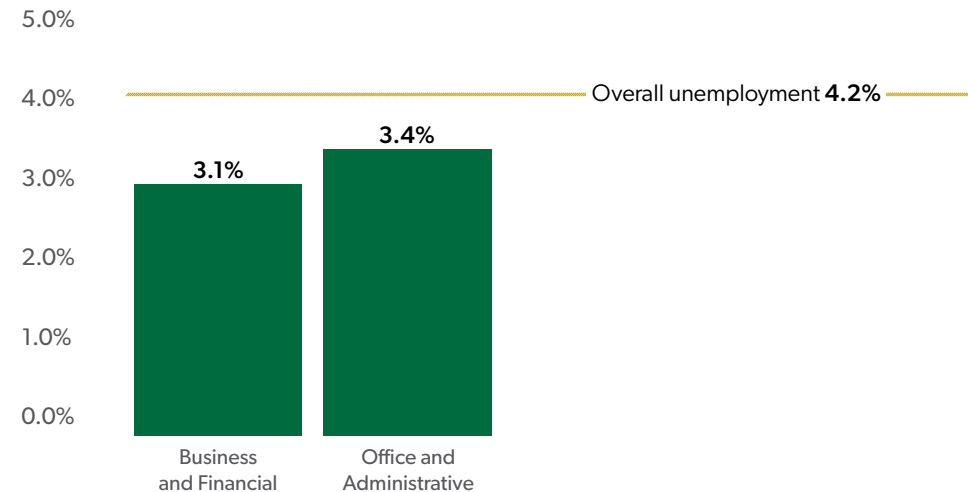


Ratio of unemployed workers
(procurement clerks, AP/
AR, and other core office and
administrative roles) available per
job opening

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

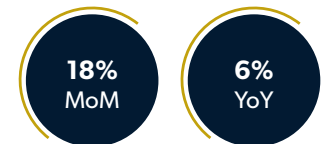
OVERALL ECONOMY

The U.S. economy added 142,000 jobs in August, with notable gains occurring in construction and healthcare, which have been the only sectors consistently adding jobs over the last few months. Job gains from June and July were both revised down, indicating that the labor market was softer during those months than initially estimated. The consumer price index (a measure of inflation) increased 2.5% for the year ending August, making progress toward the Federal Reserve's goal of 2%. The softening of both inflation and the labor market likely were contributing factors that led to the Fed lowering interest rates by 50 basis points in September.



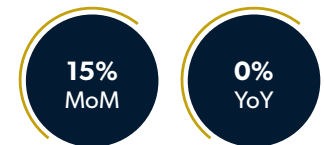
ACCOUNTING AND FINANCE

This summer saw signs of a rebound in M&A activity. In July, a total of 141 U.S. M&A deals valued at \$124 billion unfolded — a 33% increase compared with June, according to EY data — while preliminary indicators suggest August saw yet another increase month over month. Who will do the work is an increasingly urgent question for CFOs facing generational accounting talent shortages, and the National Pipeline Advisory Group proposed six core themes for stakeholders from employers to educators to address. These include reducing the time and cost of education required to become a CPA and enhancing business and management models to improve engagement among accountants. With changes in tax incentives accumulating since 2020, it is no surprise that tax roles in accounting and finance have sharply higher demand than before the pandemic, led by tax accountant (+307%), tax examiner (+161%) and tax manager (+45%), according to Lightcast job posting intelligence.



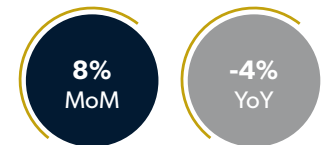
HR AND TALENT ACQUISITION

While HR hiring has cooled from the heights of 2021 to early 2022 during the post-pandemic recovery boom, regulatory and legal changes, as well as strong wage growth and a reset of compensation expectations, have kept equal opportunity representatives (+152%), compensation/benefits analysts (+38%) and compensation/benefits managers (+35%) in higher demand than before the pandemic, according to Lightcast job posting intelligence. The IRS finalized instructions for employers who intend to contribute student loan payment matches to their defined contribution plans, going into effect in 2025. This benefit, aimed at attracting talent with student loan debt, has seen steady growth, especially since 2022's Secure 2.0 Act legislation passed and created the option to make defined contributions. The nationwide ban on noncompete agreements issued by the Federal Trade Commission (FTC) earlier this year was struck down in a federal court and did not go into effect as scheduled in early September. Barring a higher court reversing it or Congress passing legislation to prohibit noncompete agreements, the proposed ban is currently no longer in effect.



SUPPLY CHAIN AND PROCUREMENT

Manufacturing orders continue to be weaker than expected, subdued by a mix of weaker export markets due to a stronger dollar; a trade war with China, which is subsidizing its manufacturing exports; election year uncertainty weighing on purchase decisions; higher costs due to long-run inflation; and higher costs of capital due to higher interest rates. This has constrained demand for talent to levels slightly lower than the pre-pandemic average, though procurement and sourcing managers (+13%), logistics coordinators (+21%) and supply chain specialists (+28%) are in higher demand by employers than they were before the pandemic upended supply chains, according to Lightcast job posting intelligence.



Wages in the United States

How they've changed

+2.5%



Consumer Price Index

The consumer price index, a measure of inflation, increased by 2.5% for the 12 months ending August. Inflation has made significant progress toward the Federal Reserve's goal of 2%. The softening of both inflation and the labor market likely were contributing factors that led to the Fed lowering interest rates by 50 basis points in September.

+3.8%



Wage Increases

Average hourly earnings increased by 3.8% for the 12 months ending August. This was slightly above the year-over-year increase of 3.6% recorded in July.

+1.3%



"Real" Earnings

"Real," inflation-adjusted average hourly earnings have increased by 1.3% between August 2023 and August 2024. In other words, despite average hourly earnings increasing by 3.8% year-over-year, workers may only feel as if they're making about 1.3% more, on average, due to the effects of inflation.

References

ACCOUNTING AND FINANCE:

[US M&A Deal Value Jumped to \\$124B in July](#)

[August 2024 HSR Transaction Update](#)

[Accounting Pipeline Task Force Calls Out 6 Fixes](#)

HR / TALENT ACQUISITION:

[IRS Details Requirements for Matching Employee Student Loan Payments](#)

[Noncompete Agreements Aren't Going anywhere. What to Know If You Sign One](#)

SUPPLY CHAIN / PROCUREMENT:

[Manufacturing Sector Jobs Dipped in August](#)

[The U.S. Has Been Spending Billions to Revive Manufacturing. But China Is in Another League.](#)

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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.

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