

# US Labor Market Trends

January 2025

Indeed Hiring Lab



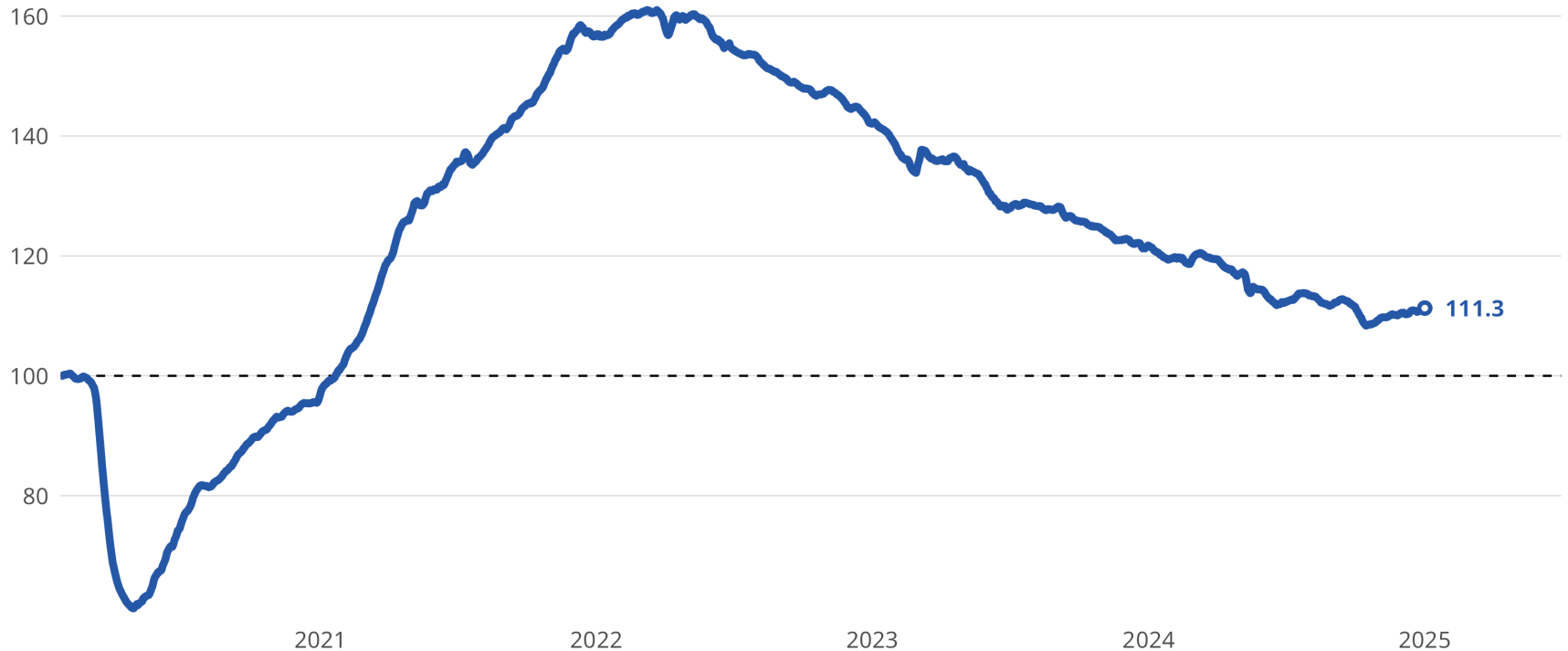
# US labor market overview

- Job postings and openings were 11.3% above their pre-pandemic levels as of early January.
- The share of job postings advertising remote positions stood at 8% at the end of December, down from a 2022 peak of 10.4%.
- In December, annual posted wage growth held steady at 3.1% and was down 0.2% from November.
- Labor force participation among prime-aged workers has fallen slightly but remains above pre-pandemic levels.
- Job gains remain healthy, with employers adding an average of 170,000 jobs per month since October.
- The unemployment rate was 4.1% in December, down from 4.2% in November but up from 3.7% in January 2024.
- December's diffusion index registered at 56.4, meaning a majority of industries experienced at least some job growth in the month.



# Job postings are moderating after falling past their peak

U.S. data, Index (100 = February 1, 2020), data through January 10, 2025



Source: Indeed



# Job postings on Indeed are up 1.5% from a month ago

U.S. data, month-over-month growth in Indeed Job Postings Index, January 1, 2022 - January 10, 2025

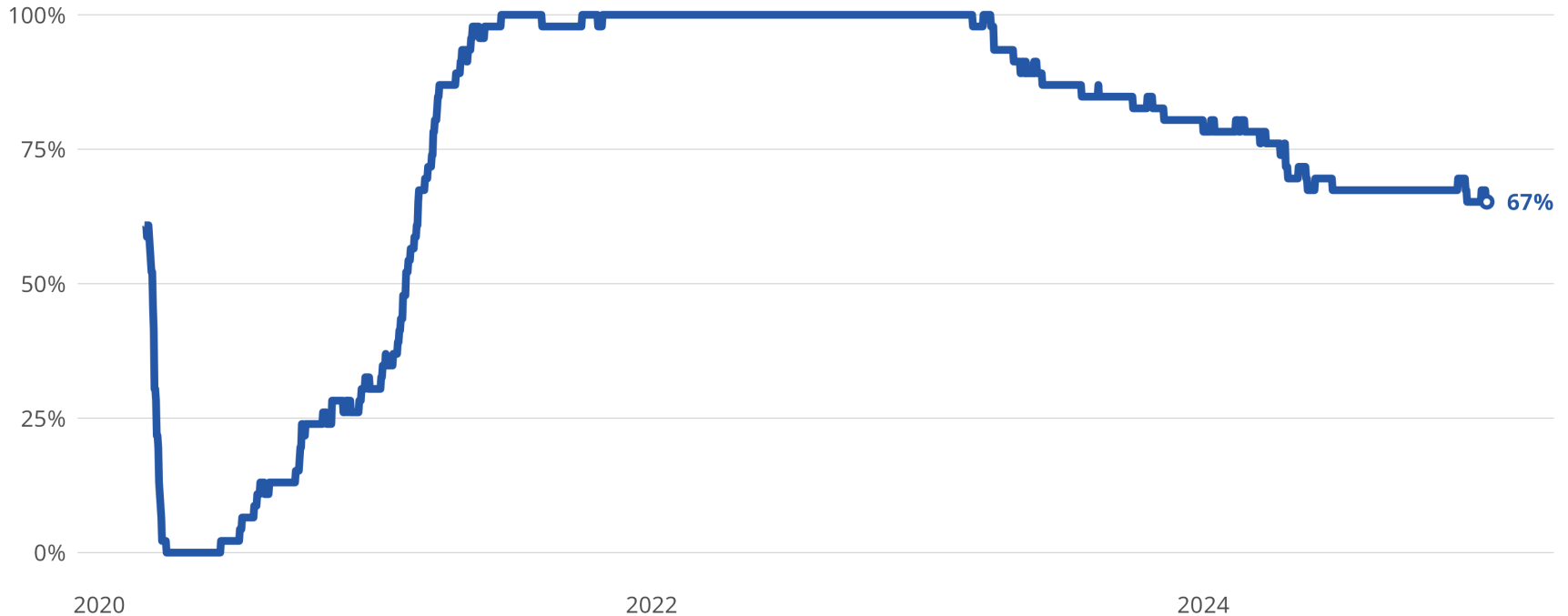


Source: Indeed



# Job postings are elevated in 67% of sectors

U.S. data, share of sectors with postings above pre-pandemic baseline, March 1, 2020 — January 10, 2025

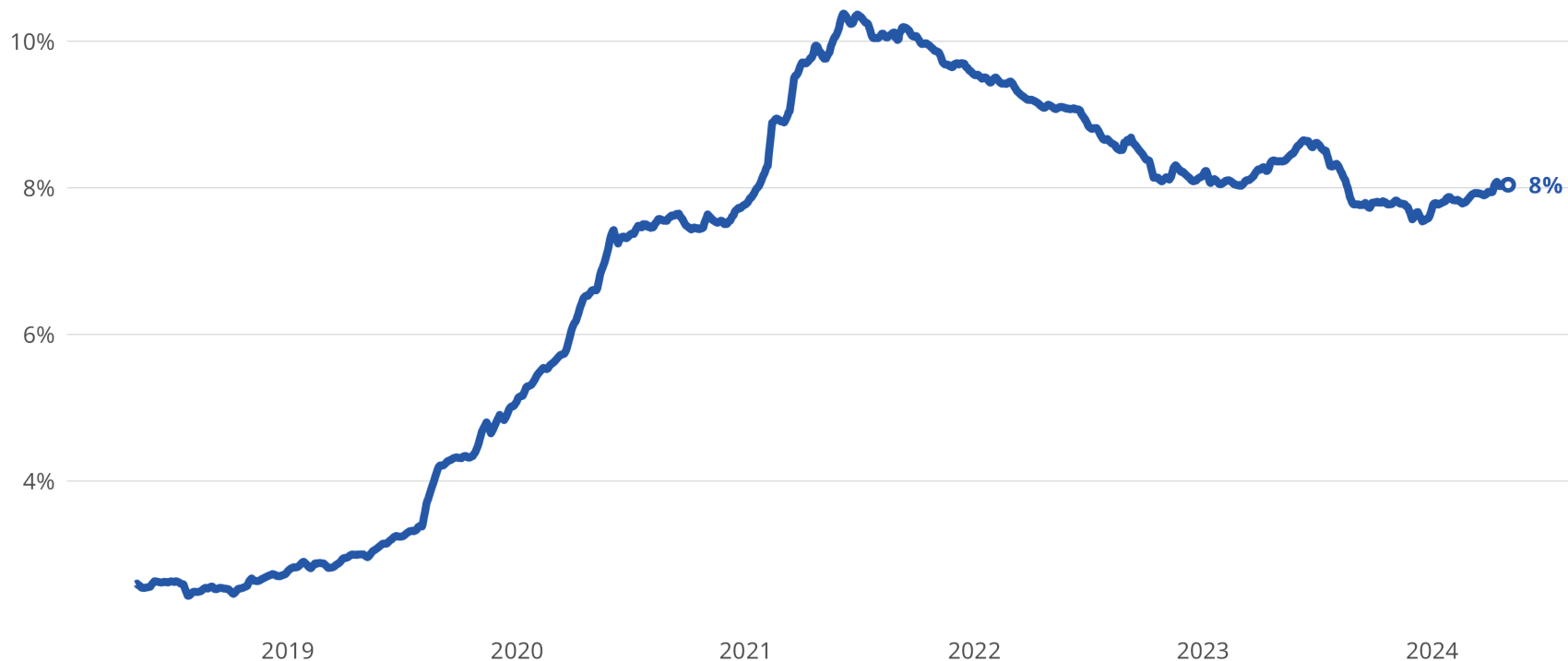


Source: Indeed



# Remote postings have fallen past their peak

U.S. data, January 1, 2019 to December 31, 2024

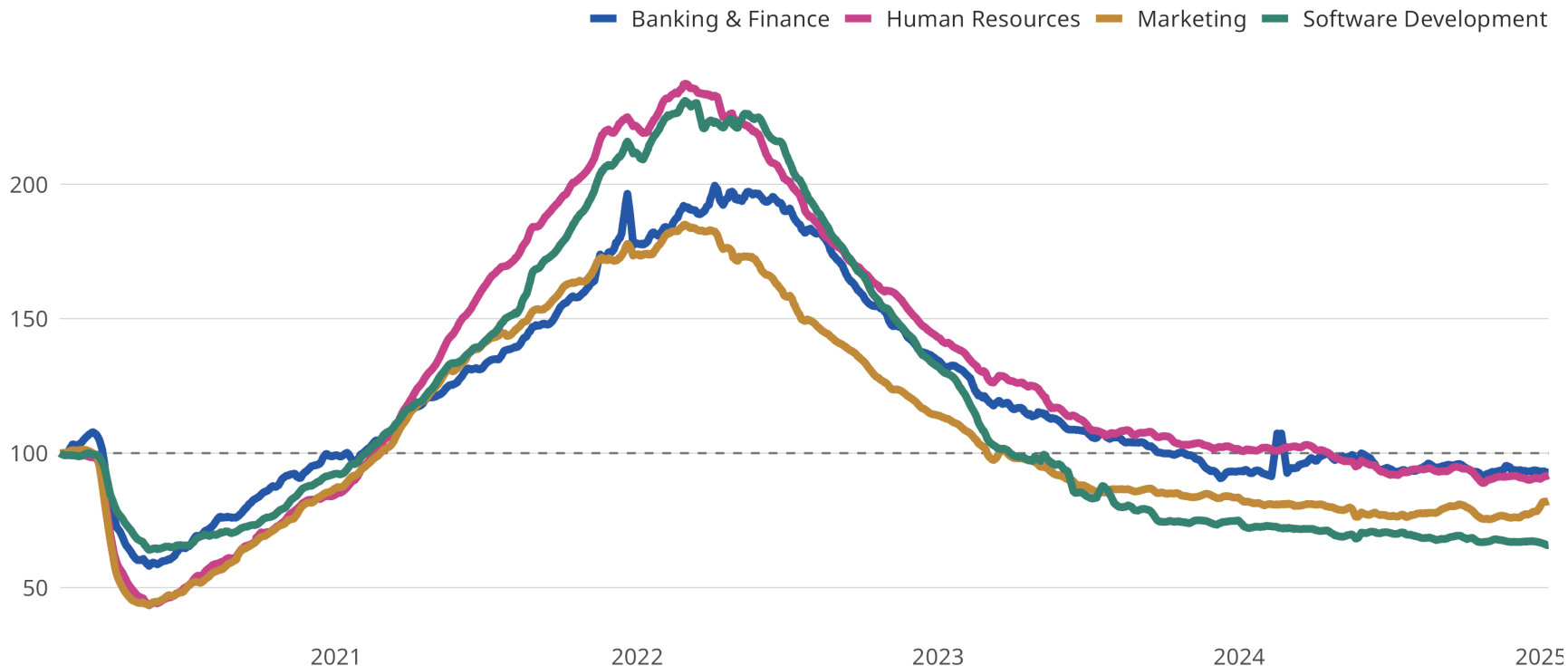


Source: Indeed



# Postings are down most in traditional 'office job' sectors

U.S. data, Index (100 = February 1, 2020), through January 10, 2025

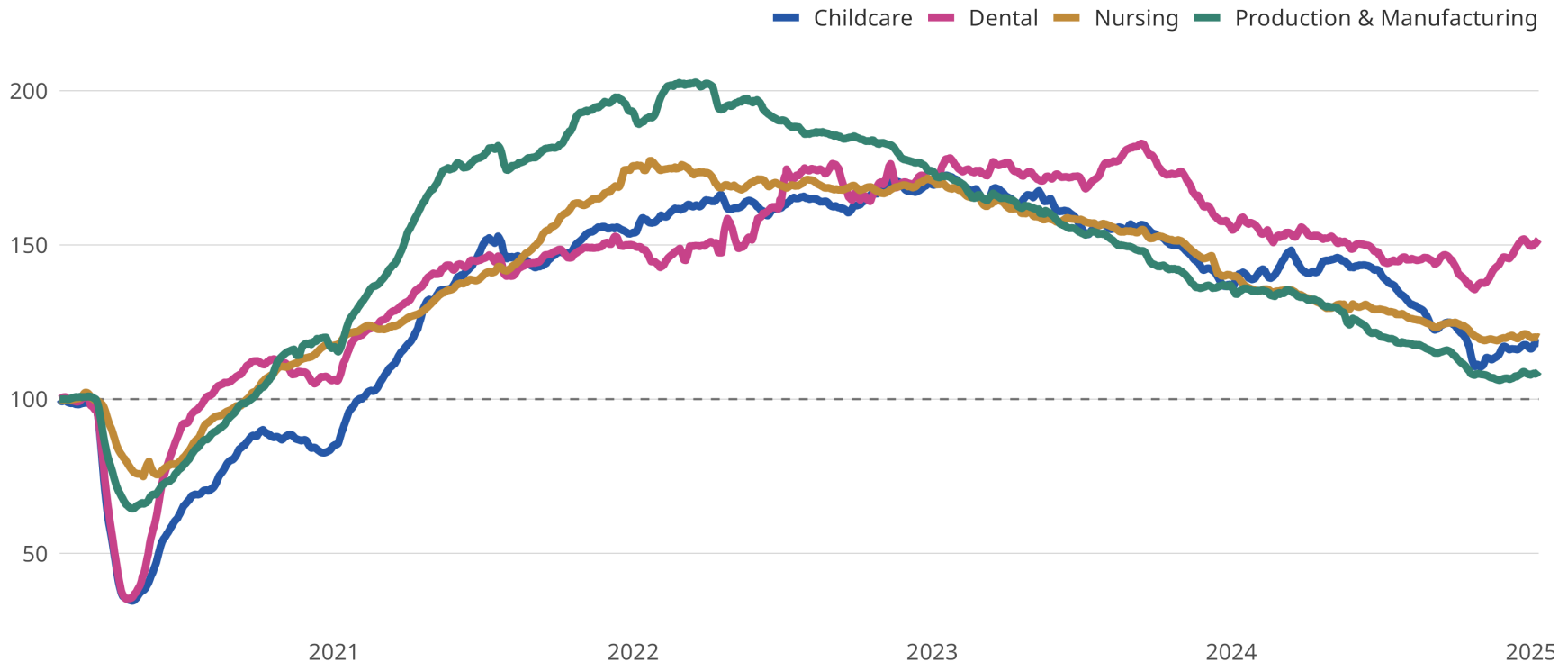


Source: Indeed



# Postings are holding up better in many 'in-person' sectors

U.S. data, Index (100 = February 1, 2020), through January 10, 2025



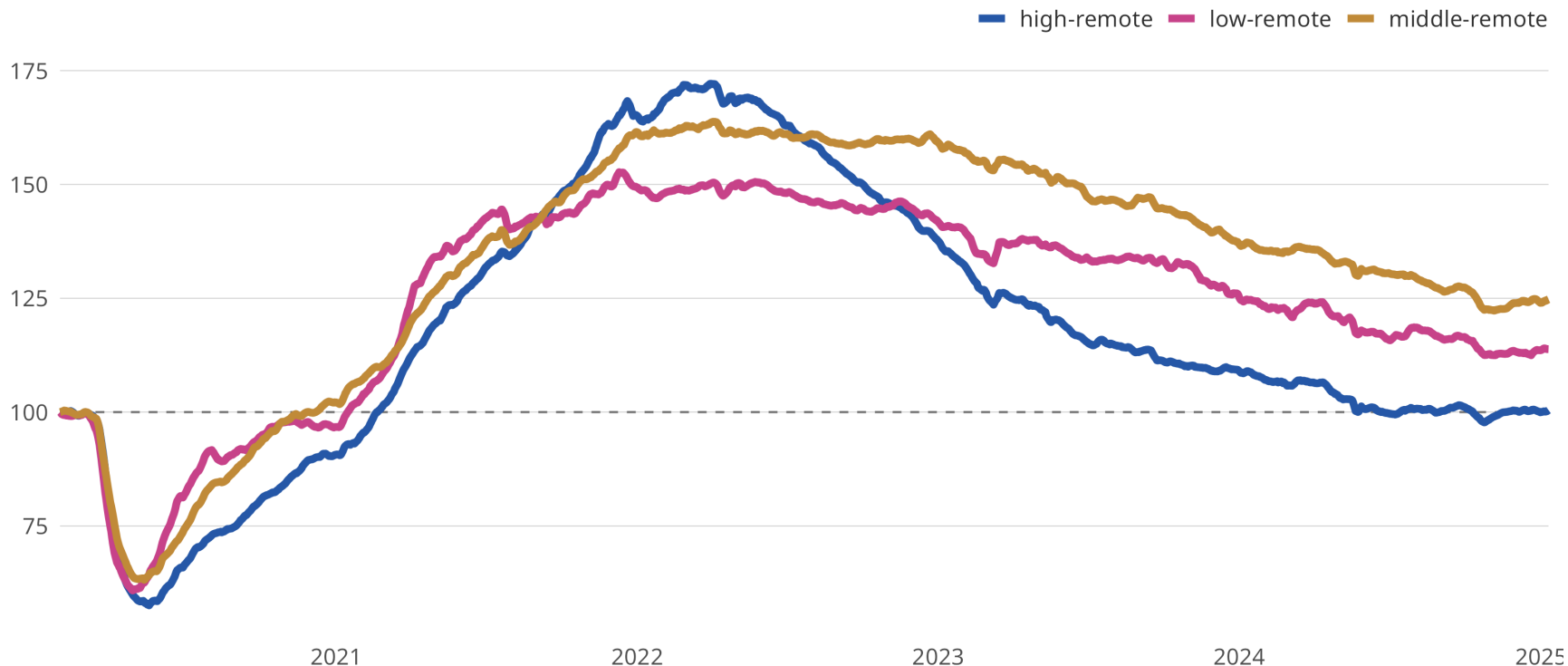
Source: Indeed





# Postings are weakest in high work-from-home sectors

U.S. data, Job Postings Index by remote-work tier, data through January 10, 2025

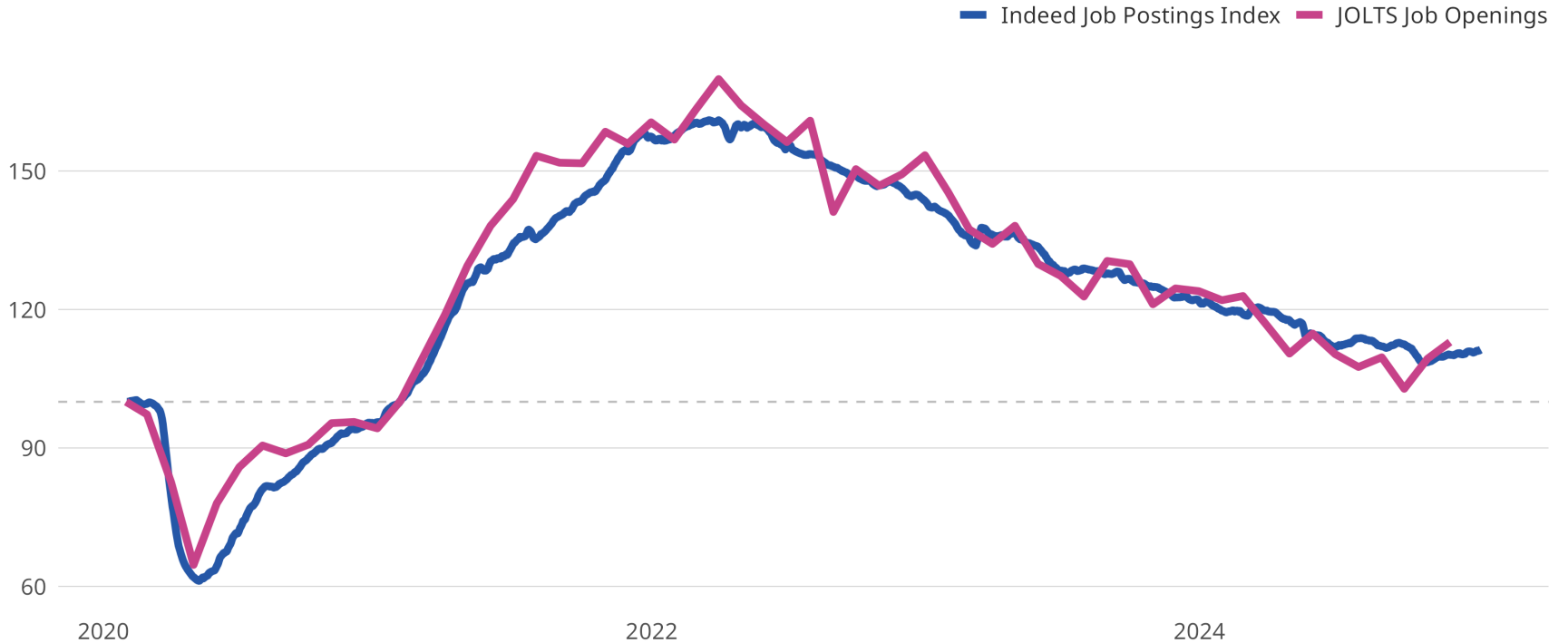


Source: Indeed



# Job openings and postings track each other

U.S. data, Index (100 = January 31, 2020)

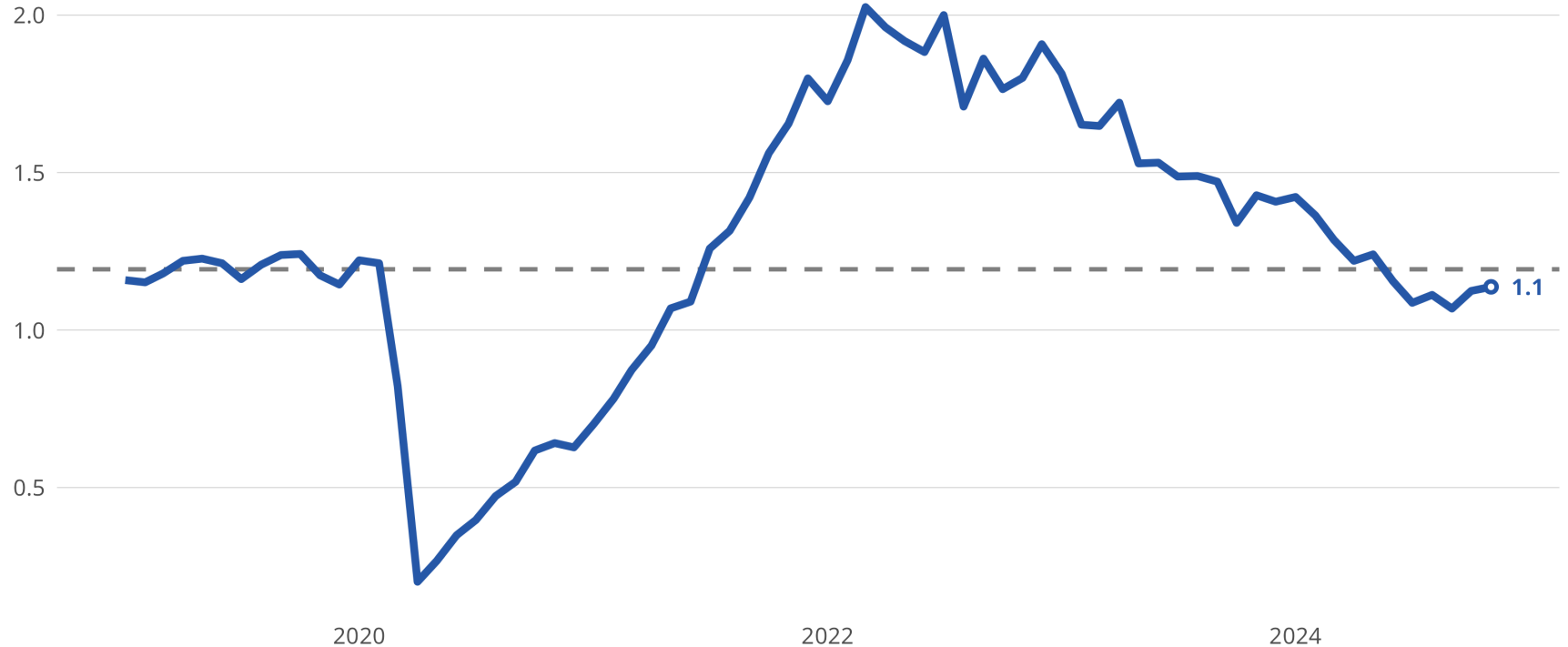


Source: US Bureau of Labor Statistics-January 31, 2020 to November 2024  
Indeed-January 31, 2020 to January 10, 2025



# The ratio of openings to unemployment is now below 2019 levels

Job openings per unemployed worker, U.S. data, January 2019 - November 2024

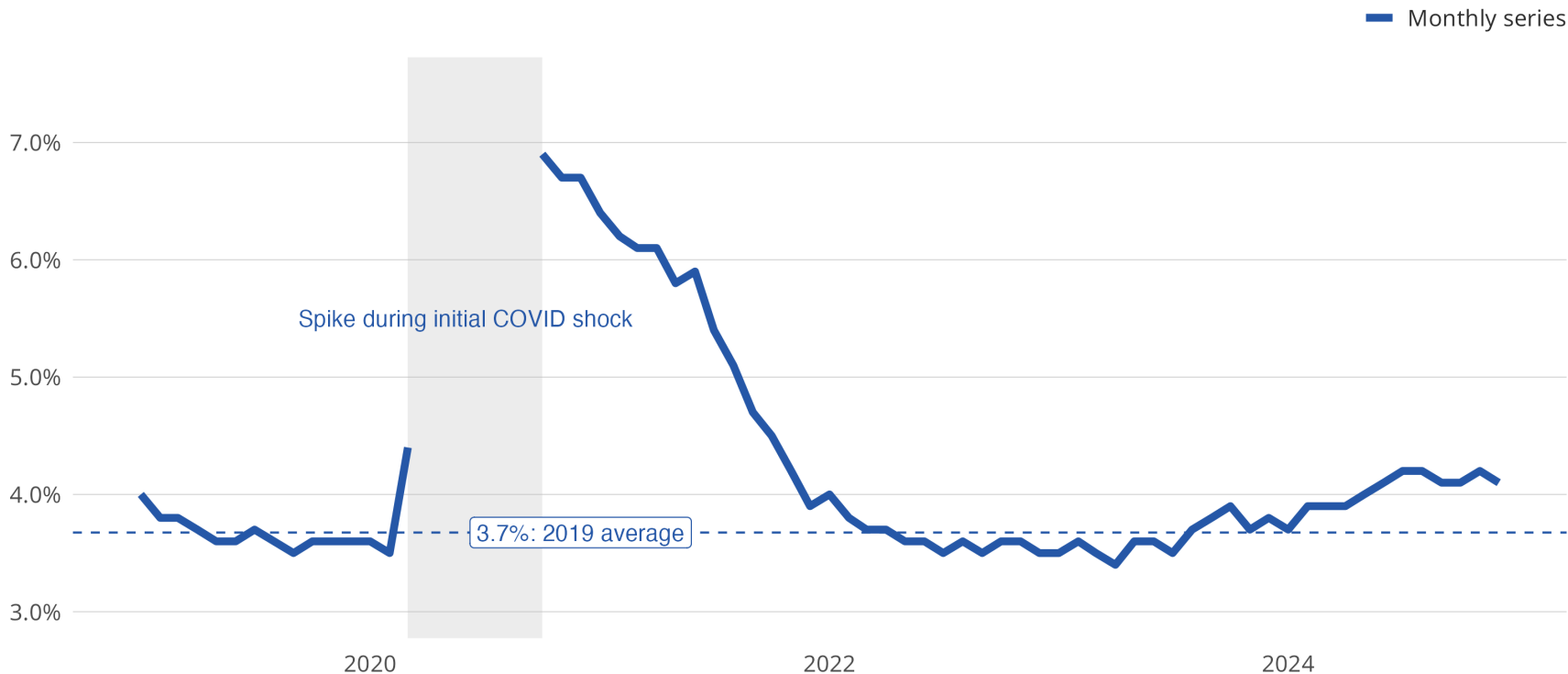


Source: US Bureau of Labor Statistics



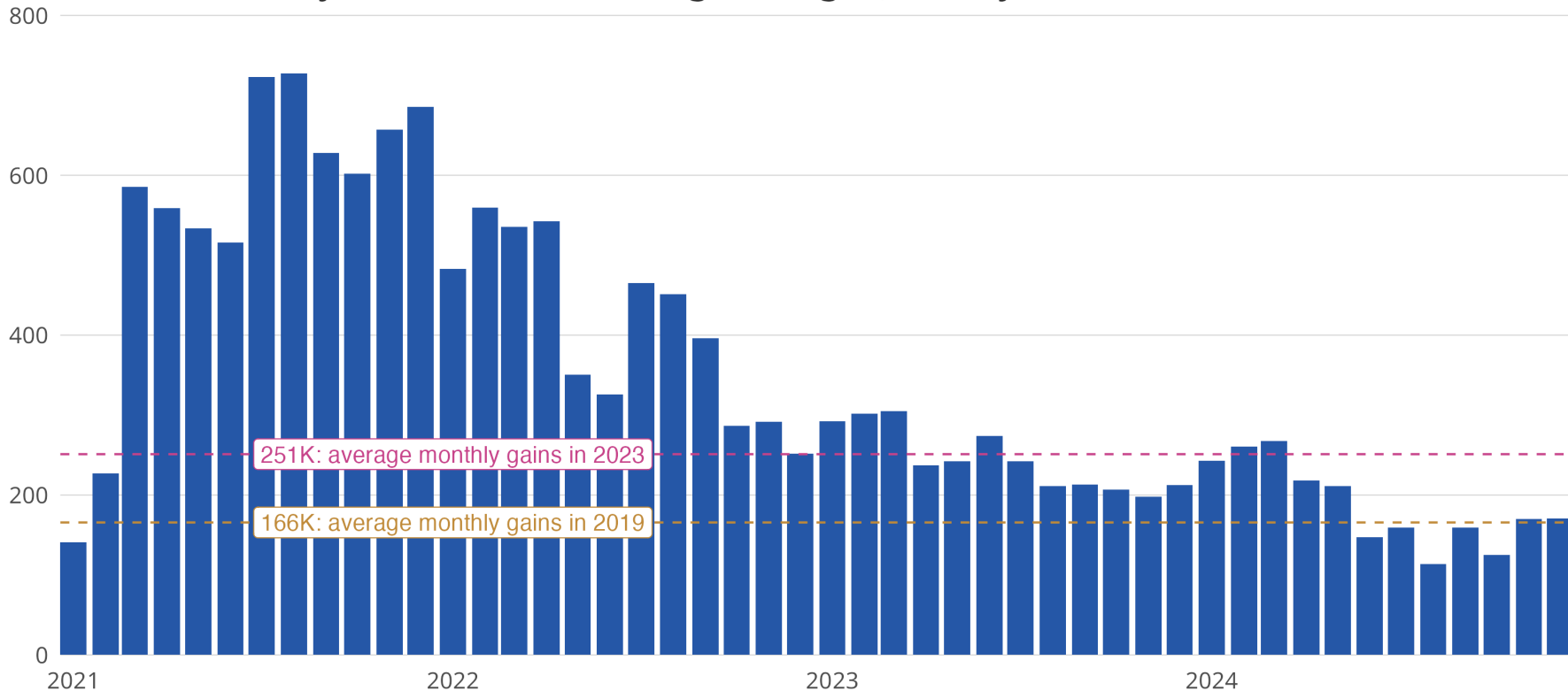
# The unemployment rate ticked up in 2024

Unemployment as % of labor force, U.S. data, January 2019 — December 2024



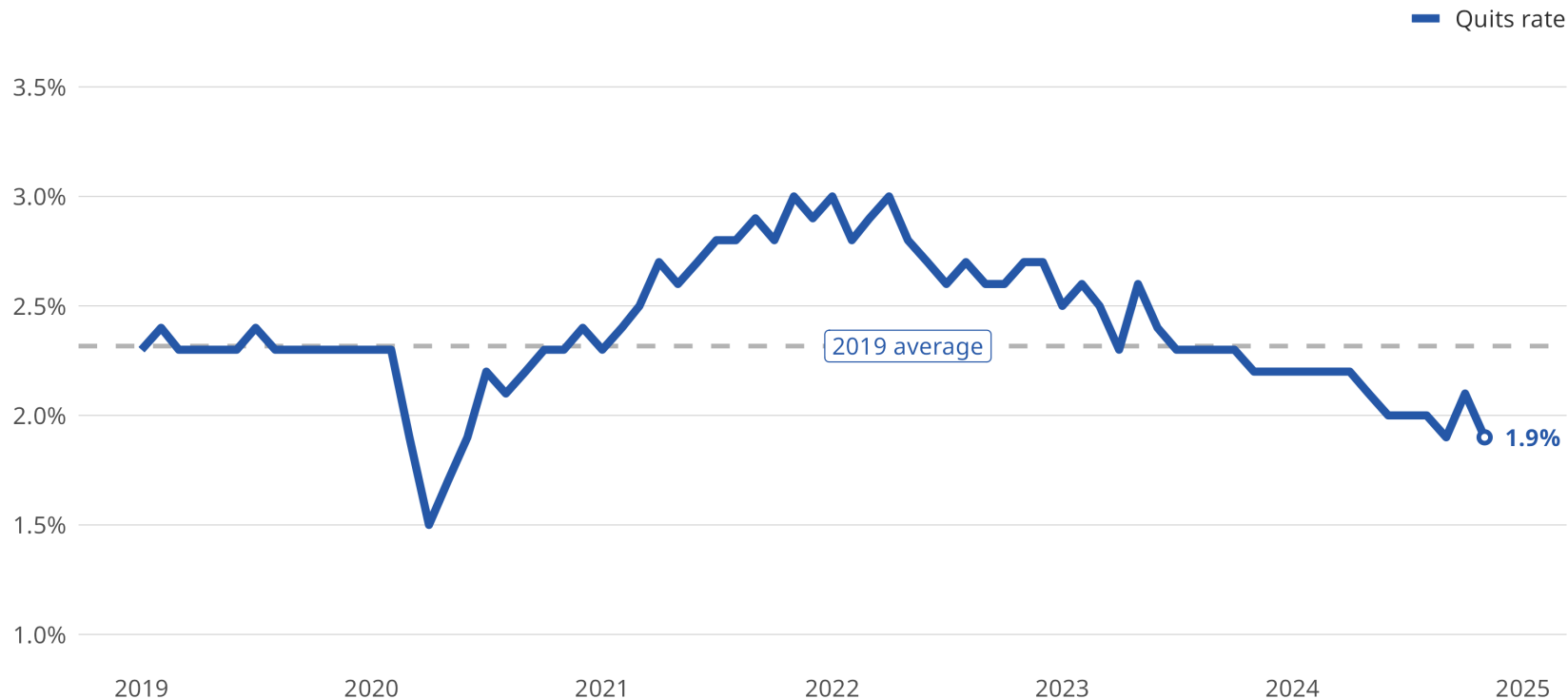
# Monthly job gains are declining

US, thousands of jobs, 3 month moving average, January 2021 - December 2024



# The quits rate is below its pre-pandemic level

Quits as % of employment, January 2019 - November 2024, U.S. data

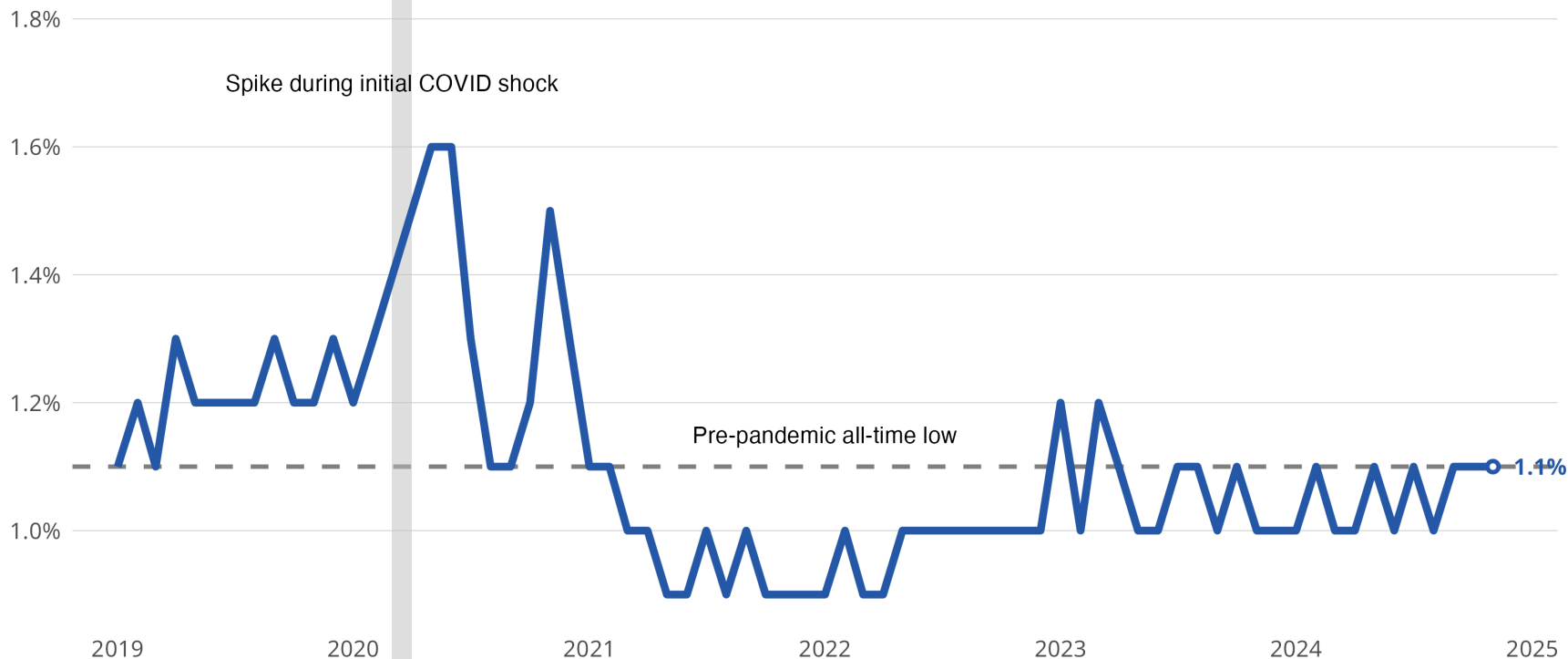


Source: US Bureau of Labor Statistics



# Layoffs remain low by historical standards

Layoffs and discharges rate, U.S. data, January 2019 - November 2024

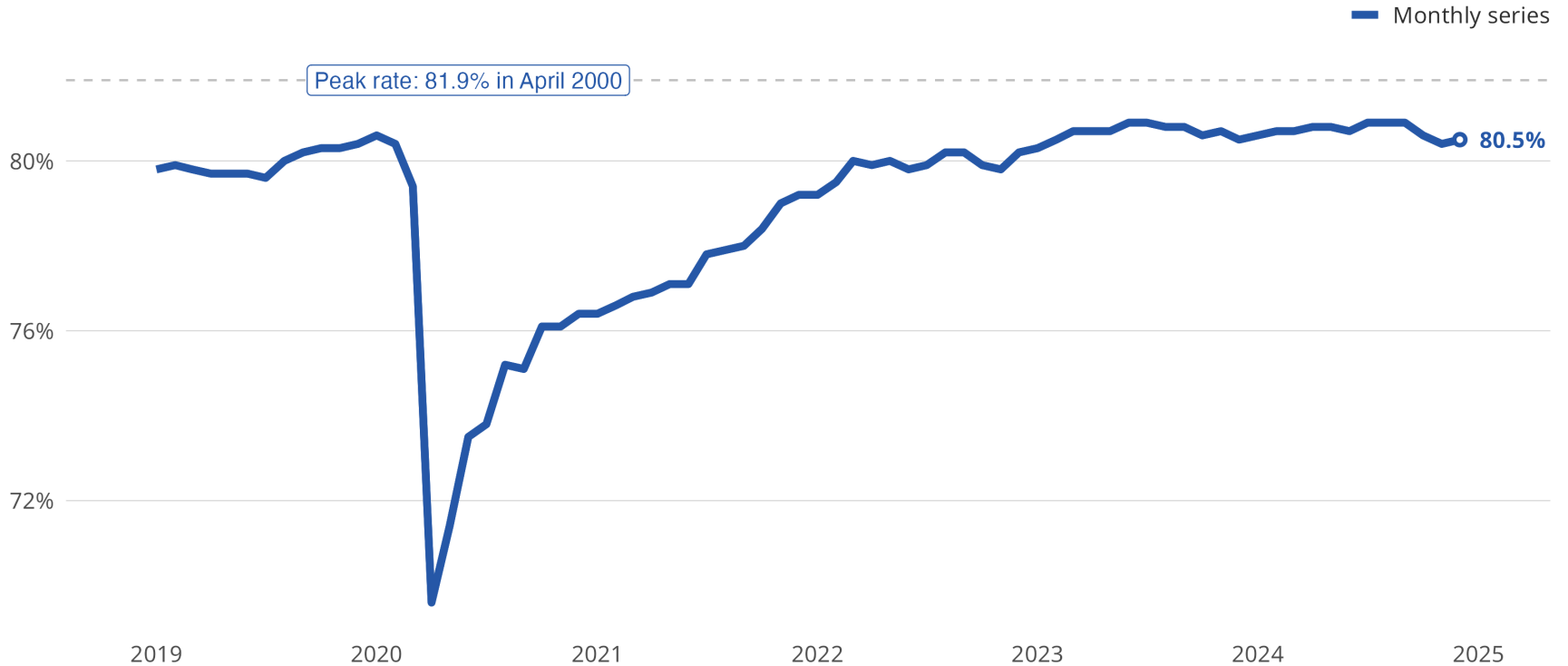


Source: U.S. Bureau of Labor Statistics



# The prime-age employment rate is plateauing

Share of people ages 25 - 54 with a job, U.S. data, January 2019 - December 2024



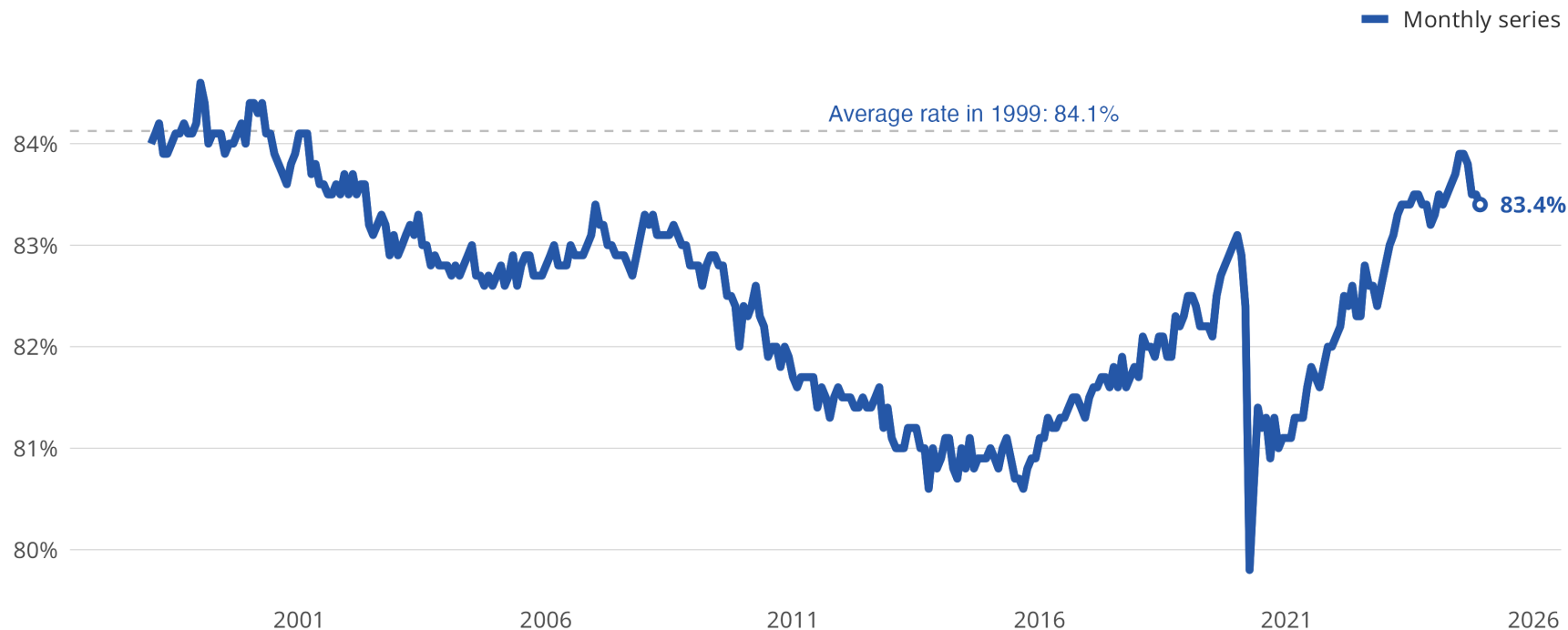
Source: US Bureau of Labor Statistics





# Prime-age labor force participation is at a multidecade high

Share of workers aged 25 - 54 in the U.S. labor force,  
January 1998 - December 2024

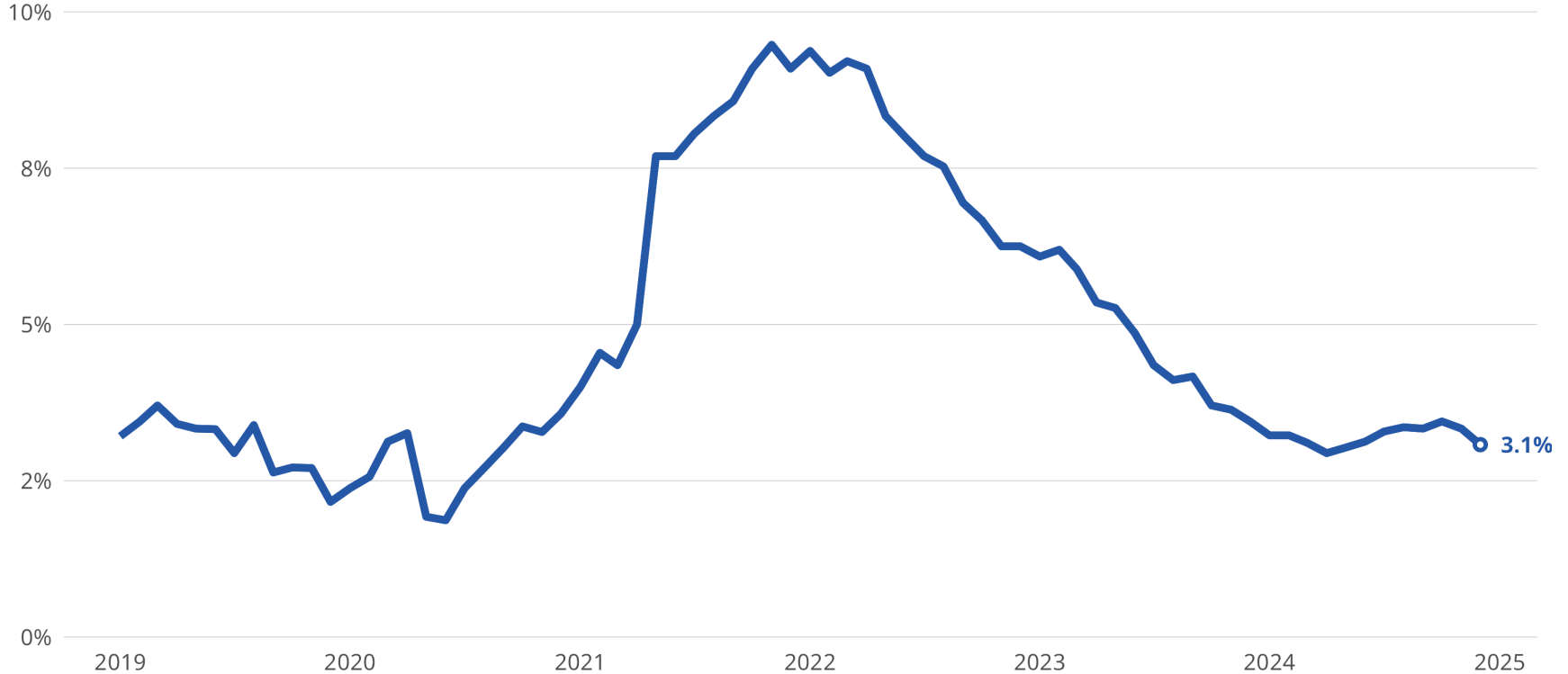


Source: US Bureau of Labor Statistics



# Posted wage growth is no longer fading

U.S. data, Year-over-year growth in posted wages, January 2019 - December 2024

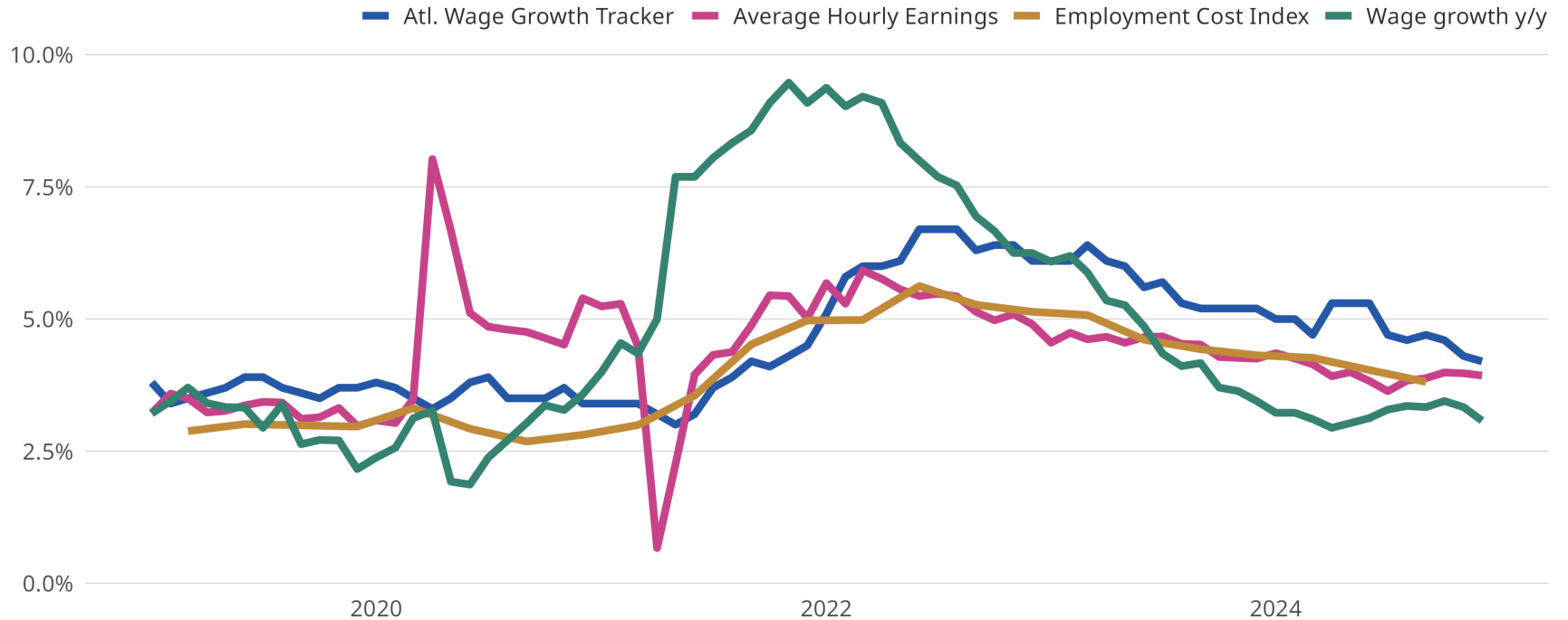


Source: Indeed Wage Tracker



# Wage growth is stabilizing across measures

Year-over-year growth, U.S. data

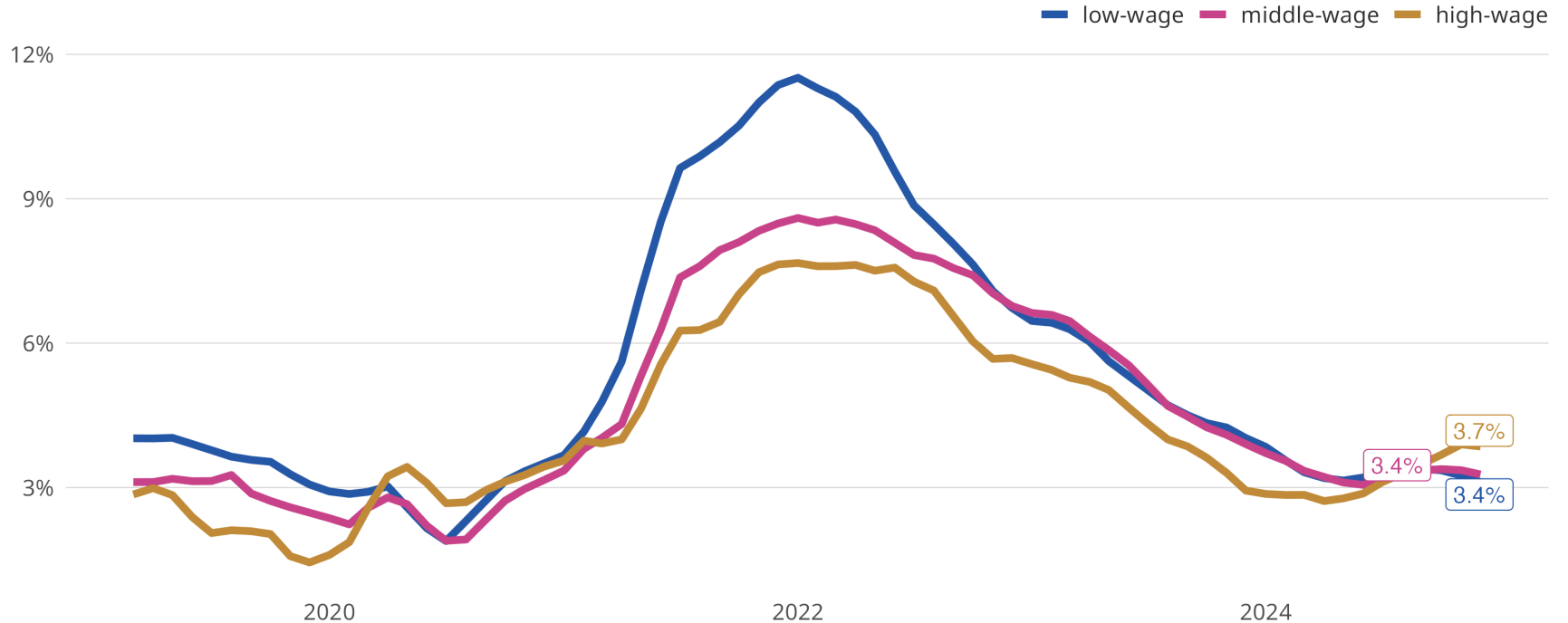


Source: Bureau of Labor Statistics-January 2019-December 1, 2024,  
Federal Reserve Bank of Atlanta-January 2019-July 2024,  
and Indeed January 2019-December 31, 2024



# Wage growth is stabilizing across sectors

Year-over-year growth in posted wages, U.S. data,  
3 month average, March 2019 - December 2024

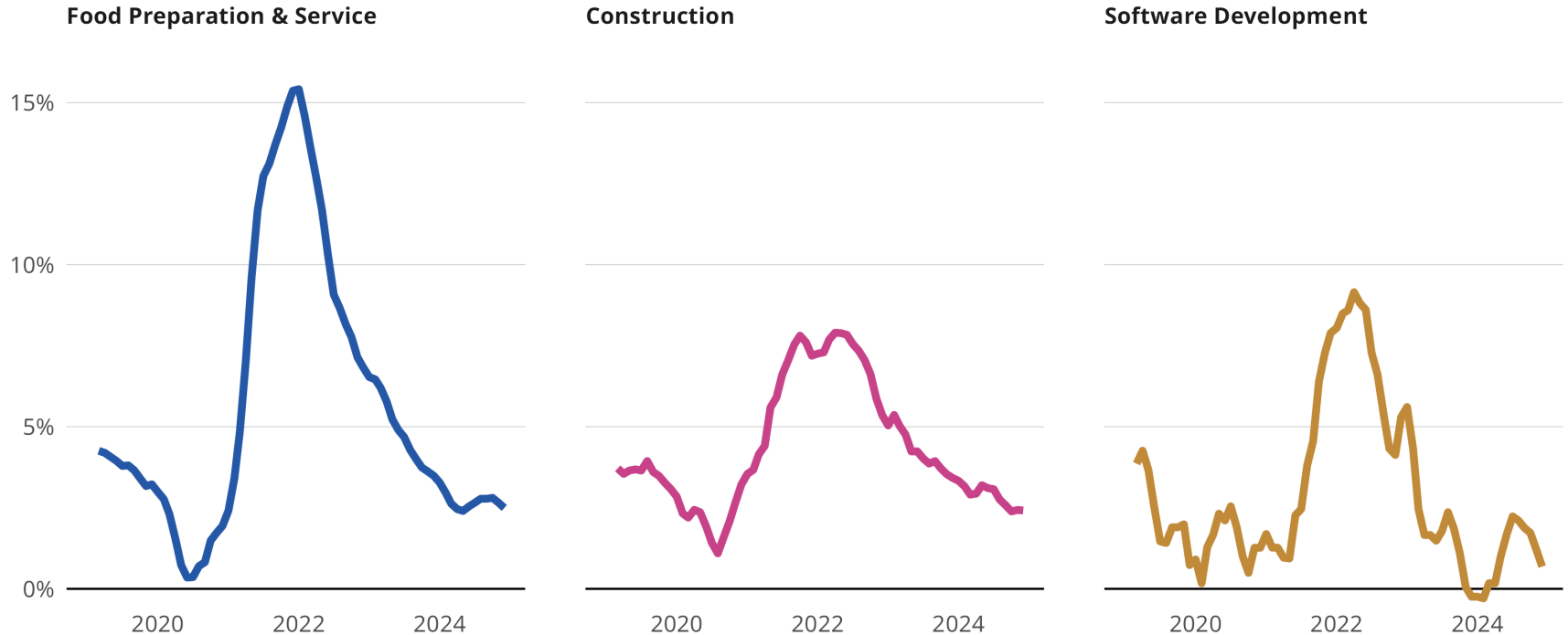


Source: Indeed Wage Tracker. Wage tiers based on a category's median posted wage in 2023



# Trends in posted wage growth by occupational sector

Year-over-year growth in posted wages, U.S. data, 3 month average, March 2019 - December 2024

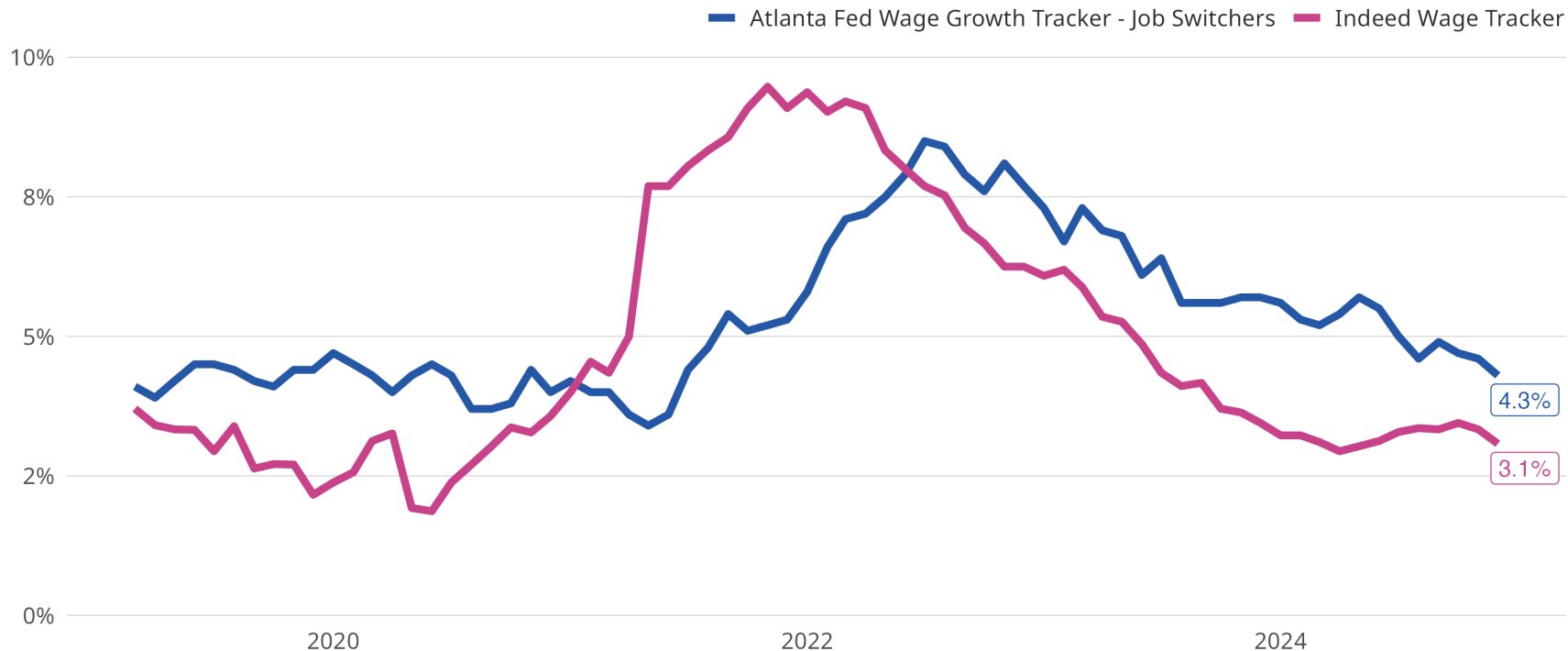


Source: Indeed Wage Tracker



# Posted wage growth has led job switcher wage growth

Year-over-year growth, U.S. data

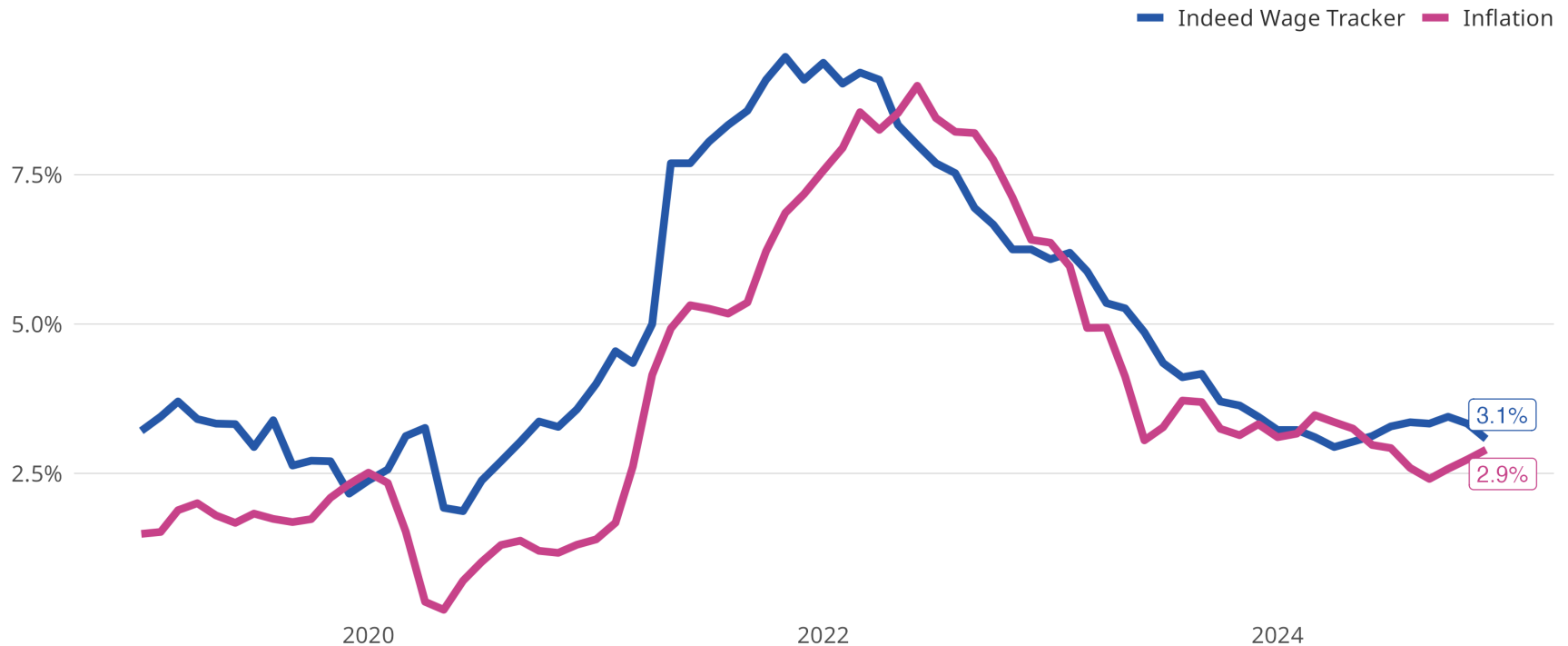


Source: Indeed, (annual growth) March 2019-December 2024  
Federal Reserve Bank of Atlanta (3 month moving average), March 2019-December 2024



# Inflation is trending down while posted wage growth stabilizes

Year-over-year growth

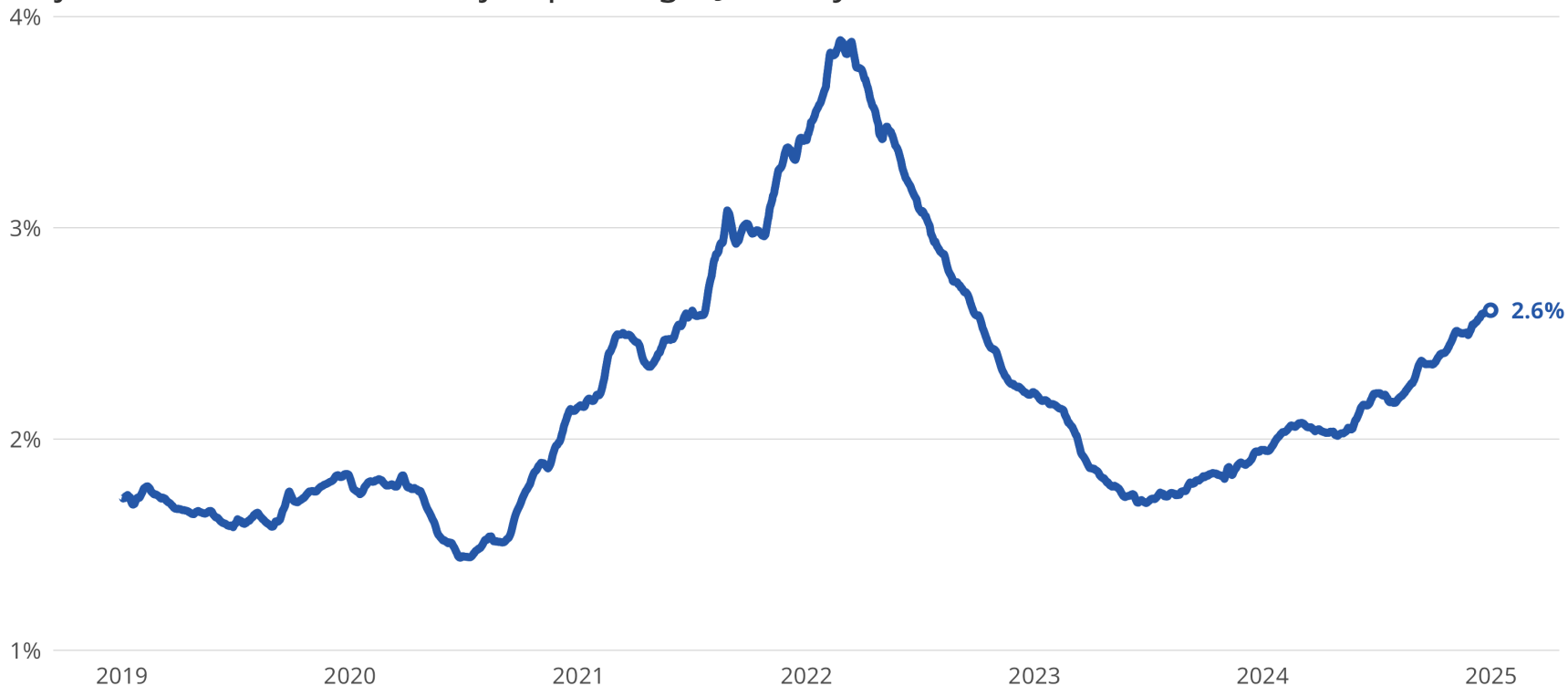


Source: Indeed Wage Tracker (January 2019-December 2024),  
Consumer Price Index (January 2019-December 2024)



# US AI job postings remain below their 2022 peak

AI jobs as a share of all US job postings, January 2019 — December 2024



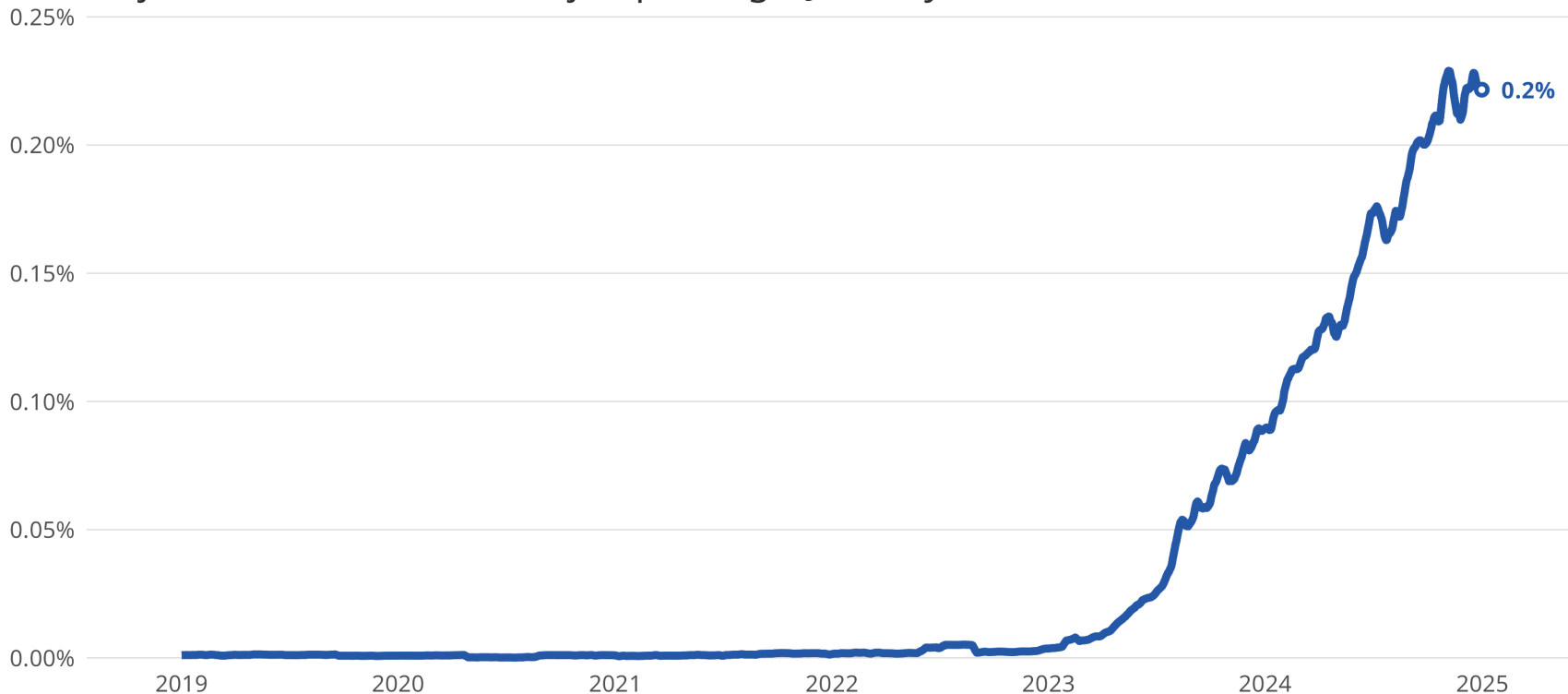
Source: Indeed





# US Gen AI job postings are rare but growing

Gen AI jobs as a share of all US job postings, January 2019 — December 2024



Source: Indeed



- [hiringlab.org](https://hiringlab.org)
- [data.indeed.com](https://data.indeed.com)