

US Labor Market Trends

March 2025

Indeed Hiring Lab

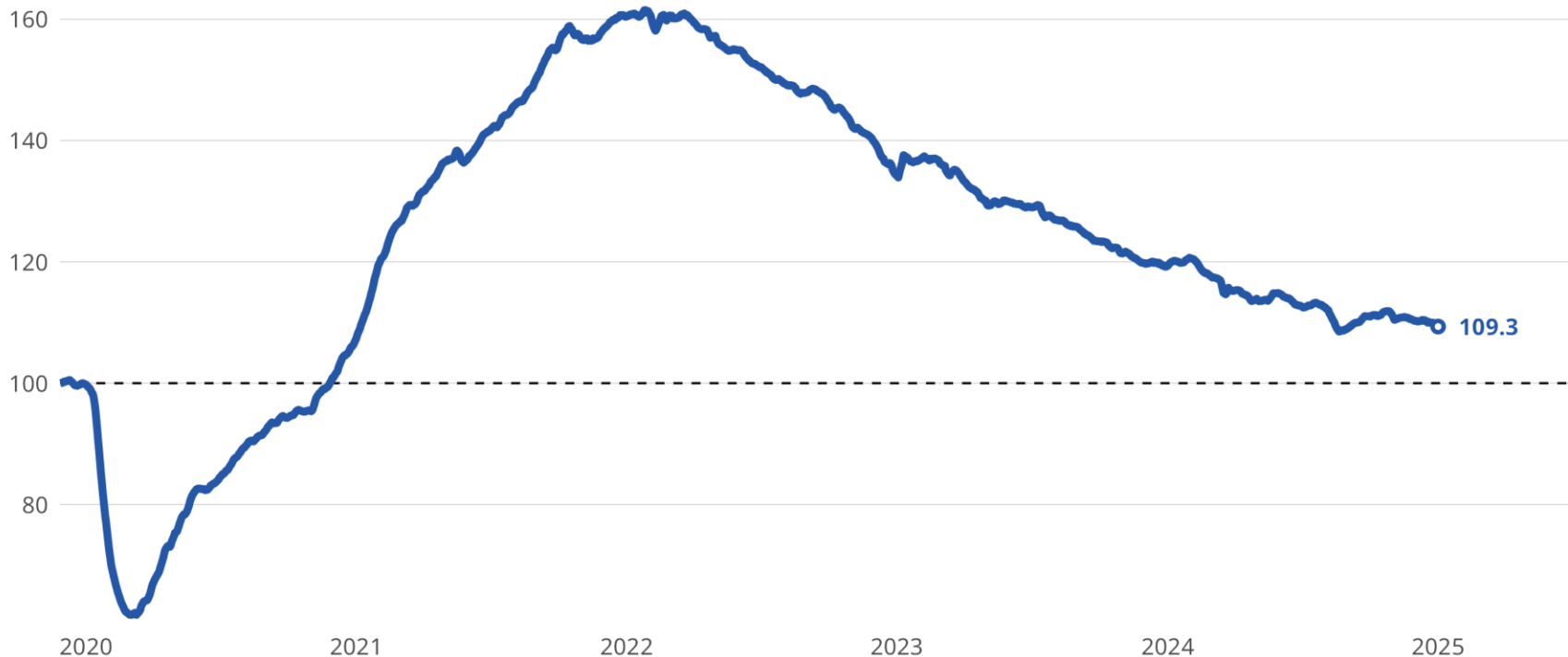


US labor market overview

- US job postings stood 9% above their pre-pandemic level March 7th and were down 0.8% from February.
- The share of job postings advertising remote positions stood at 8.3% at the end of January, up modestly from recent months but down from a 2022 peak of 10.4%.
- Annual posted wage growth has held steady at 3.1% in each of the past three months.
- Posted wage growth continues to modestly exceed the annual rate of inflation.
- Labor force participation among prime-aged workers has fallen slightly, but remains above pre-pandemic levels.
- The unemployment was 4.1% in February, still a historically low level but up slightly from 4% in both December and January.
- Private sector employers added 169,000 jobs per month, on average, from December 2024 through February.
- A majority (58%) of all non-government employers added jobs in February, but the gains were not distributed equally — healthcare and social assistance accounted for 45% of the private sector's employment increase.

Job postings are moderating after falling past their peak

U.S. data, Index (100 = February 1, 2020), data through March 07, 2025



Source: Indeed



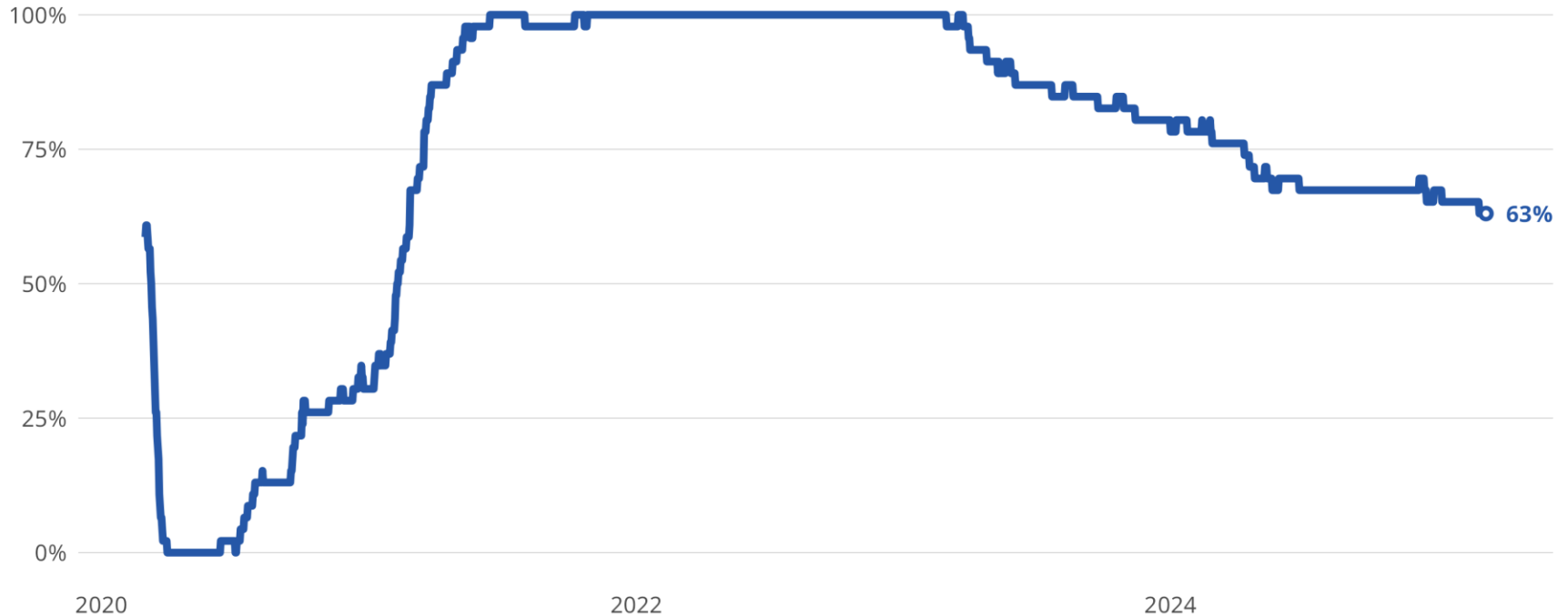
Job postings on Indeed are down 0.8% from a month ago

U.S. data, month-over-month growth in Indeed Job Postings Index, January 1, 2022 - March 07, 2025



Job postings are elevated in 63% of sectors

U.S. data, share of sectors with postings above pre-pandemic baseline, March 1, 2020 — March 07, 2025

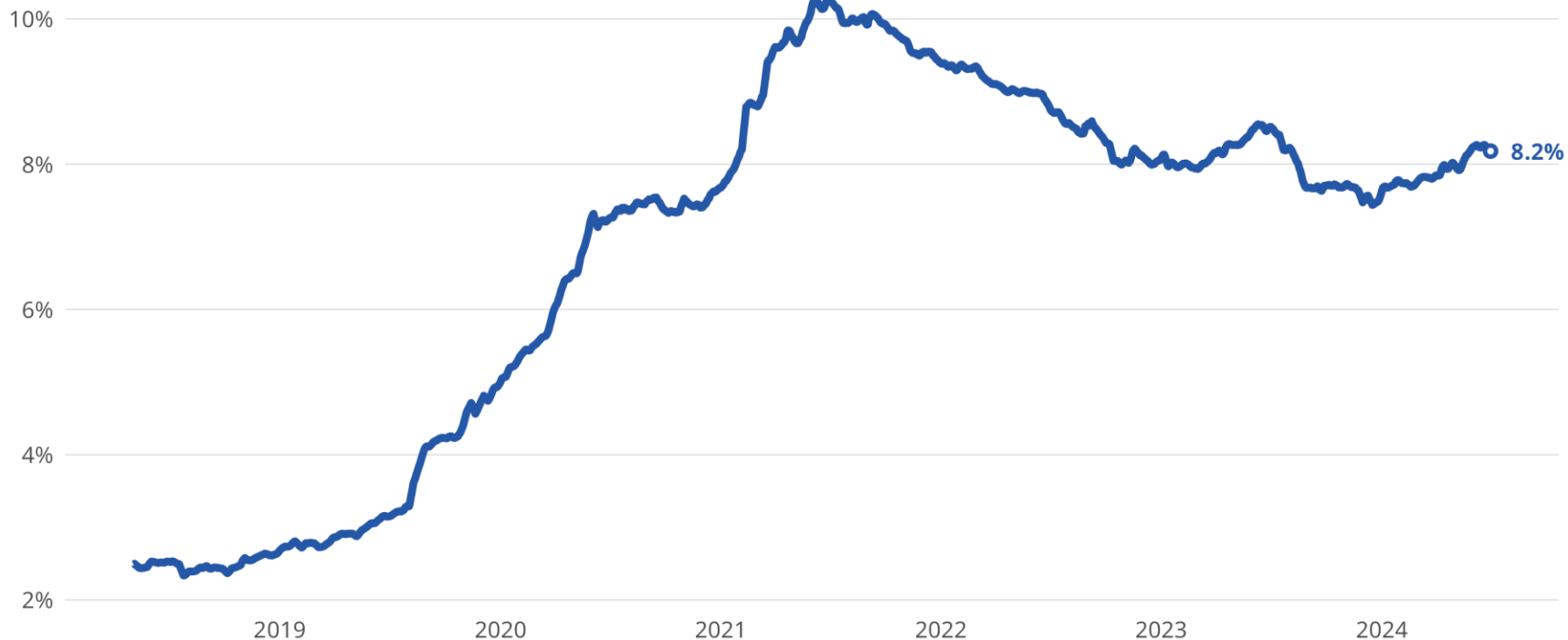


Source: Indeed



Remote postings have fallen past their peak

U.S. data, January 1, 2019 to January 31, 2025

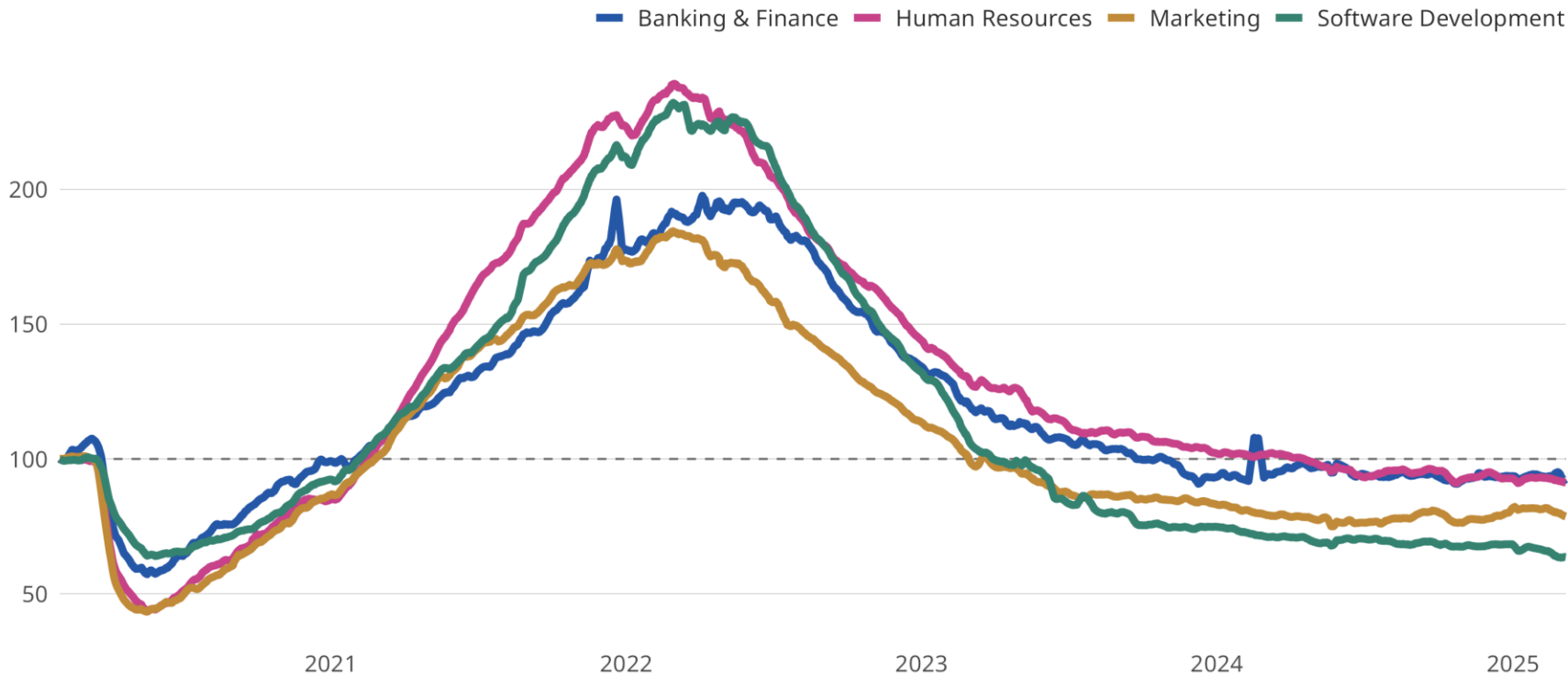


Source: Indeed



Postings are down in many traditional 'office job' sectors

U.S. data, Index (100 = February 1, 2020), through March 07, 2025

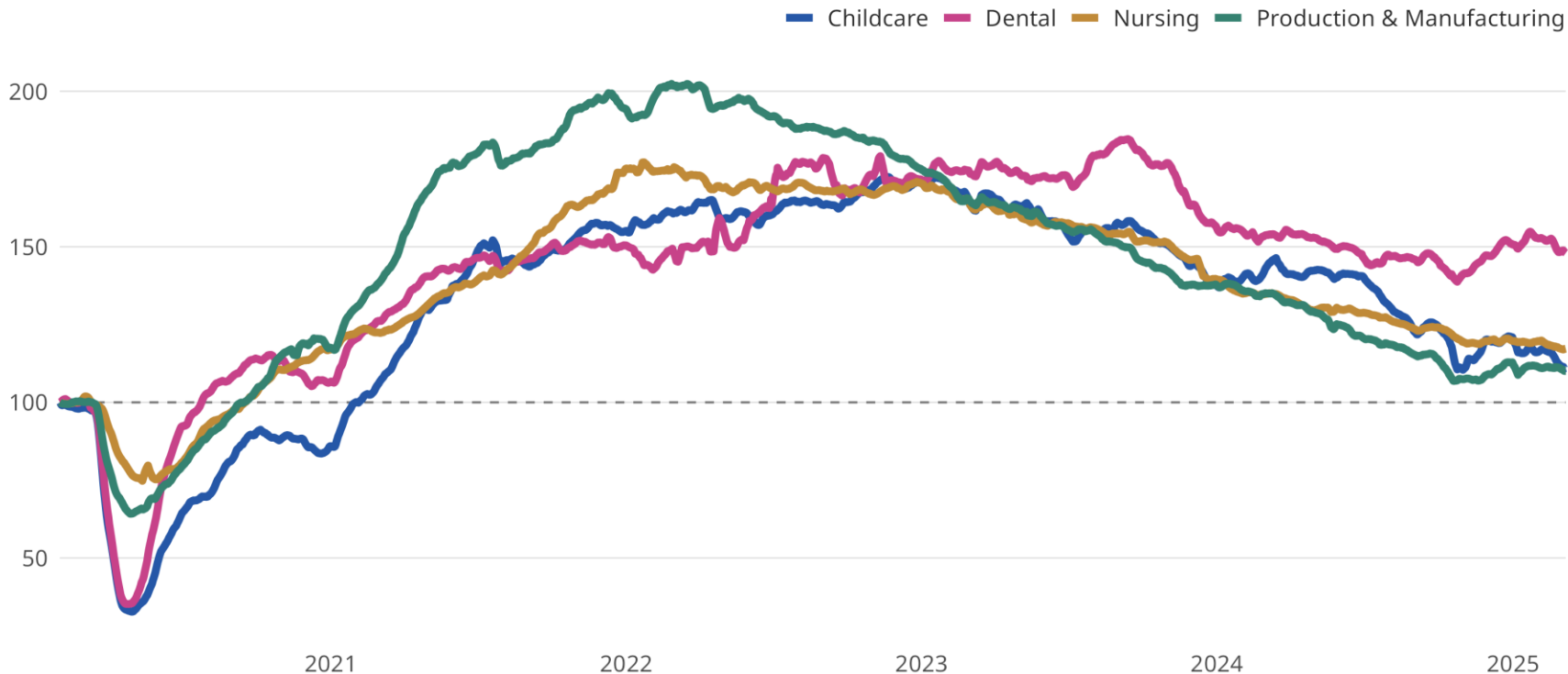


Source: Indeed



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

U.S. data, Index (100 = February 1, 2020), through March 07, 2025

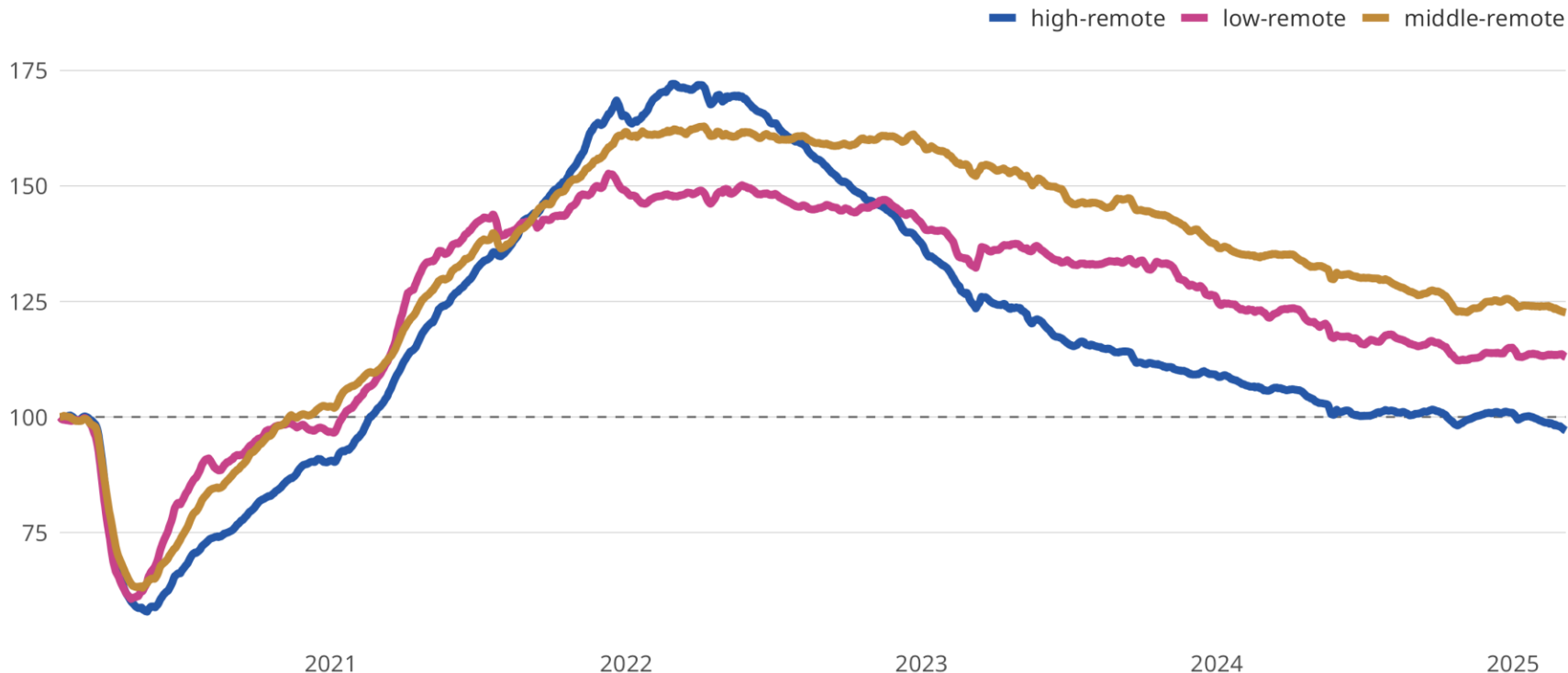


Source: Indeed



Postings are weak but stable in high work-from-home sectors

U.S. data, Job Postings Index by remote-work tier, data through March 07, 2025

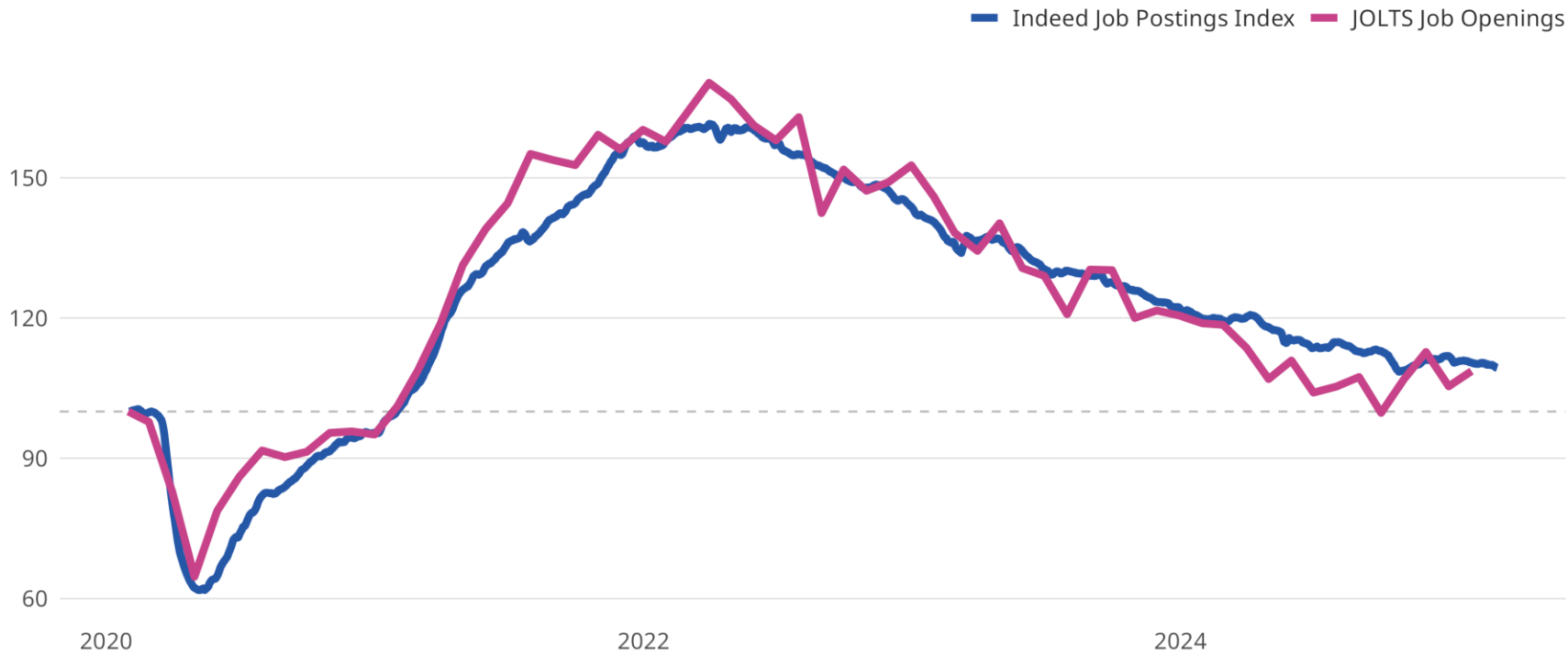


Source: Indeed



Job openings and postings track each other

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

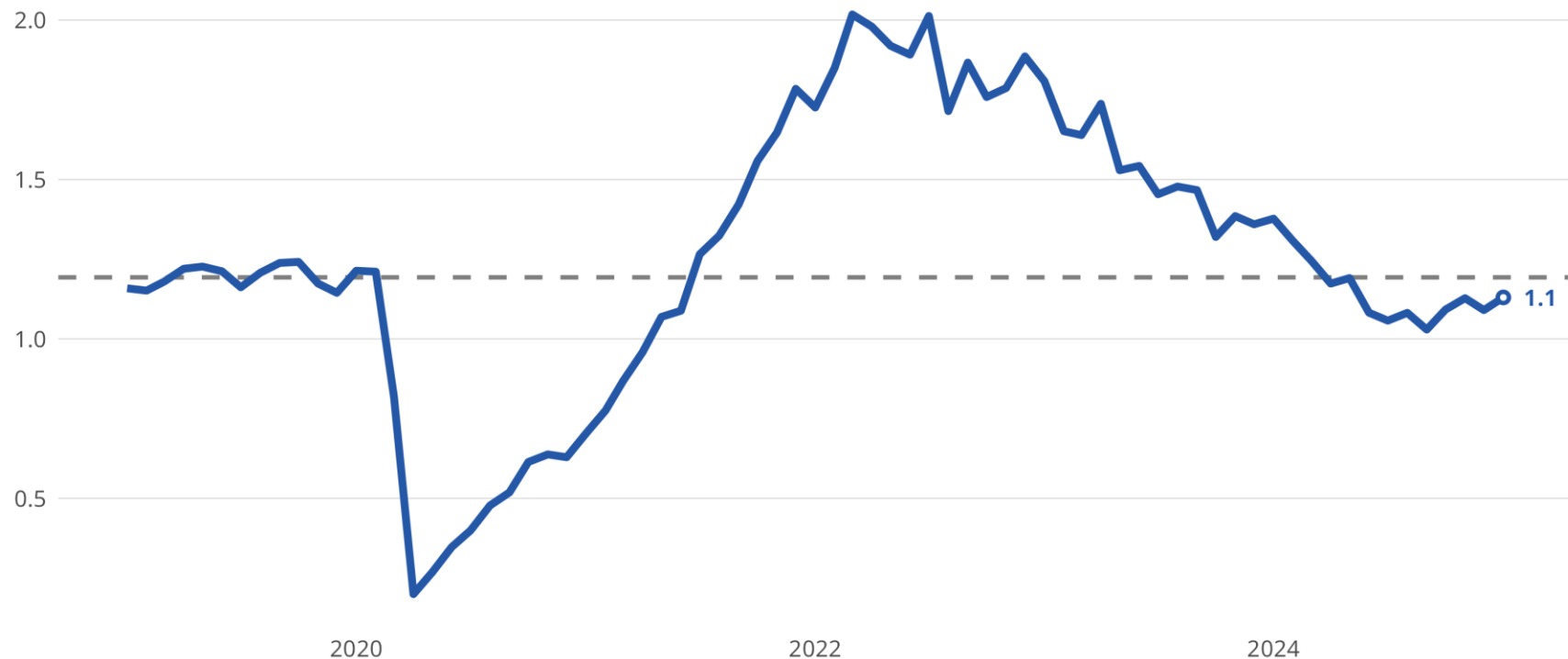


Source: US Bureau of Labor Statistics-January 31, 2020 to January 2025
Indeed-January 31, 2020 to March 07, 2025



The ratio of openings to unemployment is now below 2019 levels

Job openings per unemployed worker, U.S. data, January 2019 - January 2025

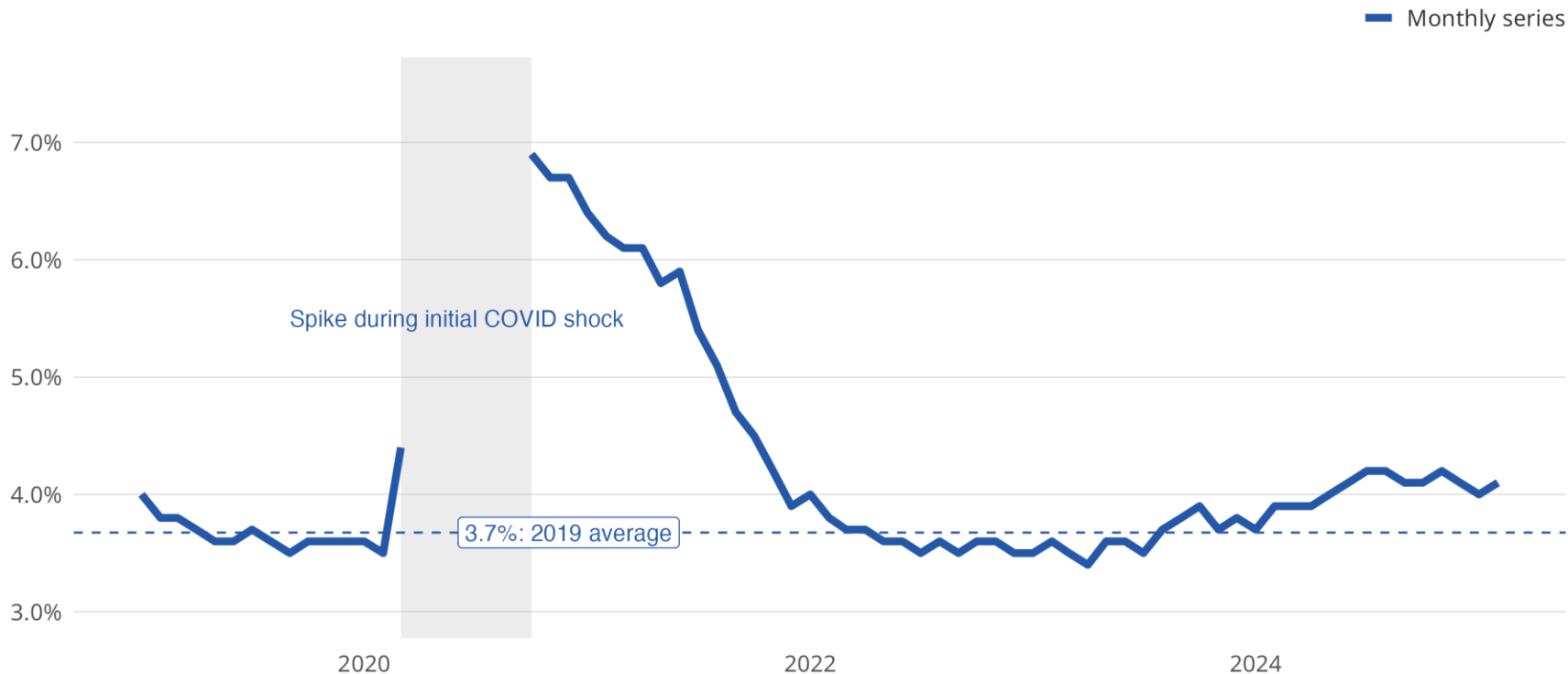


Source: US Bureau of Labor Statistics



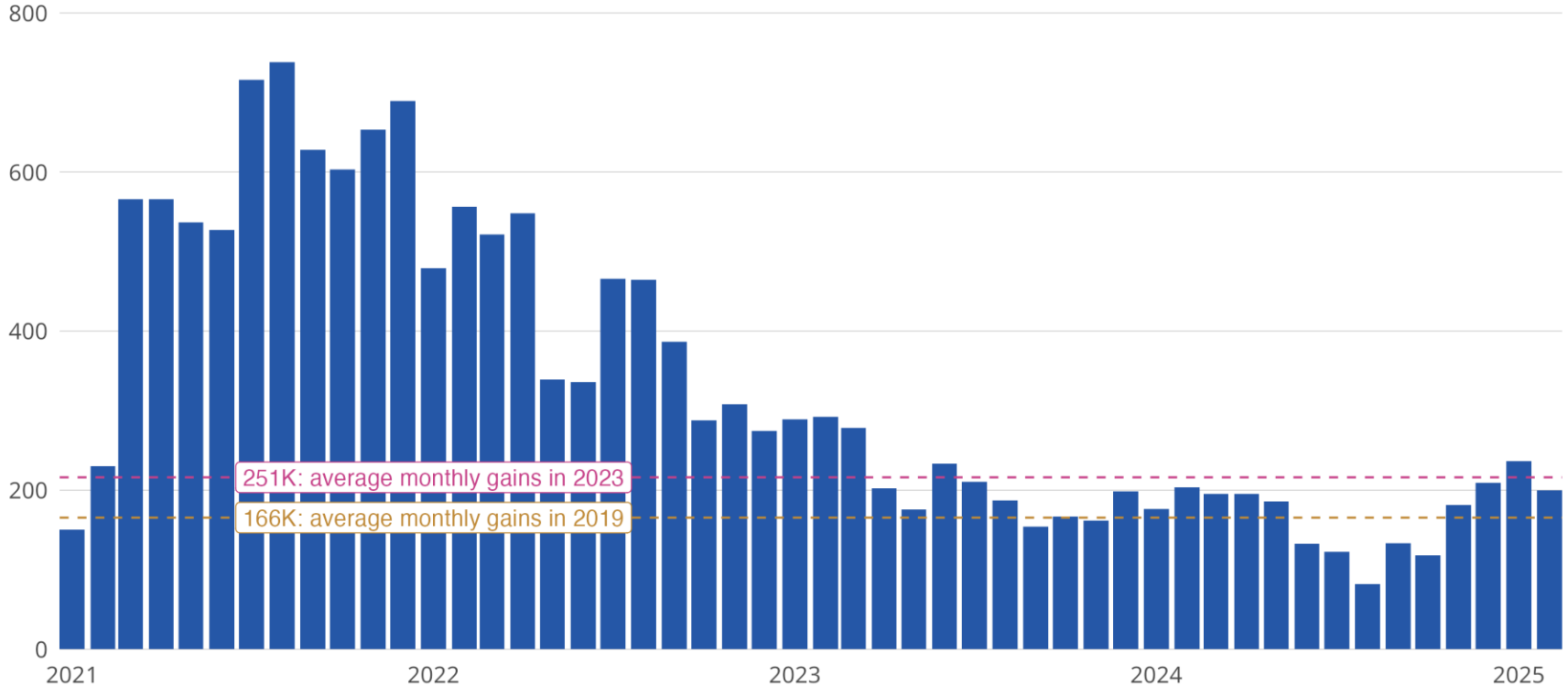
The unemployment rate remains historically low

Unemployment as % of labor force, U.S. data, January 2019 — February 2025



Monthly job gains return to 2023 average

US, thousands of jobs, 3 month moving average, January 2021 - February 2025

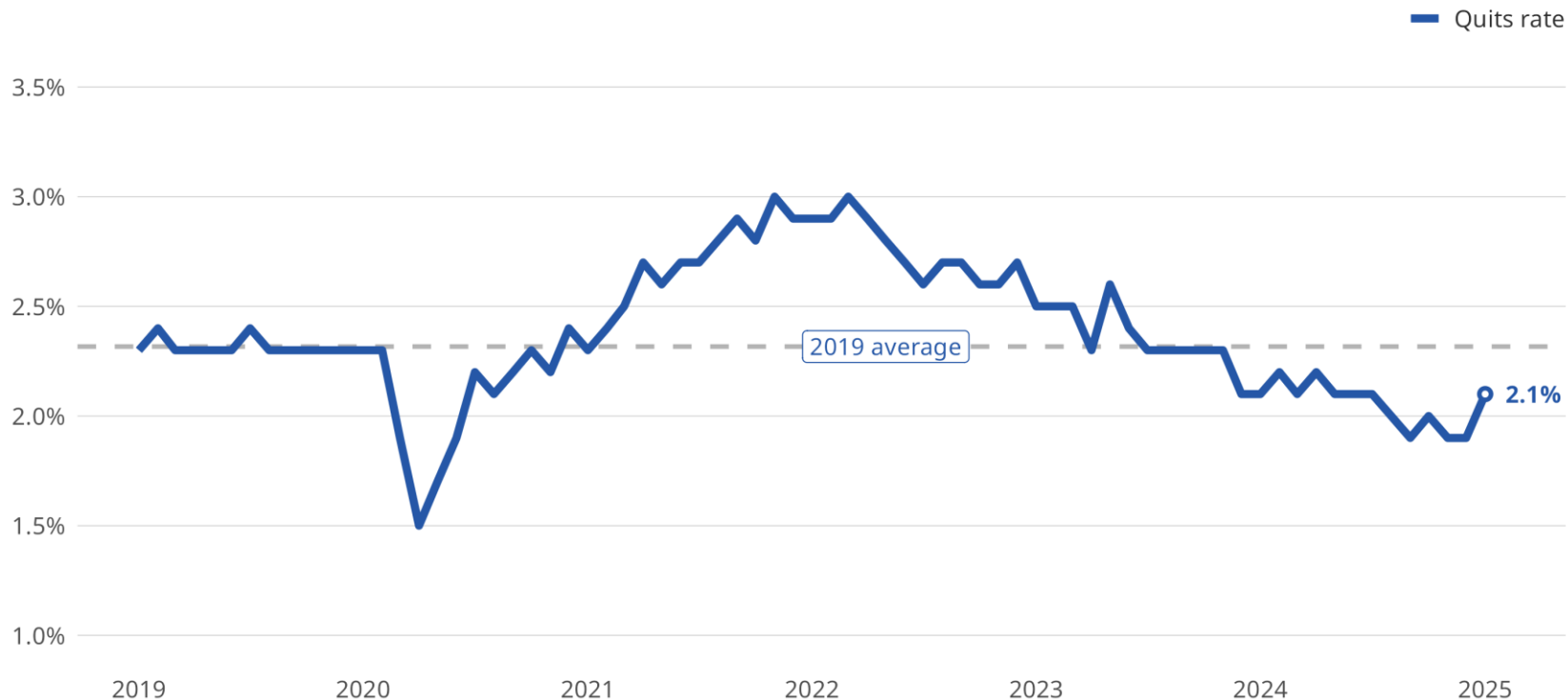


Source: US Bureau of Labor Statistics



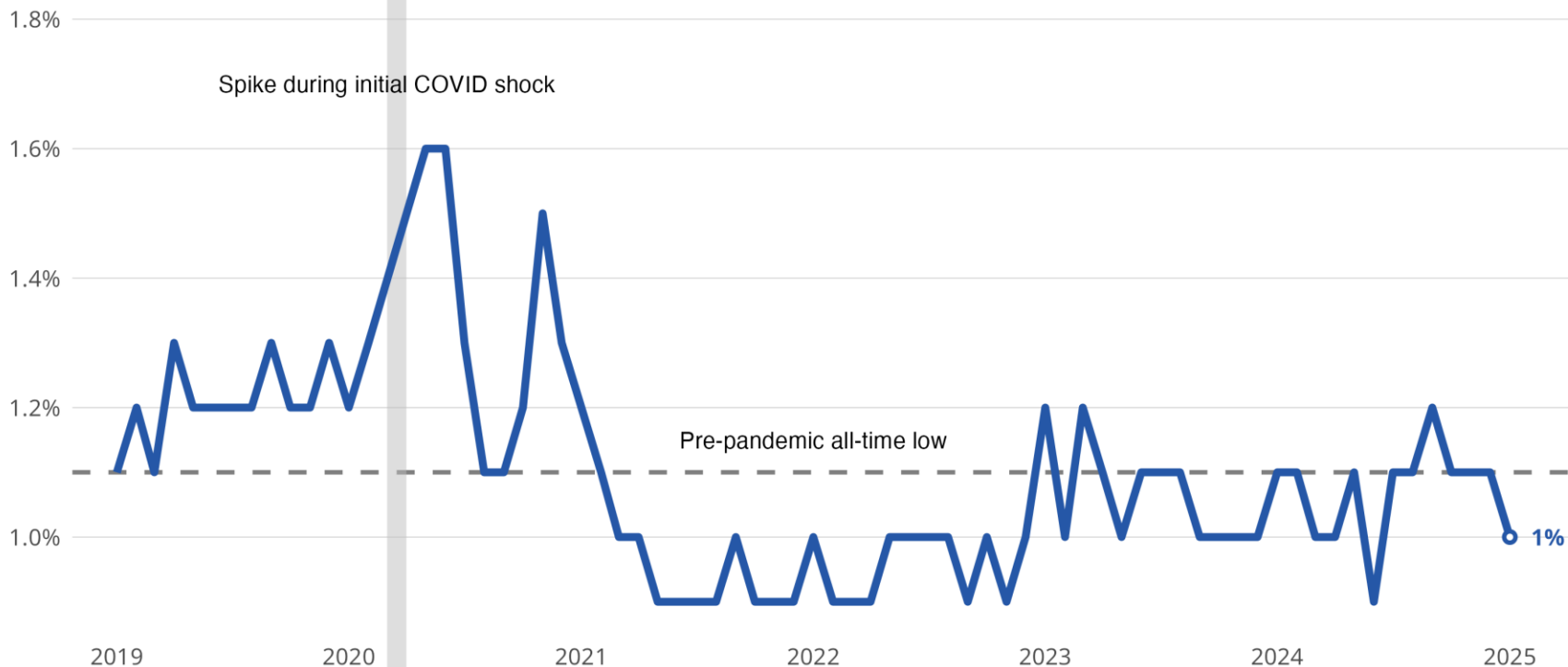
The quits rate is below its pre-pandemic level

Quits as % of employment, January 2019 - January 2025, U.S. data



Layoffs remain low by historical standards

Layoffs and discharges rate, U.S. data, January 2019 - January 2025

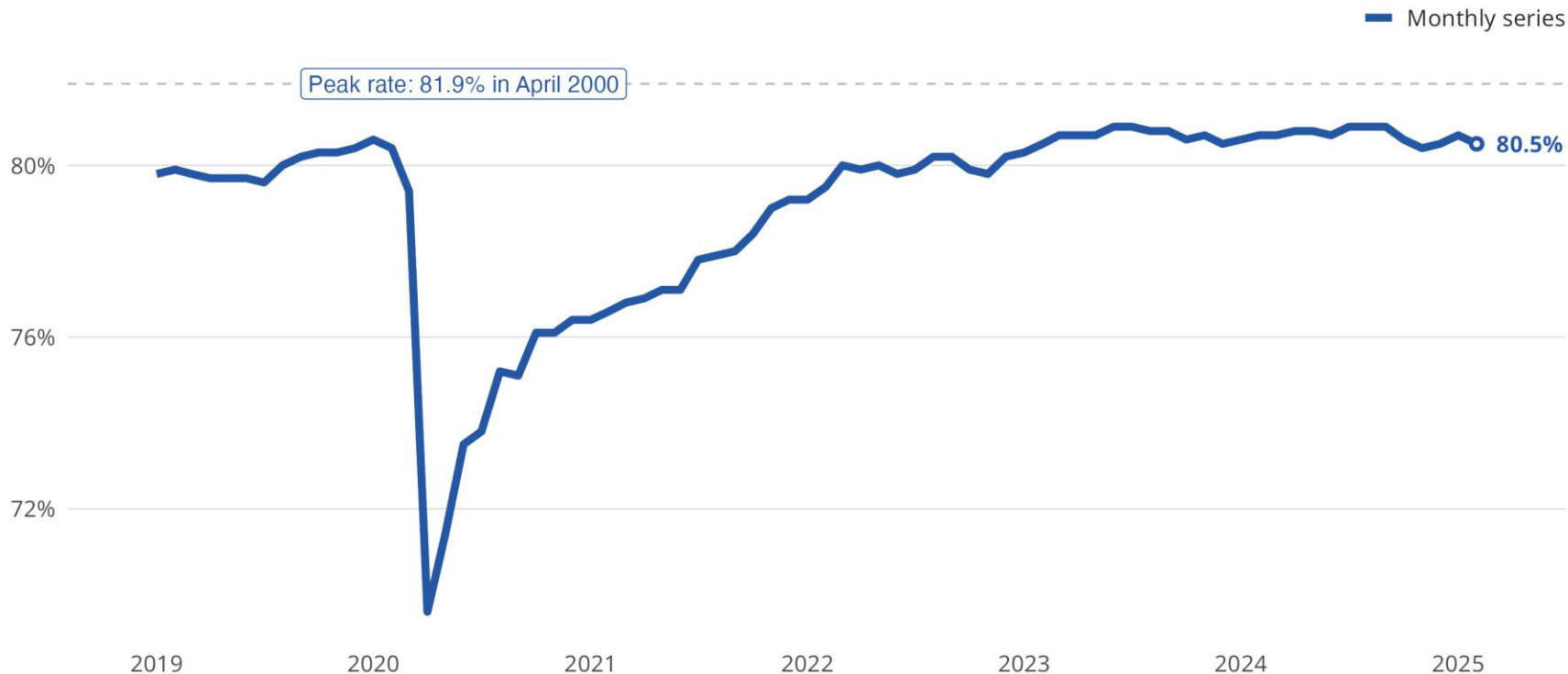


Source: U.S. Bureau of Labor Statistics



The prime-age employment rate is plateauing

Share of people ages 25 - 54 with a job, U.S. data, January 2019 - February 2025

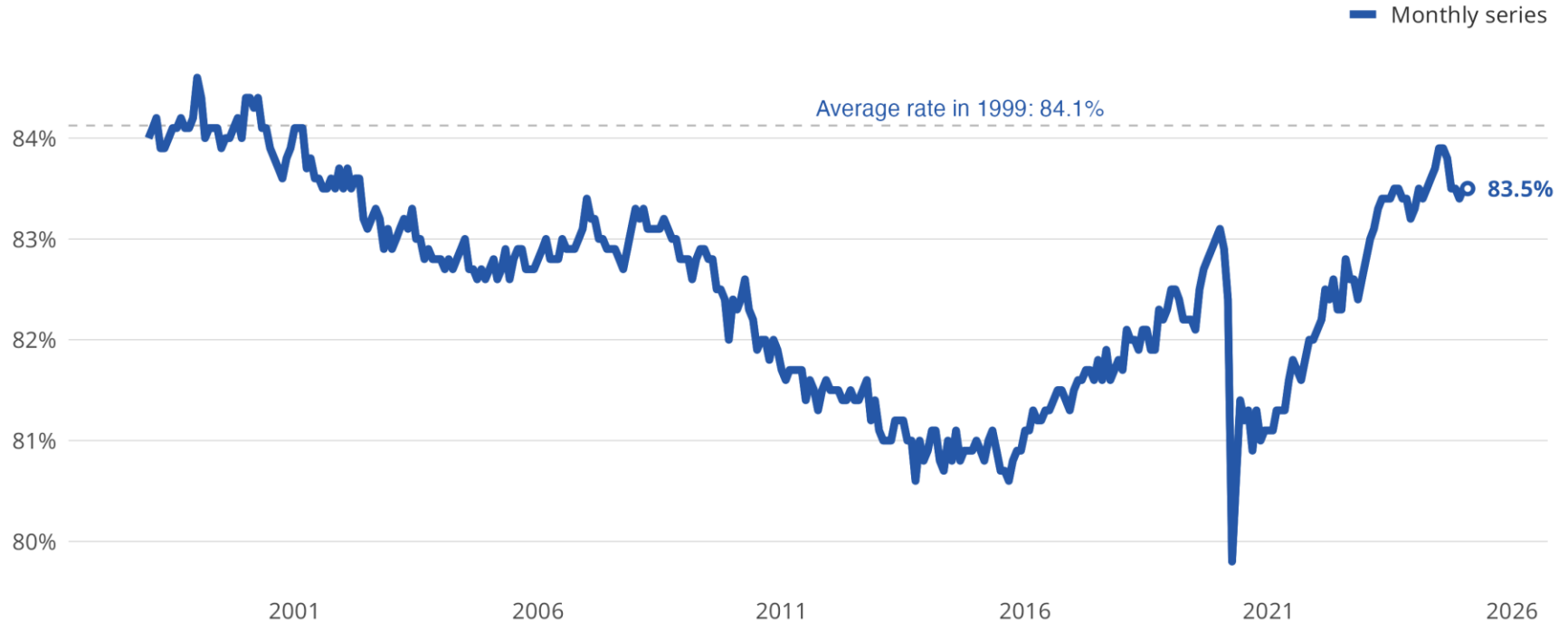


Source: US Bureau of Labor Statistics



Prime-age labor force participation is at a multidecade high

Share of workers aged 25 - 54 in the U.S. labor force,
January 1998 - February 2025

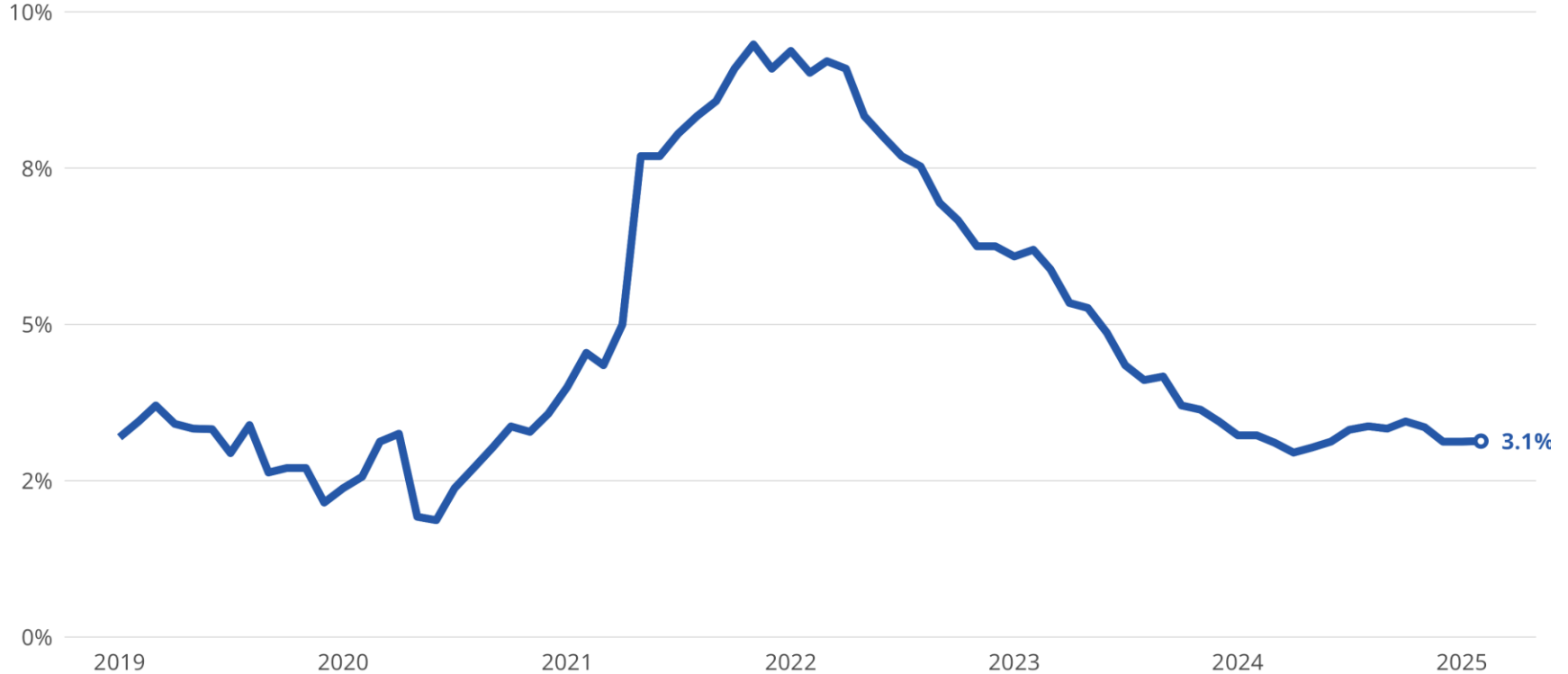


Source: US Bureau of Labor Statistics



Posted wage growth is slowing

U.S. data, Year-over-year growth in posted wages, January 2019 - February 2025

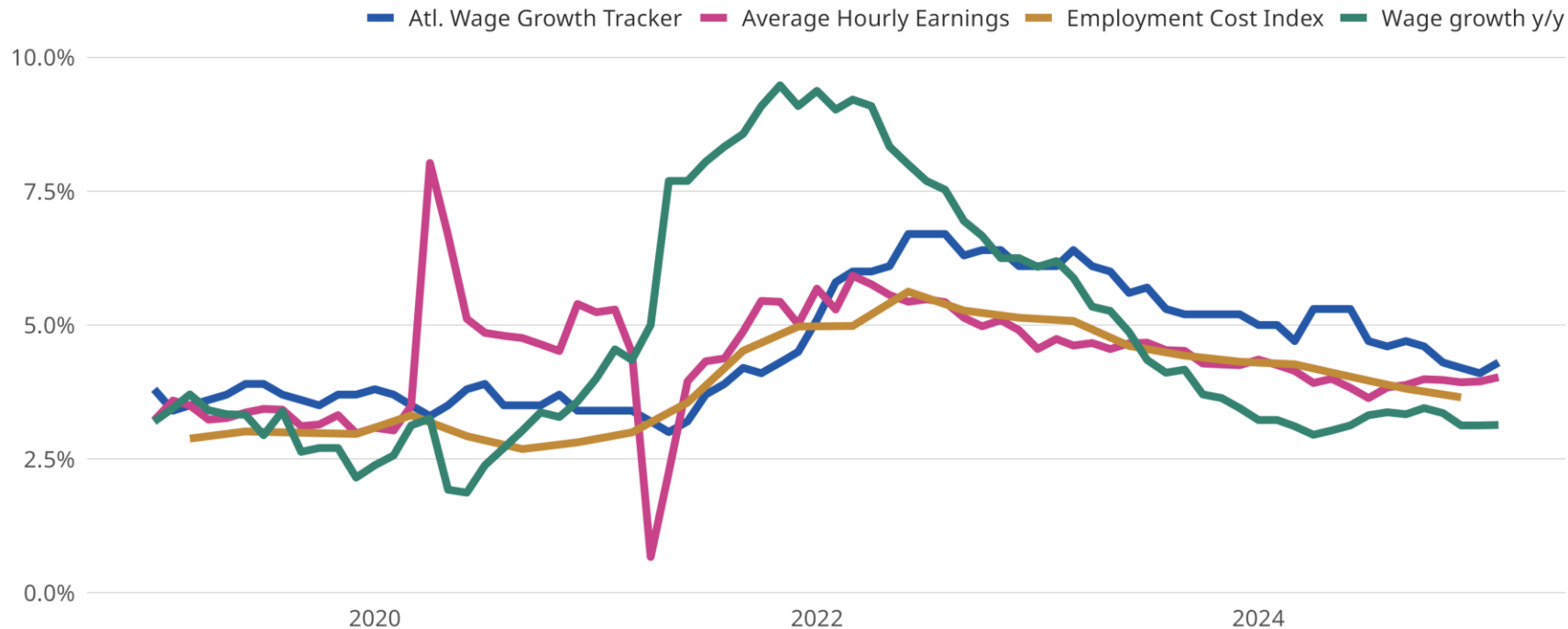


Source: Indeed Wage Tracker



Wage growth is stabilizing across measures

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

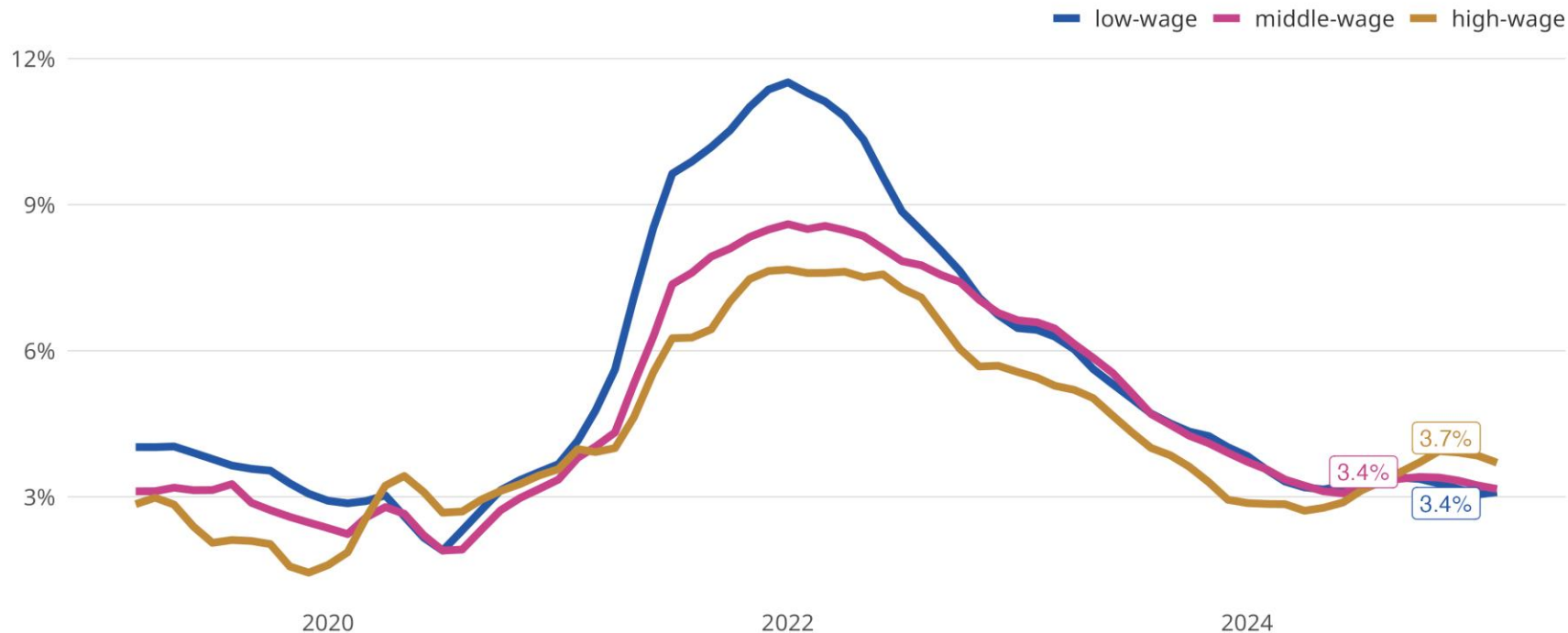


Source: Bureau of Labor Statistics-January 2019- February 2025, 2024, Federal Reserve Bank of Atlanta-January 2019-February 2025, and Indeed January 2019-February 2025



Wage growth is stabilizing across sectors

Year-over-year growth in posted wages, U.S. data,
3 month average, March 2019 - February 2025

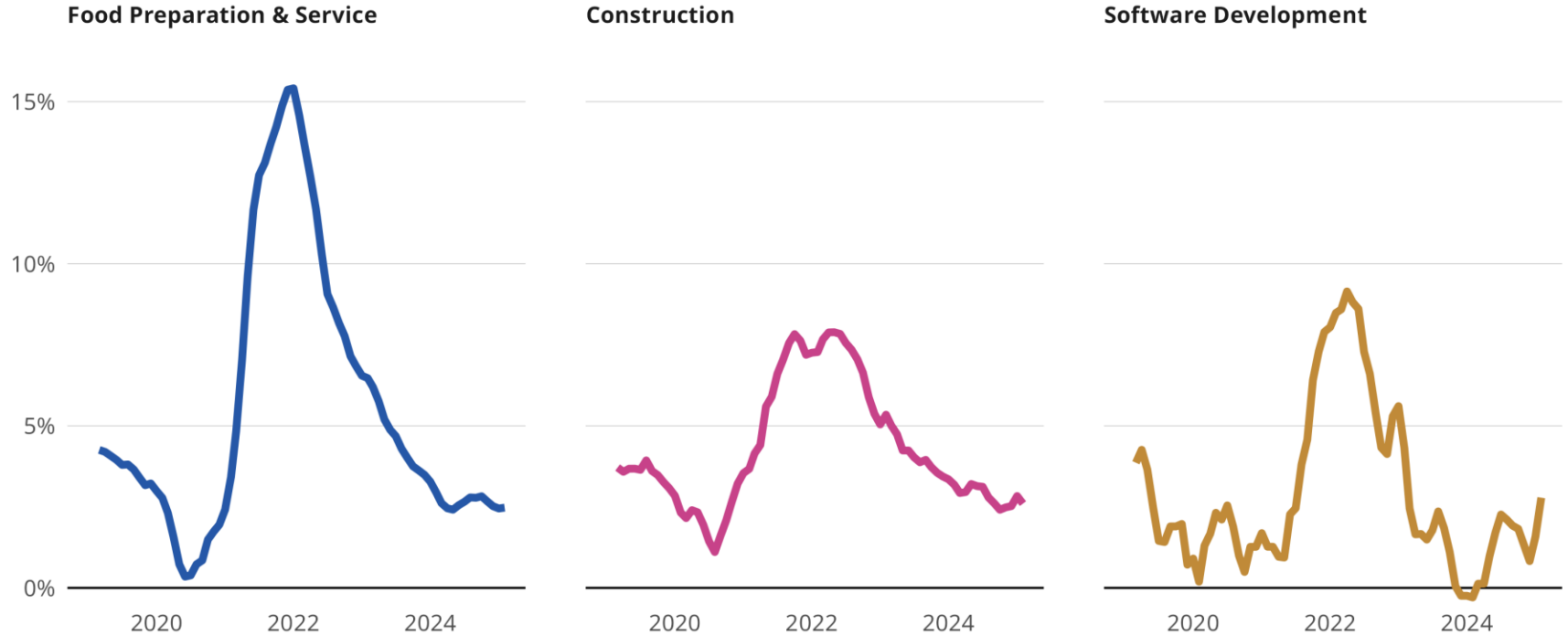


Source: Indeed Wage Tracker. Wage tiers based on a category's median posted wage in 2023



Trends in posted wage growth by occupational sector

Year-over-year growth in posted wages, U.S. data, 3 month average, March 2019 - February 2025

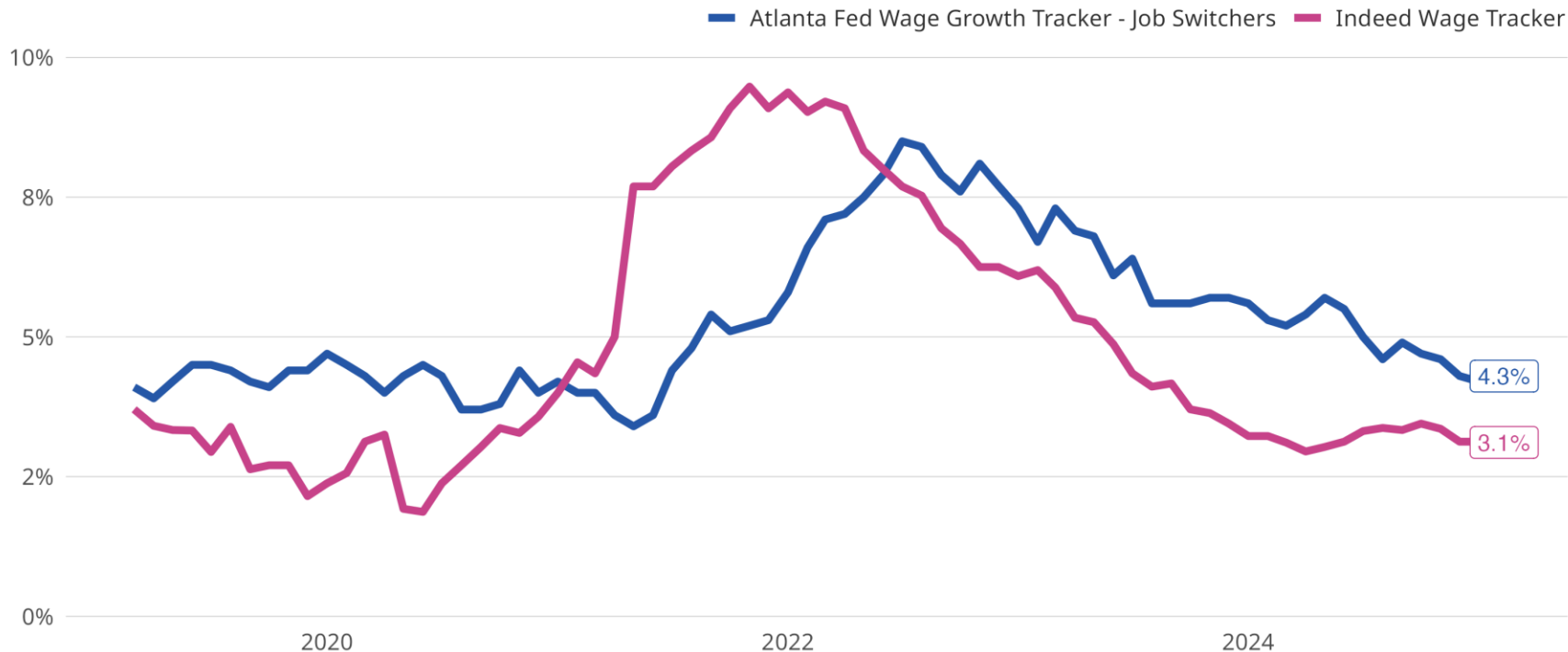


Source: Indeed Wage Tracker



Posted wage growth has led job switcher wage growth

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

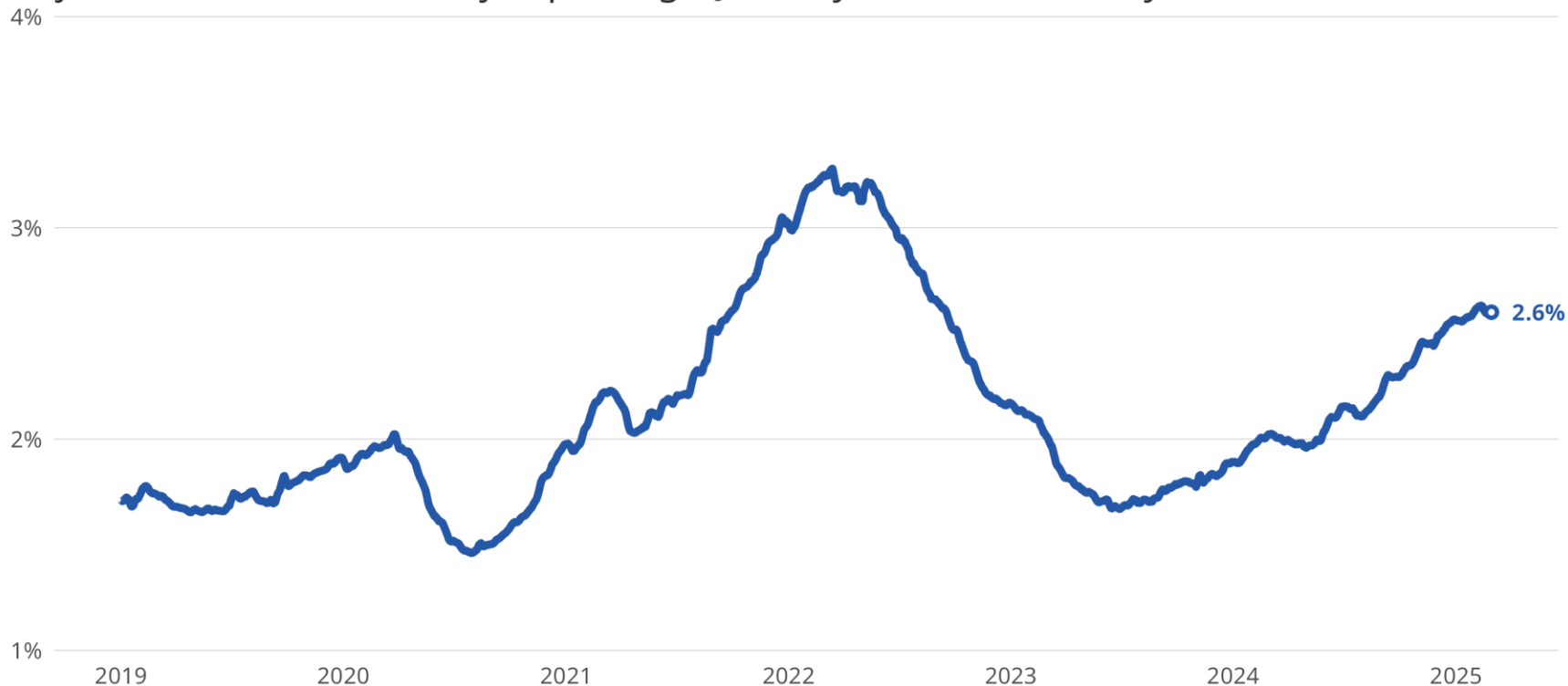


Source: Indeed, (annual growth) March 2019-February 2025
Federal Reserve Bank of Atlanta (3 month moving average), March 2019-December 2024



US AI job postings remain below their 2022 peak

AI jobs as a share of all US job postings, January 2019 — February 2025

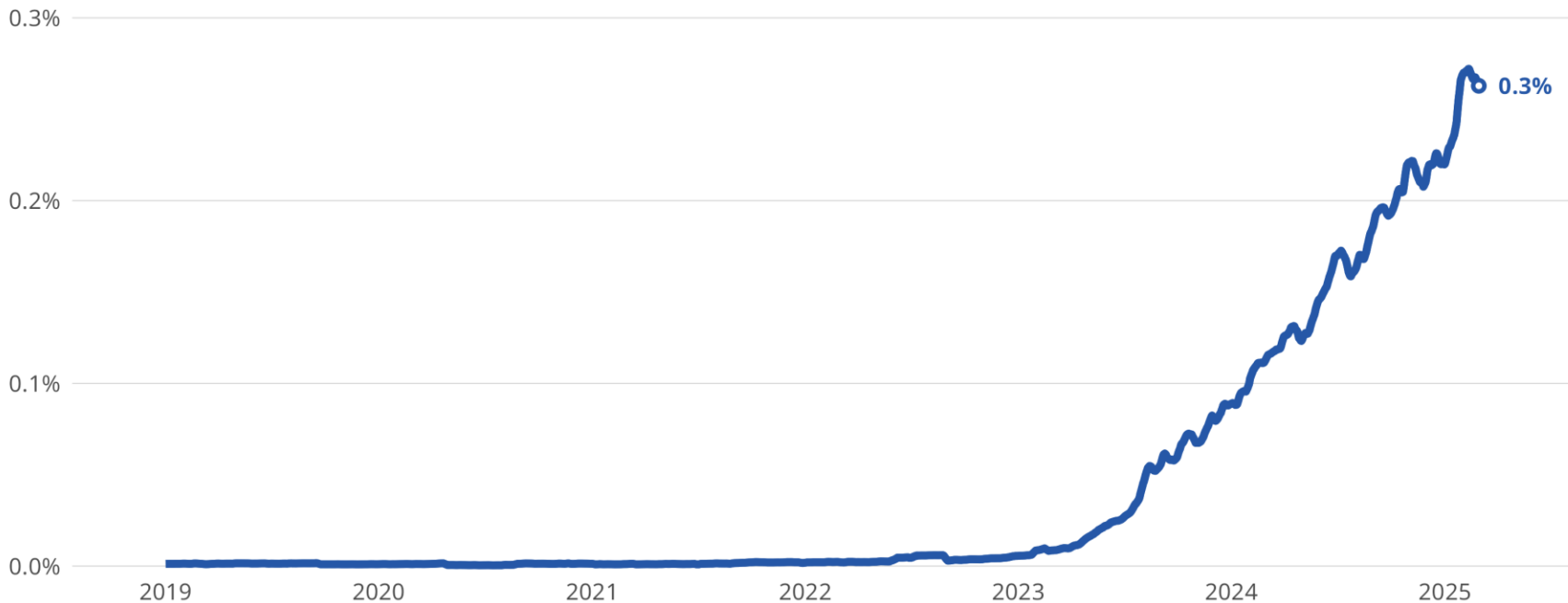


Source: Indeed



US Gen AI job postings are rare but growing

Gen AI jobs as a share of all US job postings, January 2019 — February 2025



Source: Indeed



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