BUREAU OF LABOR STATISTICS
U.S. DEPARTMENT OF LABOR

Job Openings and Labor Turnover Survey

Highlights

September 2014

Bureau of Labor Statistics

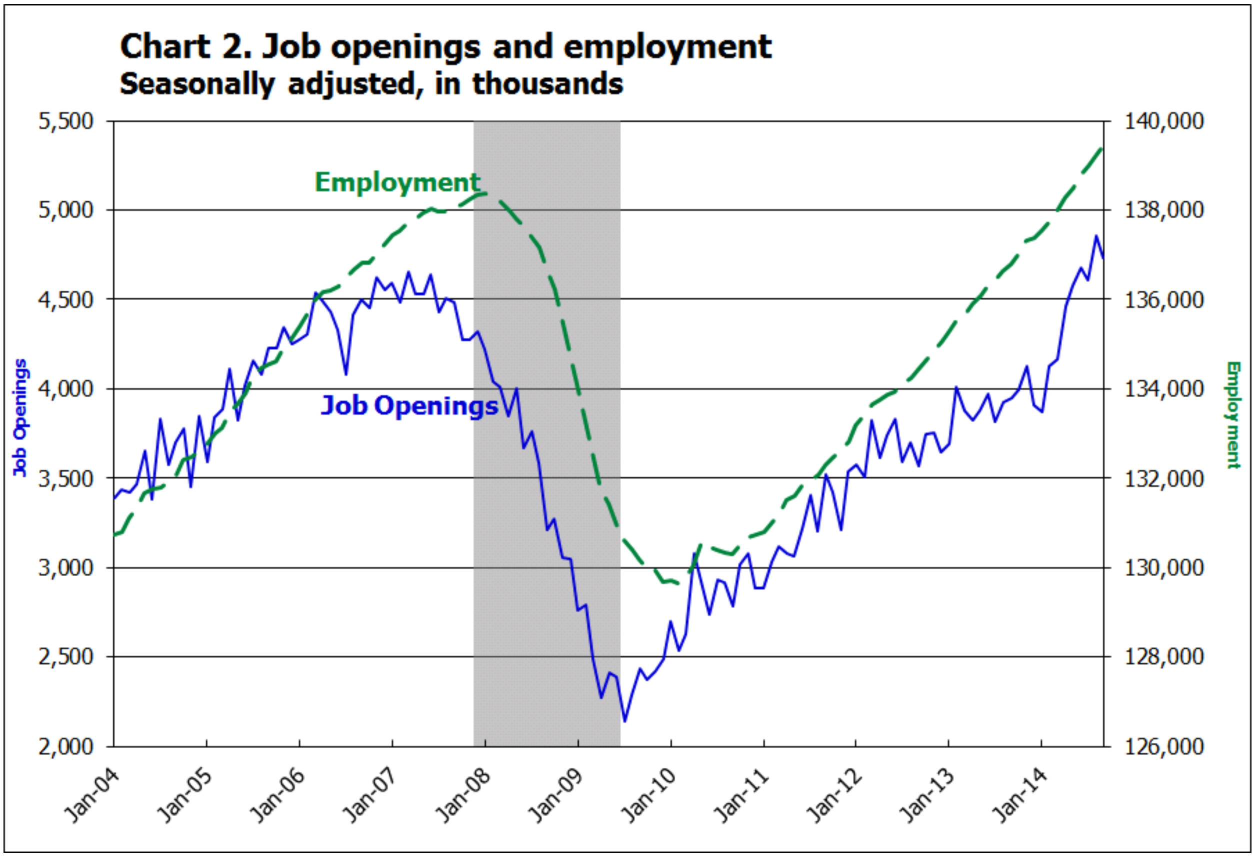
November 13, 2014

Chart 1. Number of unemployed persons per job opening
Seasonally adjusted

Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, November 13, 2014.

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

- The ratio between the unemployment level and job openings level changes over time.
- When the most recent recession began (December 2007), the number of unemployed persons per job opening was 1.8. When the recession ended (June 2009), there were 6.2 unemployed persons per job opening.
- The unemployed persons per job opening ratio has trended downward since the end of the recession and was 2.0 in September.

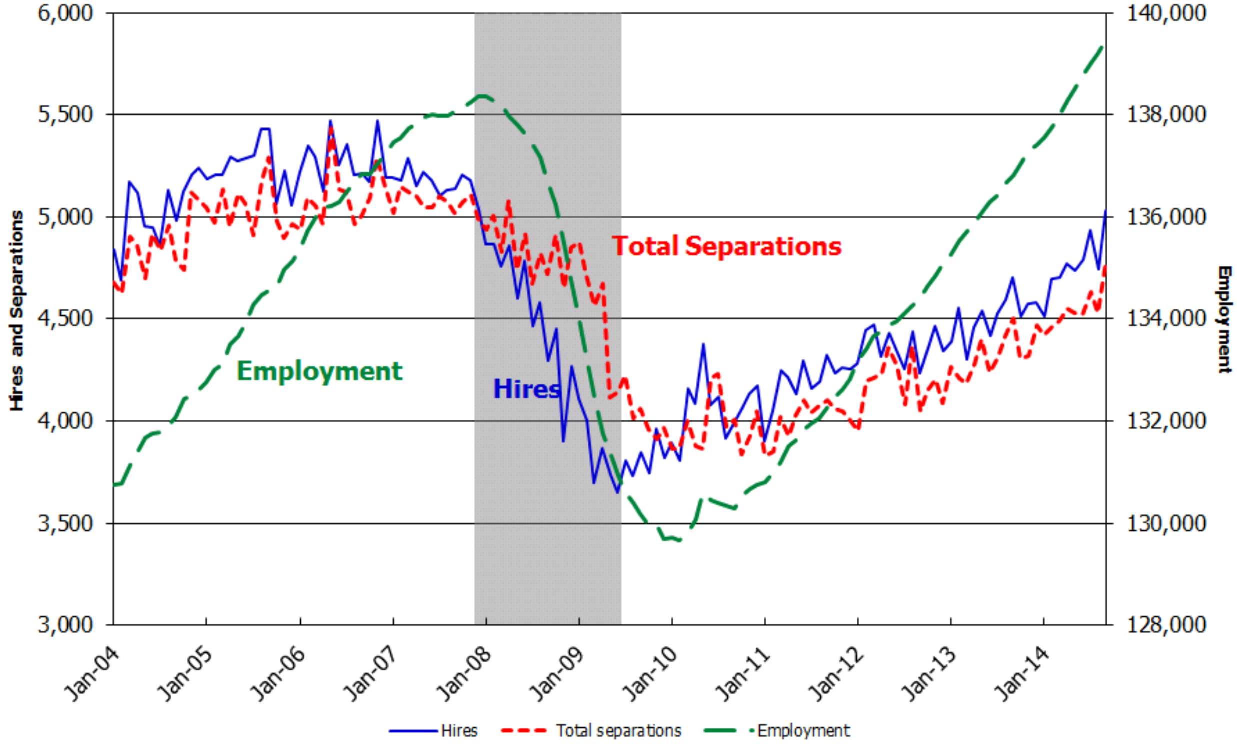


Source: Bureau of Labor Statistics, Current Employment Statistics and Job Openings and Labor Turnover Survey, November 13, 2014.

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

- The number of job openings declined to a series low in July 2009, one month after the official end of the most recent recession. Employment continued to decline after the end of the recession, reaching a low point in February 2010.
- Job openings have trended upward since their series low in July 2009, and have returned to prerecession levels. In September 2014, there were 4.7 million job openings.

Chart 3. Hires, total separations, and employment
Seasonally adjusted, in thousands

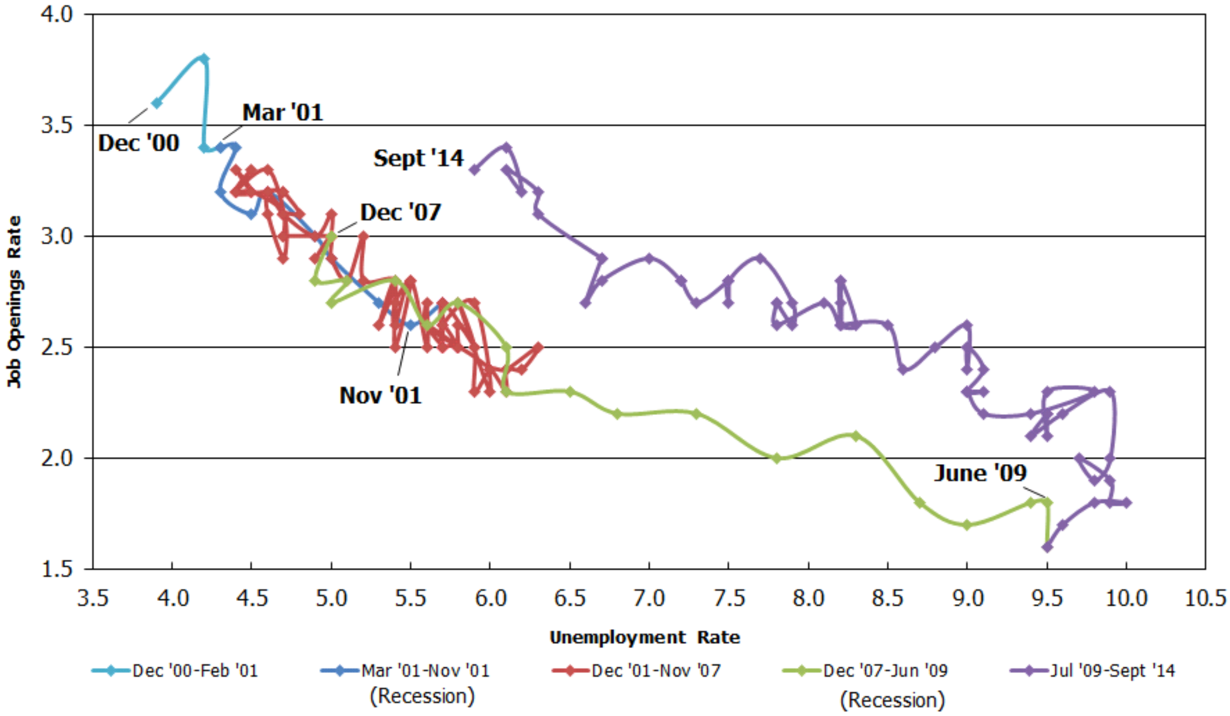


Source: Bureau of Labor Statistics, Current Employment Statistics and Job Openings and Labor Turnover Survey, November 13, 2014.

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

- Hires and total separations remained below prerecession levels in September 2014.
- In September, there were 5.0 million hires, the highest level since December 2007.
- There were 4.8 million total separations in September.

Chart 4. The Beveridge Curve (job openings vs. unemployment rate)
Seasonally adjusted



Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, November 13, 2014.

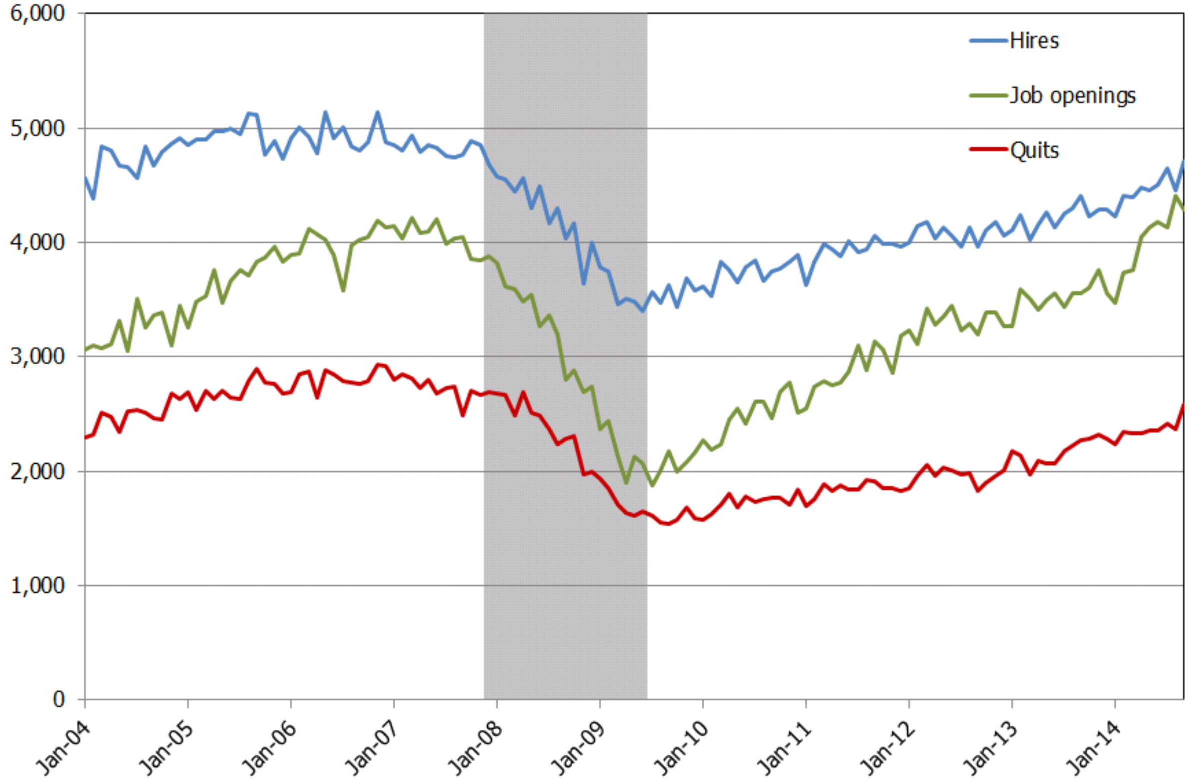
- This graph plots the job openings rate against the unemployment rate. This graphical representation is known as the Beveridge Curve, named after the British economist William Henry Beveridge (1879–1963). The economy's position on the downward sloping Beveridge Curve reflects the state of the business cycle.

- During an expansion, the unemployment rate is low and the job openings rate is high. Conversely, during a contraction, the unemployment rate is high and the job openings rate is low. The position of the curve is determined by the efficiency of the labor market. For example, a greater mismatch between available jobs and the unemployed in terms of skills or location would cause the curve to shift outward (up and toward the right).

- From the start of the most recent recession in December 2007 through the end of 2009, each month's point on the curve moved lower and further to the right as the job openings rate declined and the unemployment rate rose. From 2010 to the present, the point moved up and to the left as the job openings rate increased and the unemployment rate decreased.

- In September 2014, the job openings rate was 3.3 percent and the unemployment rate was 5.9 percent. Before the recession, when the job openings rate was 3.3 percent (June 2007), the corresponding unemployment rate was 4.6 percent.

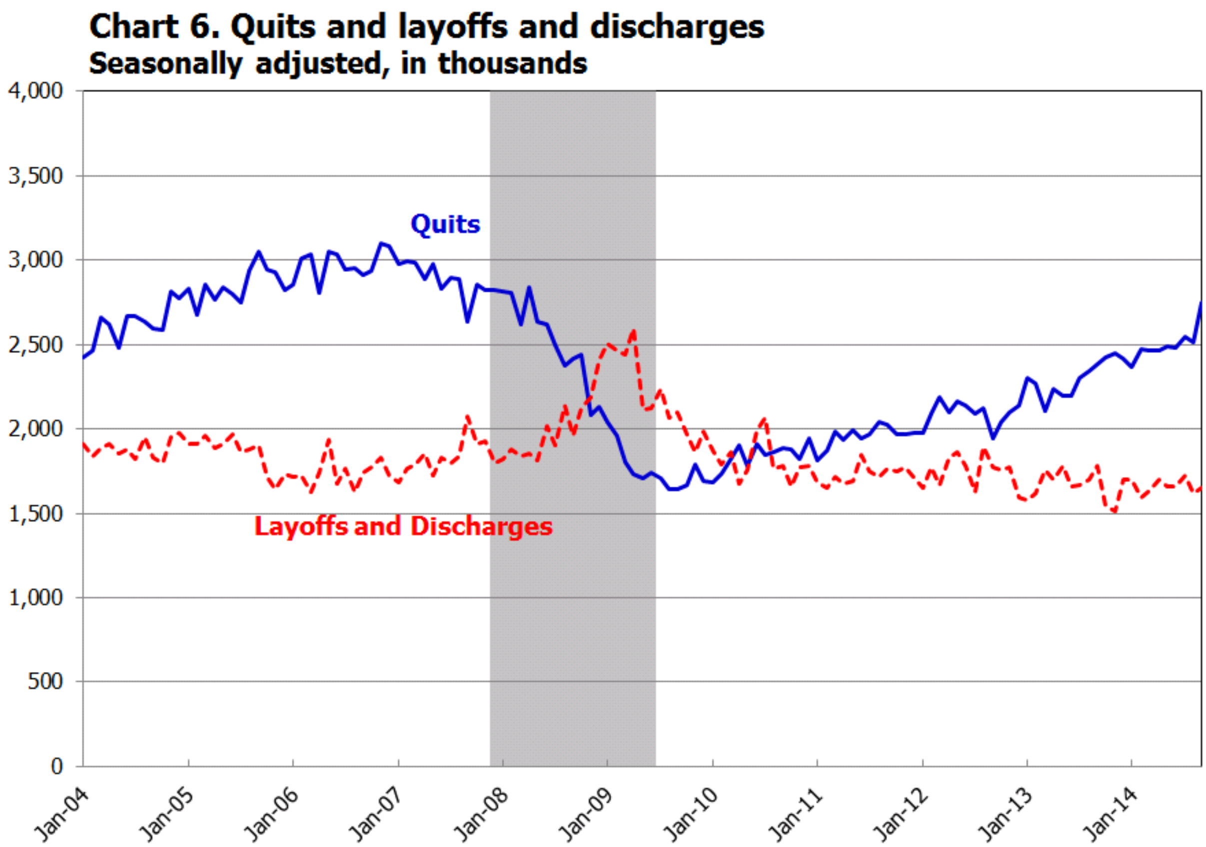
Chart 5. Total private job openings, hires, and quits
Seasonally adjusted, in thousands



Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, November 13, 2014.

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

- Since reaching their respective troughs, the number of job openings, hires, and quits have increased at different rates.
- Job openings in the private sector have increased since their low in July 2009, returning to the prerecession level in April 2014. There were 4.3 million open jobs in September 2014.
- Hires in the private sector have increased since their low in June 2009, reaching 4.7 million in September 2014. The number of hires is now 2.9 percent below the prerecession level (November 2007).
- Quits in the private sector have increased since their low in September 2009, reaching 2.6 million in September 2014. The number of quits is now 3.2 percent below the prerecession level (November 2007).

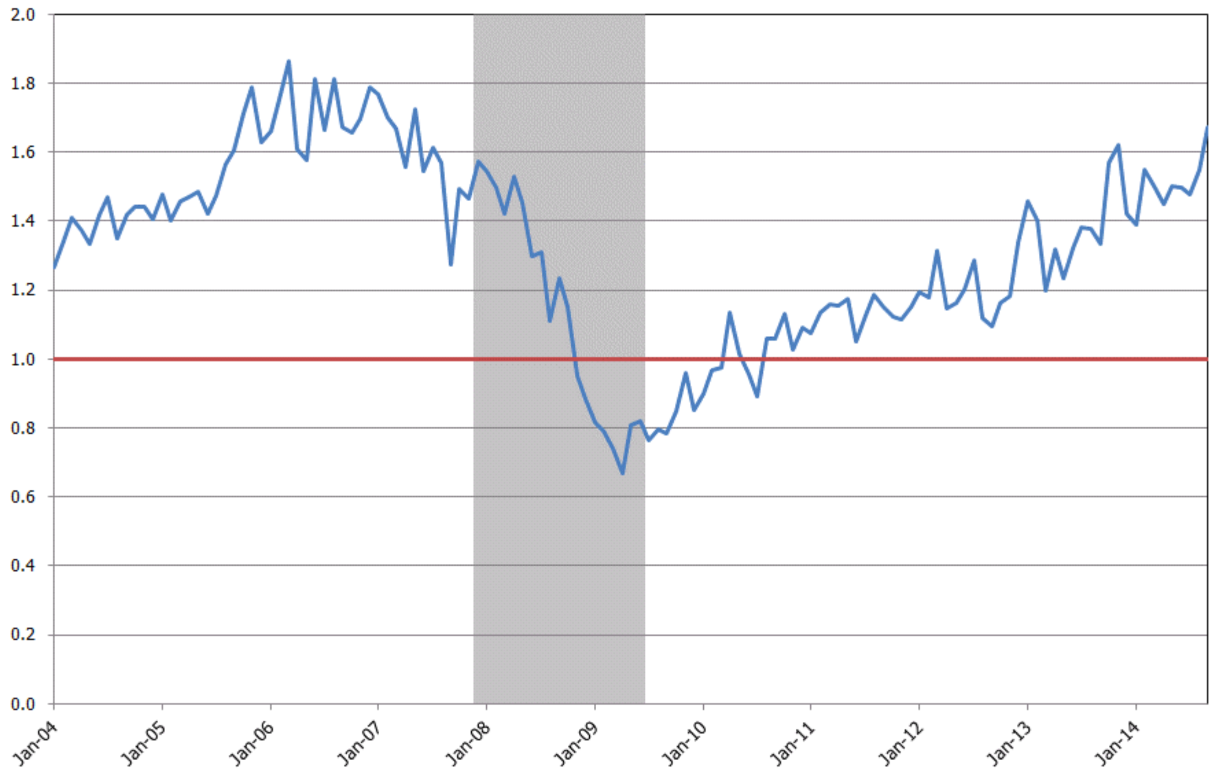


Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, November 13, 2014.

Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

- Quits are generally voluntary separations initiated by employees. Therefore, the quits rate can serve as a measure of workers' willingness or ability to leave jobs.
- The number of quits has exceeded the number of layoffs and discharges for most of the 12-year JOLTS history. During the latest recession, this relationship changed as layoffs and discharges outnumbered quits from November 2008 through March 2010.
- In September 2014, there were 2.8 million quits, the highest level since April 2008.
- The total number of nonfarm layoffs and discharges returned to their prerecession level in November 2009. There were 1.6 million layoffs and discharges in September 2014.

Chart 7. Ratio of quits per layoff and discharge
Seasonally adjusted



Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, November 13, 2014.

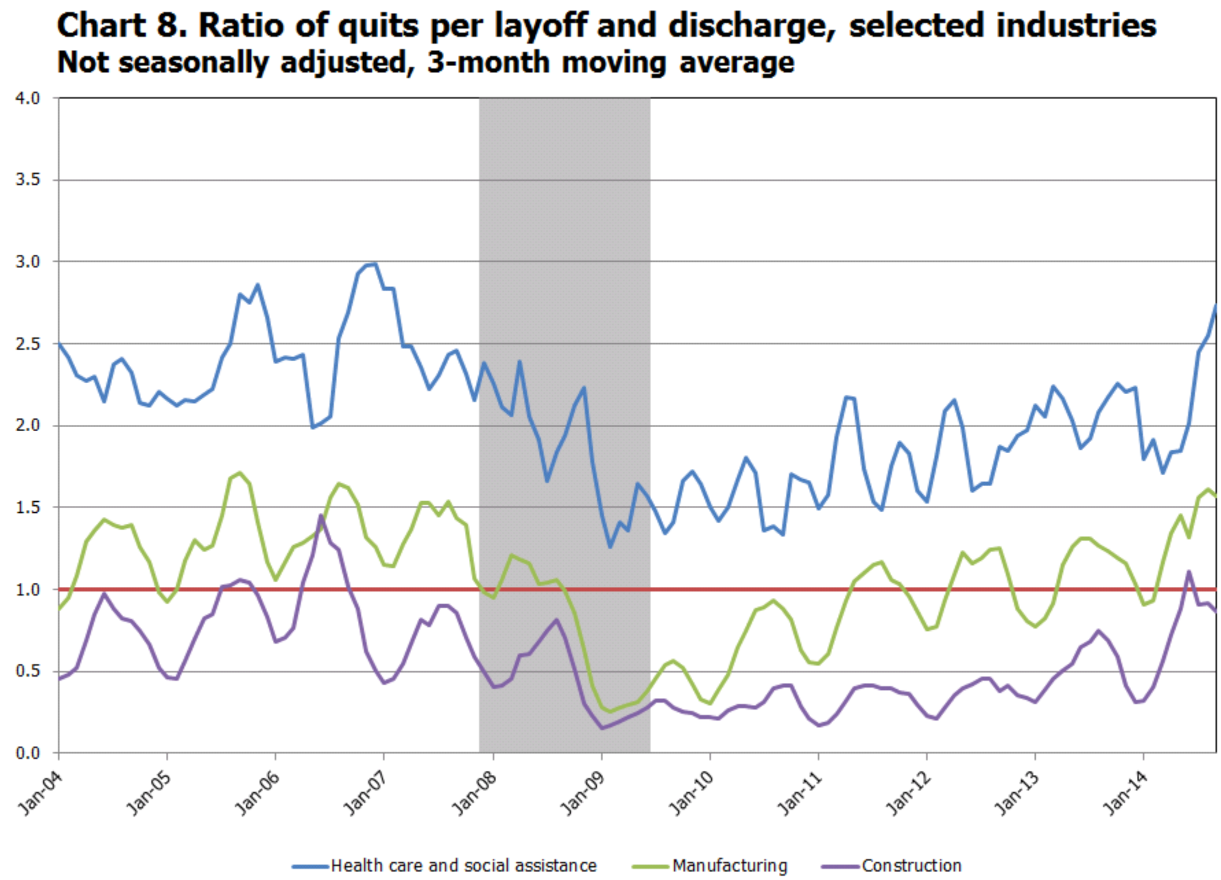
Note: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

- Quits are generally voluntary separations initiated by employees. Quits are procyclical, rising with an improving economy and falling with a faltering economy. Layoffs and discharges are generally involuntary separations initiated by an employer and are countercyclical, moving in the opposite direction of quits. The ratio of the number of quits to the number of layoffs and discharges provides insight into churn in the labor market over the business cycle.

- In March 2006, before the recession, the ratio was highest at 1.9 with nearly two people quitting their job for each person laid off or discharged.

- From November 2008 through March 2010, layoffs and discharges outnumbered quits and the ratio fell below 1.0. The ratio was lowest at 0.7 in April 2009 toward the end of the recession, with less than one person quitting for each person laid off or discharged.

- The quits per layoff and discharge ratio was 1.7 in September 2014.



Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, November 13, 2014.

Note 1: Shaded area represents recession as determined by the National Bureau of Economic Research (NBER).

Note 2: Seasonally adjusted data are not available for layoffs and discharges by industry.

- Although all industries experienced a change in the ratio of quits to layoffs and discharges over the business cycle, there are also ongoing differences among the industries regardless of the economic climate.
- The ratio for health care and social assistance remains above 1.0 throughout the business cycle and for the history of JOLTS. The high ratio suggests a need for workers as evidenced by constant voluntary turnover and few layoffs and discharges.
- The ratio for manufacturing goes above and below 1.0 across the business cycle, indicating that both quits and layoffs and discharges in the industry depend on the economy.
- The ratio for construction is below 1.0 for nearly every month in the JOLTS history, indicating that layoffs and discharges are more common than quits in this industry as workers are routinely laid off as projects are completed, and then rehired elsewhere for new projects.