

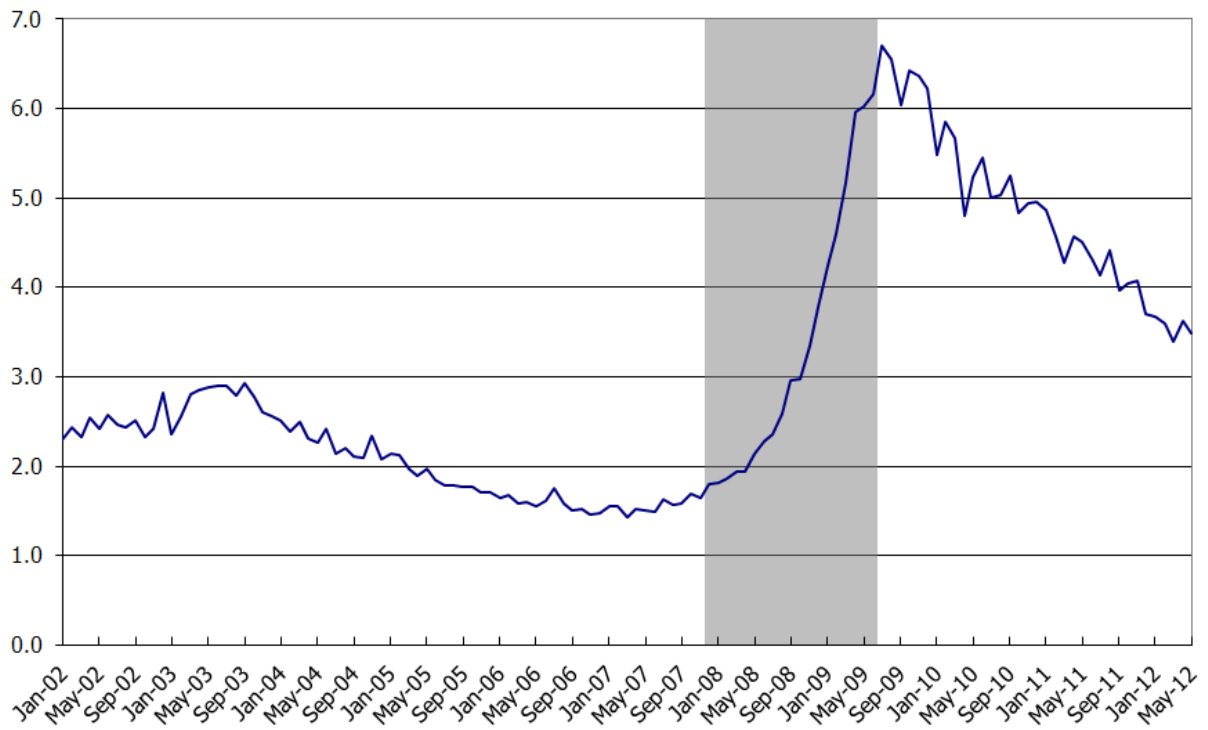


Job Openings and Labor Turnover Survey
Highlights
May 2012

Bureau of Labor Statistics

July 10, 2012

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

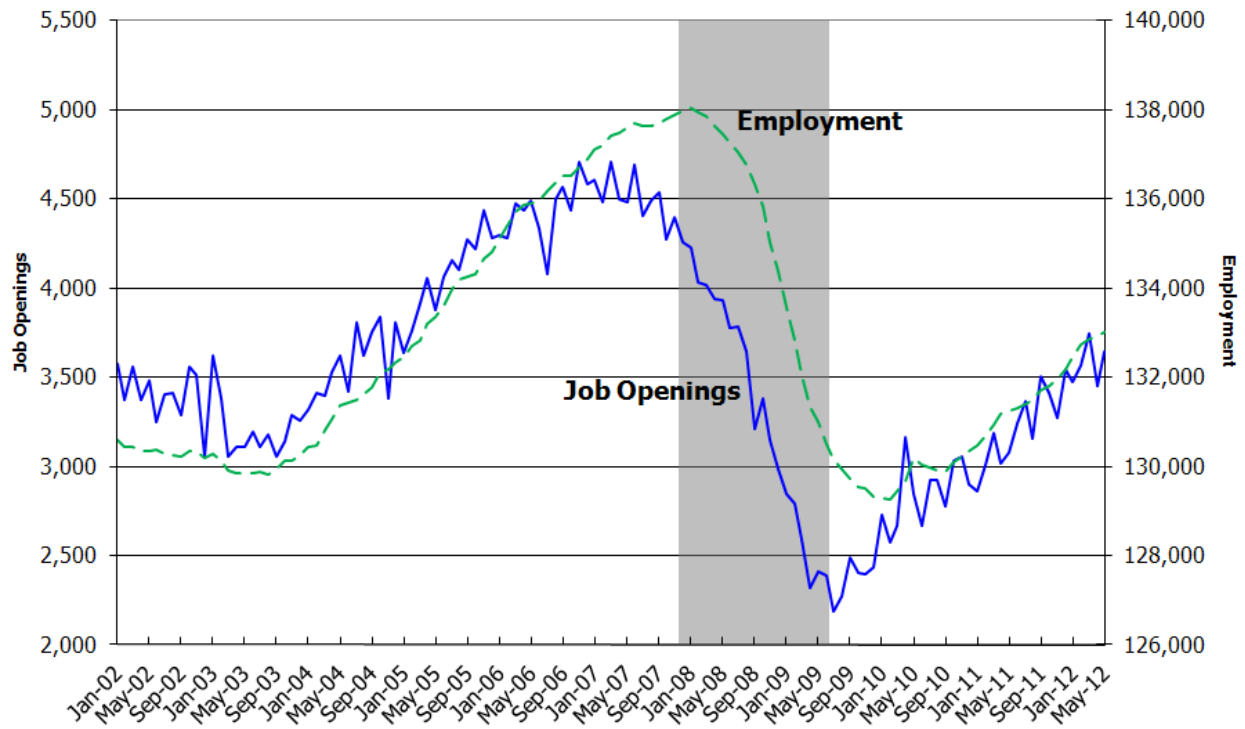


Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, July 10, 2012.

Note: Shaded areas represent recessions 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 3.5 in May 2012.

Chart 2. Job openings and employment
Seasonally adjusted, in thousands

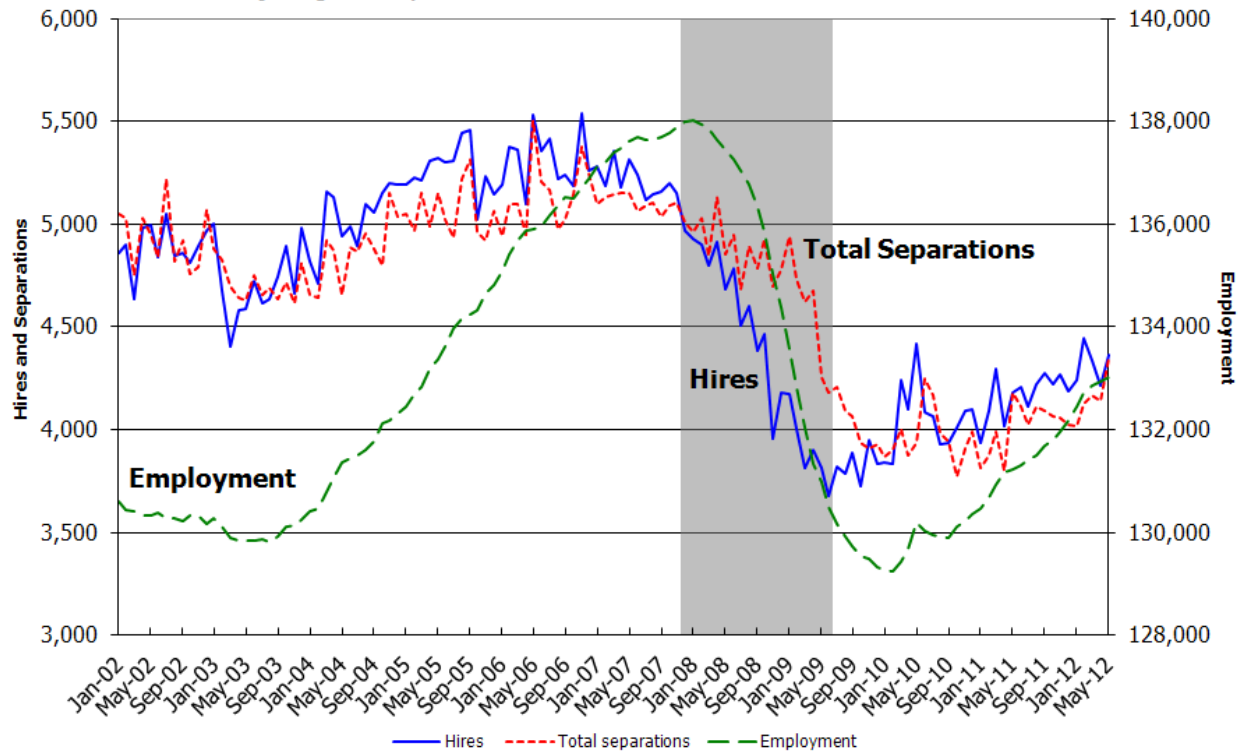


Source: Bureau of Labor Statistics, Current Employment Survey and Job Openings and Labor Turnover Survey, July 10, 2012.

Note: Shaded areas represent recessions 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 recent recession. Employment continued to decline after the end of the recession, reaching a low point in February 2010.
- In May 2012, there were 3.6 million job openings, which was 67 percent higher than the series low in July 2009. The level was still well below the 4.7 million openings at the peak in March 2007.

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

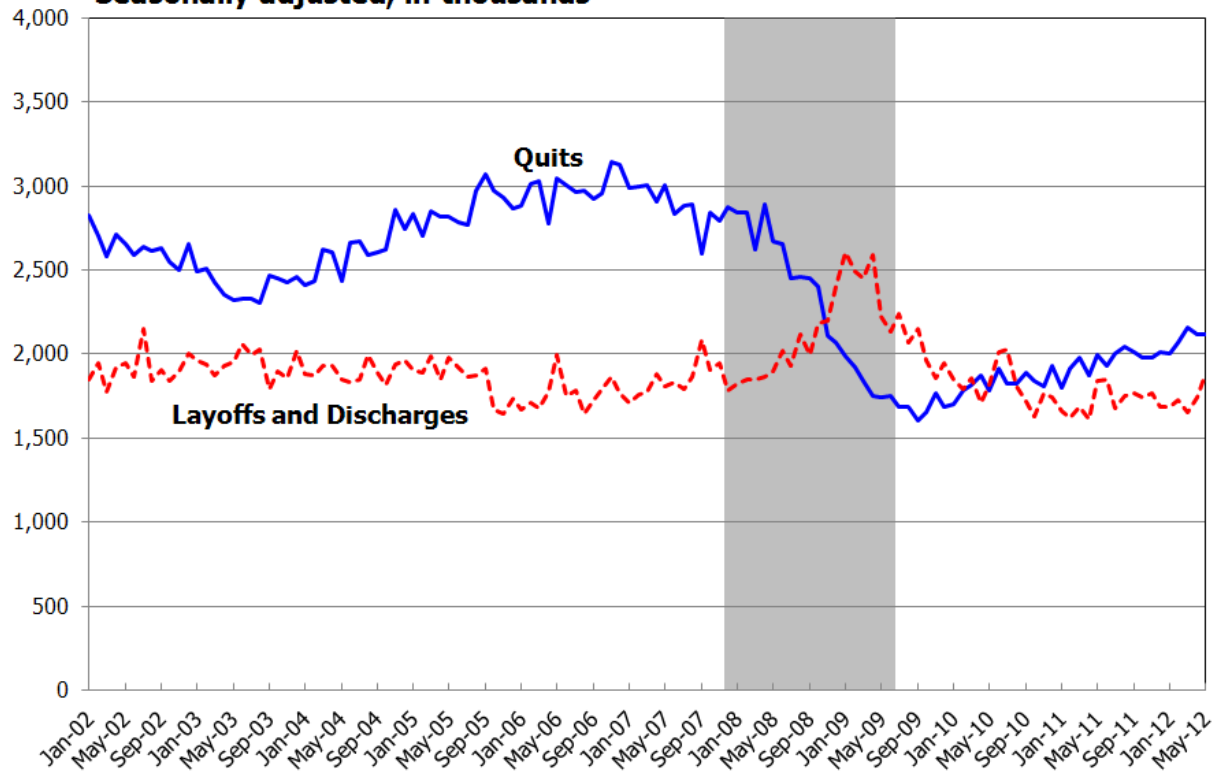


Source: Bureau of Labor Statistics, Current Employment Survey and Job Openings and Labor Turnover Survey, July 10, 2012.

Note: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

- Hires, total separations, and employment all remained below pre-recession levels in May 2012.
- In May, there were 4.4 million hires, which was 19 percent higher than the trough in June 2009.
- There were 4.3 million total separations in May.

Chart 4. Quits and layoffs and discharges
Seasonally adjusted, in thousands

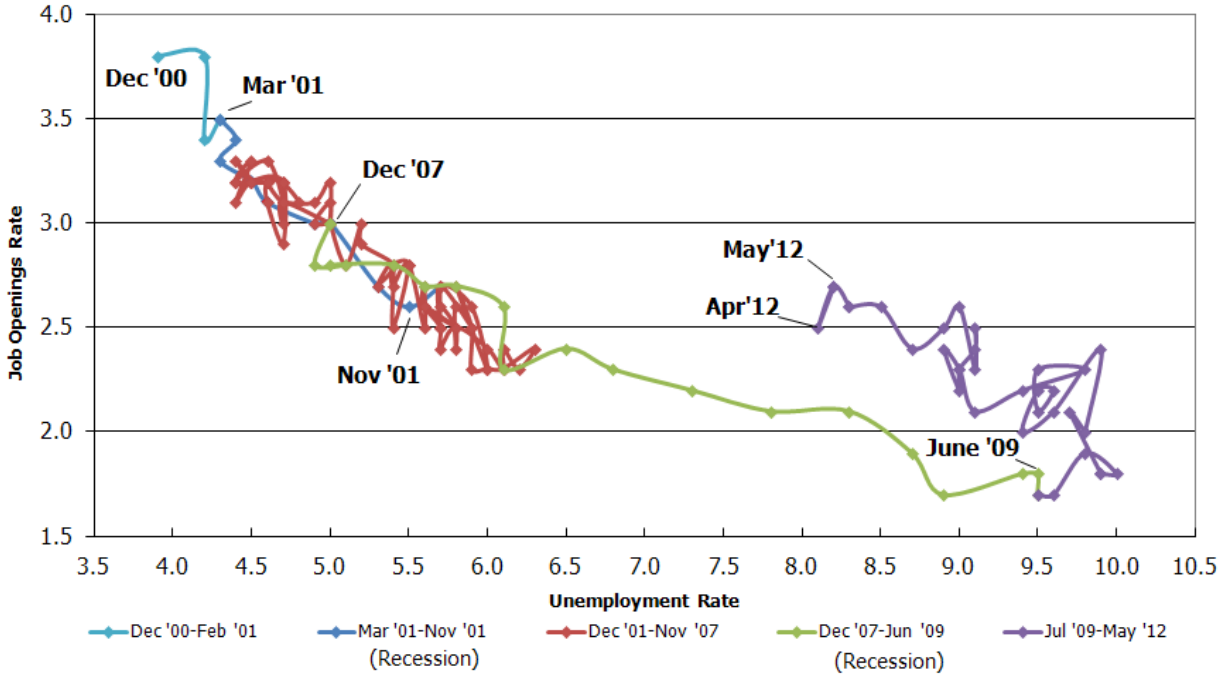


Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, July 10, 2012.

Note: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

- Quits tend to rise when there is a perception that jobs are available and tend to fall when there is a perception that jobs are scarce.
- The number of quits has exceeded the number of layoffs and discharges for most of the 11-year JOLTS history. During the latest recession, this relationship changed as layoffs and discharges outnumbered quits from November 2008 through March 2010.
- In May 2012, there were 2.1 million quits, still well below the 2.9 million quits in December 2007, the first month of the recession.
- The number of layoffs and discharges for total nonfarm was 1.9 million in May, down from a peak of 2.6 million in January 2009.

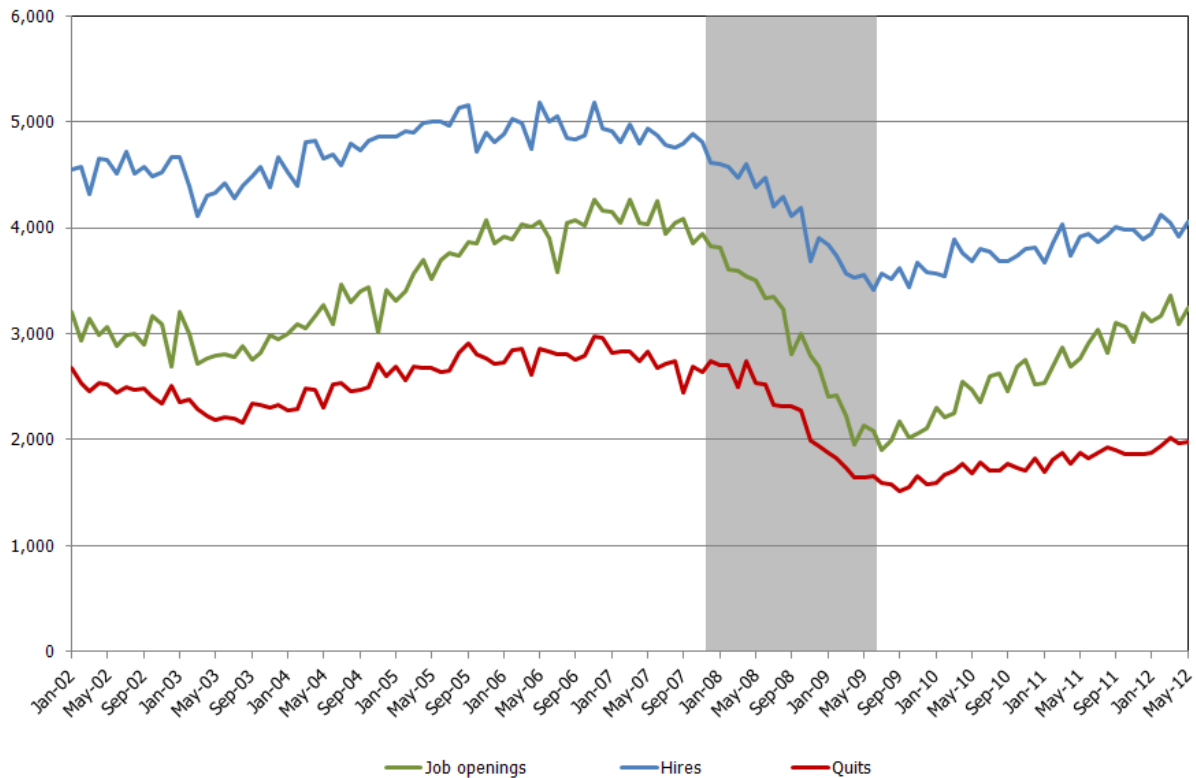
**Chart 5. The Beveridge Curve (job openings vs. unemployment rate)
Seasonally adjusted**



Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, July 10, 2012.

- This graph plots the JOLTS job openings rate against the CPS unemployment rate. This graphical representation of the relationship between the unemployment rate and the vacancy rate 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 vacancy rate is high. During a contraction, the unemployment rate is high and the vacancy 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 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. In 2010 and 2011, the point moved up and to the left as the job openings rate increased and the unemployment rate decreased.
- In May 2012, the job openings rate and the unemployment rate were 2.7 percent and 8.2 percent, respectively. Both rates returned to their March 2012 points.

Chart 6. Total private job openings, hires, and quits
Seasonally adjusted, in thousands

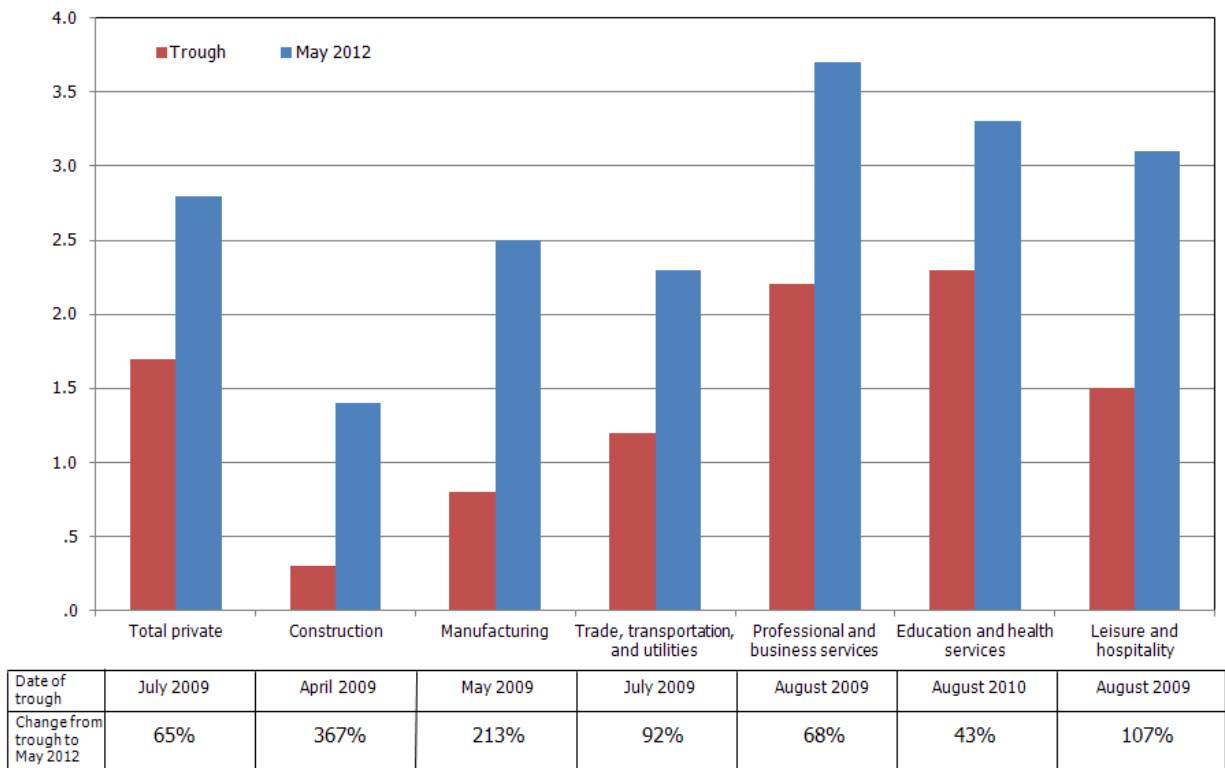


Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, July 10, 2012.

Note: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

- Since reaching their respective post-recession troughs, the number of job openings has steadily increased and the number of hires and quits have increased slightly.
- Job openings in the private sector decreased steeply due to the recession, falling from 3.8 million in December 2007 (the beginning of the recession) to a low of 1.9 million in July 2009. Since the trough in July 2009, the number of openings has increased by 71 percent, reaching 3.2 million in May 2012.
- Hires in the private sector also fell throughout the recession, although less steeply than job openings, falling from 4.6 million in December 2007 to a low of 3.4 million in June 2009. Since the trough, the number of hires has increased by 19 percent to 4.1 million in May 2012.
- Quits in the private sector also declined during the recession, starting at 2.7 million in December 2007 and reaching a low of 1.5 million in September 2009. Since the trough, the number of quits has increased by 31 percent, to 2.0 million in May 2012.

Chart 7. Job openings rates by industry, trough vs. May 2012
Seasonally adjusted



Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, July 10, 2012.

Note: Each industry's trough is tested using levels. Once a trough has been determined the rate from that month was used in this chart.

- The total private job openings rate has been trending upward since the trough in July 2009.
- Each industry was affected by the recession in different ways and to different degrees. The number of job openings for each industry reached a low point (trough) at a different time, all between April 2009 and August 2010. The recovery from the recession has also been different across industries.
- The industries contributing the most to the rise in the total private job openings rate are construction and manufacturing. Since their troughs, the job openings rate in these industries has risen by 367 percent and 213 percent, respectively.
- The industry with the smallest rise in the job openings rate since its trough is education and health services (up 43 percent).