• The ratio between the unemployment level and job openings level changes over time.

• When the recent recession began, the unemployed persons per job opening was 1.8. When the recession ended, there were 5.8 unemployed persons per job opening.

• The unemployed persons per job opening ratio has trended downward since the end of the recession and was 5.0 in September 2010.
The number of job openings declined to a series low in July 2009, 1 month after the official end of the recent recession. Employment continued to decline after the end of the recession, reaching a low point in December 2009.

The number of job openings fell by 51 percent between the peak in March 2007 and the most recent series low in July 2009. Since the low in July 2009, the number of openings has risen by 25 percent, reaching 2.9 million in September 2010.
Hires, total separations, and employment all remained below pre-recession levels in September.

The number of hires decreased by 23 percent between the beginning of the recession in December 2007 and the low point in June 2009 (the end of the recession). Since June 2009, the number of hires has increased by only 9 percent, measuring 4.2 million in September.

The number of separations fell by 20 percent between the beginning of the recession in December 2007 and its low point in February 2010. In September, there were 4.2 million total separations, only 221,000 more than the low point in February.

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 another job is available and tend to fall when there is a perception that jobs are scarce.
- For most of the JOLTS series, the number of quits has exceeded the number of layoffs and discharges.
- During the latest recession, this relationship changed as layoffs and discharges outnumbered quits from November 2008 through January 2010.
- In September, there were 2.0 million quits and 1.8 million layoffs and discharges.
The above 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.

From the start of the recent recession in December 2007 until December 2009, the point on the curve moved lower and further to the right as the job openings rate declined and the unemployment rate rose. Starting in December 2009, the point has moved up and slightly to the left on the curve as the job openings rate has increased and the unemployment rate has decreased slightly.

In September 2010, the job openings rate decreased to 2.2 percent and the unemployment rate remained the same, 9.6 percent.
Note: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

- From a series low of 104,000 in May 2009, job openings for manufacturing have risen to 194,000 in September, about two-thirds the level when the recent recession began (December 2007).
- Job openings for retail trade fell to their series low in November 2009 (207,000). Job openings have since risen to 259,000 in September, nearly two-thirds the level when the recent recession began.
- Job openings in education and health services fell to 487,000 in June 2010 and remain low, measuring 496,000 in September.
Hires in manufacturing fell to a series low of 204,000 in May 2009. They have since risen to 248,000 in September 2010, nearly three-fourths the level when the recent recession began (December 2007).

The series low for hires in retail trade occurred in October 2009 (518,000). In September 2010 retail trade hires measured 592,000, about four-fifths the level when the recent recession began.

Hiring in education and health services was less affected by the recent recession. In September there were 504,000 hires, which is essentially the same level as when the recent recession began.
• Quits in manufacturing reached a series low of 75,000 in November 2009. Quits have since risen to 102,000 in September 2010, which is just under half the number of quits per month when the recent recession began (December 2007).

• The series low for quits in retail trade was 266,000 in January 2010. In September there were 345,000 quits in retail trade, nearly three-fourths the number of monthly quits when the recent recession began.

• Quits in education and health services have been less affected by the recession. In December 2007, the start of the recent recession, there were 300,000 quits. In September 2010 there were 254,000 quits in education and health services.
• Education and health services had a high job openings rate and relatively low hires rate in September, indicating that the needed employees were not hired.

• Professional and business services and accommodation and food services each had a high job openings rate and relatively high hires rate in September, indicating that despite strong hiring, even more employees were needed.

• Construction had a high hires rate and the second lowest job openings rate in September, indicating that employees were needed and were easily hired.

• Government had very little labor market activity in September with a low job openings rate and low hires rate.

• Arts, entertainment and recreation had the highest hires rate in September, but with only 1.9 million workers in the industry, that equals only 121,000 hires.