

Job openings, hires, and quits set record highs in 2019

Data from the Job Openings and Labor Turnover Survey show that the labor market continued to be strong throughout most of 2019, with job openings, hires, total separations, and quits reaching their highest monthly levels since these data series began in December 2000. The job openings level reached 7.5 million in January 2019; the hires level reached 6.0 million in April 2019; the separations level reached 5.8 million in April, July, and December 2019; and the quits level reached 3.6 million in July 2019. The annual hires level increased from 68.6 million in 2018 to 70.0 million in 2019, which is a series high since 2001, the first full year of data. The annual total separations level increased from 66.2 million in 2018 to 67.9 million in 2019, another series high since 2001. Within total separations, annual quits rose from 40.3 million in 2018 to 42.1 million in 2019, which also was a series high. The number of layoffs and discharges—another component of total separations—edged down from 21.8 million in 2018 to 21.7 million in 2019. The annual number of other separations declined slightly over the year, from 4.1 million in 2018 to 4.0 million in 2019.

The Job Openings and Labor Turnover Survey (JOLTS) data continued to show signs of a strong labor market in 2019, as job openings, hires, and total separations generally trended upward for total nonfarm and total private throughout the year.^[1] This article reviews the JOLTS data for 2019 at the total nonfarm, industry, and region levels.^[2] (For definitions of JOLTS terms, see the box that follows.)



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Definitions of JOLTS terms*

Job Openings

Job openings include all positions that are open on the last business day of the reference month. A job is open only if it meets the following three conditions: (1) A specific position exists and there is work available for that position; the position can be full time or part time, and it can be permanent, short term, or seasonal; (2) the job could start within 30 days, whether or not the employer can find a suitable candidate during that time; and (3) The employer is actively recruiting workers from outside the establishment to fill the position; active recruiting means that the establishment is taking steps to fill a position and may include advertising in newspapers, on television, or on the radio; posting internet notices, posting “help wanted” signs, networking or making “word-of-mouth” announcements; accepting applications; interviewing candidates; contacting employment agencies; or soliciting employees at job fairs, state or local employment offices, or similar sources. Excluded are positions open only to internal transfers, promotions or demotions, or recalls from layoffs. Also excluded are openings for positions with start dates more than 30 days in the future; positions for which employees have been hired but the employees have not yet reported for work; and positions to be filled by employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

Hires

Hires include all additions to the payroll during the entire reference month, including newly hired and rehired employees; full-time and part-time employees; permanent, short-term, and seasonal employees; employees who were recalled to a job at the location following a layoff (formal suspension from pay status) lasting more than 7 days; on-call or intermittent employees who returned to work after having been formally separated; workers who were hired and separated during the month; and transfers from other locations. Excluded are transfers or promotions within the reporting location; employees returning from a strike; and employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

Separations

Separations include all separations from the payroll during the entire reference month and are reported by type of separation: quits, layoffs and discharges, and other separations. Quits include employees who left voluntarily, except for retirements or transfers to other locations. Layoffs and discharges include involuntary separations initiated by the employer, including layoffs with no intent to rehire; layoffs (formal suspensions from pay status) lasting or expected to last more than 7 days; discharges resulting from mergers, downsizing, or closings; firings or other discharges for cause; terminations of permanent or short-term employees; and terminations of seasonal employees (whether or not they are expected to return the next season). Other separations include retirements, transfers to other locations, separations due to employee disability, and deaths. Excluded are transfers within the same location; employees on strike; and employees of temporary help agencies, employee leasing companies, outside contractors, or consultants.

* From U.S. Bureau of Labor Statistics, *Handbook of Methods*, “Job Openings and Labor Turnover Survey,” p. 2, <https://www.bls.gov/opub/hom/pdf/homch18.pdf>.

Job openings

The job openings level is a procyclical measure of demand; the number of job openings tends to increase during economic expansions and decrease during economic contractions.^[3] A larger number of job openings generally indicates that employers need additional workers, which is a sign of a demand for labor and confidence in the economy. Job openings and employment are closely linked and tend to rise and fall together. Also notable in this context is that the number of employees on nonfarm payrolls is considered a Principal Federal Economic Indicator; more particularly, payroll employment has frequently been cited as a coincident economic indicator.^[4]

Monthly data show that job openings reached a data series high of 7.5 million in January 2019, indicating that the demand side of the labor force continued to show signs of strength. However, since the 2019 series high, job openings have trended downward, returning to early 2018 levels. Over the year, job openings fell from a December 2018 level of 6.7 million to a December 2019 level of 6.0 million, a 10.8-percent decrease.^[5] (See table 1.) However, even with this decrease, job openings were still robust, compared with historical levels.

Table 1. Change in level and percentage of job openings, by industry and region, not seasonally adjusted, December 2018–December 2019 (levels in thousands)

Industry and region	Level by month and year			Change, December 2017 to December 2018		Change, December 2018 to December 2019	
	December 2017	December 2018	December 2019	Level	Percent	Level	Percent
Industry							
Total nonfarm	5,638	6,699	5,974	1,061	18.8	–725	–10.8
Total private	5,108	6,106	5,282	998	19.5	–824	–13.5
Mining and logging	20	23	13	3	15.0	–10	–43.5
Construction	180	291	216	111	61.7	–75	–25.8
Manufacturing	381	441	360	60	15.7	–81	–18.4
Durable goods	233	297	222	64	27.5	–75	–25.3
Nondurable goods	148	144	138	–4	–2.7	–6	–4.2
Trade, transportation, and utilities	1,260	1,265	1,045	5	0.4	–220	–17.4
Wholesale trade	208	164	168	–44	–21.2	4	2.4
Retail trade	834	791	633	–43	–5.2	–158	–20.0
Transportation, warehousing, and utilities	218	310	244	92	42.2	–66	–21.3
Information	118	129	146	11	9.3	17	13.2
Financial activities	353	340	306	–13	–3.7	–34	–10.0
Finance and insurance	269	279	222	10	3.7	–57	–20.4
Real estate and rental and leasing	84	61	84	–23	–27.4	23	37.7
Professional and business services	806	1,198	1,069	392	48.6	–129	–10.8
Education and health services	1,087	1,238	1,147	151	13.9	–91	–7.4
Educational services	86	92	106	6	7.0	14	15.2
Healthcare and social assistance	1,000	1,146	1,041	146	14.6	–105	–9.2
Leisure and hospitality	711	907	744	196	27.6	–163	–18.0

See footnotes at end of table.

Table 1. Change in level and percentage of job openings, by industry and region, not seasonally adjusted, December 2018–December 2019 (levels in thousands)

Industry and region	Level by month and year			Change, December 2017 to December 2018		Change, December 2018 to December 2019	
	December 2017	December 2018	December 2019	Level	Percent	Level	Percent
Arts, entertainment, and recreation	62	96	98	34	54.8	2	2.1
Accommodation and food services	649	810	646	161	24.8	–164	–20.2
Other services	191	275	236	84	44.0	–39	–14.2
Government	530	593	691	63	11.9	98	16.5
Federal	89	98	88	9	10.1	–10	–10.2
State and local	442	495	603	53	12.0	108	21.8
State and local education	139	202	211	63	45.3	9	4.5
State and local, excluding education	302	293	393	–9	–3.0	100	34.1
Region							
Northeast	1,024	1,114	1,055	90	8.8	–59	–5.3
South	1,994	2,525	2,245	531	26.6	–280	–11.1
Midwest	1,325	1,586	1,255	261	19.7	–331	–20.9
West	1,295	1,473	1,418	178	13.7	–55	–3.7

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

Job openings by industry

During 2019, the monthly job openings level for eight industries reached series highs. The top three industries with the most job openings were healthcare and social assistance, at 1.3 million in March; accommodation and food services, at 1.0 million in January; and construction, at 430,000 in April. (See table 2.)

Table 2. Monthly data series highs, by industry and region, seasonally adjusted, 2019

Industry and region	Industry and region data element	Month	Level
Industry			
Mining and logging	Job openings	July	40,000
Construction	Job openings	April	430,000
Wholesale trade	Job openings	January	279,000
Educational services	Job openings	November	146,000
Healthcare and social assistance	Job openings	March	1,300,000
Accommodation and food services	Job openings	January	1,000,000
State and local government education	Job openings	October	234,000
State and local government, excluding education	Job openings	August	409,000
Healthcare and social assistance	Hires	July	655,000
Accommodation and food services	Hires	June	992,000

See footnotes at end of table.

Table 2. Monthly data series highs, by industry and region, seasonally adjusted, 2019

Industry and region	Industry and region data element	Month	Level
Retail trade	Quits	November	577,000
Transportation, warehousing, and utilities	Quits	December	150,000
Professional and business services	Quits	March	697,000
Educational services	Quits	December	66,000
Arts, entertainment, and recreation	Quits	November	86,000
Accommodation and food services	Quits	February	714,000
Other services	Quits	October	183,000
State and local government education	Quits	January	100,000
Region			
Northeast	Job openings	August	1,300,000
South	Job openings	October	2,800,000
West	Job openings	January	1,800,000
South	Hires	July	2,400,000
Northeast	Quits	August	535,000
South	Quits	February	1,500,000
West	Quits	December	854,000

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

Monthly job openings were up over the year from December 2018 to December 2019 in 7 of the 19 groups of industries for which data are published.^[6] The largest over-the-year increases in job openings occurred in real estate and rental and leasing (+37.7 percent), state and local government, excluding education (+34.1 percent), and educational services (+15.2 percent). Industries with the largest declines over the year include mining and logging (−43.5 percent), construction (−25.8 percent), and durable goods manufacturing (−25.3 percent). (See table 1.)

Job openings by region

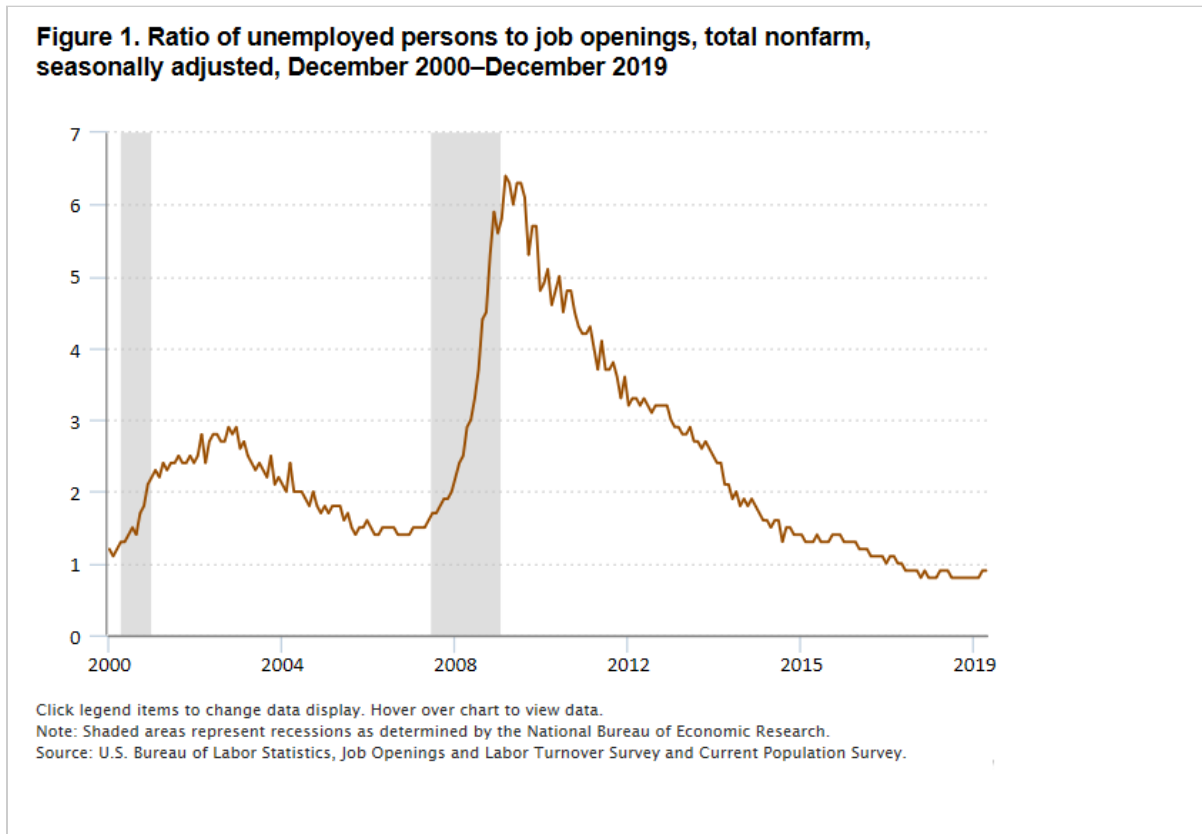
Three out of the four regions reached monthly series highs for job openings in 2019. In the South, the number of job openings reached a high of 2.8 million in October 2019. In the West, job openings reached a high of 1.8 million in January 2019; and in the Northeast, there were a record number of job openings, at 1.3 million in August 2019. (See table 2.) All four census regions experienced over-the-year declines in job openings from December 2018 to December 2019. The largest regional downward trend was in the Midwest, at 20.9 percent. Job openings fell in the South by 11.1 percent, followed by the Northeast (−5.3 percent) and the West (−3.7 percent). (See table 1.)

Job openings and unemployment

One way to analyze job openings and unemployment is to consider the number of unemployed persons per job opening. The number of unemployed persons per job opening is the ratio of unemployed persons, as published by the Current Population Survey (CPS), to the number of job openings. To calculate this ratio, divide the number of unemployed by the number of job openings. Unemployment and job openings levels generally move in opposite directions. That is, when the economy is strong, the number of unemployed is low and the number of job openings is high, causing the ratio to decrease. The opposite occurs when the economy weakens—unemployment increases and job openings decrease, leading to a higher ratio. Because of this countercyclical behavior, the ratio

of the number of unemployed persons per job opening provides a metric that helps describe the slack or tightness in the labor market.^[7]

When the “Great Recession” began in December 2007, the number of unemployed persons per job opening was 1.7.^[8] The ratio peaked at 6.4 unemployed persons per job opening in July 2009, the month after the recession ended. In 2018, the ratio of unemployed persons per job opening went below 1.0 for the first time. For 22 consecutive months—from March 2018 to December 2019—the ratio of unemployed persons per job opening was below 1.0. Within the year (2019), the ratio fell to a series low of 0.8 from March through October. (See figure 1.)



Hires

Like job openings, hires are a procyclical measure. The hires level has increased each year since the end of the 2007–09 recession, in June 2009. The 2019 monthly level for hires rose to a series high of 6.0 million in April. The total annual hires level has risen for 10 consecutive years; it increased from 68.6 million in 2018 to 69.9 million in 2019, or 2.0 percent. (See table 3.)

Table 3. Change in level and percentage of annual hires, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Total	65,638	68,594	69,943	2,956	4.5	1,349	2.0
Industry							
Total private	61,502	64,286	65,567	2,784	4.5	1,281	2.0
Mining and logging	374	449	319	75	20.1	–130	–29.0
Construction	4,585	4,524	4,981	–61	–1.3	457	10.1
Manufacturing	3,985	4,390	4,081	405	10.2	–309	–7.0
Durable goods	2,238	2,512	2,297	274	12.2	–215	–8.6
Nondurable goods	1,748	1,879	1,783	131	7.5	–96	–5.1
Trade, transportation, and utilities	12,642	13,682	13,870	1,040	8.2	188	1.4
Wholesale trade	1,656	1,756	1,806	100	6.0	50	2.8
Retail trade	8,479	9,032	9,088	553	6.5	56	0.6
Transportation, warehousing, and utilities	2,507	2,895	2,976	388	15.5	81	2.8
Information	1,018	1,088	1,123	70	6.9	35	3.2
Financial activities	2,530	2,501	2,649	–29	–1.1	148	5.9
Finance and insurance	1,657	1,636	1,672	–21	–1.3	36	2.2
Real estate and rental and leasing	874	864	977	–10	–1.1	113	13.1
Professional and business services	13,430	13,747	13,860	317	2.4	113	0.8
Education and health services	8,007	8,509	8,689	502	6.3	180	2.1
Educational services	1,141	1,159	1,209	18	1.6	50	4.3
Healthcare and social assistance	6,867	7,350	7,480	483	7.0	130	1.8
Leisure and hospitality	12,236	12,797	13,388	561	4.6	591	4.6
Arts, entertainment, and recreation	2,048	2,211	1,979	163	8.0	–232	–10.5
Accommodation and food services	10,188	10,587	11,408	399	3.9	821	7.8
Other services	2,687	2,598	2,603	–89	–3.3	5	0.2
Government	4,138	4,310	4,376	172	4.2	66	1.5
Federal	380	420	506	40	10.5	86	20.5
State and local	3,757	3,889	3,868	132	3.5	–21	–0.5
State and local education	1,820	2,013	1,993	193	10.6	–20	–1.0
State and local, excluding education	1,936	1,874	1,877	–62	–3.2	3	0.2
Region							
Northeast	10,486	10,496	11,000	10	0.1	504	4.8
South	25,898	27,315	28,094	1,417	5.5	779	2.9
Midwest	14,340	15,192	14,972	852	5.9	–220	–1.4
West	14,909	15,592	15,876	683	4.6	284	1.8

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

Hires by industry

Annual hires rose in 14 of 19 industries in 2019 and fell in 5 industries. The largest percentage increases in annual hires levels in 2019 were in federal government (+20.5 percent), real estate and rental and leasing (+13.1 percent), and construction (+10.1 percent).^[9] The largest percentage declines in hires occurred in mining and logging

(−29.0 percent); arts, entertainment, and recreation (−10.5 percent); and durable goods manufacturing (−8.6 percent). (See table 3.) There were 5 industries that had annual series highs for the number of hires in 2019. The top 3 industries in terms of hires are professional and business services, accommodation and food services, and healthcare and social assistance. (See table 4.)

Table 4. Annual data series highs, by industry and region, not seasonally adjusted, 2019 (levels in thousands)

Industry and region	Industry and region data element	Level
Industry		
Transportation, warehousing, and utilities	Hires	2,976
Professional and business services	Hires	13,860
Educational services	Hires	1,209
Healthcare and social assistance	Hires	7,480
Accommodation and food services	Hires	11,408
Retail trade	Quits	6,238
Transportation, warehousing, and utilities	Quits	1,639
Professional and business services	Quits	7,782
Educational services	Quits	640
Healthcare and social assistance	Quits	4,901
Arts, entertainment, and recreation	Quits	942
Accommodation and food services	Quits	8,239
Other services	Quits	1,621
State and local government education	Quits	1,103
Region		
Northeast	Hires	11,000
South	Hires	28,094
West	Hires	15,876
Northeast	Quits	5,778
South	Quits	17,158
Midwest	Quits	9,245
West	Quits	9,931
Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.		

Monthly seasonally adjusted hires reached series highs in two industries during 2019: accommodation and food services, at 992,000 in June, and healthcare and social assistance, at 655,000 in July. (See table 2.)

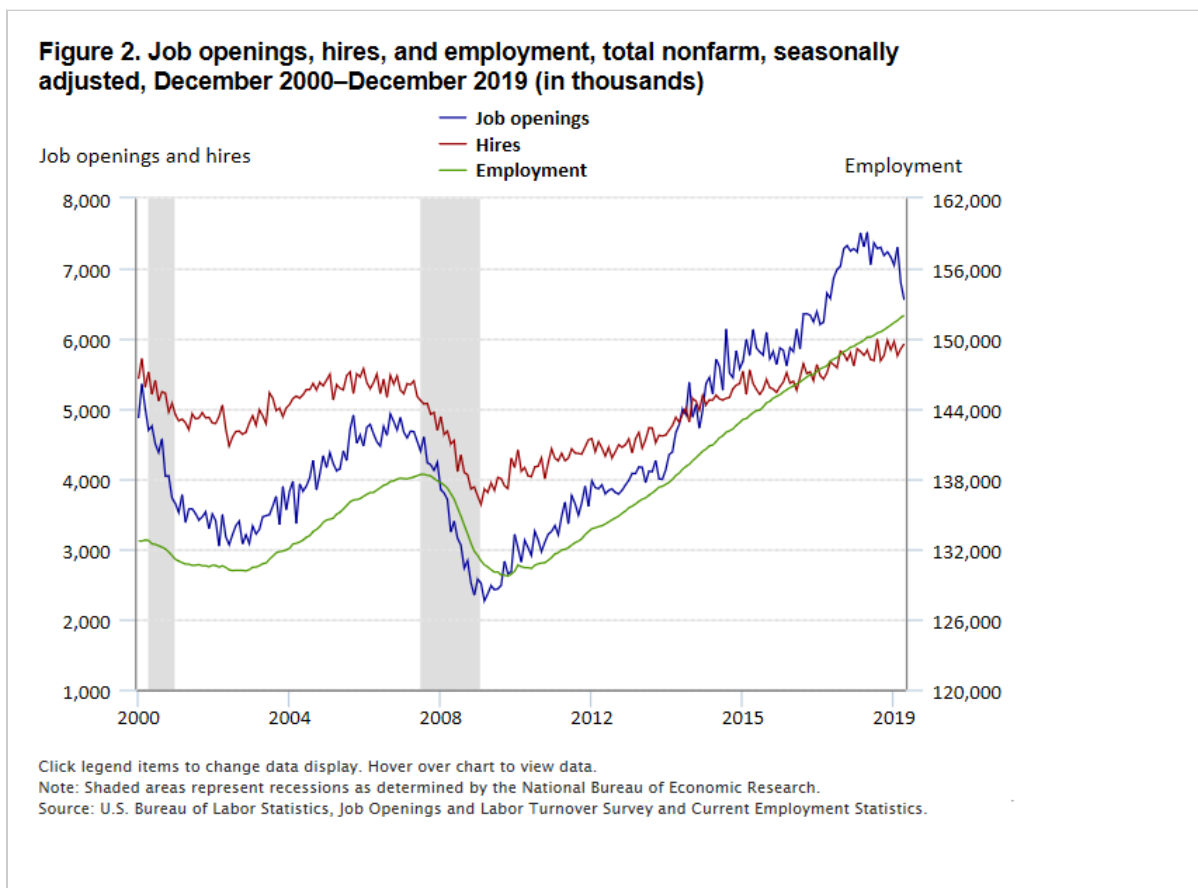
Hires by region

The Northeast region had the highest percentage increase in annual hires in 2019, rising 4.8 percent. Annual hires also increased in the South (+2.9 percent) and West (+1.8 percent), while they declined in the Midwest (−1.4 percent). In 2018, the Midwest had the highest percentage increase in annual hires, at 5.9 percent, while the Northeast had the lowest percentage increase in annual hires, at 0.1 percent. (See table 3.)

The South, Northeast, and West regions had series highs in the number of annual hires in 2019. In July 2019, the South experienced a series high of 2.4 million hires based on its monthly seasonally adjusted level. (See table 2.)

Hires and job openings

Following steady growth in the number of job openings after the end of the 2007–09 recession in June 2009, job openings started to increase rapidly in early 2014. Hires also increased after the recession, but at a slower pace than job openings. The monthly number of total nonfarm hires has exceeded the number of job openings for most of the history of the JOLTS series. In January 2015, however, job openings began to exceed hires, which was not expected, because hires is a full-month (or flow) measure whereas job openings is a 1-day, end-of-month snapshot (or stock) measure. When job openings exceed hires, it may suggest that employers have unmet demand for workers. For 60 consecutive months—from January 2015 to December 2019—job openings exceeded hires. The last time that the number of hires exceeded the number of job openings was in December 2014. (See figure 2.)



Total separations

The annual number of total separations increased 2.5 percent from 2018 to 2019, rising from 66.2 million to 67.9 million. (See table 5.) Total separations—also known as turnover—has risen annually for 9 consecutive years.

Table 5. Change in level and percentage of annual total separations, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

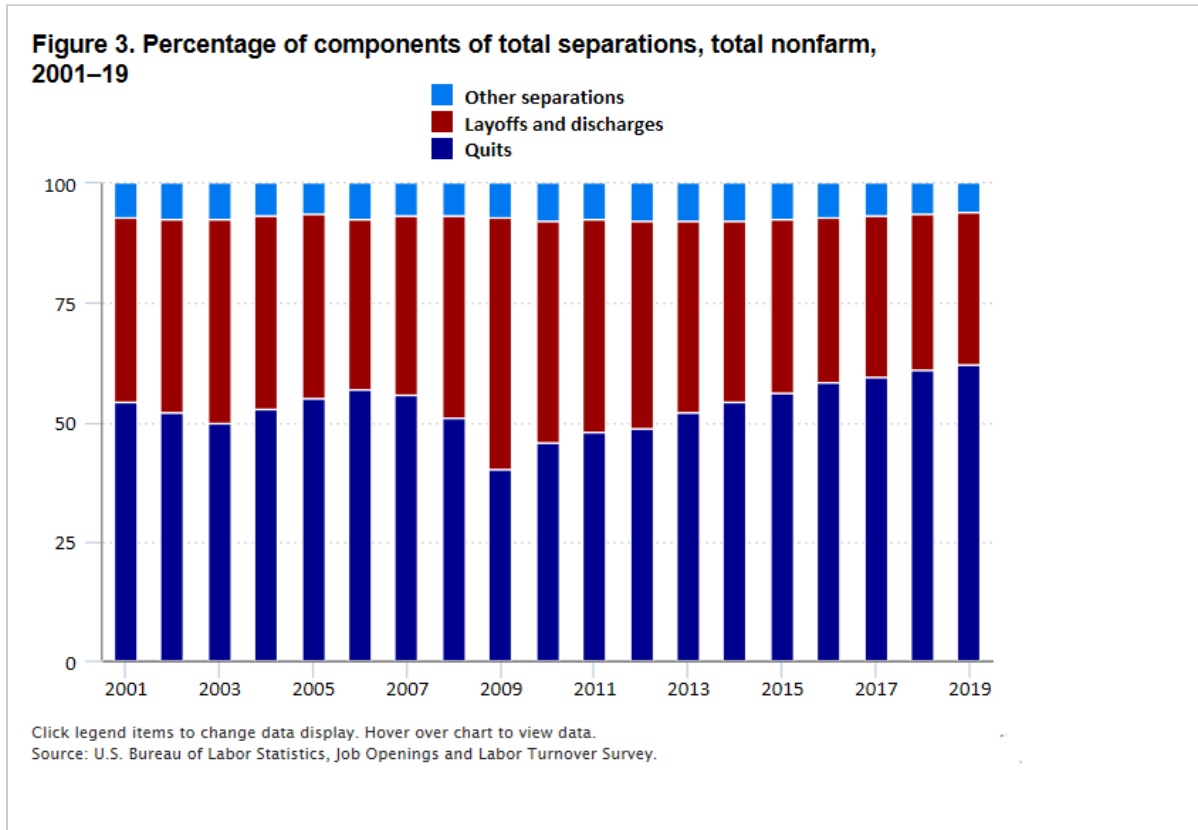
Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Total	63,497	66,199	67,856	2,702	4.3	1,657	2.5
Industry							
Total private	59,429	62,058	63,640	2,629	4.4	1,582	2.5
Mining and logging	327	393	346	66	20.2	–47	–12.0
Construction	4,278	4,215	4,855	–63	–1.5	640	15.2
Manufacturing	3,813	4,123	4,021	310	8.1	–102	–2.5
Durable goods	2,116	2,291	2,277	175	8.3	–14	–0.6
Nondurable goods	1,695	1,830	1,744	135	8.0	–86	–4.7
Trade, transportation, and utilities	12,512	13,501	13,685	989	7.9	184	1.4
Wholesale trade	1,625	1,714	1,741	89	5.5	27	1.6
Retail trade	8,540	9,154	9,106	614	7.2	–48	–0.5
Transportation, warehousing, and utilities	2,352	2,630	2,840	278	11.8	210	8.0
Information	1,014	1,057	1,100	43	4.2	43	4.1
Financial activities	2,381	2,334	2,508	–47	–2.0	174	7.5
Finance and insurance	1,576	1,530	1,597	–46	–2.9	67	4.4
Real estate and rental and leasing	806	804	912	–2	–0.2	108	13.4
Professional and business services	13,024	13,294	13,488	270	2.1	194	1.5
Education and health services	7,558	8,034	8,046	476	6.3	12	0.1
Educational services	1,068	1,129	1,101	61	5.7	–28	–2.5
Healthcare and social assistance	6,487	6,906	6,945	419	6.5	39	0.6
Leisure and hospitality	11,910	12,547	13,064	637	5.3	517	4.1
Arts, entertainment, and recreation	1,969	2,108	1,943	139	7.1	–165	–7.8
Accommodation and food services	9,941	10,438	11,120	497	5.0	682	6.5
Other services	2,609	2,561	2,525	–48	–1.8	–36	–1.4
Government	4,068	4,138	4,216	70	1.7	78	1.9
Federal	401	400	465	–1	–0.2	65	16.3
State and local	3,666	3,739	3,748	73	2.0	9	0.2
State and local education	1,782	1,928	1,937	146	8.2	9	0.5
State and local, excluding education	1,885	1,810	1,811	–75	–4.0	1	0.1
Region							
Northeast	10,303	10,086	10,511	–217	–2.1	425	4.2
South	25,125	26,299	26,781	1,174	4.7	482	1.8
Midwest	13,832	14,621	14,493	789	5.7	–128	–0.9
West	14,233	15,191	16,072	958	6.7	881	5.8

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

Total separations include quits, layoffs and discharges, and other separations. Each of these data elements has its own unique trend and cyclical movements. Quits are procyclical, which means that the number of quits typically rises when the economy expands and falls when the economy contracts. Layoffs and discharges are countercyclical, which means that their numbers typically rise during economic contractions and fall during economic expansions. The other separations data element remains relatively constant over time. Figure 3 shows this relationship by displaying the percentage of total separations attributed to each type of separation. Quits as a

percentage of total separations have been increasing since 2009, whereas layoffs and discharges as a percentage of total separations have been decreasing since 2009.



The number of annual quits rose over the year, from 40.3 million to 42.1 million. (See table 6.)

Table 6. Change in level and percentage of annual quits, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Total	37,708	40,331	42,113	2,623	7.0	1,782	4.4
Industry							
Total private	35,682	38,174	39,878	2,492	7.0	1,704	4.5
Mining and logging	172	247	177	75	43.6	-70	-28.3
Construction	1,852	2,058	2,082	206	11.1	24	1.2
Manufacturing	2,292	2,506	2,475	214	9.3	-31	-1.2
Durable goods	1,261	1,378	1,380	117	9.3	2	0.1
Nondurable goods	1,033	1,127	1,093	94	9.1	-34	-3.0
Trade, transportation, and utilities	7,882	8,497	8,897	615	7.8	400	4.7
Wholesale trade	1,020	1,067	1,022	47	4.6	-45	-4.2
Retail trade	5,616	5,958	6,238	342	6.1	280	4.7
Transportation, warehousing, and utilities	1,244	1,473	1,639	229	18.4	166	11.3

See footnotes at end of table.

Table 6. Change in level and percentage of annual quits, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Information	521	568	563	47	9.0	–5	–0.9
Financial activities	1,365	1,407	1,560	42	3.1	153	10.9
Finance and insurance	909	857	1,014	–52	–5.7	157	18.3
Real estate and rental and leasing	457	549	546	92	20.1	–3	–0.5
Professional and business services	7,458	7,561	7,782	103	1.4	221	2.9
Education and health services	4,920	5,379	5,543	459	9.3	164	3.0
Educational services	576	580	640	4	0.7	60	10.3
Healthcare and social assistance	4,345	4,797	4,901	452	10.4	104	2.2
Leisure and hospitality	7,749	8,444	9,181	695	9.0	737	8.7
Arts, entertainment, and recreation	779	919	942	140	18.0	23	2.5
Accommodation and food services	6,972	7,524	8,239	552	7.9	715	9.5
Other services	1,470	1,511	1,621	41	2.8	110	7.3
Government	2,026	2,159	2,236	133	6.6	77	3.6
Federal	177	184	206	7	4.0	22	12.0
State and local	1,847	1,975	2,028	128	6.9	53	2.7
State and local education	926	1,043	1,103	117	12.6	60	5.8
State and local, excluding education	923	933	925	10	1.1	–8	–0.9
Region							
Northeast	5,424	5,388	5,778	–36	–0.7	390	7.2
South	15,317	16,467	17,158	1,150	7.5	691	4.2
Midwest	8,116	8,988	9,245	872	10.7	257	2.9
West	8,853	9,488	9,931	635	7.2	443	4.7

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

The annual quits level has risen for 10 consecutive years. Annual layoffs and discharges decreased slightly over the year, from 21.8 million in 2018 to 21.7 million in 2019. (See table 7.)

Table 7. Change in level and percentage of annual layoffs and discharges, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Total	21,608	21,803	21,739	195	0.9	–64	–0.3
Industry							
Total private	20,263	20,544	20,492	281	1.4	–52	–0.3
Mining and logging	128	129	152	1	0.8	23	17.8
Construction	2,245	2,002	2,571	–243	–10.8	569	28.4

See footnotes at end of table.

Table 7. Change in level and percentage of annual layoffs and discharges, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Manufacturing	1,253	1,371	1,305	118	9.4	–66	–4.8
Durable goods	702	753	747	51	7.3	–6	–0.8
Nondurable goods	549	620	559	71	12.9	–61	–9.8
Trade, transportation, and utilities	3,741	4,171	4,022	430	11.5	–149	–3.6
Wholesale trade	490	502	604	12	2.4	102	20.3
Retail trade	2,302	2,658	2,400	356	15.5	–258	–9.7
Transportation, warehousing, and utilities	951	1,012	1,019	61	6.4	7	0.7
Information	396	409	449	13	3.3	40	9.8
Financial activities	683	634	644	–49	–7.2	10	1.6
Finance and insurance	383	417	323	34	8.9	–94	–22.5
Real estate and rental and leasing	303	218	319	–85	–28.1	101	46.3
Professional and business services	4,891	4,989	5,012	98	2.0	23	0.5
Education and health services	2,064	2,101	2,008	37	1.8	–93	–4.4
Educational services	427	480	399	53	12.4	–81	–16.9
Healthcare and social assistance	1,638	1,622	1,611	–16	–1.0	–11	–0.7
Leisure and hospitality	3,847	3,800	3,560	–47	–1.2	–240	–6.3
Arts, entertainment, and recreation	1,153	1,146	965	–7	–0.6	–181	–15.8
Accommodation and food services	2,695	2,654	2,594	–41	–1.5	–60	–2.3
Other services	1,012	938	763	–74	–7.3	–175	–18.7
Government	1,342	1,257	1,248	–85	–6.3	–9	–0.7
Federal	120	89	120	–31	–25.8	31	34.8
State and local	1,223	1,168	1,127	–55	–4.5	–41	–3.5
State and local education	562	601	548	39	6.9	–53	–8.8
State and local, excluding education	663	567	580	–96	–14.5	13	2.3
Region							
Northeast	4,130	3,928	3,989	–202	–4.9	61	1.6
South	8,190	8,352	8,124	162	2.0	–228	–2.7
Midwest	4,869	4,787	4,459	–82	–1.7	–328	–6.9
West	4,417	4,733	5,171	316	7.2	438	9.3

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

The annual level of other separations declined slightly, from 4.1 million in 2018 to 4.0 million in 2019. (See table 8.)

Table 8. Change in level and percentage of annual other separations, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent

See footnotes at end of table.

Table 8. Change in level and percentage of annual other separations, by industry and region, not seasonally adjusted, 2017–19 (levels in thousands)

Industry and region	Level by year			Change, 2017 to 2018		Change, 2018 to 2019	
	2017	2018	2019	Level	Percent	Level	Percent
Total	4,182	4,065	4,002	–117	–2.8	–63	–1.5
Industry							
Total private	3,483	3,342	3,269	–141	–4.0	–73	–2.2
Mining and logging	25	21	17	–4	–16.0	–4	–19.0
Construction	181	156	202	–25	–13.8	46	29.5
Manufacturing	270	248	240	–22	–8.1	–8	–3.2
Durable goods	155	161	151	6	3.9	–10	–6.2
Nondurable goods	114	88	89	–26	–22.8	1	1.1
Trade, transportation, and utilities	892	836	765	–56	–6.3	–71	–8.5
Wholesale trade	115	145	113	30	26.1	–32	–22.1
Retail trade	622	542	470	–80	–12.9	–72	–13.3
Transportation, warehousing, and utilities	155	147	182	–8	–5.2	35	23.8
Information	95	80	91	–15	–15.8	11	13.8
Financial activities	333	294	304	–39	–11.7	10	3.4
Finance and insurance	283	255	260	–28	–9.9	5	2.0
Real estate and rental and leasing	48	37	44	–11	–22.9	7	18.9
Professional and business services	677	743	692	66	9.7	–51	–6.9
Education and health services	570	553	497	–17	–3.0	–56	–10.1
Educational services	66	68	64	2	3.0	–4	–5.9
Healthcare and social assistance	505	485	432	–20	–4.0	–53	–10.9
Leisure and hospitality	312	304	323	–8	–2.6	19	6.3
Arts, entertainment, and recreation	42	42	37	0	0.0	–5	–11.9
Accommodation and food services	271	260	284	–11	–4.1	24	9.2
Other services	127	114	142	–13	–10.2	28	24.6
Government	698	724	735	26	3.7	11	1.5
Federal	104	128	140	24	23.1	12	9.4
State and local	593	595	593	2	0.3	–2	–0.3
State and local education	294	285	287	–9	–3.1	2	0.7
State and local, excluding education	300	309	310	9	3.0	1	0.3
Region							
Northeast	747	769	746	22	2.9	–23	–3.0
South	1,621	1,479	1,496	–142	–8.8	17	1.1
Midwest	848	844	790	–4	–0.5	–54	–6.4
West	964	973	972	9	0.9	–1	–0.1

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics, Job Openings and Labor Turnover Survey.

Components of separations by industry

As mentioned previously, separations are the total number of employees separated from their employer at any time during the reference month. Separations consist of quits, layoffs and discharges, and other separations. This section discusses what happened in 2019 with the components of separations.

Quits

Quits include employees who left their job voluntarily, excluding retirements or transfers to other locations, which are counted as other separations. In 2019, the number of annual quits grew in 13 of 19 industries, while 6 industries had fewer quits. The largest percentage increases in annual quits levels in 2019 were in finance and insurance (+18.3 percent), federal government (+12.0 percent), and transportation, warehousing, and utilities (+11.3 percent). After having the largest percentage increase in annual quits in 2018, mining and logging had the largest 2019 annual percentage decrease (−28.3 percent), followed by wholesale trade (−4.2 percent), and nondurable goods manufacturing (−3.0 percent).

Nine of 19 industries reached a series high for the annual level of quits. The top 3 of these industries are accommodation and food services, at 8.2 million; professional and business services, at 7.8 million; and retail trade, at 6.2 million. (See table 6.) Eight industries reached monthly seasonally adjusted series highs for quits in 2019: accommodation and food services, at 714,000 in February; professional and business services, at 697,000 in March; and retail trade at 577,000 in November. (See table 2.)

Layoffs and discharges

In general, layoffs and discharges include involuntary separations initiated by the employer, including layoffs with no intent to rehire. Annual layoffs and discharges dropped in 2019 in 10 of 19 industries, whereas 9 industries had higher layoffs and discharges. The largest percentage declines in annual layoffs and discharges were in finance and insurance (−22.5 percent), other services (−18.7 percent), and educational services (−16.9 percent). After having the largest percentage decrease in annual layoffs and discharges in 2018, real estate and rental and leasing had the largest 2019 annual percentage increase (+46.3 percent), followed by federal government (+34.8 percent),^[10] and construction (+28.4 percent).

For annual layoffs and discharges, only one industry reached a series low—finance and insurance, at 323,000. (See table 7.) For monthly layoffs and discharges, no industry reached a series high. State and local government, excluding education, was the only industry to reach a series low for the monthly layoffs and discharges level, at 29,000 in December. (See table 4.)

Other separations

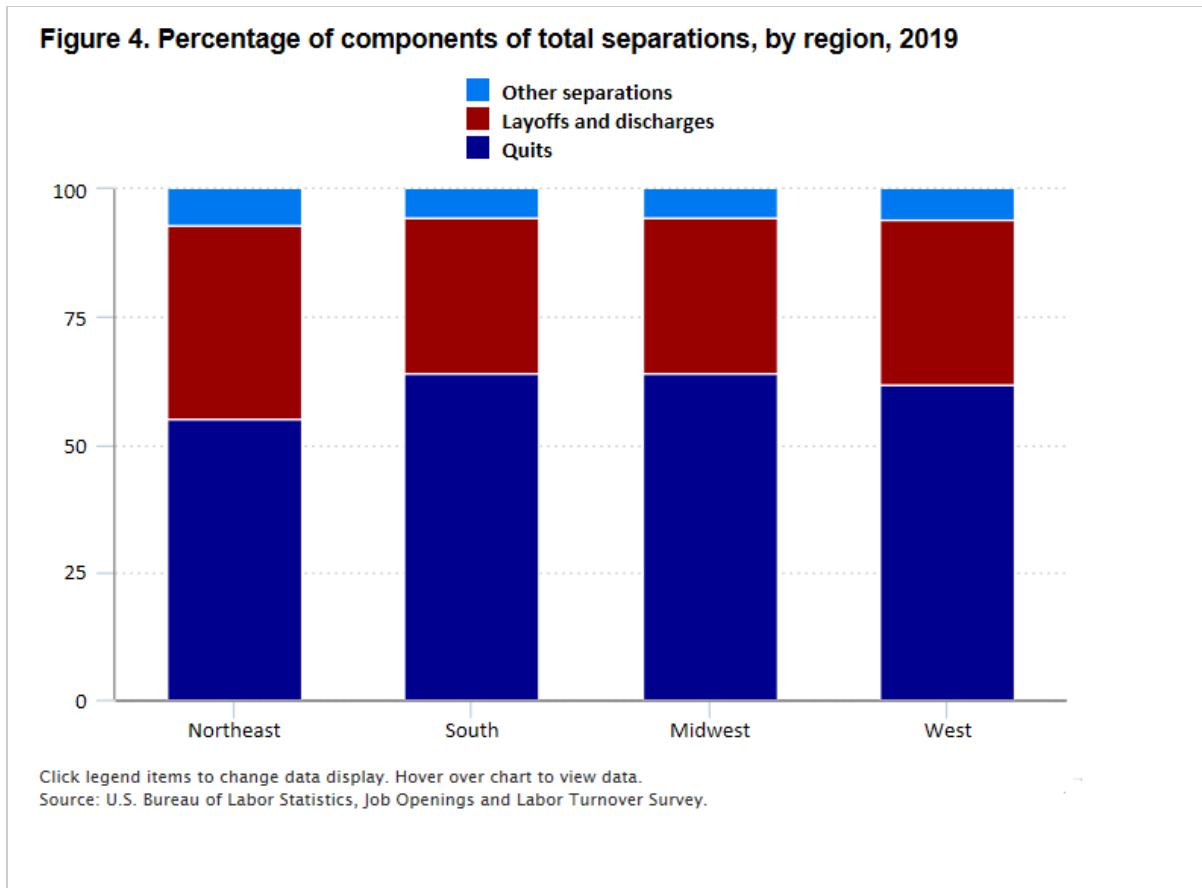
In 2019, annual other separations increased in 11 of 19 industries, with 8 industries having fewer annual other separations than in the previous year. The largest percentage increases in annual other separations include construction (+29.5 percent), other services (+24.6 percent), and transportation, warehousing, and utilities (+23.8 percent). The industries with the largest percentage declines in annual other separations were wholesale trade (−22.1 percent), mining and logging (−19.0 percent), and retail trade (−13.3 percent). No industry reached a series high for the annual level of other separations. Retail trade dropped to an annual series low of 470,000, as did durable goods manufacturing, at 151,000, and mining and logging, at 17,000. (See table 8.) There were no monthly seasonally adjusted series highs in other separations for 2019. (See table 2.)

Components of separations by region

In 2019, the Northeast region had an annual level of 10.5 million total separations. Within total separations, the Northeast had 5.8 million quits, 4.0 million layoffs and discharges, and 746,000 other separations. In the South region, the annual level of total separations for 2019 was 26.8 million. Within total separations, the quits level was 17.2 million for the South region, the layoffs and discharges level was 8.1 million, and the other separations level was 1.5 million. In the Midwest region, the annual total separations level was 14.5 million. Within total separations, there were 9.2 million quits in the Midwest region, 4.5 million layoffs and discharges, and 790,000 other separations. In 2019, the West region annual total separations level was 16.1 million. Within total separations in the West region, the quits level was 9.9 million, the layoffs and discharges level was 5.2 million, and the other separations level was 972,000. (See tables 5, 6, 7, and 8.)

Three out of the four regions reached monthly series highs for quits in 2019. The South quits level reached a series high of 1.5 million, in February; the West quits level reached a series high of 854,000, in December; and the Northeast quits level reached a series high of 535,000, in August. (See table 2.) No region reached a monthly series high for layoffs and discharges and other separations in 2019.

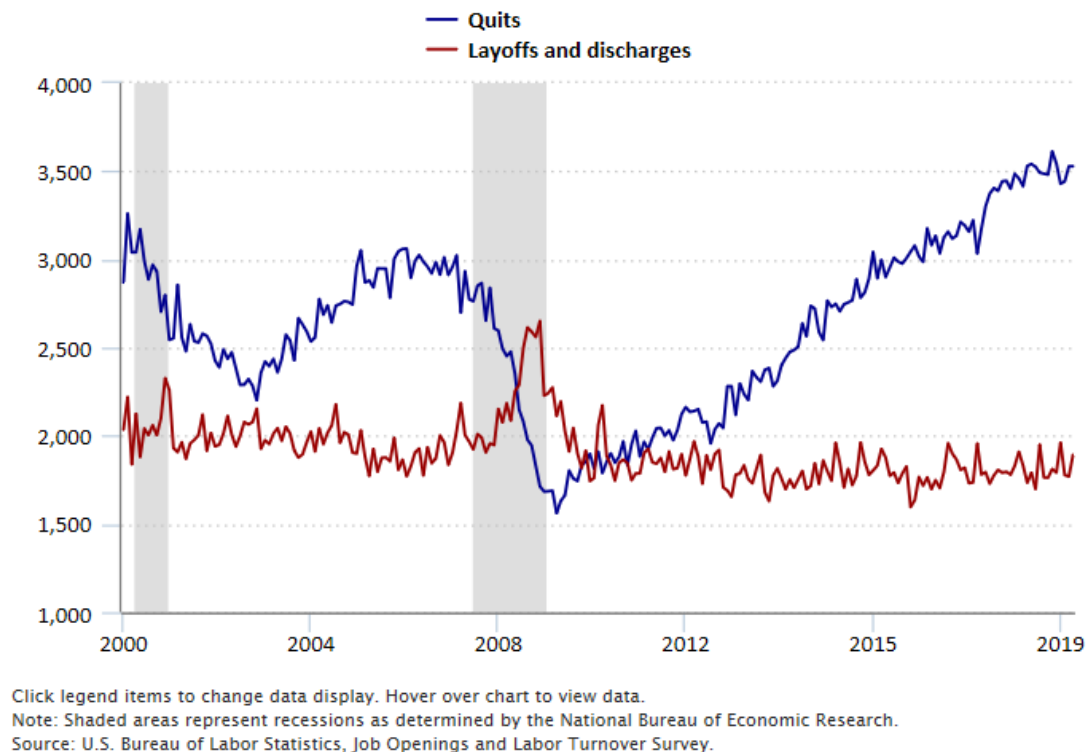
An analysis of each region by the components as a percentage of total separations illustrates the different characteristics of the JOLTS data at the region level. The Northeast region had the smallest percentage of quits within total separations, at 55.1 percent in 2019. The South experienced the highest percentage of quits, at 64.1 percent. In 2019, the Northeast region had the largest percentage of layoff and discharges within total separations, at 37.8 percent. The South region had the lowest percentage of layoffs and discharges, at 30.3 percent. The Northeast had the highest percentage of other separations, at 7.1 percent, while the Midwest region had the lowest percentage, at 5.5 percent. (See figure 4.)



Quits compared with layoffs and discharges

Over the period from July 2011 to December 2019, there were 102 consecutive months in which the monthly quits level exceeded the monthly layoffs and discharges level. During this period, the gap between the level of quits and the level of layoffs and discharges continued to widen. This growing gap is attributable to the number of quits increasing and the number of layoffs and discharges remaining flat. (See figure 5.)

Figure 5. Quits and layoffs and discharges, total nonfarm, seasonally adjusted, December 2000–December 2019 (in thousands)



Summary

JOLTS data show that the level of job openings, hires, total separations, and quits in the U.S. labor market rose throughout 2019. The job openings level began the year at its highest level since the data series began in December 2000. Although job openings declined throughout the year, ending at a lower level than in December 2018, the average job openings level in 2019 was higher than the average job openings level in 2018. In 2019, the number of hires continued its strong growth rate throughout the year and reached its highest level since the series began in December 2000. The number of total separations also maintained strong growth in 2019 and reached its highest level since December 2000. Much of the growth in total separations can be attributed to the increase in the number of quits, which also rose to a new high since the series began in December 2000.

SUGGESTED CITATION

Montgomery McCarthy and Larry Akinyooye, "Job openings, hires, and quits set record highs in 2019," *Monthly Labor Review*, U.S. Bureau of Labor Statistics, June 2020, <https://doi.org/10.21916/mlr.2020.12>

NOTES

¹ The Job Openings and Labor Turnover Survey (JOLTS) produces monthly data on job openings, hires, quits, layoffs and discharges, and other separations from a sample of approximately 16,000 establishments. This sample consists of establishments from all 50 states, the District of Columbia, and all nonfarm industries as classified by the North American Industry Classification System (NAICS). The JOLTS sample allows publication of data by four census regions and by select NAICS two-digit sectors. All

annual data are not seasonally adjusted, and all monthly data are seasonally adjusted. Over-the-year changes are calculated from December of the previous year through December of the reference year. For more information on the program's concepts and methodology, see "Job Openings and Labor Turnover Survey," *Handbook of Methods* (Washington, DC: U.S. Bureau of Labor Statistics, 2015), <https://www.bls.gov/opub/hom/pdf/jlt-20130314.pdf>. See also the JOLTS page on the BLS website, at <https://www.bls.gov/jlt/>.

2 JOLTS estimates are produced by region for the Northeast, the South, the Midwest, and the West.

3 According to the finance and investment education website *Investopedia*, procyclical "refers to a condition of a positive correlation between the value of a good, a service, or an economic indicator and the overall state of the economy. In other words, the value of the good, service, or indicator tends to move in the same direction as the economy, growing when the economy grows and declining when the economy declines." For more information, see Akhilesh Ganti, "Procyclic," *Investopedia*, September 9, 2019, <http://www.investopedia.com/terms/p/procyclical.asp>.

4 For more information, see "What Principal Federal Economic Indicators (PFEIs) are published by the U.S. Bureau of Labor Statistics?" *News Room—Frequently Asked Questions* (U.S. Bureau of Labor Statistics, December 29, 2016), <https://www.bls.gov/newsroom/faqs.htm>. For more on payroll employment being a "coincident" economic indicator, see Geoffrey H. Moore, "An introduction to international economic indicators," in *Business Cycles, Inflation, and Forecasting*, 2nd ed. (Pensacola, FL: Ballinger Publishing, 1983), pp. 65–92, <https://www.nber.org/chapters/c0692.pdf>; see p. 70.

5 BLS considers job openings a stock measure and does not produce job openings annual totals.

6 The JOLTS program publishes estimates by seven NAICS supersectors (manufacturing; trade, transportation, and utilities; financial activities; education and health services; leisure and hospitality; government; and state and local government) and for 19 other groups of industries that are within the scope of the JOLTS program; excluded are agriculture and private households. Publicly owned establishments are classified in government. For a complete list of the 19 groups of industries (henceforth referred to as "industries"), see the JOLTS NAICS page at <https://www.bls.gov/jlt/jltnaics.htm>.

7 Countercyclical is a condition of negative correlation in which the value of the good, service, or indicator moves "in the opposite direction of the overall economic cycle: rising when the economy is weakening, and falling when the economy is strengthening."

8 The National Bureau of Economic Research (NBER) is the official arbiter of the beginning and ending dates of U.S. business cycle expansions and contractions. The NBER Business Cycle Dating Committee recently determined that a peak in monthly economic activity occurred in the U.S. economy in February 2020, marking an end to the most recent economic expansion and the beginning of a recession. See "Determination of the February 2020 peak in U.S. economic activity" (National Bureau of Economic Research, June 8, 2020), <http://www.nber.org/cycles/june2020.html>. See also, "U.S. business cycle expansions and contractions" (National Bureau of Economic Research, June 8, 2020), <http://www.nber.org/cycles/>.

9 The large increase in annual hires for the federal government was largely the result of the hiring of temporary Census 2020 workers in the late summer of 2019.

10 The large increase in annual layoffs and discharges for the federal government was heavily affected by the temporary Census 2020 workers having their positions ended in October 2019.

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