

March 8, 2019



U.S. Talent Market Monthly

U.S. EMPLOYERS HIRED

20,000

WORKERS IN FEBRUARY

AVERAGE HOURLY EARNINGS
(ALL WORKERS)

\$27.66

3.4% ABOVE LAST YEAR

THE UNEMPLOYMENT RATE FELL TO

3.8%

4.1% LAST FEBRUARY

HIRING PLUMMETS IN FEBRUARY

- Job creation was just 10% of the projected figure, with weakness in sectors ranging from construction to education.
- Unemployment leveled back down after a shutdown-affected bump in January, and wage growth remained healthy.
- The unexpected plunge in employment gains may signal the start of a slowdown in the U.S. economy and labor market.

In a month where 225,000 new jobs were expected, U.S. hiring activity was significantly soft at just 20,000 in February—the lowest total since the hurricane-affected month of September 2017. After slight upward revisions to January and December's figures, the average employment gain for the past three months was 186,000, below the full year 2018 average of 223,000 per month.

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Looking at sectors, perennial strongholds professional and business services and healthcare led hiring again in February, adding 42,000 and 20,800 jobs respectively. The biggest declines in hiring in February came from the construction sector (-31,000) and education (-18,700). Employment gains in most other sectors were relatively flat: for example, manufacturing gained 4,000 workers while retail shed 6,100.

The unemployment rate fell to 3.8% in February from 4.0% in January—a figure that was likely heightened by the government shutdown. Wage gains accelerated to 3.4% year-over-year growth in February, the fastest pace in nearly ten years.

The labor market remains tight, as evidenced by the ongoing low unemployment rate and the strength of wage gains. But the slowdown in employment gains may be a signal that the U.S. job creation engine is starting to lose some steam.

U.S. MONTHLY EMPLOYMENT CHANGE AND UNEMPLOYMENT RATE



EMPLOYMENT OVERVIEW

	SEP	OCT	NOV	DEC	JAN	FEB
Total non-farm employment growth	108K	277K	196K	227K	311K	20K
Private sector employment growth	108K	285K	200K	224K	308K	25K
Unemployment rate	3.7%	3.8%	3.7%	3.9%	4.0%	3.8%

Source: Bureau of Labor Statistics

LEARNING IN TO LEARNING

Developing and maintaining skill levels is critical for workers and employers alike in today's tight talent market. New research from the U.S. Bureau of Labor Statistics shows that more than three-quarters of workers (77%) were required to perform some type of on-the-job training in 2018. Training requirements vary by job: for example, on-the-job training is mandated for nearly 87% of manufacturing and production occupations, but only 68% of accountants.

Given the growing importance of learning and skills development, it is no surprise that both budgets and executive support are also rising. A recent survey from

LinkedIn found that 43% of talent professionals expect an increase in their learning and development budgets for 2019. In addition, more than eight in ten talent professionals (82%) say that their executives actively support employee engagement in professional learning.

The LinkedIn survey also found that the ways in which training is delivered are changing: 59% of talent professionals say they are spending more of their budget on online learning and 39% say they are spending less on instructor-led training

Sources: BLS; 2019 Workplace Learning Report, LinkedIn