Job Openings and Labor Turnover Survey Highlights November 2016

Bureau of Labor Statistics

January 10, 2017

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

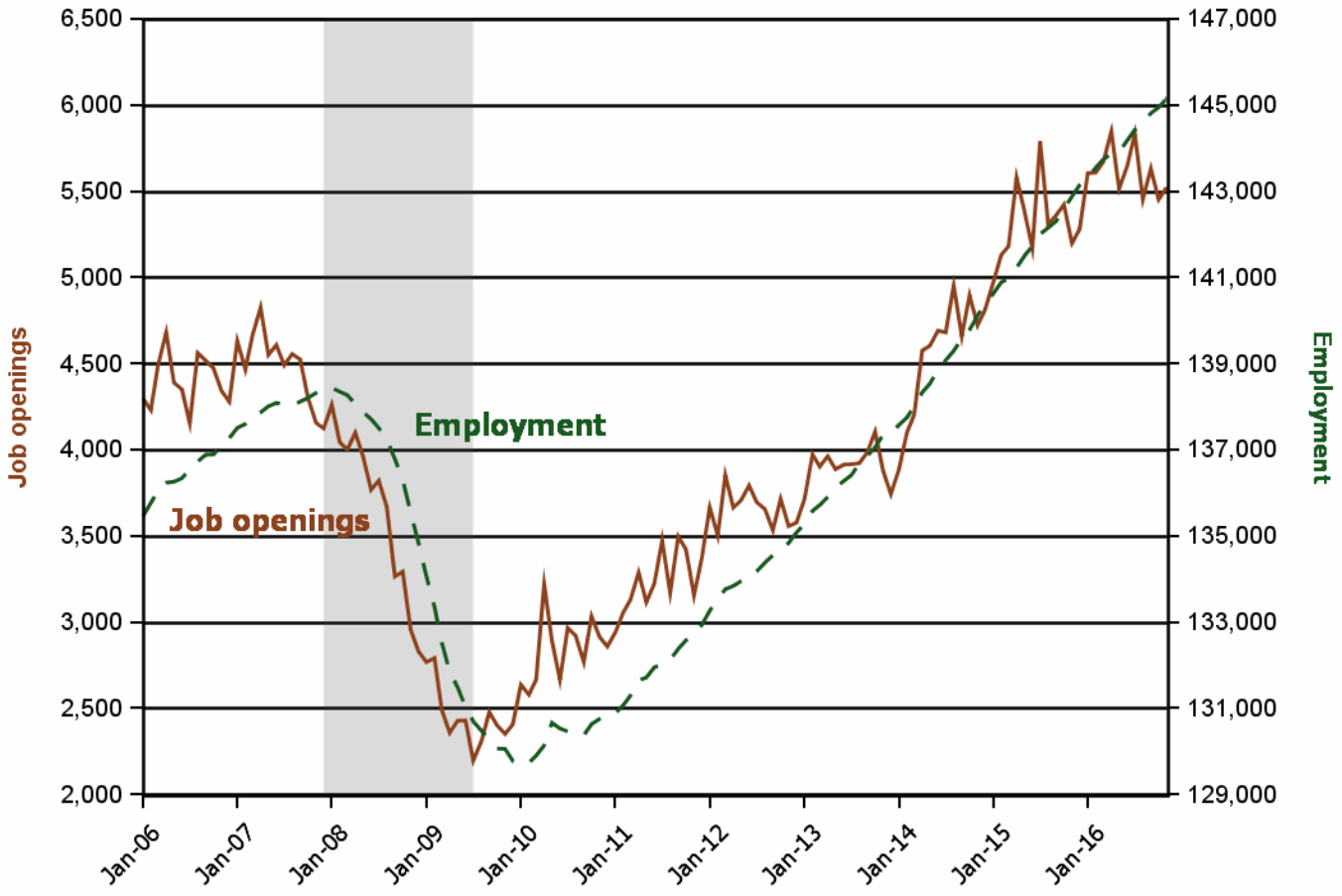
Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, January 10, 2017.

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

- The ratio of unemployed persons per job opening varies with the business cycle.
- When the most recent recession began (December 2007), the number of unemployed persons per job opening was 1.9. The ratio peaked at 6.6 unemployed persons per job opening in July 2009 and trended downward until the end of 2015. Since January 2016, the ratio has leveled off and has remained between 1.3 and 1.4.
- The ratio of unemployed persons per job opening was 1.3 in November 2016.

Chart 2. Job openings and employment

Seasonally adjusted, in thousands



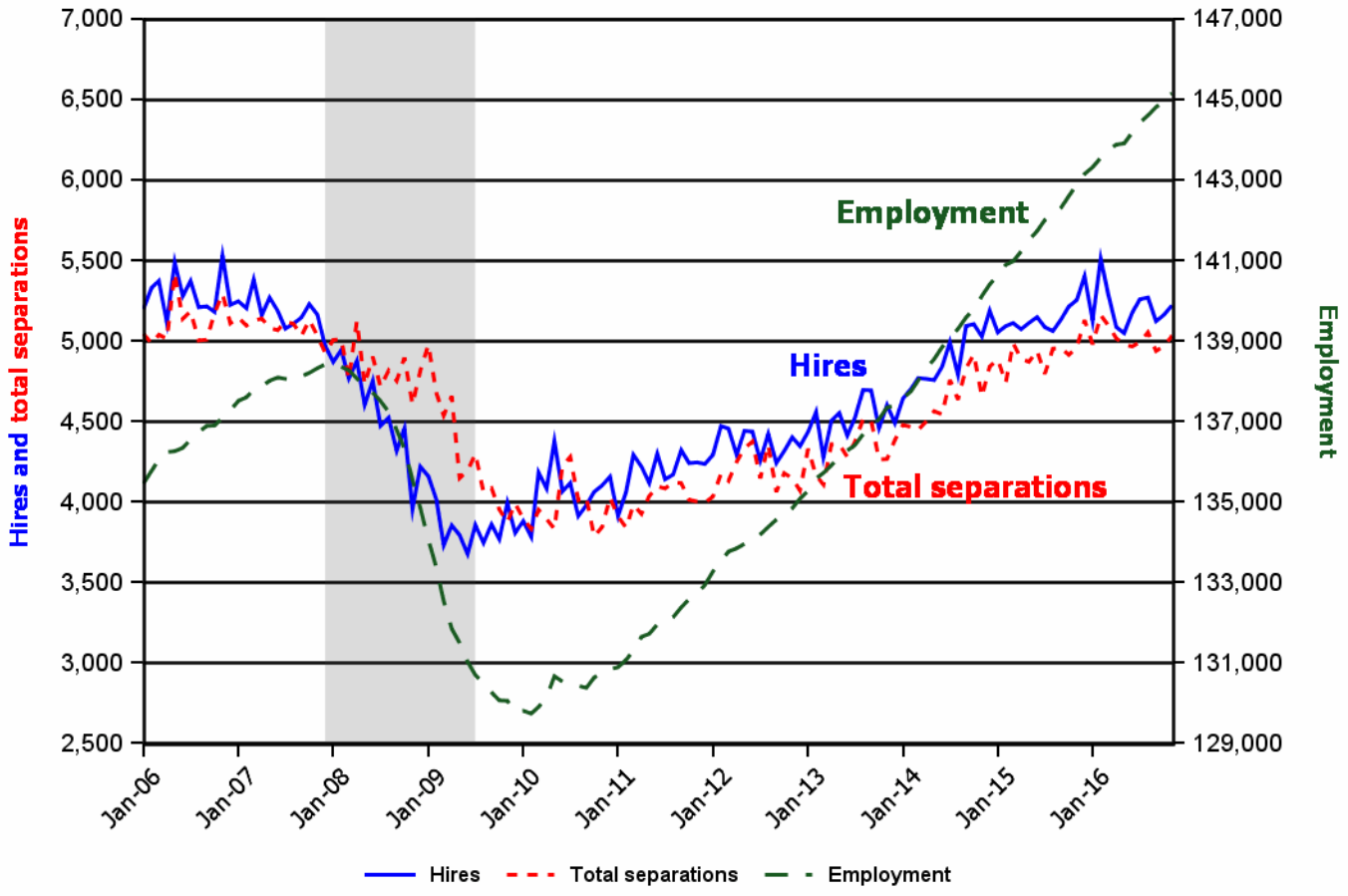
Source: Bureau of Labor Statistics, Current Employment Statistics and Job Openings and Labor Turnover Survey, January 10, 2017.

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 surpassed the prerecession peak (April 2007). In November 2016, there were 5.5 million job openings.

Chart 3. Hires, total separations, and employment

Seasonally adjusted, in thousands

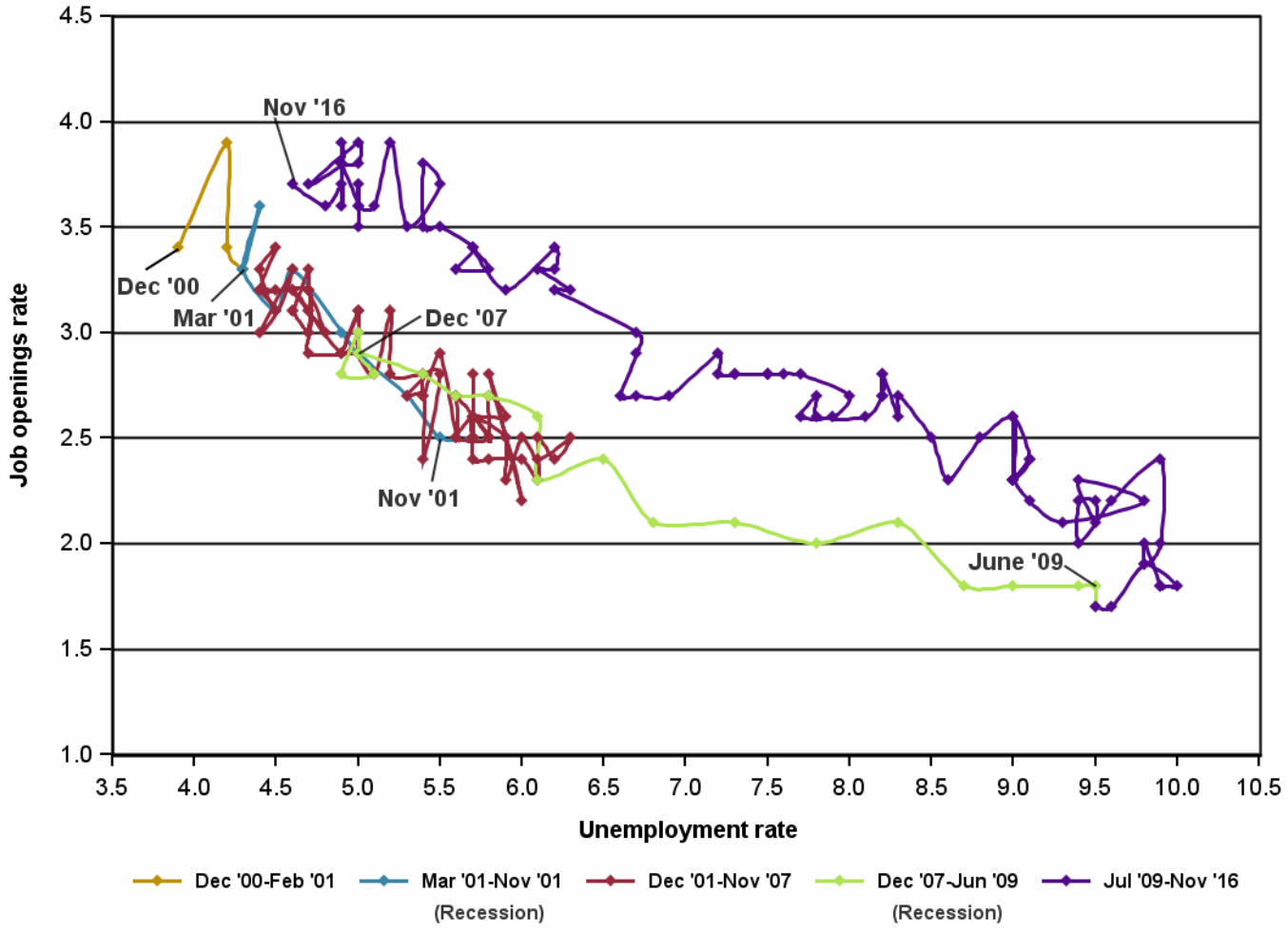


Source: Bureau of Labor Statistics, Current Employment Statistics and Job Openings and Labor Turnover Survey, January 10, 2017.

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

- There were 5.2 million hires in November 2016. Hires are near their prerecession levels.
- Total separations are near their prerecession levels, at 5.0 million in November 2016.

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



Source: Bureau of Labor Statistics, Current Population Survey and Job Openings and Labor Turnover Survey, January 10, 2017.

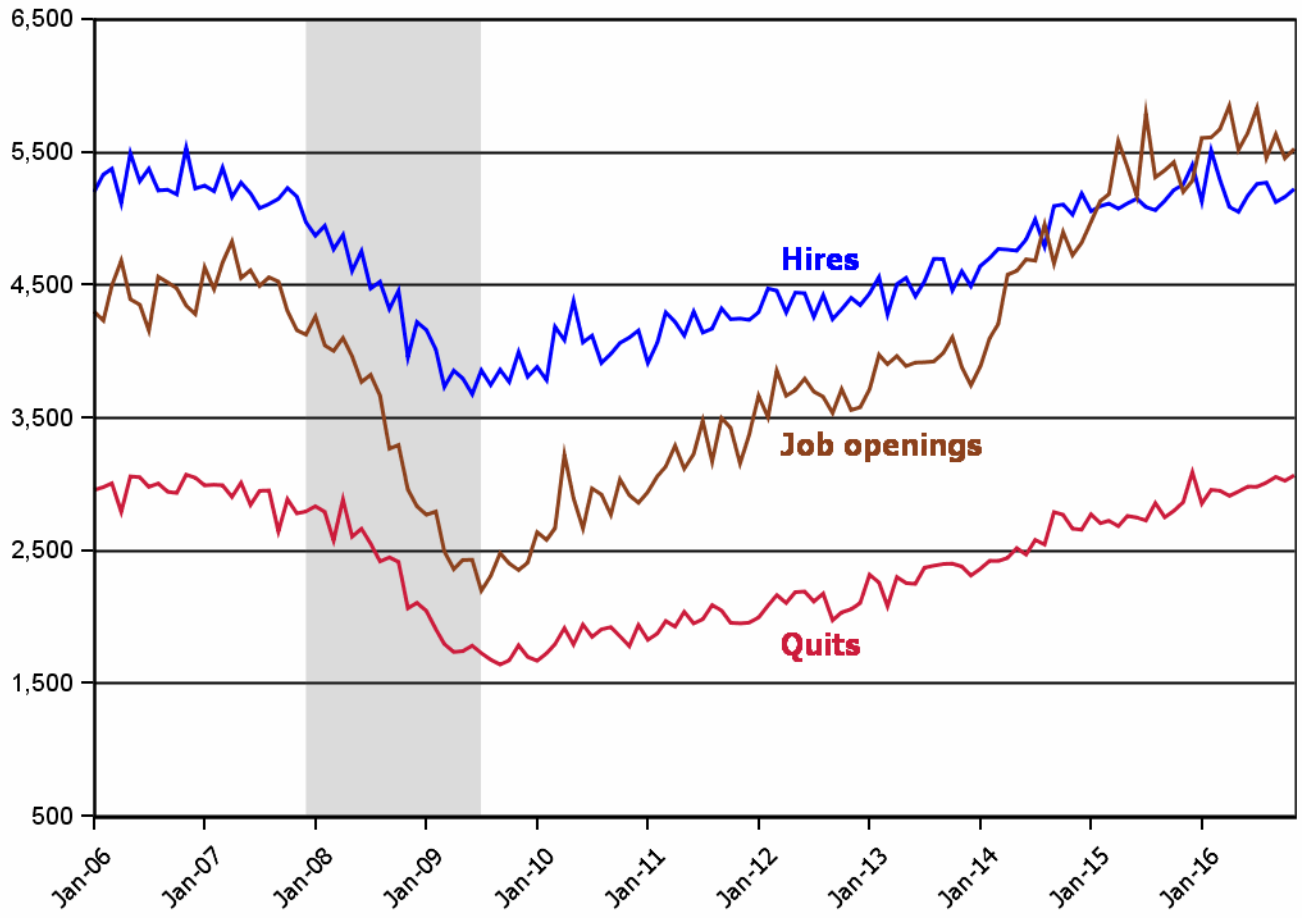
- The graph plots the job openings rate against the unemployment rate. This graphical representation is known as the Beveridge Curve, named after the British economist William Henry Beveridge (1879-1963). The economy's position on the downward sloping Beveridge Curve reflects the state of the business 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, the series trended lower and further to the right as the job openings rate declined and the unemployment rate rose. From 2010 to the present, the series has been trending up and to the left as the job openings rate increased and the unemployment rate decreased.

- In November 2016, the unemployment rate was 4.6 percent and the job openings rate was 3.7 percent. This job openings rate corresponds to a higher unemployment rate than it did before the most recent recession.

Chart 5. Job openings, hires, and quits
Seasonally adjusted, in thousands

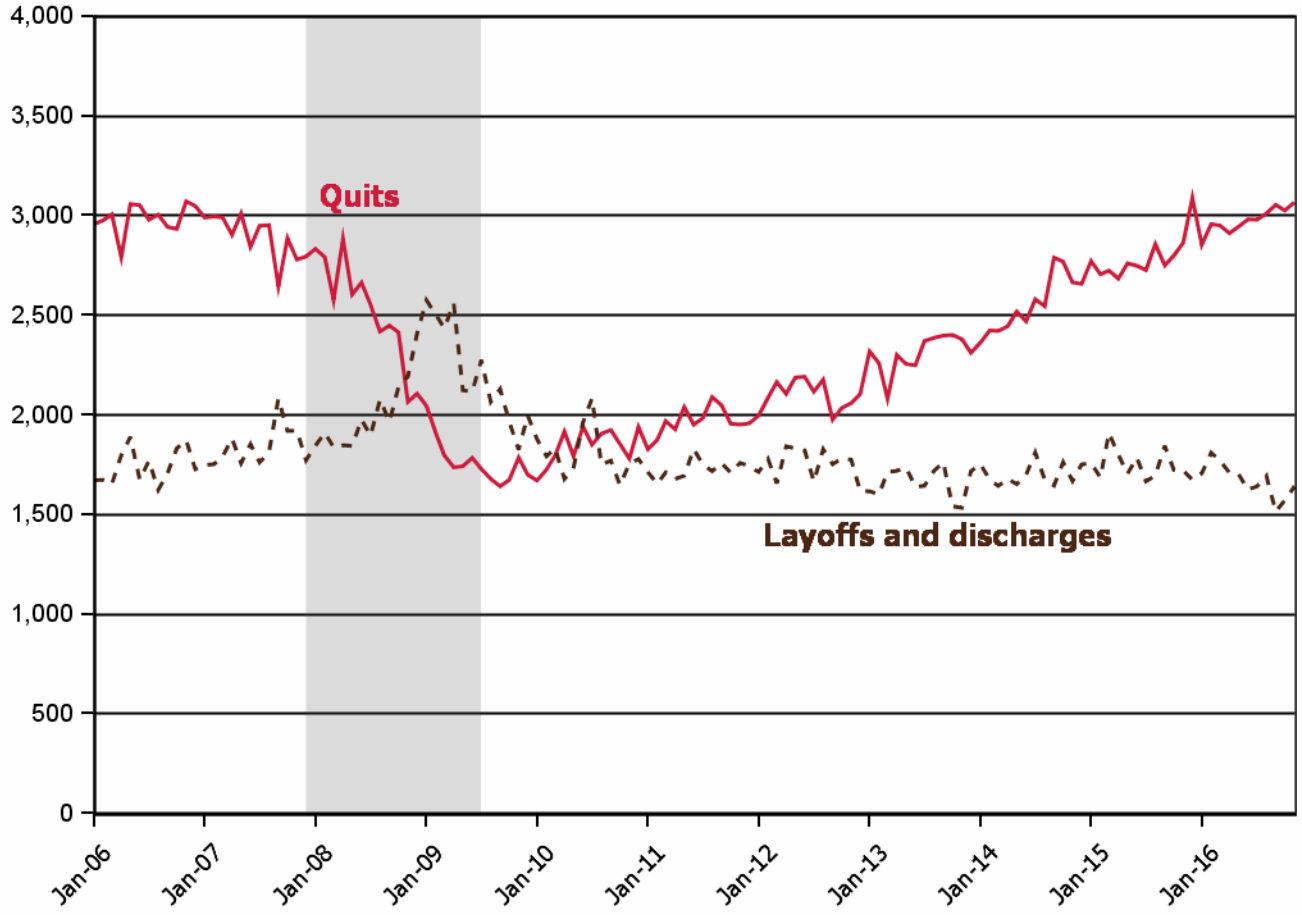


Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, January 10, 2017.

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

- Job openings have increased since their low in July 2009. They returned to their prerecession level in March 2014 and surpassed their prerecession peak in August 2014. There were 5.5 million open jobs on the last business day of November 2016.
- Hires have increased since their low in June 2009 and are near their prerecession levels. In November 2016, there were 5.2 million hires.
- Quits have increased since their low in September 2009 and are near their prerecession levels. In November 2016, there were 3.1 million quits.
- The number of hires (measured throughout the month) has exceeded the number of job openings (measured only on the last business day of the month) for most of the JOLTS history. Since February 2015, this relationship has changed as job openings have outnumbered hires in most months.
- At the end of the most recent recession in June 2009, there were 1.2 million more hires throughout the month than there were job openings on the last business day of the month. In November 2016, there were 303,000 fewer hires than job openings.

Chart 6. Quits and layoffs and discharges
Seasonally adjusted, in thousands



Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey, January 10, 2017.

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 JOLTS history. During the latest recession, this relationship changed as layoffs and discharges outnumbered quits from November 2008 through March 2010.
- The difference between the number of quits and the number of layoffs and discharges has been increasing since April 2010. In November 2016, there were 1.4 million more quits than layoffs and discharges.
- In November 2016, there were 3.1 million quits and 1.6 million layoffs and discharges.