

NEWS BRIEF

Provided by: The Hilb Group

Job Openings Rise in July, With Employee Quits Trending Down

The U.S. Bureau of Labor Statistics (BLS) recently released its July [Job Openings and Labor Turnover Summary](#). The month's reported number of job openings rose to 11.2 million in July, compared with 11 million in June. Openings in July were well above the estimate and still outnumbered unemployed workers by about 5.5 million.

Job openings notably increased across many sectors, including the following:

- Transportation, warehousing and utilities
- Arts, entertainment and recreation
- Federal government
- State and local government education

Conversely, job openings decreased in durable goods manufacturing. The July BLS numbers reinforced that there is still a considerable shortage of workers for available positions, with openings outnumbering available workers by a nearly 2-to-1 margin.

Employee quits, a top worker confidence metric, slightly dipped from 4.25 million in June to 4.18 million at the end of July. The report also revealed the employee quit rate declined one-tenth of a percentage point to 2.7%. Nonetheless, this number is still relatively high by historical standards.

Employer Takeaway

The number of openings remains high as the demand for workers outweighs the supply. As such, many employers are struggling to fill positions, and experts expect talent challenges to continue.

These challenges have resulted in increased labor costs for employers as they raise wages and offer

competitive benefits and other perks to attract talent. The trends also demonstrate that workers remain confident enough to switch jobs for better pay and working conditions despite economic pressures like inflation.

Furthermore, changing jobs has proven lucrative for workers during the pandemic era. According to the Federal Reserve Bank of Atlanta, those who have found different jobs have experienced an average annual wage growth rate of 6.7%, which is well ahead of the 4.9% rate of those who have stayed in their positions.

Employers should continue to monitor employment trends of the evolving market to stay competitive.

Contact The Hilb Group for more resources.

