



February 2023

Job Market Summary

TalentRise's monthly summary of the employment landscape, staffing updates, and industry trends

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Overview

3.6% 

Unemployment rate edged up

Both the unemployment rate, at 3.6 percent, and the number of unemployed persons, at 5.9 million edged up in February. These measures have shown little net movement since early 2022.

1.1M 

Long-term unemployed—unchanged

The number of long-term unemployed (those jobless for 27 weeks or more), at 1.1 million, changed little in February and accounted for 17.6 percent of the total unemployed.

62.5% 

Labor force participation—little changed

In February, the labor force participation rate was little changed at 62.5 percent, and the employment-population ratio held at 60.2 percent. These measures have shown little net change since early 2022 and remain below their pre-pandemic February 2020 levels (63.3 percent and 61.1 percent, respectively).

[View unemployment rates by state](#)

[Learn More: Bureau of Labor Statistics](#)



Overview

\$33.09 

Average hourly earnings rose \$0.08

In February, average hourly earnings for all employees on private nonfarm payrolls rose by 8 cents, or 0.2 percent, to \$33.09. Over the past 12 months, average hourly earnings have increased by 4.6 percent. In February, average hourly earnings of private-sector production and nonsupervisory employees rose by 13 cents, or 0.5 percent, to \$28.42.

1.3M 

Number of permanent job losers increased

Among the unemployed, the number of permanent job losers rose by 123,000 to 1.3 million in February. The number of persons on temporary layoff increased by 82,000.

0.1% 

GDP projected to increase

Economists surveyed in February projected GDP in 1Q 2023 will increase 0.1 percent.

The *Wall Street Journal* conducts an Economic Forecasting Survey among a group of nearly 80 economists on more than 10 major economic indicators on a quarterly basis, including GDP.

[Learn More: Bureau of Labor Statistics](#) | [American Staffing Association](#)



Staffing Update

1.97%

Temp penetration rate

Temporary help employment was 1.97 percent of total nonfarm employment in February.

2.8%

Temp help jobs decreased

Temporary help jobs in February decreased 2.8 percent, seasonally adjusted, from the same month last year.

+311K

Nonfarm payroll employment up

Total nonfarm payroll employment increased by 311,000 in February, compared with the average monthly gain of 343,000 over the prior six months.

Notable job gains occurred in

- Leisure and hospitality
- Retail
- Health care



[Learn More: Bureau of Labor Statistics](#) | [American Staffing Association](#)



Industry Trends – **Contract Workers**

57% of business leaders have had layoffs in the past three months.

56% of business leaders plan to have layoffs in the coming six months.

53% of business leaders have moved full-time employees to contract positions in the past three months.

40% of companies are hiring contractors to replace laid-off workers.

Of the companies hiring contract workers:

- 78 percent are hiring for more contract positions now compared to previous years.
- 71 percent are hiring contractors to save money.
- 80 percent use contract workers to carry out responsibilities previously assigned to laid-off employees.
- 52 percent of business leaders anticipate that full-time employees will move to contract positions.



Industry Trends – The “Great Regret”

80% of workers who quit in the ‘Great Resignation’ have regrets.

68% of employees have attempted to get their jobs back.

27% of employers have rehired employees that left during the “Great Resignation.”

89% of Gen Zers regret swapping jobs during this time.

“The “Great Regret” is the latest workplace trend to sweep the nation, with the majority of professionals who quit their jobs last year wishing they could get a do-over.”



Industry Trends – Direct Sourcing



39% of organizations that use contingent workers rely on direct sourcing.

50% of contingent workforce managers expect to increase their future direct sourcing development.

65% of companies utilize direct sourcing due to a need for greater access to talent/skills.

Other direct sourcing organizational drivers:

- 62 percent need staffing models that significantly reduce costs.
- 61 percent want to leverage their employer brand as a talent magnet.
- 56 percent need faster hiring.
- 55 percent are searching for innovation in CW programs.
- 52 percent desire to increase the quality of hire/hiring manager satisfaction.

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