



December 2021 Employment Update

Acara's monthly overview of the employment landscape, staffing updates, and industry trends





Overview

3.9% 

Unemployment rate
declined by 0.3%

The unemployment rate edged down by 0.3 percentage point to 3.9 percent. The number of unemployed persons, at 6.3 million, fell by 483,000. Over the year, these measures are down by 2.8 percentage points and 4.5 million, respectively. In February 2020, prior to the coronavirus pandemic, the unemployment rate was 3.5 percent, and unemployed persons numbered 5.7 million.

2.0M 

Long-term unemployed
declined in December

The number of long-term unemployed (those jobless for 27 weeks or more) declined by 185,000 to 2.0 million in December. This measure is down from 4.0 million a year earlier but is 887,000 higher than in February 2020. The long-term unemployed accounted for 31.7 percent of the total unemployed in December.

61.9% 

Labor force participation
rate was unchanged

The labor force participation rate was unchanged at 61.9 percent in December. The participation rate is 1.5 percentage points lower than in February 2020.

[View unemployment rates by state](#)

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



Overview

\$31.31 

Average hourly earnings rose \$0.19

The average hourly earnings for all employees on private nonfarm payrolls increased by 19 cents to \$31.31. Over the past 12 months, average hourly earnings have increased by 4.7 percent.

1.7M 

Number of permanent job losers down

Among the unemployed, the number of permanent job losers, at 1.7 million, declined by 202,000 in December and is down by 1.8 million over the year. The number of persons on temporary layoff was little changed at 812,000 in December but is down by 2.3 million over the year. The number of permanent job losers in December is 408,000 higher than in February 2020, while the number on temporary layoff has essentially returned to its February 2020 level.

4.2% 

GDP projected to increase

Economists surveyed in January projected GDP in 1Q 2022 will increase 4.2%.

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

1.87% 

Temp penetration rate

Temporary help employment was 1.87 percent of total nonfarm employment in December, down from 1.88 last month.

6.4% 

Temp help jobs increased

Temporary help jobs in December increased 6.4 percent, seasonally adjusted, from the same month last year.

+199K 

Nonfarm payroll employment up

Total nonfarm payroll employment rose by 199,000 in December.

Notable job gains occurred in

- Professional and business services
- Transportation and warehousing
- Construction
- Manufacturing
- Leisure and hospitality



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



Industry Trends

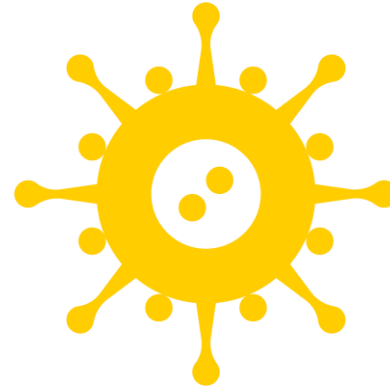
Vaccine Mandate

Federal contractors

The COVID-19 mandate requiring federal contractors and employees of companies that do business with the federal government, be vaccinated by January 4, 2022, has been halted nationwide.

Large businesses

On 12/17/21, the federal Sixth Circuit Court of Appeals granted an emergency motion to dissolve the stay of the federal OSHA COVID-19 vaccine and test mandate for large employers. On 1/7/22, the U.S. Supreme Court will hold oral arguments in the matter on an expedited basis. A ruling from the Court is expected shortly thereafter.



75%

of employers with 100+ employees won't require vaccines if mandate is struck down.

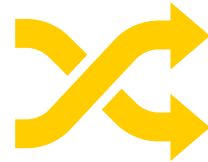
75 percent of respondents to a Society of Human Resource Management (SHRM) survey said they are not likely to require vaccines or testing if the mandate is permanently struck down by the courts. The survey also found that 51 percent of employer's subject to the mandate are waiting to see how current legal challenges unfold before deciding on a vaccination policy.

[The Labor & Employment Law Blog](#) | [The National Law Review](#) | [SHRM](#)



Industry Trends

The Great Resignation of the past year is still in full swing but it's turning into the Great Reshuffle.



The Great Resignation of people taking sabbaticals, early retirement, or dropping out of the workforce for care responsibilities continues. But we are seeing more than just resignations. Workers are reconfiguring what their career looks like and leveraging the current hiring crisis to find a better position. The pandemic helped people discover what they want out of work, and they are now searching for jobs that pay more and better align with their values. The number of self-employed people in the U.S. rose by 500,000 since the pandemic. Roles that were previously geographically off limits are viable due to the surge in remote opportunities.

20%

increase in resignation rates for employees between 30 and 45

Millennials are leading the exodus from the workplace. Resignation rates for employees between the ages of 30 and 45 increased 20 percent between 2020 and 2021.

54%

increase in year-over-year job transitions



The LinkedIn team tracked the percentage of their members (nearly 800 million globally) who changed their job in their profile and found that job transitions have increased 54 percent year-over-year.

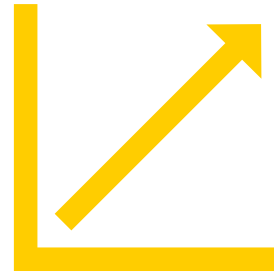
[BBC](#) | [Time](#) | [SHRM](#)



Industry Trends

Inflation increased by the largest percentage since 1982 and is

up by 6.8%

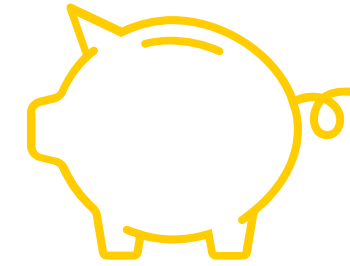


From November 2020 to November 2021, the CPI increased 6.8 percent. This represents the largest 12-month increase since the period ending June 1982.

U.S. price growth is predicted to stay elevated until the middle of 2022.

U.S. Treasury Secretary Janet Yellen expects inflation to stay elevated until the middle of 2022.

45%



of households are being hurt by price increases

About 1 in 10 said that the hardship of price increases was severe enough to affect their standard of living. The effects were felt most by lower-income households, with 71 percent of those making less than \$40,000 a year compared with 47 percent for middle-income households and 29 percent of those considered upper-income.

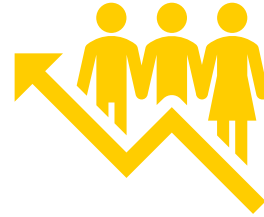
[The Washington Post](#) | [Business Insider](#) | [U.S. Bureau of Labor Statistics](#)



Industry Trends

83%

of the jobs lost in March and April of 2020 have now been recovered.



83 percent (18.5 million) of the 22.4 million jobs lost in March and April of 2020 have now been recovered. The financial activities and transportation and warehousing industries have now fully returned to pre-pandemic levels.

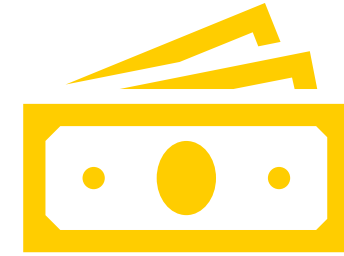
23%

who have been unemployed for 52 weeks or longer are people of color.

Black people account for 13% of the U.S. population but make up 23 percent of workers who have been unemployed from 52 weeks or longer.

41%

of organizations plan for a higher salary increase budget in 2022.



41 percent of organizations plan on having a higher salary increase budget in 2022 than they did in 2021. Last year, just under 10 percent of organizations planned a higher budget increase than the prior year.

[salary.com](https://www.salary.com) | [U.S. Department of Labor](https://www.dhs.gov)