



December 2022 Employment Update

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





Overview

3.5%

Unemployment rate edged down

The unemployment rate edged down to 3.5 percent in December and has remained in a narrow range of 3.5 percent to 3.7 percent since March. The number of unemployed persons edged down to 5.7 million in December.

1.1M

Long-term unemployed—declined

The number of long-term unemployed (those jobless for 27 weeks or more) declined by 146,000 to 1.1 million in December. This measure is down from 2.0 million a year earlier. The long-term unemployed accounted for 18.5 percent of all unemployed persons.

62.3%

Labor force participation—little changed

The labor force participation rate was little changed at 62.3 percent. The employment-population ratio increased by 0.2 percentage point over the month to 60.1 percent. Both measures have shown little net change since early 2022. These measures are each 1.0 percentage point below their values in February 2020, prior to the coronavirus (COVID-19) pandemic.

[View unemployment rates by state](#)

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



Overview

\$32.82 

Average hourly earnings rose \$0.09

In December, average hourly earnings for all employees on private nonfarm payrolls rose by 9 cents, or 0.3 percent, to \$32.82. Over the past 12 months, average hourly earnings have increased by 4.6 percent. In December, average hourly earnings of private-sector production and nonsupervisory employees rose by 6 cents, or 0.2 percent, to \$28.07.

1.3M 

Number of permanent job losers little changed

Among the unemployed, the number of permanent job losers fell by 12,000 to 1.3 million in December. The number of persons on temporary layoff changed little at 8,000.

0.2% 

GDP projected to decrease

Economists surveyed in December projected GDP in 1Q 2023 will decrease 0.2 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

1.98% 

Temp penetration rate

Temporary help employment was 1.98 percent of total nonfarm employment in December.

1.1% 

Temp help jobs decreased

Temporary help jobs in December decreased 1.1 percent, seasonally adjusted, from the same month last year.

+223K 

Nonfarm payroll employment up

Total nonfarm payroll employment increased by 223,000 in December. Payroll employment rose by 4.5 million in 2022 (an average monthly gain of 375,000), less than the increase of 6.7 million in 2021.

Notable job gains occurred in

- Leisure and hospitality
- Health care
- Construction
- Social assistance



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



Industry Trends – Pay transparency

46% of employers cite possible employee reactions as a reason for holding back on pay transparency.

38% of companies that currently disclose pay rates are seeing more questions from current employees.

27% of companies that currently disclose pay rates are getting more questions from prospective employees.



1 in 20 workers will quit if they find out they're making less than their coworkers.

63% of workers making less than their coworkers will demand a raise for equal pay.

[CNBC](#) | [SHRM](#)



Industry Trends – Recruiter demand

60% decrease in recruiter job postings.

Between January and September 2022, companies slowed hiring and recruiter job postings fell 60 percent in the U.S.

50% reduction in tech industry recruiting staff.

Tech industry companies that have made job cuts have, on average, reduced their recruiting staff by around 50 percent and HR staff by 48 percent. Tech recruiter job postings have fallen to about 2,500 compared to 364,900+ last year.

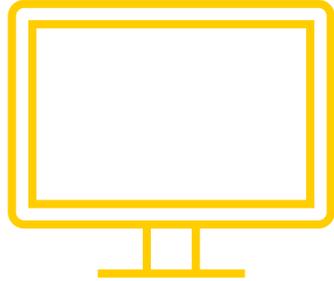


“As the labor market cools, demand for recruiters is waning. In fact, new LinkedIn data shows recruiter job openings have been sharply declining since January 2022, though openings remain significantly higher than they were before the pandemic.”

[LinkedIn](#) | [Protocol](#) | [HR Digest](#)



Industry Trends – **Tech and DE&I**



62% of U.S. tech jobs are held by white Americans.

83% of tech executives are white.

26% of tech jobs are held by women.

85,000+

tech workers have lost their jobs in 2022.

When they cut positions rather than evaluate individual workers, organizations experience as much as a 22 percent reduction in Black, Hispanic, and Asian men on their management teams.

When they lay off workers based on seniority or a “last-hired, first-fired” approach, tech employers lose nearly 19 percent of their share of white women and 14 percent of Asian men in management.

[SHRM](#)