



*United States Congress*

# Joint Economic Committee

EST. 1946 Republicans

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## July 2024

# Employment Situation

Released August 2, 2024

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### **Core Statistics**

#### **From June to July:**

- Nonfarm payroll employment increased by 114K.
  - Private sector payroll employment increased by 97K.
  - Government payroll employment increased by 17K.
- The headline unemployment rate (U-3) increased by 0.2 percentage points to 4.3 percent.
  - The broadest measure of unemployment (U-6, which adds underemployment to unemployment) increased by 0.4 percentage points to 7.8 percent.
- The labor force participation rate (LFPR) increased 0.1 percentage points to 62.7 percent.

#### **From July 2023 to July 2024:**

- For all employees on private nonfarm payrolls:
  - Average nominal weekly earnings increased by 3.33 percent.
  - Average nominal hourly earnings increased by 3.63 percent.
- For production and nonsupervisory employees on private nonfarm payrolls:
  - Average nominal weekly earnings increased by 3.52 percent.
  - Average nominal hourly earnings increased by 3.82 percent.

### **Economic Analysis**

- The total private diffusion index is under 50 for the first time since April 2020.
  - This means that more private industries lost jobs than gained.
- See the JEC website for additional analysis of today's release.

**Table 1. Labor Indicators**

Aug 2, 2024

	<b>Jul 2024</b>	<b>Jun 2024</b>	<b>Difference</b>
Jobs Added (thousands)			
Nonfarm	114K	179K	<b>-65K</b>
Total Private	97K	136K	<b>-39K</b>
Unemployment			
Official Rate (U-3)	4.3%	4.1%	<b>0.2pp</b>
Broader Rate (U-6)	7.8%	7.4%	<b>0.4pp</b>
Labor Force Participation Rate			
16 years and older	62.7%	62.6%	<b>0.1pp</b>
Prime age (24 to 54 years)	84.0%	83.7%	<b>0.3pp</b>
Employment-to-Population Ratio	60.0%	60.1%	<b>-0.1pp</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff

Note: Consistent with Bureau of Labor Statistics, month-over-month figures are seasonally adjusted. Discrepancy from monthly figures due to rounding.

**Table 2. Nominal Average Earnings**

Aug 2, 2024

	<b>Jul 2024</b>	<b>Jun 2024</b>	<b>Difference</b>
<b>Production Non-Supervisory</b>			
Hourly Earnings			
M/M	0.3%	0.3%	<b>0.0pp</b>
Y/Y	3.8%	4.0%	<b>-0.2pp</b>
Weekly Earnings			
M/M	0.0%	0.6%	<b>-0.6pp</b>
Y/Y	3.5%	4.0%	<b>-0.5pp</b>
<b>All Employees</b>			
Hourly Earnings			
M/M	0.2%	0.3%	<b>-0.1pp</b>
Y/Y	3.6%	3.8%	<b>-0.2pp</b>
Weekly Earnings			
M/M	-0.1%	0.3%	<b>-0.4pp</b>
Y/Y	3.3%	3.5%	<b>-0.2pp</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff

Note: Consistent with Bureau of Labor Statistics, month-over-month figures are seasonally adjusted. Discrepancy from monthly figures due to rounding.

**Table 3. BLS Revisions**

Aug 2, 2024

	<b>First</b>	<b>Second</b>	<b>Third</b>	<b>Net Revision</b>
Nonfarm Jobs Added (thousands)				
Jun 2024	206K	179K		<b>-27K</b>
May 2024	272K	218K	216K	<b>-56K</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff

Note: Consistent with Bureau of Labor Statistics, revisions are seasonally adjusted.

**Table 4. ADP Estimate**

Aug 2, 2024

	<b>BLS</b>	<b>ADP</b>	<b>Difference</b>
Private Nonfarm Jobs Added (thousands)	97K	122K	<b>-25K</b>

**Source:** Bureau of Labor Statistics, Automatic Data Processing (ADP): National Employment Report, JEC Republican Staff

Note: Difference is reported as an absolute value.

# June 2024

# Job Openings and Labor Turnover Survey

Released July 30, 2024

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## Core Statistics

**Job Openings:** The total number of nonfarm job openings decreased 46K m/m to 8.184 million and the rate stood at 4.9 percent.

- Accommodation and food services increased 120K m/m.
- Durable goods manufacturing decreased 88K m/m.

**Hires:** The total number of nonfarm hires decreased 314K to 5.341 million and the rate decreased 0.2pp to 3.4 percent m/m.

- Most industries experienced decreased hires in June. The largest decrease was in professional and business services, decreasing 115K m/m.

**Separations<sup>1</sup>:** The total number of nonfarm separations decreased 302K m/m to 5.095 million and the rate decreased 0.2pp to 3.2 percent.

- Quits decreased 121K m/m to 3,282K and the rate stood at 2.1 percent.
- Layoffs and discharges decreased 180K m/m to 1,498K and the rate decreased 0.2pp to 0.9 percent.
- Other separations decreased 2K m/m to 314K and the rate stood at 0.2 percent.

## Economic Context

- The latest ratio of job openings per unemployed person was 1.20 (note: this data is from June)
- Revisions: In May, job openings were revised up 90K, hires were revised down 101K, and separations was revised down by 25K.

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<sup>1</sup> "Total separations include quits, layoffs and discharges, and other separations. Quits are generally voluntary separations initiated by the employee. Therefore, the quits rate can serve as a measure of workers' willingness or ability to leave jobs. Layoffs and discharges are involuntary separations initiated by the employer. Other separations include separations due to retirement, death, disability, and transfers to other locations of the same firm." Bureau of Labor Statistics

**Table 5. JOLTS Level Indicators**

Jul 30, 2024

	<b>Jun 2024</b>	<b>May 2024</b>	<b>Difference</b>
Job Opening Level (thousands)			
Nonfarm	8,184K	8,230K	<b>-46K</b>
Total Private	7,090K	7,192K	<b>-102K</b>
Hire Level (thousands)			
Nonfarm	5,341K	5,655K	<b>-314K</b>
Total Private	4,983K	5,291K	<b>-308K</b>
Separation Level (thousands)			
Nonfarm	5,095K	5,397K	<b>-302K</b>
Total Private	4,806K	5,050K	<b>-244K</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff

Note: Consistent with Bureau of Labor Statistics, month-over-month figures are seasonally adjusted. Discrepancy from monthly figures due to rounding

**Table 6. JOLTS Rate Indicators**

Jul 30, 2024

	<b>May 2024</b>	<b>Apr 2024</b>	<b>Difference</b>
Job Opening Rate			
Nonfarm	4.9%	4.9%	<b>0.0pp</b>
Total Private	5.0%	5.1%	<b>-0.1pp</b>
Hire Rate			
Nonfarm	3.4%	3.6%	<b>-0.2pp</b>
Total Private	3.7%	3.9%	<b>-0.2pp</b>
Separation Rate			
Nonfarm	3.2%	3.4%	<b>-0.2pp</b>
Total Private	3.6%	3.7%	<b>-0.1pp</b>

**Source:** Bureau of Labor Statistics, JEC Republican Staff

Note: Consistent with Bureau of Labor Statistics, month-over-month figures are seasonally adjusted. Discrepancy from monthly figures due to rounding

## Upcoming Data Releases

Date	Time (EDT)	Release	Source
Aug 06	3:00 PM	Monthly Statement of the Public Debt	U.S. Treasury
Aug 12	2:00 PM	Monthly Treasury Statement	U.S. Treasury
Aug 14	8:30 AM	Consumer Price Index	Bureau of Labor Statistics
Aug 16	10:00 AM	State Employment	Bureau of Labor Statistics
Aug 30	8:30 AM	Personal Income and Outlays	Bureau of Economic Analysis
Sep 04	10:00 AM	Job Openings and Labor Turnover Survey	Bureau of Labor Statistics
Sep 06	8:30 AM	Employment Situation	Bureau of Labor Statistics

### Legend

m/m = month over month; y/y = year over year

pp = percentage points