

# Job openings, hires, and quits reach historic highs in 2018

*According to data from the U.S. Bureau of Labor Statistics Job Openings and Labor Turnover Survey, job openings and hires continued to trend upward in 2018, with both job openings and hires reaching their highest levels since the series began in December 2000. The number of annual quits in 2018 reached its highest level in the history of the series as well.*

Data elements from the Job Openings and Labor Turnover Survey (JOLTS) generally trended upward for total nonfarm, total private, and in many component industries over 2018. In November 2018, the seasonally adjusted job openings level reached 7.6 million, the highest monthly level since the job openings series began in December 2000. The annual hires level increased from 65.7 million in 2017 to 68.9 million in 2018. The annual total separations level increased from 63.5 million in 2017 to 66.1 million in 2018.

Within total separations, annual quits rose from 37.7 million in 2017 to 40.1 million in 2018. Layoffs and discharges edged up from 21.6 million in 2017 to 21.9 million in 2018. Other separations edged down from 4.2 million in 2017 to 4.1 million in 2018.

This article reviews 2018 JOLTS data at the total nonfarm level, as well as by industry and by region.<sup>[1]</sup> JOLTS produces monthly data on job openings, hires, quits, layoffs and discharges, and other separations from a sample of approximately 16,000 establishments. The JOLTS sample consists of establishments from all 50 states, the District of Columbia, and all nonfarm industries as classified by the North American Industry Classification System (NAICS).<sup>[2]</sup> This sample allows publication of data by four census regions and by select two-digit NAICS codes. For definitions of JOLTS terms, see accompanying box.



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## Definitions of JOLTS terms\*

### Job Openings

Job openings information is collected for the last business day of the reference month. A job opening requires that (1) a specific position exists and work is available for that position, (2) work could start within 30 days whether or not the employer found a suitable candidate, and (3) the employer is actively recruiting from outside the establishment to fill the vacancy. Included are full-time, part-time, permanent, short-term, and seasonal openings. Active recruiting means that the establishment is taking steps to fill an opening by advertising in newspapers or on the internet, posting help-wanted signs, accepting applications, or using other similar methods.

Jobs to be filled only by internal transfers, promotions, or recall from layoffs are excluded. Also excluded are jobs with start dates more than 30 days in the future, jobs for which employees have been hired but have not yet reported for work, and jobs to be filled by employees of temporary help agencies, employee leasing companies, outside contractors, or consultants. The job openings rate is computed by dividing the number of job openings by the sum of employment and job openings and multiplying the quotient by 100.

### Hires

The hires level is the total number of additions to the payroll occurring at any time during the reference month, including both new and rehired employees; full-time, part-time, permanent, short-term, and seasonal employees; employees recalled to the location after a layoff lasting more than 7 days; on-call or intermittent employees who returned to work after having been formally separated; and transfers from other locations. The hires count does not include transfers or promotions within the reporting site, employees returning after being on strike, employees of temporary help agencies or employee leasing companies, outside contractors, or consultants. The hires rate is computed by dividing the number of hires by employment and multiplying that quotient by 100.

### Separations

The separations level is the total number of employment terminations occurring at any time during the reference month and is reported by type of separation: quits, layoffs and discharges, and other separations. (Some respondents are only able to report total separations.) The quits count includes voluntary separations by employees (except for retirements, which are reported as other separations). The layoffs and discharges count is made up of involuntary separations initiated by the employer and includes layoffs with no intent to rehire; formal layoffs lasting or expected to last more than 7 days; discharges resulting from mergers, downsizing, or closings; firings or other discharges for cause; terminations of permanent or short-term employees; and terminations of seasonal employees. The other separations count includes retirements, transfers to other locations, deaths, and separations due to disability.

The separations count does not include transfers within the same location or employees on strike. The separations rate is computed by dividing the number of separations by employment and multiplying the

resulting quotient by 100. The quits, layoffs and discharges, and other separations rates are computed similarly.

\* From U.S. Bureau of Labor Statistics, *Handbook of methods*, chapter 18, “Job Openings and Labor Turnover Survey,” p. 2, <https://www.bls.gov/opub/hom/pdf/homch18.pdf>.

## Job openings

The job openings level is a procyclical measure of demand; job openings tend to increase during economic expansions and decrease during economic contractions.[3] More job openings generally indicate that employers need additional workers—that is, it is a sign of increased demand for labor and overall confidence in the economy. Job openings and employment are closely linked and tend to rise and fall together. It is also notable in this context that the National Bureau of Economic Research cites the number of employees on nonfarm payrolls as a coincident economic indicator.[4]

On a seasonally adjusted basis, the number of job openings reached a monthly series high of 7.6 million in November 2018, which indicates that the demand side of the labor force continued to improve. In fact, during 2018, both the number of job openings and the level of employment from the Current Employment Statistics survey trended higher than in previous years.[5] Not seasonally adjusted monthly job openings rose from a December 2017 level of 5.7 million to a December 2018 level of 6.9 million, a 22-percent increase.[6] (See table 1.)

**Table 1. Over-the-year change in level and percentage of job openings, by industry and region, not seasonally adjusted, December 2016 to December 2018 (levels in thousands)**

Industry and region	Level by month and year			Over-the-year change, December 2016–December 2017		Over-the-year change, December 2017–December 2018	
	December 2016	December 2017	December 2018	Level	Percent	Level	Percent
Total nonfarm	5,285	5,673	6,921	388	7.3	1,248	22.0
Industry							
Total private	4,760	5,127	6321	367	7.7	1,194	23.3
Mining and logging	22	21	29	-1	-4.5	8	38.1
Construction	138	180	299	42	30.4	119	66.1
Manufacturing	338	377	435	39	11.5	58	15.4
Durable goods	187	231	298	44	23.5	67	29.0
Nondurable goods	151	146	137	-5	-3.3	-9	-6.2
Trade, transportation, and utilities	899	1265	1350	366	40.7	85	6.7

See footnotes at end of table.

**Table 1. Over-the-year change in level and percentage of job openings, by industry and region, not seasonally adjusted, December 2016 to December 2018 (levels in thousands)**

Industry and region	Level by month and year			Over-the-year change, December 2016–December 2017		Over-the-year change, December 2017–December 2018	
	December 2016	December 2017	December 2018	Level	Percent	Level	Percent
Wholesale trade	187	208	163	21	11.2	-45	-21.6
Retail trade	556	845	868	289	52.0	23	2.7
Transportation, warehousing, and utilities	156	213	318	57	36.5	105	49.3
Information	76	123	123	47	61.8	0	0.0
Financial activities	380	349	373	-31	-8.2	24	6.9
Finance and insurance	287	265	310	-22	-7.7	45	17.0
Real estate and rental and leasing	94	84	63	-10	-10.6	-21	-25.0
Professional and business services	936	806	1275	-130	-13.9	469	58.2
Education and health services	1,144	1,094	1294	-50	-4.4	200	18.3
Educational services	95	85	91	-10	-10.5	6	7.1
Healthcare and social assistance	1049	1,009	1204	-40	-3.8	195	19.3
Leisure and hospitality	578	717	893	139	24.0	176	24.5
Arts, entertainment, and recreation	69	67	102	-2	-2.9	35	52.2
Accommodation and food services	510	650	791	140	27.5	141	21.7
Other services	247	196	250	-51	-20.6	54	27.6
Government	525	546	600	21	4.0	54	9.9
Federal	149	84	87	-65	-43.6	3	3.6
State and local	376	462	514	86	22.9	52	11.3
Education	134	156	210	22	16.4	54	34.6
Excluding education	243	305	304	62	25.5	-1	-0.3
Region							
Northeast	956	1031	1154	75	7.8	123	11.9
South	2,001	2,006	2,672	5	0.2	666	33.2
Midwest	1,144	1,333	1,619	189	16.5	286	21.5
West	1,185	1,303	1,476	118	10.0	173	13.3

Note: Details may not sum to totals because of rounding.  
Source: U.S. Bureau of Labor Statistics.

### Job openings by industry

Monthly job openings, not seasonally adjusted, were up over the year from December 2017 to December 2018 in 14 out of 19 industries. The largest over-the-year increases in job openings occurred in construction (66.1 percent), professional and business services (58.2 percent), and arts, entertainment, and recreation (52.2 percent). Industries with the largest declines over the year include real estate and rental and leasing (-25.0 percent), wholesale trade (-21.6 percent), and nondurable goods manufacturing (-6.2 percent). (See table 1.)

During 2018, the seasonally adjusted job openings level for 10 industries reached historic highs. These industries include healthcare and social assistance, at 1.3 million in December; retail trade, at 1.1 million in November; and accommodation and food services, at 974,000 in September. (See table 2.)

**Table 2. Monthly series highs by industry and region, seasonally adjusted, 2018**

Data element	Industry	Month	Level
Job openings	Mining and logging	April	37,000
Job openings	Construction	June	323,000
Job openings	Retail trade	November	1.1 million
Job openings	Trade, transportation, and utilities	September	349,000
Job openings	Educational services	June	145,000
Job openings	Healthcare and social assistance	December	1.3 million
Job openings	Arts, entertainment, and recreation	June	161,000
Job openings	Accommodation and food services	September	974,000
Job openings	State and local government education	October	231,000
Job openings	State and local government, excluding education	August	382,000
Hires	Mining and logging	May	45,000
Hires	Transportation, warehousing, and utilities	October	277,000
Hires	Educational services	December	124,000
Hires	Healthcare and social assistance	October	618,000
Hires	Accommodation and food services	July	944,000
Hires	Other services	May	270,000
Hires	State and local government, excluding education	July	186,000
Quits	Transportation, warehousing, and utilities	May	133,000
Quits	Educational services	October	66,000
Quits	Healthcare and social assistance	August	400,000
Quits	Arts, entertainment, and recreation	October	89,000
Quits	Accommodation and food services	August	683,000
Quits	State and local government education	November	96,000
Layoffs and discharges	State and local government, excluding education	July	88,000
Other separations	Professional and business services	July	101,000
Other separations	Arts, entertainment, and recreation	September	9,000
	<b>Region</b>		
Job openings	Northeast	November	1.3 million
Job openings	South	November	2.9 million
Job openings	Midwest	November	1.8 million
Job openings	West	August	1.7 million
Hires	South	October	2.4 million
Quits	South	October	1.4 million
Quits	West	August	856,000

Source: U.S. Bureau of Labor Statistics.

### **Job openings by region**

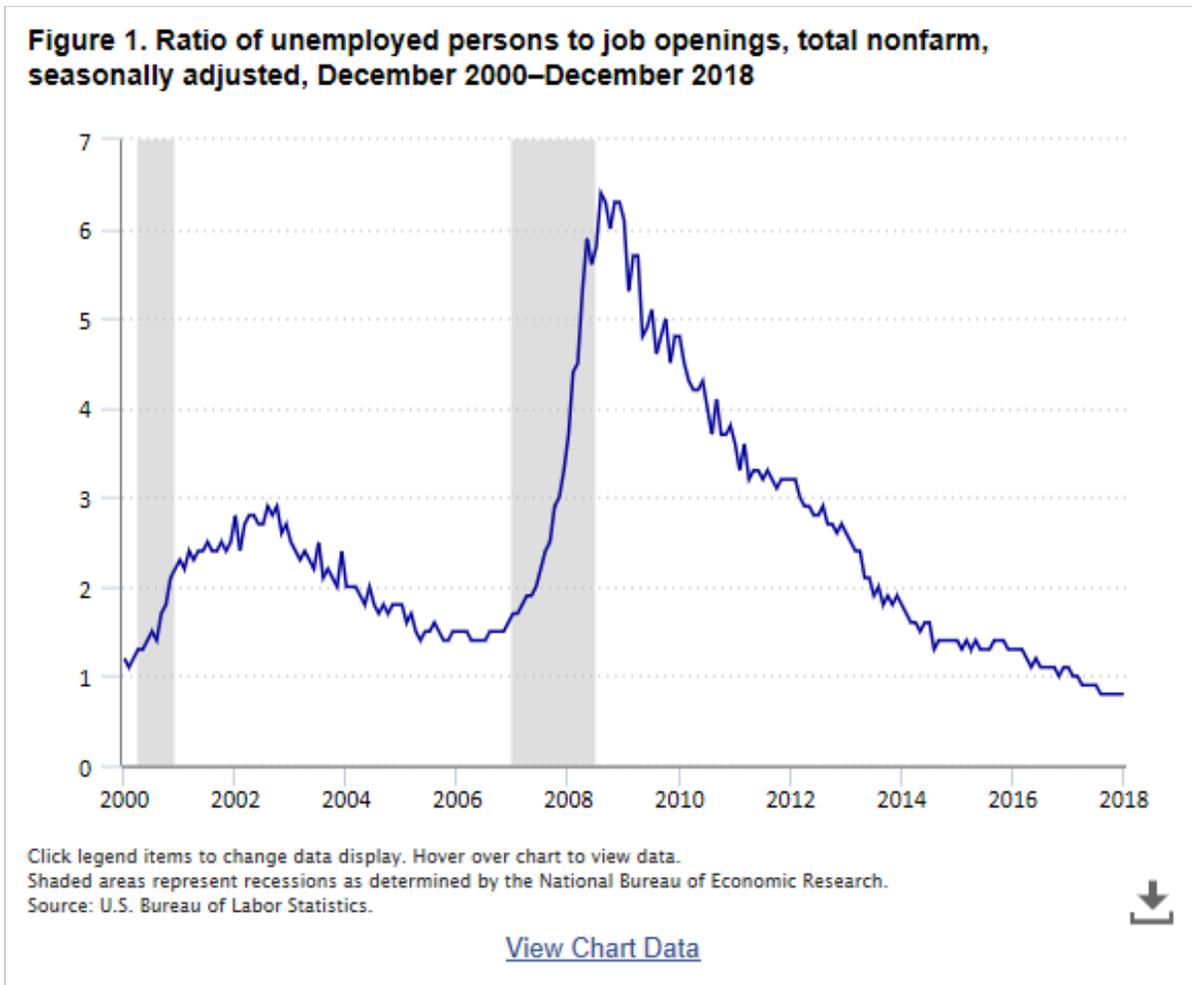
All four census regions experienced upward trends in job openings from December 2017 to December 2018. The largest regional upward trend was in the South, at 33.2 percent. The Midwest rose 21.5 percent, followed by the West (13.3 percent) and Northeast (11.9 percent). (See table 1.)

All four regions reached historic highs for the number of seasonally adjusted job openings in 2018. In the South, job openings reached a high of 2.9 million in November 2018. In the Midwest, job openings reached a high of 1.8 million job openings in November 2018. In the West, job openings reached a high of 1.7 million in August 2018, and in the Northeast, there were a record number of job openings, at 1.3 million in November 2018. (See table 2.)

## Job openings and unemployment

One way to analyze job openings and unemployment is to consider the ratio of unemployed people to job openings. To calculate this ratio, using data from the Current Population Survey, divide the number of people who are unemployed by the number of job openings. Job openings and unemployment levels generally move in opposite directions. That is, when the economy is strong, job openings are higher and unemployment is lower, causing the ratio to decrease. The situation reverses as the economy weakens—unemployment increases and job openings decrease, leading to a higher ratio. Because of this countercyclical behavior, the ratio of the number of unemployed people to job openings provides a metric that helps describe the current state of the economy.<sup>[7]</sup>

When the most recent recession began in December 2007, the number of unemployed people per job opening was 1.7.<sup>[8]</sup> The ratio peaked at 6.4 in July 2009, the month after the recession officially ended. In 2018, the ratio of unemployed people to job openings went below 1.0 for the first time, further declining to a series low of 0.8 from July through December. (See figure 1.)



## Hires

Like job openings, hires is a procyclical measure. The hires level has increased each year since the end of the most recent recession in 2009. The monthly level for hires climbed to a series high of 5.9 million in October 2018. Total annual hires has risen for 9 consecutive years, increasing 5.0 percent, from 65.7 million in 2017 to 68.9 million in 2018. In comparison, annual hires increased 3.1 percent from 2016 to 2017. (See table 3.)

**Table 3. Over-the-year change in level and percentage of annual hires, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Total	63,724	65,669	68,949	1,945	3.1	3,280	5.0
Industry							
Total private	59,515	61,526	64,569	2,011	3.4	3,043	4.9
Mining and logging	292	373	470	81	27.7	97	26.0
Construction	4,067	4,593	4,544	526	12.9	-49	-1.1

See footnotes at end of table.

**Table 3. Over-the-year change in level and percentage of annual hires, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Manufacturing	3,351	3,986	4,403	635	18.9	417	10.5
Durable goods	1,924	2,238	2,517	314	16.3	279	12.5
Nondurable goods	1,426	1,750	1,886	324	22.7	136	7.8
Trade, transportation, and utilities	12,866	12,659	13,870	-207	-1.6	1,211	9.6
Wholesale trade	1,644	1,653	1,754	9	0.5	101	6.1
Retail trade	8,798	8,487	9,242	-311	-3.5	755	8.9
Transportation, warehousing, and utilities	2,425	2,515	2,874	90	3.7	359	14.3
Information	982	1,020	1,084	38	3.9	64	6.3
Financial activities	2,402	2,531	2,516	129	5.4	-15	-0.6
Finance and insurance	1,598	1,657	1,651	59	3.7	-6	-0.4
Real estate and rental and leasing	803	870	865	67	8.3	-5	-0.6
Professional and business services	13,332	13,440	13,866	108	0.8	426	3.2
Education and health services	7,687	8,010	8,260	323	4.2	250	3.1
Educational services	1,114	1,141	1,184	27	2.4	43	3.8
Healthcare and social assistance	6,573	6,866	7,073	293	4.5	207	3.0
Leisure and hospitality	12,219	12,227	12,920	8	0.1	693	5.7
Arts, entertainment, and recreation	1,907	2,037	2,227	130	6.8	190	9.3
Accommodation and food services	10,312	10,189	10,694	-123	-1.2	505	5.0
Other services	2,313	2,692	2,636	379	16.4	-56	-2.1
Government	4,211	4,143	4,378	-68	-1.6	235	5.7
Federal	414	382	420	-32	-7.7	38	9.9
State and local	3,796	3,762	3,962	-34	-0.9	200	5.3
Education	1,844	1,826	2,050	-18	-1.0	224	12.3
Excluding education	1,950	1,937	1,913	-13	-0.7	-24	-1.2
Region							
Northeast	10,194	10,492	10,652	298	2.9	160	1.5
South	24,399	25,910	27,208	1,511	6.2	1,298	5.0
Midwest	14,342	14,348	15,527	6	0.0	1,179	8.2
West	14,791	14,916	15,563	125	0.8	647	4.3

Note: Details may not sum to totals because of rounding.  
Source: U.S. Bureau of Labor Statistics.

### Hires by industry

Annual hires rose in 14 out of 19 industries in 2018, and they fell in 5 industries. The largest percentage increases in annual hires levels in 2018 were in mining and logging (26.0 percent); transportation, warehousing, and utilities (14.3 percent); and durable goods manufacturing (12.5 percent). The largest percentage declines in hires occurred in other services (-2.1 percent), state and local government excluding education (-1.2 percent), and construction (-1.1 percent). (See table 3.)

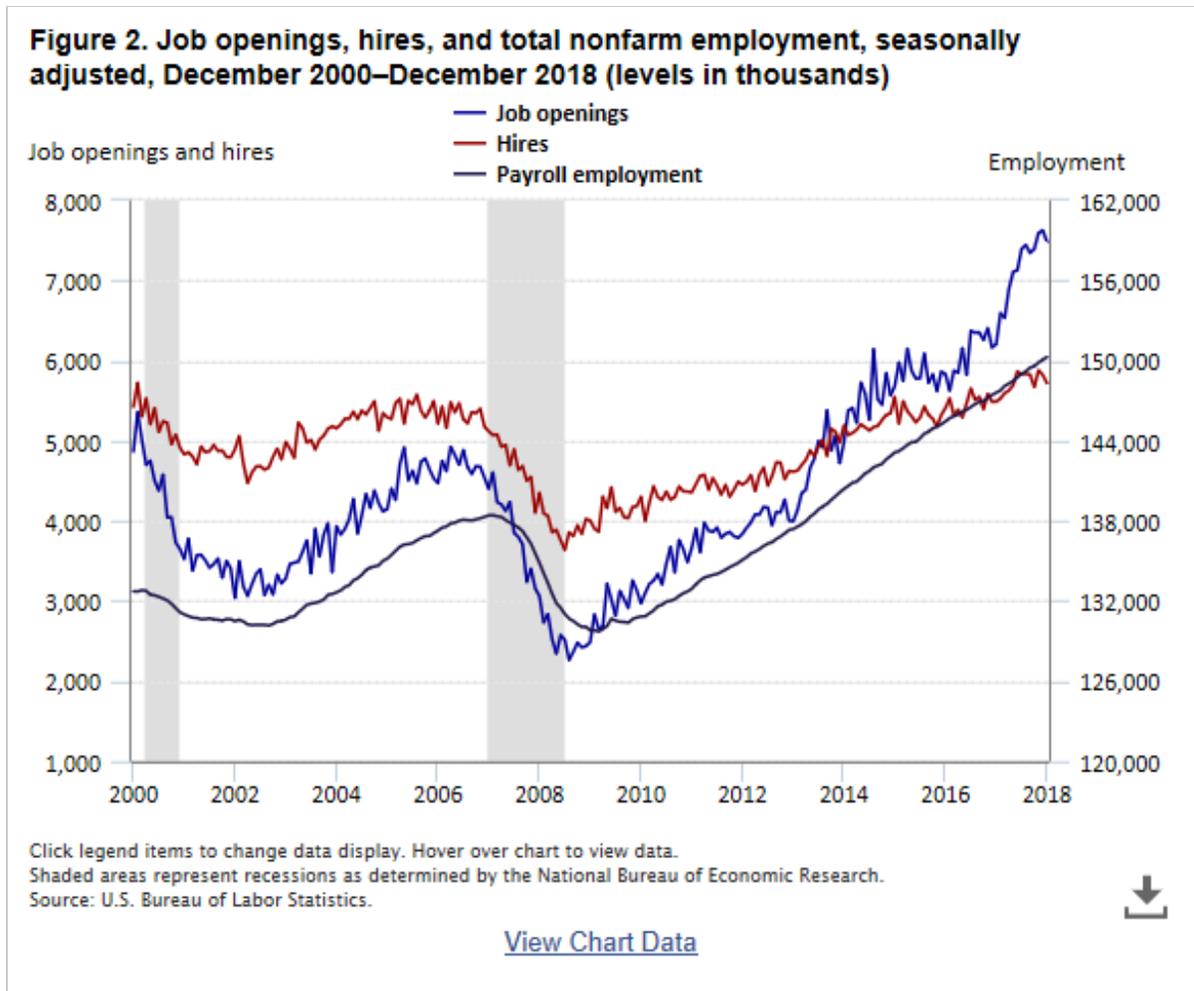
Seven industries reached their highest levels ever recorded for hires in 2018 (seasonally adjusted). The top three of these industries include accommodation and food services (944,000), healthcare and social assistance (618,000), and transportation, warehousing, and utilities (277,000). (See table 2.)

### ***Hires by region***

Among the regions, the highest percentage increase in annual hires in 2018 occurred in the Midwest, which rose 8.2 percent (not seasonally adjusted). Annual hires also increased in the Northeast (1.5 percent), South (5.0 percent) and West (4.3 percent). (See table 3.) In addition, the South reached its highest recorded level, at 2.4 million hires (seasonally adjusted) in October 2018 (See table 2.).

### **Hires and job openings**

Following steady growth in the number of job openings after the end of the most recent recession, job openings started to increase more rapidly in early 2014. Hires also increased after the recession, but at a slower pace than job openings. The monthly number of total nonfarm hires has exceeded the number of job openings for most of the history of the job openings series; however, in 2014 job openings exceeded hires (which is generally not expected because hires is a full-month or flow measure and job openings is a 1-day snapshot or stock measure). When the number of job openings exceeds the number of hires, it may suggest that employers have unmet demand for workers. The last time hires exceeded job openings was in December 2014. (See figure 2.)



## Total separations

The annual number of total separations (quits, layoffs, and discharges), also referred to as labor turnover, increased by 4.2 percent from 2017 to 2018, or from 63.5 million to 66.1 million. The level of total separations has risen annually for 8 consecutive years. (See table 4.)

**Table 4. Over-the-year change in level and percentage of annual total separations, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Total	61,509	63,454	66,097	1,945	3.2	2,643	4.2
Industry							
Total private	57,439	59,400	61,907	1,961	3.4	2,507	4.2
Mining and logging	395	328	406	-67	-17.0	78	23.8
Construction	3,923	4,281	4,227	358	9.1	-54	-1.3

See footnotes at end of table.

**Table 4. Over-the-year change in level and percentage of annual total separations, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

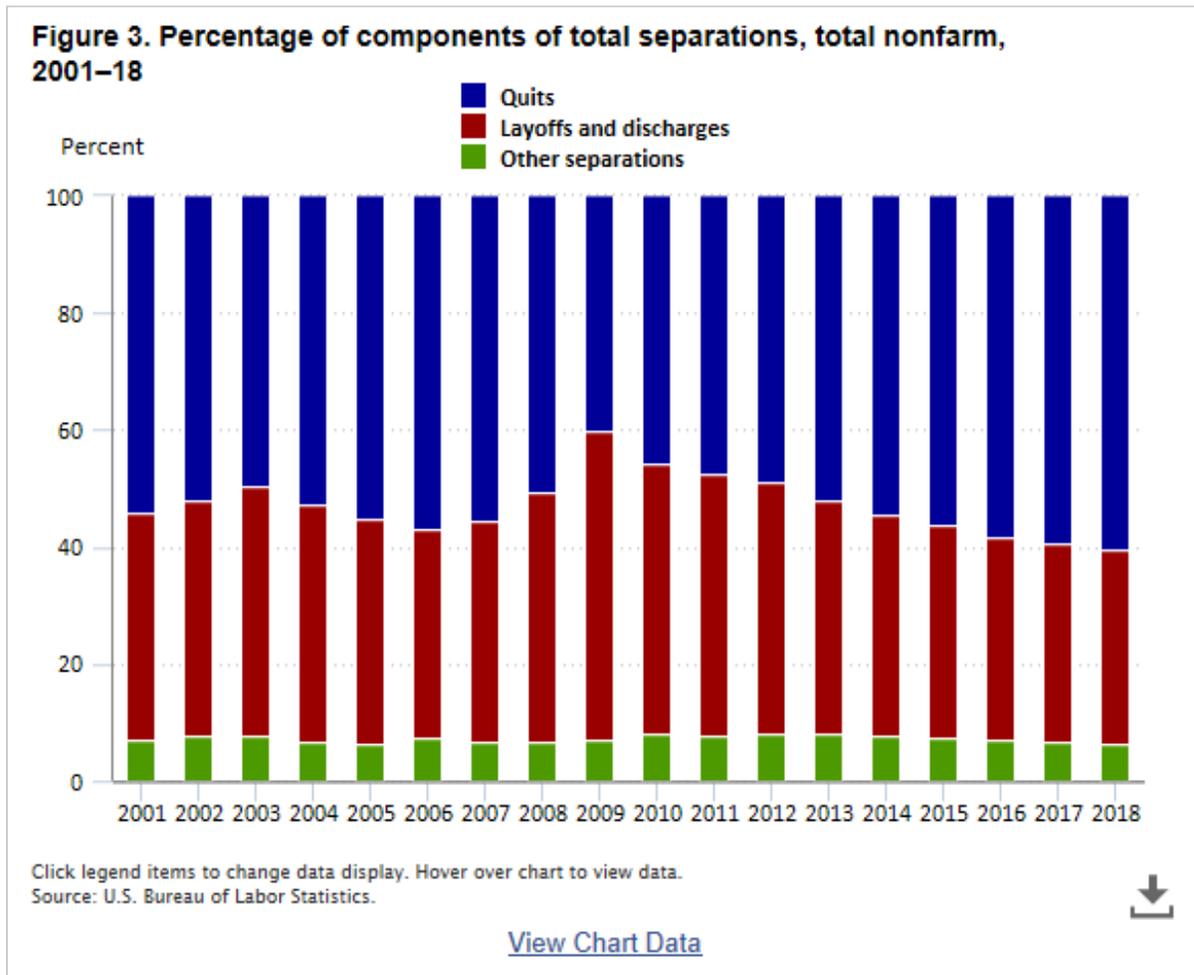
Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Manufacturing	3,366	3,812	4,137	446	13.3	325	8.5
Durable goods	1,980	2,120	2,297	140	7.1	177	8.3
Nondurable goods	1,386	1,694	1,841	308	22.2	147	8.7
Trade, transportation, and utilities	12,482	12,502	13,564	20	0.2	1,062	8.5
Wholesale trade	1,614	1,625	1,684	11	0.7	59	3.6
Retail trade	8,626	8,534	9,236	-92	-1.1	702	8.2
Transportation, warehousing, and utilities	2,244	2,341	2,642	97	4.3	301	12.9
Information	929	1,009	1,086	80	8.6	77	7.6
Financial activities	2,218	2,386	2,401	168	7.6	15	0.6
Finance and insurance	1,468	1,579	1,602	111	7.6	23	1.5
Real estate and rental and leasing	751	807	797	56	7.5	-10	-1.2
Professional and business services	13,013	13,018	13,301	5	0.0	283	2.2
Education and health services	7,102	7,550	7,694	448	6.3	144	1.9
Educational services	1,034	1,063	1,107	29	2.8	44	4.1
Healthcare and social assistance	6,070	6,487	6,589	417	6.9	102	1.6
Leisure and hospitality	11,762	11,900	12,545	138	1.2	645	5.4
Arts, entertainment, and recreation	1,824	1,956	2,092	132	7.2	136	7.0
Accommodation and food services	9,938	9,942	10,452	4	0.0	510	5.1
Other services	2,246	2,610	2,549	364	16.2	-61	-2.3
Government	4,072	4,055	4,188	-17	-0.4	133	3.3
Federal	372	402	410	30	8.1	8	2.0
State and local	3,699	3,653	3,780	-46	-1.2	127	3.5
Education	1,816	1,767	1,932	-49	-2.7	165	9.3
Excluding education	1,884	1,887	1,845	3	0.2	-42	-2.2
Region							
Northeast	9,898	10,298	10,110	400	4.0	-188	-1.8
South	23,647	25,110	26,175	1,463	6.2	1,065	4.2
Midwest	13,807	13,822	14,703	15	0.1	881	6.4
West	14,157	14,225	15,107	68	0.5	882	6.2

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics.

The total separations category includes quits, layoffs and discharges, and other separations. Each of these data elements has its own unique trend and cyclical movements. Quits are procyclical, meaning they typically rise when the economy expands and fall when the economy contracts. Layoffs and discharges are countercyclical, which means that they typically rise during economic contractions and fall during economic expansions. The other separations data element remains relatively constant over time. Figure 3 shows this relationship by displaying the percentage of total separations attributed to each type of separation. The percentage of quits to total separations

has been increasing since 2009, while the percentage of layoffs and discharges to total separations has been decreasing since 2009.



Annual quits rose slightly over the year, from 37.7 million to 40.1 million. (See table 5.) The annual quits level has risen for 9 consecutive years. Annual layoffs and discharges increased slightly, from 21.6 million in 2017 to 21.9 million in 2018. (See table 6.) Annual other separations declined slightly, from 4.2 million in 2017 to 4.1 million in 2018. (See table 7.)

**Table 5. Over-the-year change in level and percentage of annual quits, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Total nonfarm	35,879	37,692	40,073	1,813	5.1	2,381	6.3
Industry							
Total private	33,836	35,673	37,913	1,837	5.4	2,240	6.3
Mining and logging	162	173	243	11	6.8	70	40.5

See footnotes at end of table.

**Table 5. Over-the-year change in level and percentage of annual quits, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Construction	1,490	1,853	2,055	363	24.4	202	10.9
Manufacturing	1,779	2,294	2,498	515	28.9	204	8.9
Durable goods	998	1,262	1,385	264	26.5	123	9.7
Nondurable goods	780	1,030	1,113	250	32.1	83	8.1
Trade, transportation, and utilities	7,701	7,880	8,548	179	2.3	668	8.5
Wholesale trade	977	1,022	1,049	45	4.6	27	2.6
Retail trade	5,578	5,613	6,020	35	0.6	407	7.3
Transportation, warehousing, and utilities	1,145	1,243	1,478	98	8.6	235	18.9
Information	479	519	575	40	8.4	56	10.8
Financial activities	1,217	1,366	1,391	149	12.2	25	1.8
Finance and insurance	809	913	845	104	12.9	-68	-7.4
Real estate and rental and leasing	407	456	544	49	12.0	88	19.3
Professional and business services	7,140	7,454	7,595	314	4.4	141	1.9
Education and health services	4,642	4,917	5,042	275	5.9	125	2.5
Educational services	569	575	567	6	1.1	-8	-1.4
Healthcare and social assistance	4,071	4,345	4,474	274	6.7	129	3.0
Leisure and hospitality	7,921	7,749	8,470	-172	-2.2	721	9.3
Arts, entertainment, and recreation	809	773	912	-36	-4.4	139	18.0
Accommodation and food services	7,114	6,975	7,557	-139	-2.0	582	8.3
Other services	1,308	1,469	1,501	161	12.3	32	2.2
Government	2,043	2,021	2,159	-22	-1.1	138	6.8
Federal	149	175	189	26	17.4	14	8.0
State and local	1,892	1,842	1,974	-50	-2.6	132	7.2
Education	929	921	1,040	-8	-0.9	119	12.9
Excluding education	964	923	931	-41	-4.3	8	0.9
Region							
Northeast	5,130	5,421	5,375	291	5.7	-46	-0.8
South	14,394	15,313	16,312	919	6.4	999	6.5
Midwest	7,973	8,113	9,008	140	1.8	895	11.0
West	8,383	8,850	9,377	467	5.6	527	6.0

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics.

**Table 6. Over-the-year change in level and percentage of annual layoffs and discharges by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent

See footnotes at end of table.

**Table 6. Over-the-year change in level and percentage of annual layoffs and discharges by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Total nonfarm	21,243	21,581	21,888	338	1.6	307	1.4
<b>Industry</b>							
Total private	19,903	20,242	20,581	339	1.7	339	1.7
Mining and logging	172	129	141	-43	-25.0	12	9.3
Construction	2,241	2,245	2,016	4	0.2	-229	-10.2
Manufacturing	1,295	1,252	1,387	-43	-3.3	135	10.8
Durable goods	802	702	750	-100	-12.5	48	6.8
Nondurable goods	494	550	638	56	11.3	88	16.0
Trade, transportation, and utilities	3,688	3,730	4,190	42	1.1	460	12.3
Wholesale trade	493	488	493	-5	-1.0	5	1.0
Retail trade	2,304	2,300	2,681	-4	-0.2	381	16.6
Transportation, warehousing, and utilities	891	945	1,017	54	6.1	72	7.6
Information	307	397	430	90	29.3	33	8.3
Financial activities	707	685	711	-22	-3.1	26	3.8
Finance and insurance	419	381	497	-38	-9.1	116	30.4
Real estate and rental and leasing	288	302	216	14	4.9	-86	-28.5
Professional and business services	5,199	4,887	4,936	-312	-6.0	49	1.0
Education and health services	1,977	2,062	2,087	85	4.3	25	1.2
Educational services	395	425	469	30	7.6	44	10.4
Healthcare and social assistance	1,580	1,639	1,616	59	3.7	-23	-1.4
Leisure and hospitality	3,471	3,841	3,762	370	10.7	-79	-2.1
Arts, entertainment, and recreation	987	1,145	1,134	158	16.0	-11	-1.0
Accommodation and food services	2,484	2,696	2,631	212	8.5	-65	-2.4
Other services	848	1,011	921	163	19.2	-90	-8.9
Government	1,341	1,338	1,308	-3	-0.2	-30	-2.2
Federal	121	118	92	-3	-2.5	-26	-22.0
State and local	1,222	1,221	1,213	-1	-0.1	-8	-0.7
Education	609	556	607	-53	-8.7	51	9.2
Excluding education	611	665	606	54	8.8	-59	-8.9
<b>Region</b>							
Northeast	4,028	4,123	3,959	95	2.4	-164	-4.0
South	7,527	8,179	8,334	652	8.7	155	1.9
Midwest	4,921	4,863	4,844	-58	-1.2	-19	-0.4
West	4,765	4,413	4,748	-352	-7.4	335	7.6

Note: Details may not sum to totals because of rounding.

Source: U.S. Bureau of Labor Statistics.

**Table 7. Over-the-year change in level and percentage of annual other separations, by industry and region, not seasonally adjusted, 2016–2018 (levels in thousands)**

Industry and region	Level by year			Over-the-year change, 2016 to 2017		Over-the-year change, 2017 to 2018	
	2016	2017	2018	Level	Percent	Level	Percent
Total nonfarm	4,388	4,180	4,136	-208	-4.7	-44	-1.1
<b>Industry</b>							
Total private	3,702	3,484	3,413	-218	-5.9	-71	-2.0
Mining and logging	62	25	21	-37	-59.7	-4	-16.0
Construction	192	181	154	-11	-5.7	-27	-14.9
Manufacturing	292	271	255	-21	-7.2	-16	-5.9
Durable goods	180	155	161	-25	-13.9	6	3.9
Nondurable goods	112	112	90	0	0.0	-22	-19.6
Trade, transportation, and utilities	1,096	892	829	-204	-18.6	-63	-7.1
Wholesale trade	147	116	143	-31	-21.1	27	23.3
Retail trade	744	624	538	-120	-16.1	-86	-13.8
Transportation, warehousing, and utilities	207	155	149	-52	-25.1	-6	-3.9
Information	141	95	81	-46	-32.6	-14	-14.7
Financial activities	297	332	298	35	11.8	-34	-10.2
Finance and insurance	241	284	259	43	17.8	-25	-8.8
Real estate and rental and leasing	57	48	37	-9	-15.8	-11	-22.9
Professional and business services	672	675	773	3	0.4	98	14.5
Education and health services	485	570	567	85	17.5	-3	-0.5
Educational services	65	65	69	0	0.0	4	6.2
Healthcare and social assistance	418	506	498	88	21.1	-8	-1.6
Leisure and hospitality	370	309	314	-61	-16.5	5	1.6
Arts, entertainment, and recreation	27	41	49	14	51.9	8	19.5
Accommodation and food services	341	271	267	-70	-20.5	-4	-1.5
Other services	89	126	128	37	41.6	2	1.6
Government	690	698	725	8	1.2	27	3.9
Federal	102	106	130	4	3.9	24	22.6
State and local	585	590	592	5	0.9	2	0.3
Education	278	292	286	14	5.0	-6	-2.1
Excluding education	306	300	308	-6	-2.0	8	2.7
<b>Region</b>							
Northeast	737	746	774	9	1.2	28	3.8
South	1,724	1,622	1,530	-102	-5.9	-92	-5.7
Midwest	916	848	853	-68	-7.4	5	0.6
West	1,010	966	981	-44	-4.4	15	1.6

Note: Details may not sum to totals because of rounding.  
Source: U.S. Bureau of Labor Statistics.

## Components of separations by industry

As mentioned previously, separations are the total number of employment terminations occurring at any time during the reference month. Separations consist of quits, layoffs and discharges, and other separations. This section of the article discusses what happened in 2018 with the various components of separations.

## ***Quits***

In 2018, the number of annual quits grew in seventeen of nineteen industries, while two industries had fewer quits. The largest percentage increases in annual quits levels in 2018 were in mining and logging (40.5 percent); real estate and rental and leasing (19.3 percent); and transportation, warehousing, and utilities (18.9 percent). The two declines in annual quits were in finance and insurance (−7.4 percent) and educational services (−1.4 percent). Seven of nineteen industries reached historic highs for the annual level of quits. The top three of these industries include accommodation and food services, at 7.6 million, professional and business services, at 7.6 million, and retail trade, at 6.0 million (See table 5.)

Six industries reached monthly seasonally adjusted series highs for quits in 2018. (See table 2.) These industries include accommodation and food services, at 683,000 in August; healthcare and social assistance, at 400,000 in August; and transportation, warehousing, and utilities, at 133,000 in May. (See table 2.)

## ***Layoffs and discharges***

Annual layoffs and discharges dropped in 2018 in 8 of 19 industries, while 11 industries had higher layoffs and discharges. The largest percentage declines in annual layoffs and discharges levels were in real estate and rental and leasing (−28.5 percent), federal government (−22.0 percent), and construction (−10.2 percent). The largest percentage increases in annual layoffs and discharges were in finance and insurance (30.4 percent), retail trade (16.6 percent), and nondurable goods manufacturing (16.0 percent).

Only one industry reached a series low in the annual layoffs and discharges level—real estate and rental and leasing, at 216,000. (See table 6.) The only industry to reach a series high for the seasonally adjusted monthly layoffs and discharges level was state and local government excluding education, at 88,000 in July 2018. Wholesale trade was the only industry to reach a series low for the seasonally adjusted monthly layoffs and discharges level, at 23,000 in May. (See table 2.)

## ***Other separations***

In 2018, annual other separations increased in 8 of 19 industries, whereas 11 industries had fewer annual other separations. The largest percentage increases in annual other separations include wholesale trade (23.3 percent) and federal government (22.6 percent). The largest percentage declines in annual other separations were in real estate and rental and leasing (−22.9 percent) and in nondurable goods manufacturing (−19.6 percent). (See table 7.) Other separations for transportation, warehousing, and utilities dropped to an annual series low of 149,000. Other separations in real estate and rental and leasing, at 37,000, and in mining and logging, at 21,000, also reached new lows. The only industry to reach an annual series high in 2018 was arts, entertainment, and recreation, at 49,000. (See table 7.)

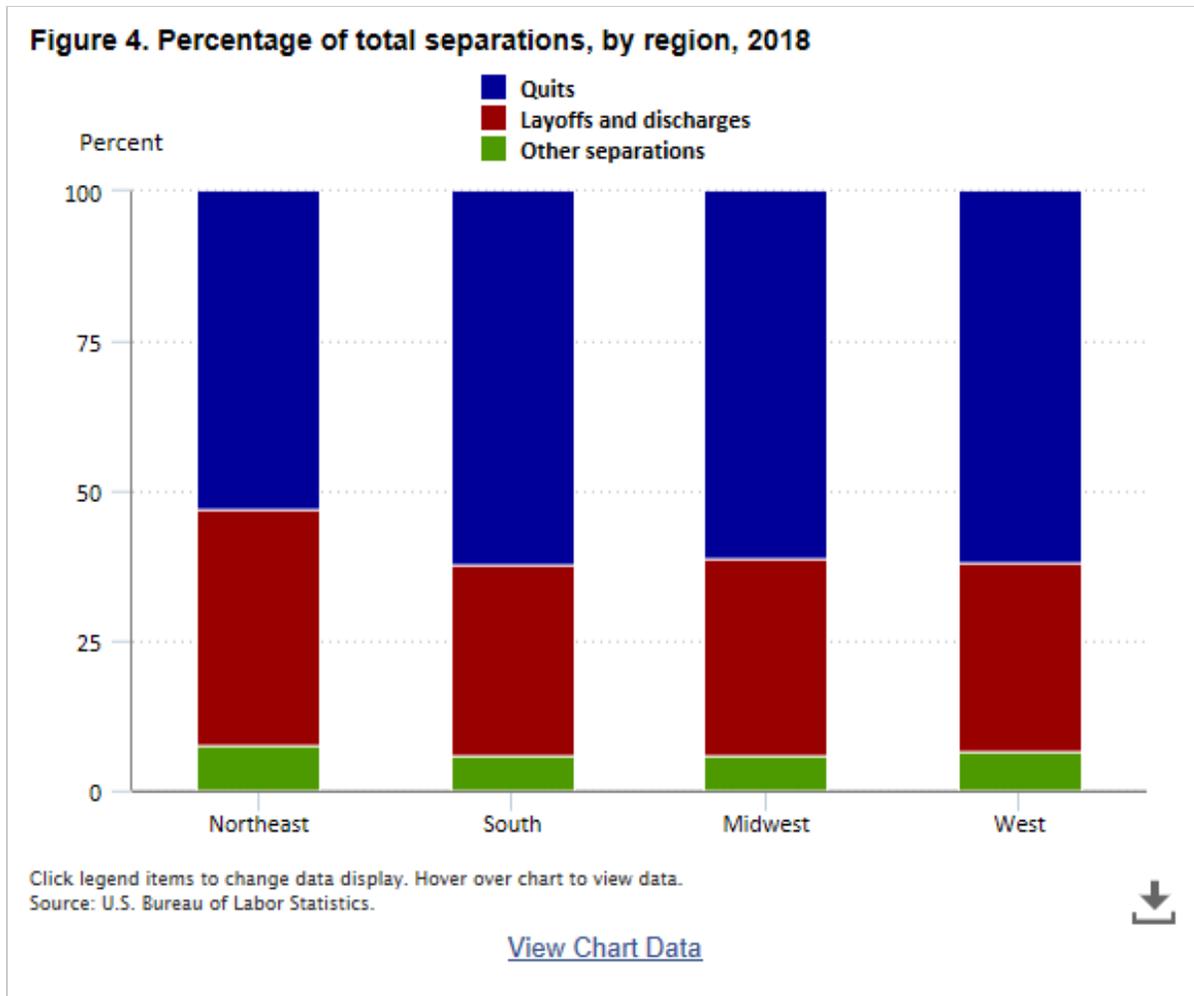
Two industries reached monthly seasonally adjusted highs in other separations in 2018: professional and business services, at 101,000 in July, and arts, entertainment, and recreation, at 9,000 in September. (See table 2.)

## Components of separations by region

The Northeast region had an annual level of 10.1 million total separations in 2018. Within total separations, the Northeast had 5.4 million quits, 4.0 million layoffs and discharges, and 774,000 other separations. In the South region, the annual level of total separations was 26.2 million in 2018, with the quits level at 16.3 million, the layoffs and discharges level at 8.3 million, and the other separations level at 1.5 million. In the Midwest region, the annual total separations level was 14.7 million, with 9.0 million quits, 4.8 million layoffs and discharges, and 853,000 other separations. In the West region, the annual total separations level was 15.1 million, with 9.4 million quits, 4.7 million layoffs and discharges, and 981,000 other separations. (See tables 4–7.)

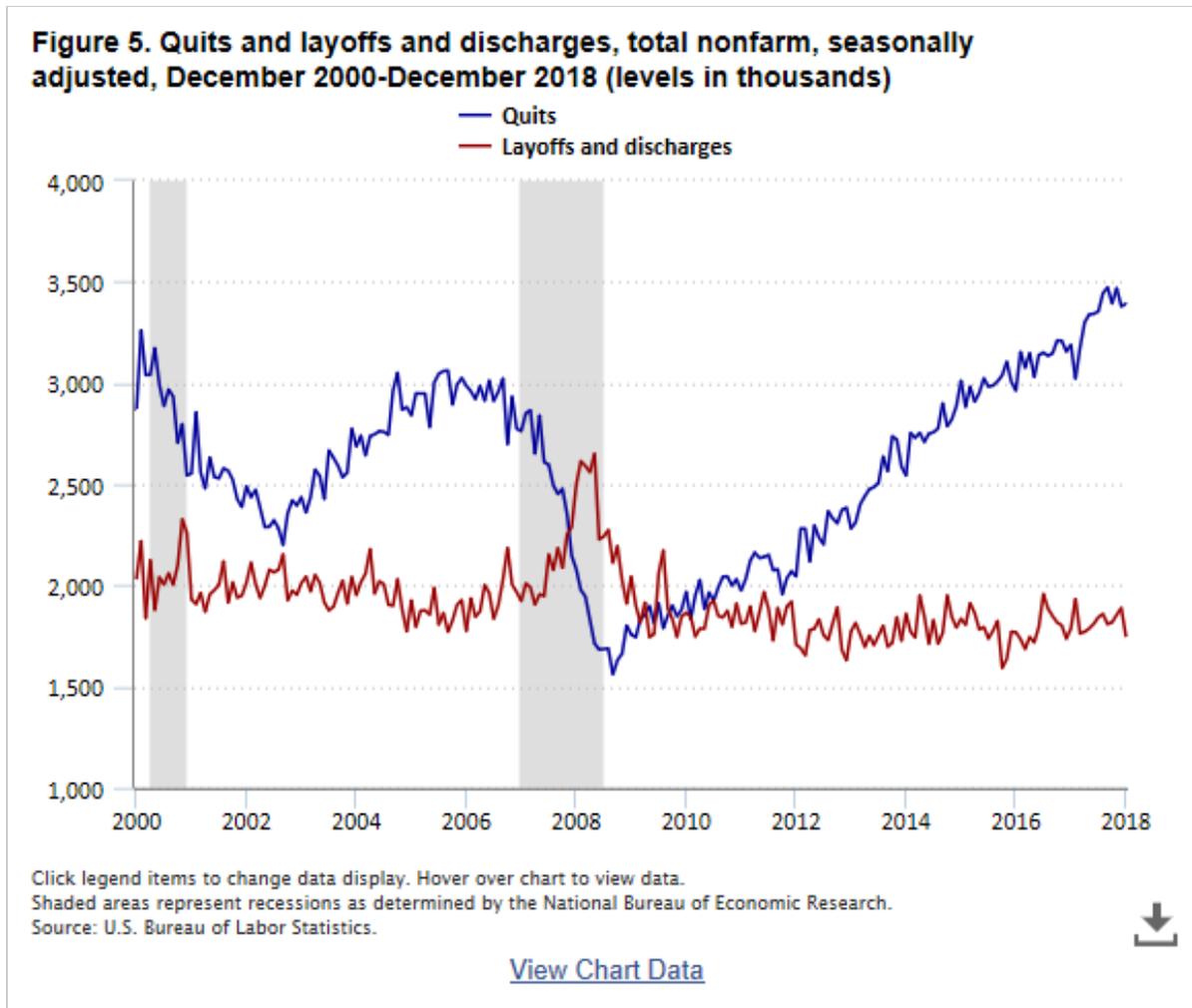
Two of the four regions experienced monthly historical highs in the number of quits in 2018. The number of quits in the South reached 1.4 million in October, and the level in the West reached 856,000 in August. (See table 2.)

An analysis of each region by the components as a percentage of total separations illustrates the different characteristics of the JOLTS data at the regional level. The Northeast region had the smallest percentage of quits within total separations, at 53.2 percent in 2018. The South experienced the highest percentage of quits to total separations, at 62.3 percent. The Northeast region had the largest percentage of layoffs and discharges, at 39.2 percent, while the West region had the lowest percentage, at 31.4 percent. The Northeast had the highest percentage of other separations (7.7 percent), whereas both the South and Midwest regions had the lowest percentage, at 5.8 percent. (See figure 4.)



## Quits compared with layoffs and discharges

From 2009 to 2010, near the end of the most recent recession, layoffs and discharges exceeded quits in most months. As figure 5 illustrates, these two data elements had an inverse relationship during that period. However, excluding this timeframe, quits have generally exceeded layoffs and discharges. In 2018, quits continued to exceed layoffs and discharges.



## Summary

Annual data from the Job Openings and Labor Turnover Survey show that the labor market continued to trend upward throughout 2018. The data also show that hires and quits rose throughout the economy in 2018. The job openings level increased to its highest level since the series began, indicating an increasing demand for labor. Annual hires and quits levels have risen for multiple years now and reached historic highs in 2018.

### SUGGESTED CITATION

Lawrence S. Essien and Montgomery McCarthy, "Job openings, hires, and quits reach historic highs in 2018," *Monthly Labor Review*, U.S. Bureau of Labor Statistics, July 2019, <https://doi.org/10.21916/mlr.2019.18>.

### NOTES

<sup>1</sup> The most detailed geographical level that the JOLTS data can provide are for the Northeast, South, Midwest, and West regions.

<sup>2</sup> When collecting, analyzing, and publishing statistical data related to the U.S. business economy, federal statistical agencies generally use the North American Industry Classification System (NAICS) as the standard to classify business establishments. The 19 major industries for which JOLTS data are available are mining and logging; construction; durable goods manufacturing; nondurable goods manufacturing; wholesale trade; retail trade; transportation, warehousing, and utilities; information; finance and insurance; real estate and rental and leasing; professional and business services; educational services; healthcare and social assistance; arts,

entertainment, and recreation; accommodation and food services; other services; federal government, state and local education; and state and local government, excluding education. For more information, see “North American Industry Classification System: Introduction to NAICS” (U.S. Census Bureau), <https://www.census.gov/eos/www/naics/>. Industries for which JOLTS does not publish data are agricultural establishments (NAICS 11), except logging (NAICS 1133), and private households (NAICS 814110). See BLS *Handbook of Methods*, chapter 18, “Job Openings and Labor Turnover Survey” (U.S. Bureau of Labor Statistics, 2015), <https://www.bls.gov/opub/hom/pdf/homch18.pdf>.

<sup>3</sup> Procyclic is a condition of positive correlation between the value of a good, a service, or an economic indicator and the overall state of the economy. In other words, the value of the good, service, or indicator tends to move in the same direction as the economy, growing when the economy grows and declining when the economy declines.” See *Investopedia* website, definition of “procyclic,” by Will Kenton, April 12, 2018, <http://www.investopedia.com/terms/p/procyclical.asp>.)

<sup>4</sup> See “U.S. business cycle expansions and contractions” (Cambridge, MA: National Bureau of Economic Research, September 20, 2010), <http://www.nber.org/cycles/>.

<sup>5</sup> JOLTS uses current monthly CES employment trends to align the JOLTS implied employment trend (hires minus separations) to be approximately the same. For more information, see the JOLTS methodology webpage at <https://www.bls.gov/jlt/methodologyimprovement.htm>.

<sup>6</sup> The JOLTS program considers job openings a stock measure and does not produce annual totals for job openings.

<sup>7</sup> Countercyclical is a condition of negative correlation between when the value of the good, service, or indicator is “moving in the opposite direction of the overall economic cycle: rising when the economy is weakening, and falling when the economy is strengthening.” For more information, see the definition for countercyclical on the *InvestorWords* website at <http://www.investorwords.com/1166/countercyclical.html>.

<sup>8</sup> See “U.S. business cycle expansions and contractions.”

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