*JOLTS - it's not about electricity*

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Each month the U.S. Bureau of Labor Statistics (BLS) and each of the states report on the number of payroll jobs for the previous month. Most recently, the BLS reported that the nation added 177,000 jobs in April 2025. These reports are the results of a survey that asks employers to report the number of workers they had on their payrolls during the pay period that includes the twelfth of the month. These responses are then used to estimate the level of employment – the number of payroll jobs at a particular point in time. While the net change from month to month often makes headlines (those who were hired into a new job minus those who left or lost a job) the pace of hiring and separations is also important. Hires and separations are reported each month by BLS in the Job Openings and Labor Turnover Survey (JOLTS) report which gives insight into the dynamics in the labor market that underlie the monthly job changes which are more widely reported. For example, in 2024 U.S. jobs increased an average of 168,000 jobs per month, but on average more than 5.4 million workers were hired and started a new job each month while on average more than 5.2 million left or lost a job each month.

 One important insight from the JOLTS report is that the majority of separations are voluntary in nearly every time period. In 2024, less than a third of separations were due to layoffs or discharges. Quits were about twice the level of layoffs and discharges and were mostly due to workers quitting one job to take another. In the first years after the pandemic, the level of quits increased, reaching 4.5 million in March of 2022 – most of these workers quit to take another job. These quits propelled the level of job openings higher as employers needed to replace the workers who quit. The pace of job change and realignment returned to more normal levels in 2024. The average for 2024 for both the level of quits and the level of layoffs and discharges were below 2019 levels – the last full year before the pandemic.

 JOLTS data is also available at the state level and the pattern for Connecticut is similar to the U.S. Payroll jobs increased an average of just over 1,300 per month in 2024 with hires averaging more than 58,000 per month and separations averaging over 56,000 per month. As with the nation, openings and quits both rose in the years just after the pandemic and then fell in 2023 and again in 2024. However, in Connecticut the 2024 average levels of quits and openings were above 2019 levels although well below the extremely high levels reached in 2022.

 Given the dynamic nature of the labor market, it is not useful to look at the number of job openings as a number that needs to be filled over a certain period of time. Job openings are continually being filled as workers are hired into new jobs every day. At the same time, new openings are being created every day as workers retire, quit (most often to move on to another job), and as companies expand or new companies open. The level of openings is helpful in understanding the tightness of the labor market. In Connecticut the number of job openings has exceeded the number unemployed for the past few years, a reversal of the usual historic relationship and an indication that this has been a particularly good period for job seekers. n