

## NCCI LABOR MARKET INSIGHTS

	<b>Employment Char</b>	ige A	vg Hour	ly Earr	nings, Y	<b>'</b> οΥ	Pay	roll Gr	owth,	YoY	
Latest Print	275	ίκ				4.3 %				5.3 %	
1-Year Avg	229				4.5	_			5.9	Э	
3-Year Avg		399			4.7						8.6
5-Year Avg	129 2015–19 Avg		2	015–19	4.5 Δνσ			20	5.6) 15–19		
190 K			2	2.7 %	-			20	4.6 %	108	
Drivers of Pre	mium		Aug	Sep	Oct	Nov	Dec	Jan	Feb		1-`
Net Employment Change (Thous.)			210	246	165	182	290	229	275	1	2
Net Private Employment Change (Thous.)		150	196	98	152	214	177	223		1	
Average Hourly Earnings (y/y %)			4.5	4.5	4.3	4.3	4.3	4.4	4.3		4
Average Hours Worked (Hours)			34.4	34.4	34.3	34.4	34.4	34.2	34.3	2	3
Payroll (Calculated)* Growth (y/y %)			6.3	5.9	5.2	5.7	6.1	4.8	5.3		Ę

\*Calculated Payroll = Total Private Employment \* Average Hourly Earnings \* Average Hours Worked

Drivers of Frequency	Aug	Sep	Oct	Nov	Dec	Jan	Feb	
Unemployment Rate (%)	3.8	3.8	3.8	3.7	3.7	3.7	3.9	3
Labor Force Participation Rate (%)	62.8	62.8	62.7	62.8	62.5	62.5	62.5	
Prime Age Participation Rate (25–54, %)	83.5	83.5	83.3	83.3	83. <i>2</i>	83.3	83.5	
Job Openings (Thous.)	9,358	9,307	8,685	8,931	8,889	8,863	-	
Hires Rate (%)	3.8	3.7	3.7	3.5	3.7	3.6	-	
Quits Rate (%)	2.3	2.3	2.3	2.2	2.2	2.1	-	
Layoffs Rate (%)	1.1	1.0	1.1	1.0	1.0	1.0	-	

Source: Bureau of Labor Statistics; 1-, 3-, and 5-year averages are rolling 12-, 36-, and 60-month averages from the latest data point

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	Hires Ra	ate	
		3.6	%
		3.8	
		3.0	4.1
			4.1 –19 Avg
	Aver	3 ages	.8 %
-Year	3-Year	5-Year	2015–19

Averages					
-Year	3-Year	5-Year	2015–19		
229	399	129	190		
177	360	118	177		
4.5	4.7	4.5	2.7		
34.4	34.6	34.5	34.4		
5.9	8.6	5.6	4.6		

Averages						
I-Year	3-Year	5-Year	2015–19			
3.7	4.1	4.9	4.4			
62.6	62.2	62.3	62.9			
83.4	82.6	82.3	81.7			
9,221	10,221	8,829	6,360			
3.8	4.1	4.1	3.8			
2.3	2.6	2.4	2.2			
1.1	1.0	1.3	1.2			

Employment growth in February came in stronger than expected. The US economy added 275,000 jobs overall, with 223,000 jobs added in private employment; however, the details of the jobs report were mixed.

Revisions to December and January lowered net employment gains by a total of 167,000 jobs over the two months. This brings employment gains from stellar back to just strong.

At the industry level, employment gains were broad. Construction, retail, transportation, healthcare, and leisure and hospitality services all saw strong job gains.

Average hourly earnings growth remained in line with the recent trend as average hours worked ticked up, providing a bit of a boost to average weekly earnings growth. Strong wage growth and strong employment growth in February helped boost payroll growth over the past 12 months back above 5%.

3 The unemployment rate moved higher while labor force participation was unchanged. Despite strong employment gains reported from the establishment survey, the household survey has started to diverge, instead reporting a small loss of employment.

> The two employment surveys have diverged twice over the past few years. Both times, the establishment survey was proven to be more accurate. While not concerning yet, this trend is worth keeping a close eye on.