

February job openings slip to 7.6M, a healthy but slowing job market



Pedestrians walk by a help wanted sign posted on a restaurant door in San Francisco in 2023. JEFF CHIU — ASSOCIATED PRESS FILE

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WASHINGTON>> Employers posted 7.6 million job openings in February, a sign that the job market is slowing but remains healthy. Layoffs of federal workers hit the highest level since the COVID-19 pandemic slammed the economy in 2020, as Elon Musk's job cuts start to show up in national jobs data.

The number of vacancies fell slightly from a revised 7.8 million in January and from 8.4 million a year earlier, the Labor Department reported Tuesday. Openings have come down more or less steadily since peaking at 12.1 million in March 2022 when the economy was still roaring back from COVID-19 lockdowns.

Layoffs rose to 1.8 million in February from 1.7 million in January. Federal agencies laid off 18,000 workers, most since October 2020. Retailers, cautious about the outlook for 2025, laid off 238,000 in February, highest figure since April 2020 in the depths of the COVID-19 recession.

The Labor Department's Job Openings and Labor Turnover Summary showed that the overall number of people quitting their jobs — a sign of confidence they can find better pay or working conditions elsewhere — fell slightly in February.

The American job market has proved surprisingly durable. But it has clearly lost momentum from the frantic hiring days of 2021-2023. And the outlook for hiring is cloudy as President Donald Trump pursues trade wars, purges the federal workforce and promises to deport millions of immigrants working in the United States illegally.

That has begun to have an impact on the optimism that Americans hold about the job market and the economy. The University of Michigan recently released its updated consumer sentiment survey for March, which showed a sharp drop in Americans' outlook for the economy. The survey also found growing anxiety over inflation and jobs.

Economists are worried that Trump's trade wars will push up prices and stunt economic growth.

"The jobs market remains the economy's bulwark, and while it's eroding slowly, it's not showing cracks that foreshadow recession," Robert Frick, economist with Navy Federal Credit Union, said in a commentary on the job openings report. "How it holds up to assaults from tariffs' effects on consumers and businesses is the crucial question, and one that won't be answered until later this year."