

# Job openings fall to 6.5 million, fewest since 2020



Pedestrians walk past a help-wanted sign on the door of a restaurant in San Francisco. JEFF CHIU — ASSOCIATED PRESS FILE

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WASHINGTON>> U.S. job openings fell to the lowest level in more than five years, another sign that the American labor market remains sluggish.

The Labor Department reported Thursday that vacancies fell to 6.5 million in December — from 6.9 million in November and the fewest since September 2020. Layoffs rose slightly. The number of people quitting their jobs — which shows confidence in their prospects — was basically unchanged at 3.2 million.

December openings came in lower than economists had forecast.

The economy is in a puzzling place. Growth is strong: Gross domestic product — the nation's output of goods and services — advanced from July through September at the fastest pace in two years. But the job market is

lackluster: Employers have added just 28,000 jobs a month since March. In the 2021-2023 hiring boom that followed COVID-19 lockdowns, by contrast, they were creating 400,000 jobs a month.

When the Labor Department releases hiring and unemployment numbers for January next Wednesday, they are expected to show the companies, government agencies and nonprofits added about 70,000 jobs last month — modest but up from 50,000 in December.

On Wednesday, payroll processor ADP reported that private employers added just 22,000 jobs last month, far fewer than forecasters had expected. And the outplacement firm Challenger, Gray & Christmas said Thursday that companies slashed more than 108,000 jobs last month, the most since October and the worst January for job cuts since 2009.

“The hiring recession isn’t going to end anytime soon,” Heather Long, chief economist at Navy Federal Credit Union, wrote in a commentary. “Job openings in December just fell to their lowest level since September 2020. It’s yet another sign of how little hiring — or interest in hiring — is happening in this economy.”

Economists are trying to figure out if hiring will accelerate to catch up to strong growth or if growth will slow to reflect a weak labor market or if advances in artificial intelligence and automation mean that the economy can roar ahead without creating many jobs.