

2026-5-6

U.S. job openings drop; hires increase sharply

ECO

The Denver Gazette · 6 May 2026 · C4 · Denver Gazette Wire Services

WASHINGTON · U.S. job openings slipped in March, but a surge in hiring suggested the labor market was regaining its footing after struggling last year.



Job openings, a measure of labor demand, were down 56,000 to 6.866 million by the last day of March, the Labor Department's Bureau of Labor Statistics said in its Job Openings and Labor Turnover Survey, or JOLTS report. Economists polled by Reuters had forecast 6.835 million unfilled jobs.

The job openings rate eased to 4.1% from 4.2% in February.

Hiring jumped by 655,000 to 5.554 million, the highest level since February 2024. The increase was the largest since May 2020. It spread across retail, transportation, warehousing and utilities, as well as professional and business services, and leisure and hospitality industries. Layoffs and discharges, however, increased by 153,000 to 1.867 million, with the rate for that category climbing to 1.2% from 1.1% in the prior month.

Economists see growing downside risks to the labor market from the U.S.-Israeli war with Iran, which has disrupted shipping through the Strait of Hormuz, boosting the prices of oil, fertilizer, aluminum and other commodities.

Labor market stability for now is supporting financial market expectations that the Federal Reserve will keep interest rates unchanged this year. The U.S. central bank last week left its benchmark overnight interest rate in the 3.50%-3.75% range, citing rising inflation concerns.

The Labor Department issues its job report for April on Friday. According to a survey of forecasters by the data firm FactSet, it is expected to show that companies, nonprofits and government agencies added a steady 57,000 net jobs last month and that the unemployment rate remained at a low 4.3%.

Partly because of President Donald Trump's immigration crackdown, fewer people are competing for work. That means the economy doesn't need as many new jobs to keep the unemployment rate from rising. A year ago, economists at the Federal Reserve Bank of St. Louis estimated that the "break-even" rate of monthly hiring was 153,000. In an update published in March, St. Louis Fed economist Alexander Bick calculated that it could be as low as 15,000 jobs a month.