

U.S. Job Openings Rise In June, But Hiring Falls

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WASHINGTON (AP) — U.S. employers in June advertised the most [jobs](#) [1] in five years but hired fewer workers, a mixed sign for the recovering job market.

The Labor Department said Tuesday that job openings rose 29,000 in June from May to 3.94 million. That's the most since May 2008.

Total hiring, however, declined 289,000 to 4.2 million. That's down from a year earlier and the biggest one-month drop in hiring since June 2010.

The job market is improving, largely because layoffs have fallen to prerecession levels. But while employers are no longer cutting jobs, many remain reluctant to hire in the face of tax increases, federal spending cuts and slower global growth.

The report on Job Openings and Labor Turnover comes after the government said on Friday that employers added 162,000 jobs in July, the fewest in four months. Last week's report showed all jobs added, minus the number of people who were laid off, quit or retired.

The unemployment rate fell to a four-year low 7.4 percent in July from 7.6 percent in June.

Competition for jobs still remains tight. In June, there were three unemployed people for every job opening. That's down from a peak four years ago of nearly 7 to 1. In a healthy economy, the ratio is typically 2 to 1.

The biggest increase in openings came in professional and business services, a category that includes management and administrative jobs. Openings for retail and construction jobs were also up. But employers in manufacturing, health care and government posted fewer jobs in June.

Hiring fell in every industry except arts, entertainment and recreation, which includes music clubs and tourist attractions.

Layoffs dropped by 215,000 to 1.5 million in June. The reduced layoffs helped "compensate for the lackluster and uneven pace of new hiring," Terry Sheehan, an economic analyst with Stone & McCarthy, wrote in a research note.

In a weak job market, few workers are willing to quit their jobs. The number of those quitting in June fell 73,000 from May to fewer than 2.2 million. When the economy is strong, 2.5 million to 3 million workers quit their jobs every month.

Federal Reserve Chairman Ben Bernanke and Vice Chair Janet Yellen have both said that they monitor the job openings report for signs that the job market is improving

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in a sustainable way.

If the Fed sees improvement in the economy, it is likely to scale back its \$85 billion a month in bond purchases. The bond buying is meant to keep long-term interest rates low and encourage borrowing and spending.

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