

NC Economy Watch

November 2024

Andrew Berger-Gross

Senior Economist

Jonathan Guarine

Economist

NC Department of Commerce

Labor & Economic Analysis Division (LEAD)

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Farewell to the COVID-Era Labor Market

Employers went on a **hiring spree** in **2020-2022**

- **Tight labor market:** record-high number of unfilled job openings, but few available jobseekers
- Opportunity for jobseekers, difficulty for employers

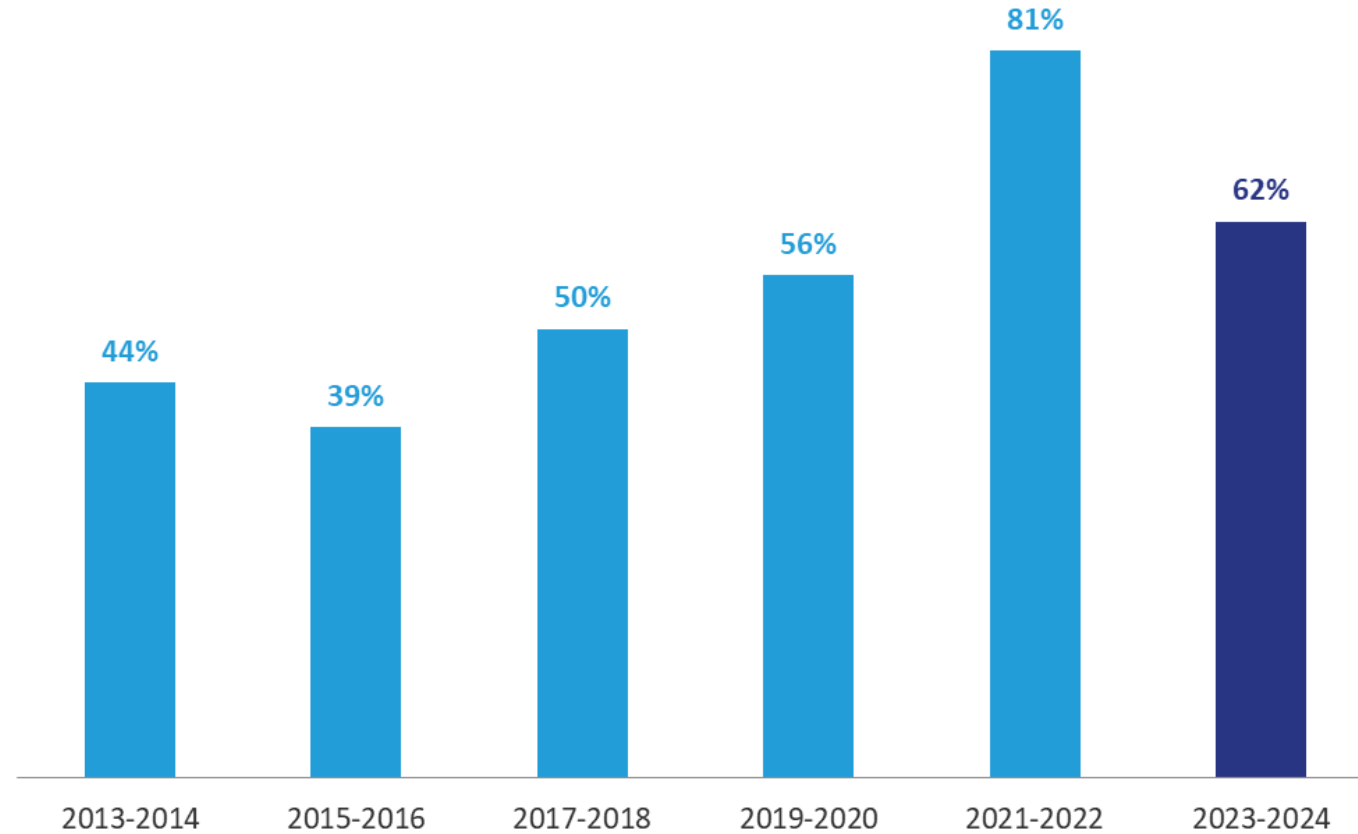
Since then, we've seen a **hiring freeze** as the economy has slowed

- Now: **lowest job opening** rate since **2018**. **Lowest hiring** rate since **2014**.
- (Still, relatively few layoffs)

Conditions have become much more **difficult** for **jobseekers**. At the same time, it has gotten **easier** for **employers** to fill open positions...

A Cooling Labor Market Leads to Fewer Hiring Difficulties for Employers

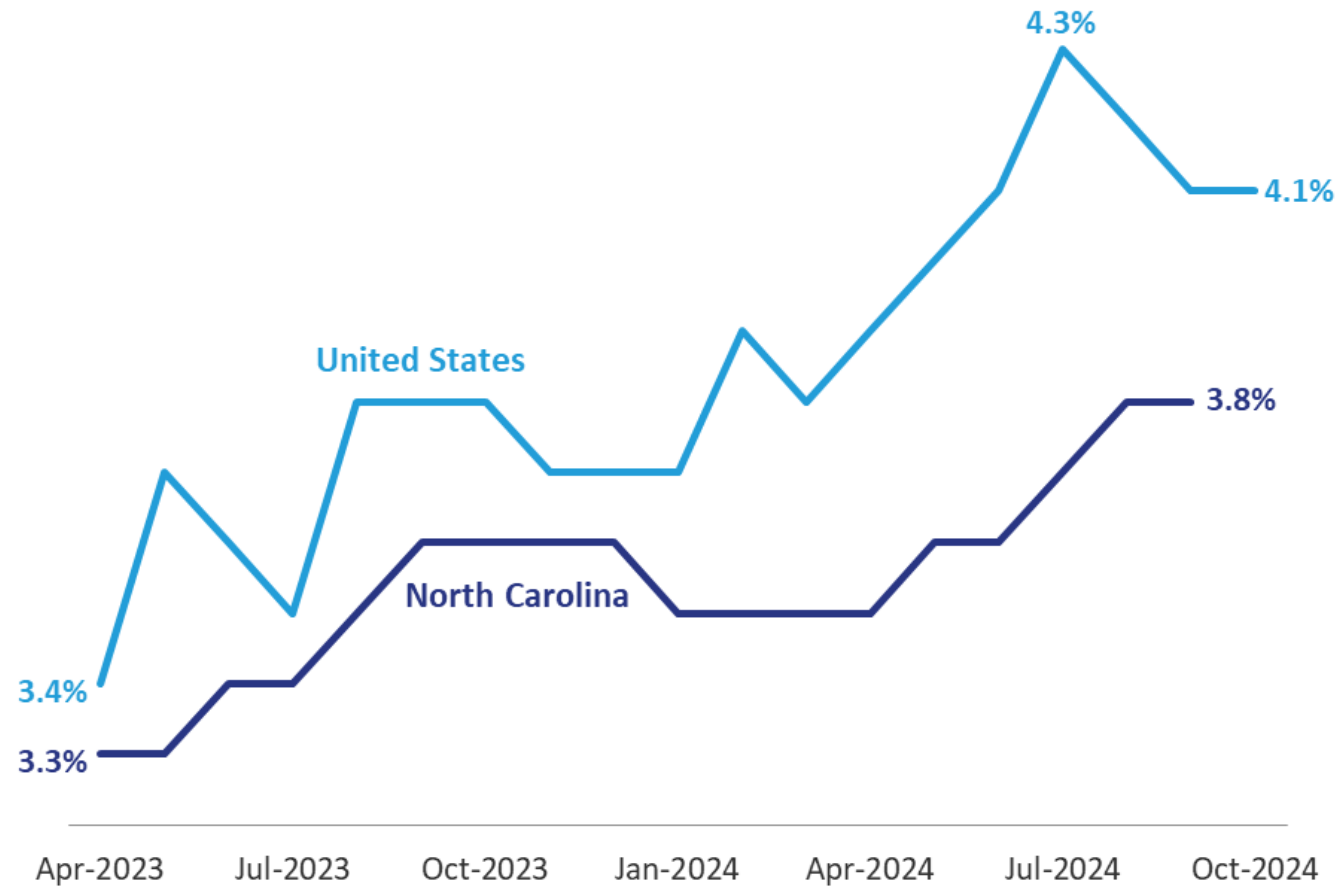
% of hiring employers in North Carolina reporting hiring difficulty (2013-2024)



NC Department of Commerce, Labor & Economic Analysis Division (LEAD)
Source: LEAD / NCWorks Commission (Employer Needs Survey)

Slower Hiring Leads to Higher Unemployment Rates

Unemployment rate in North Carolina and the United States (Apr 2023 - Oct 2024)



NC Department of Commerce, Labor & Economic Analysis Division (LEAD)

Source: US Bureau of Labor Statistics (Local Area Unemployment Statistics)

Note: updated November 5, 2024

The outlook

Are we approaching a turning point?

We noted last time that the **Federal Reserve** has started to **lower interest rates**, which could help jumpstart the economy as we head into 2025

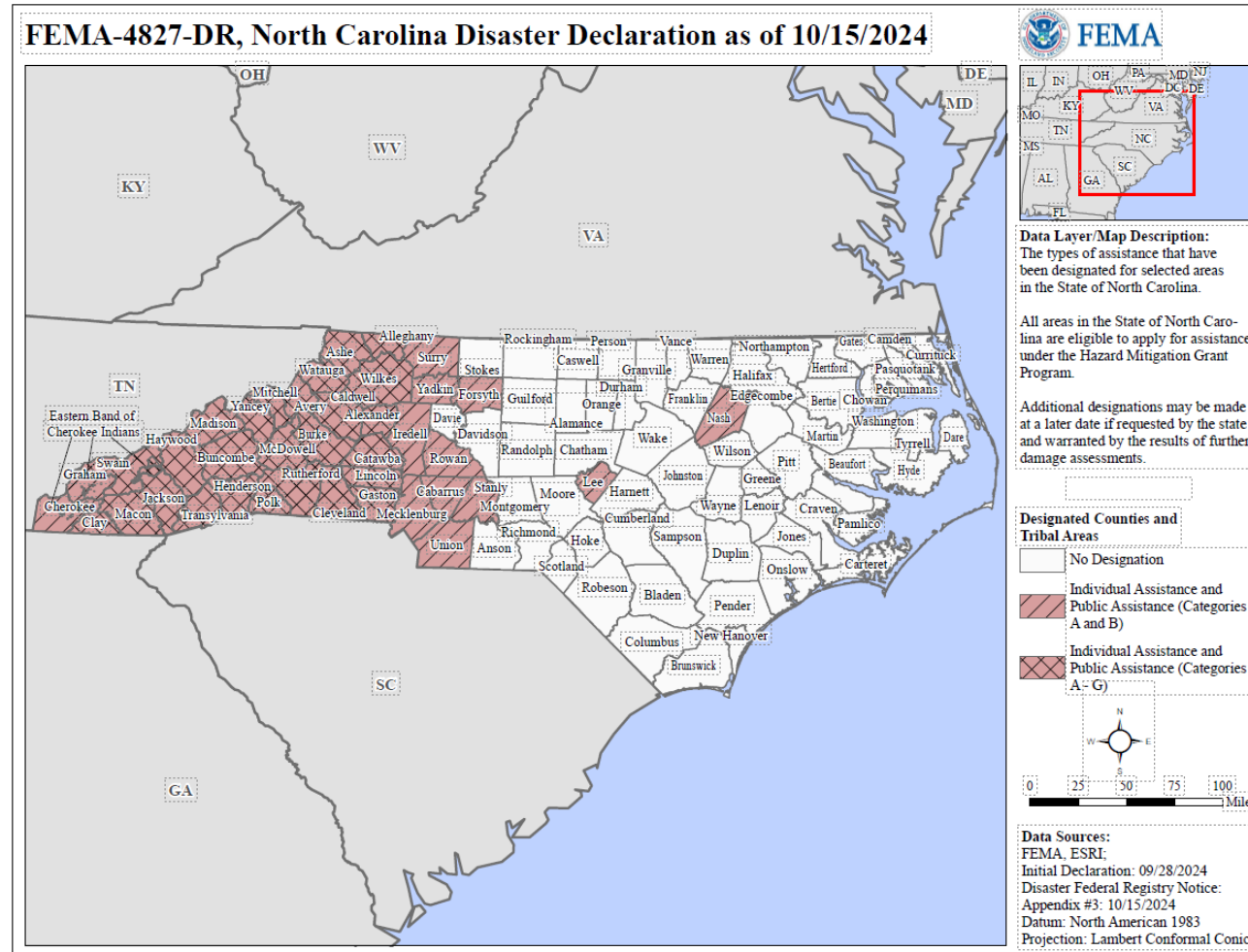
Meanwhile, there are signs that the **labor market** might be starting to **stabilize**:

- **Unemployment rate** has stopped rising nationwide and in North Carolina (at least for now)

An outright **recession** is **unlikely** in the coming months, and there's a chance that hiring activity could accelerate in 2025. In the meantime, however, jobseekers may continue to struggle amid the **weakest labor market in years**.

Hot off the presses:

The employment impact of Helene



Resources of interest

October 2024 NC Economy Watch

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<https://www.commerce.nc.gov/news/lead-feed/october-2024-nc-economy-watch>

What We Know So Far About the Employment Impact of Hurricane Helene

<https://www.commerce.nc.gov/news/the-lead-feed/what-we-know-about-employment-impact-of-hurricane-helene>

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“Thank you!”

Andrew Berger-Gross

Senior Economist

andrewbg@commerce.nc.gov

Jonathan Guarine

Economist

jonathan.guarine@commerce.nc.gov