

# National and Regional Labor Market Update

## NCEDA – 2026 Economic Forecast

Indeed Hiring Lab – January 2026

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# 01

## Labor Market Update

# Monthly job gains in the United States slowed significantly in 2025

Thousands of jobs (3 month moving average), through November 2025

800

600

400

200

0

380K: average monthly gains in 2022

216K: average monthly gains in 2023

168K: average monthly gains in 2024

49K: average monthly gains in 2025

2021

2022

2023

2024

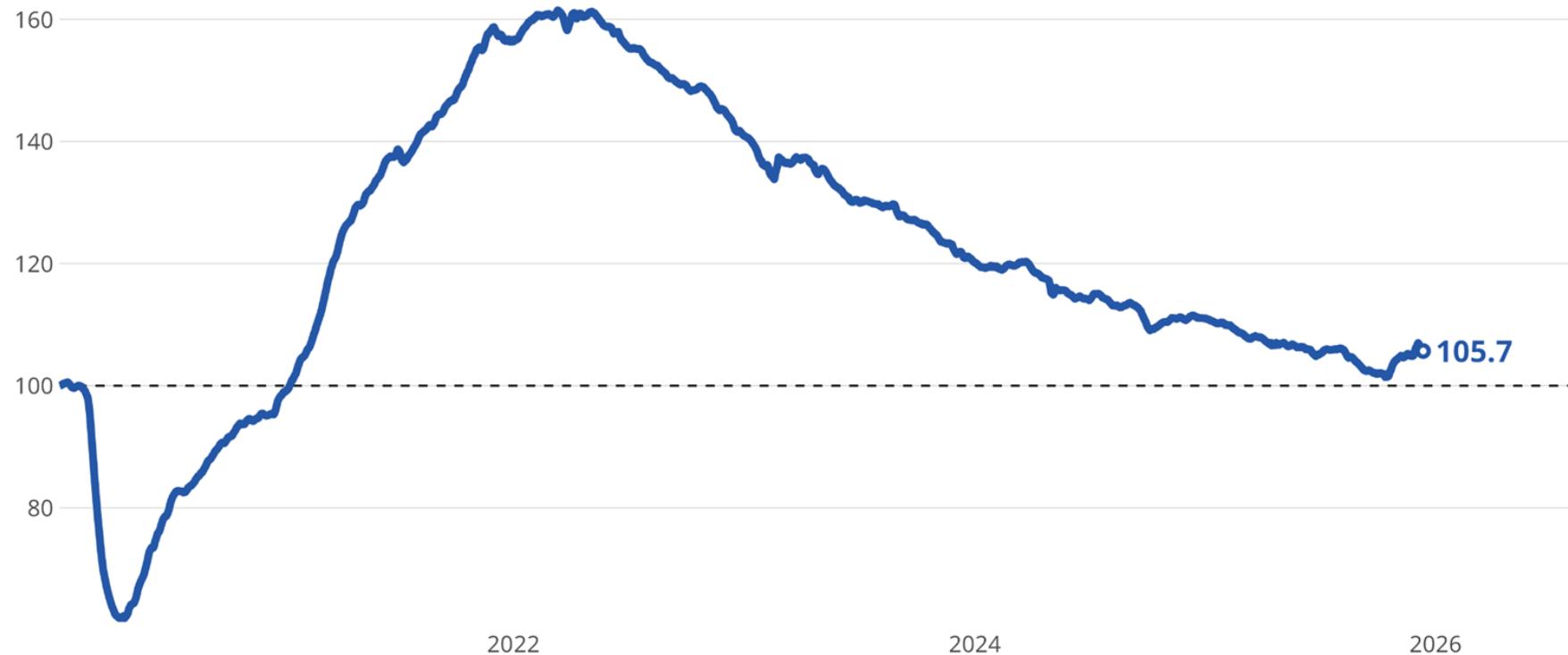
2025

Source: US Bureau of Labor Statistics

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# Job postings return close to pre-pandemic levels

Indexed change in job postings (100 = February 1, 2020), through December 31, 2025

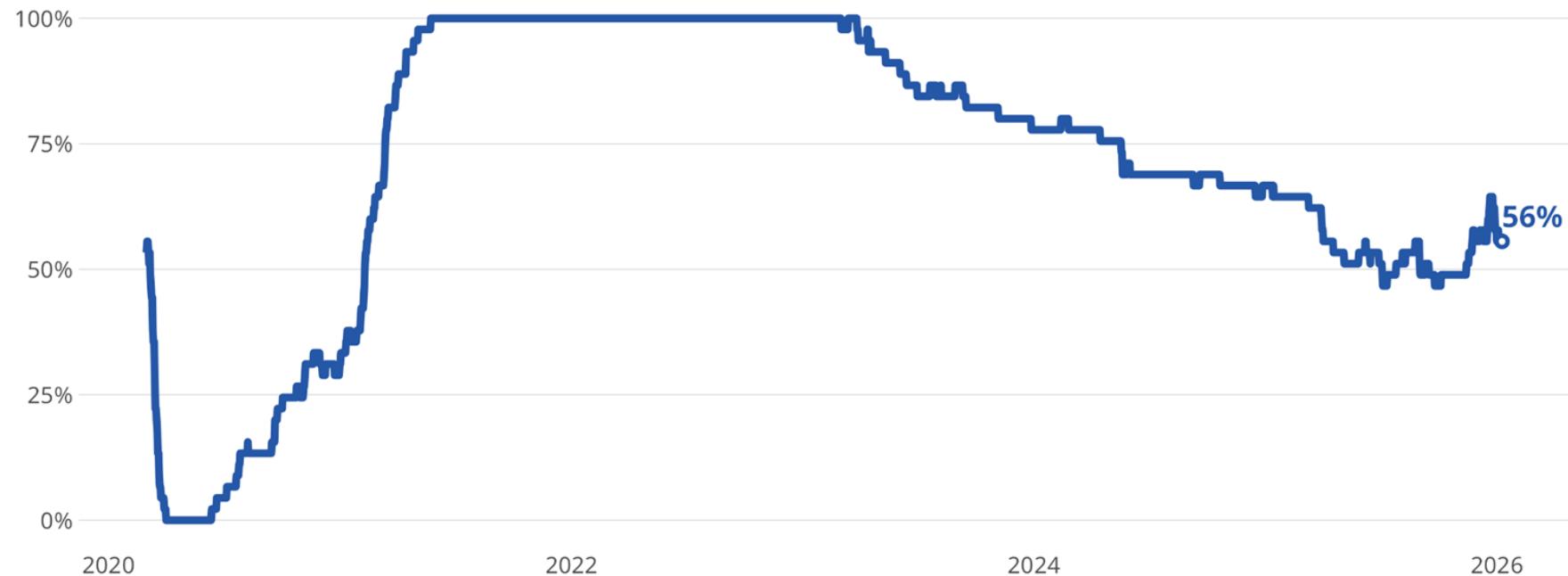


Source: Indeed

indeed

# Job postings are above pre-pandemic levels in the majority of sectors

Share of sectors in the U.S. with postings above pre-pandemic baseline, March 1, 2020 - December 31, 2025

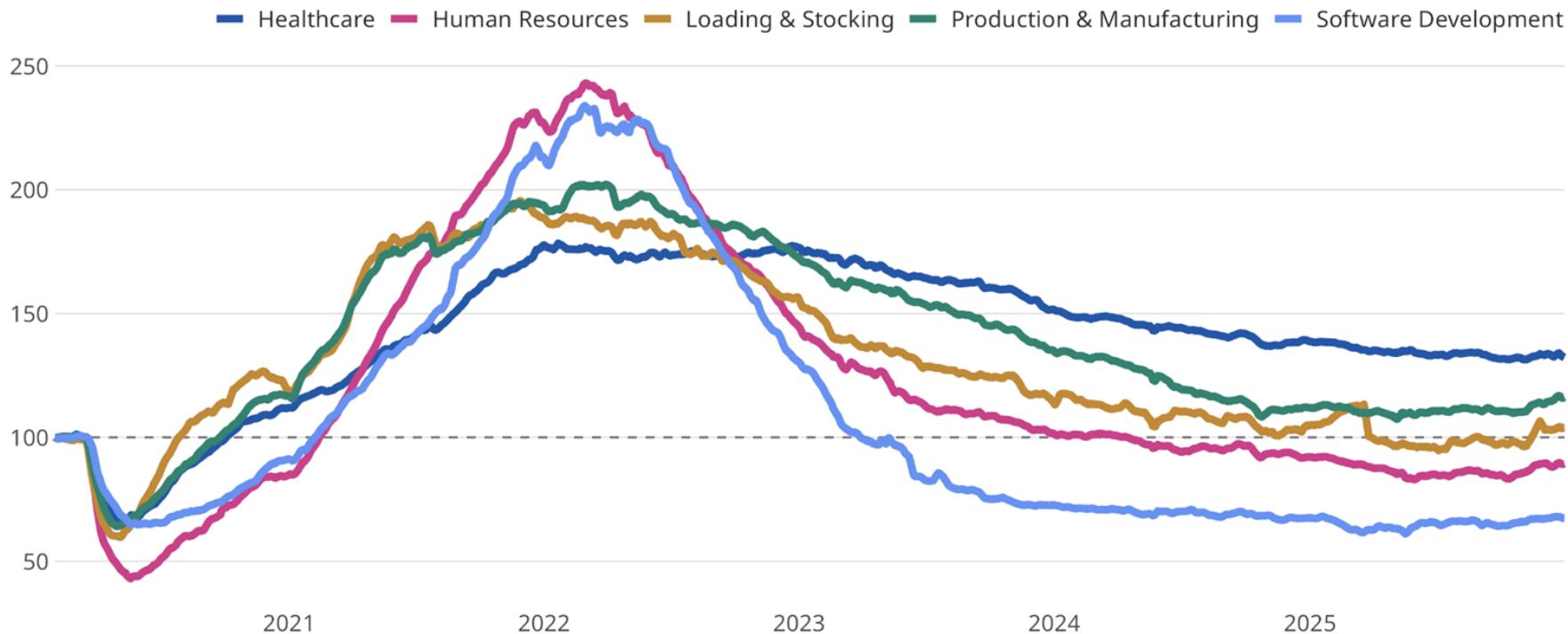


Source: Indeed

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# Healthcare-related postings are well above pre-pandemic levels

Indexed change in job postings by selected sector (100 = February 1, 2020), through December 31, 2025



Source: Indeed

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# Remote postings have largely stabilized

Share of U.S. job postings that contained keywords associated with remote, hybrid and flexible work arrangements, January 2019 to December 2025

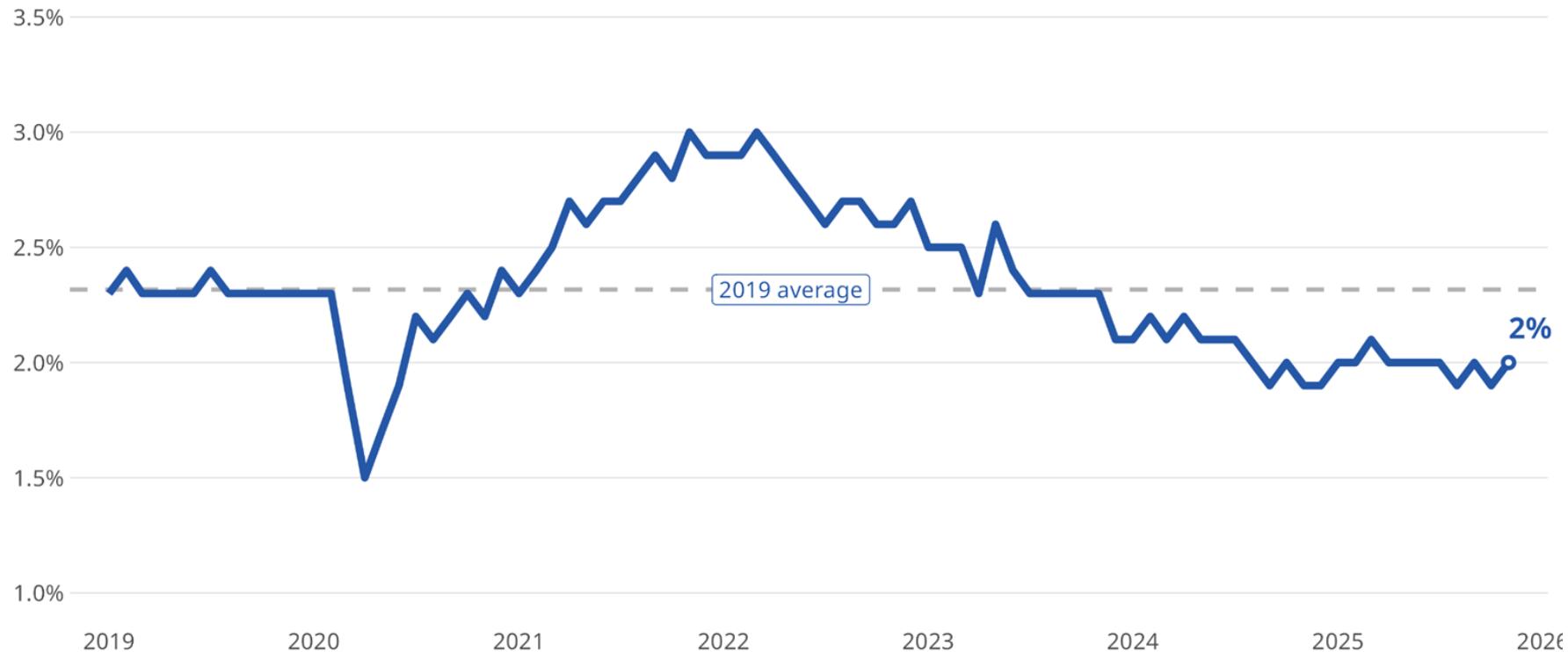


Source: Indeed

indeed

# The quits rate is low as workers hold onto their jobs

Quits as percentage of employment in US, January 2019 - November 2025



Source: US Bureau of Labor Statistics

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# Layoffs remain low as employers face an uncertain future

Layoffs and discharges rate in the US, January 2019 - November 2025

1.8%

Spike during initial COVID shock

1.6%

1.4%

1.2%

Pre-pandemic all-time low

1.0%

2019

2020

2021

2022

2023

2024

2025

2026

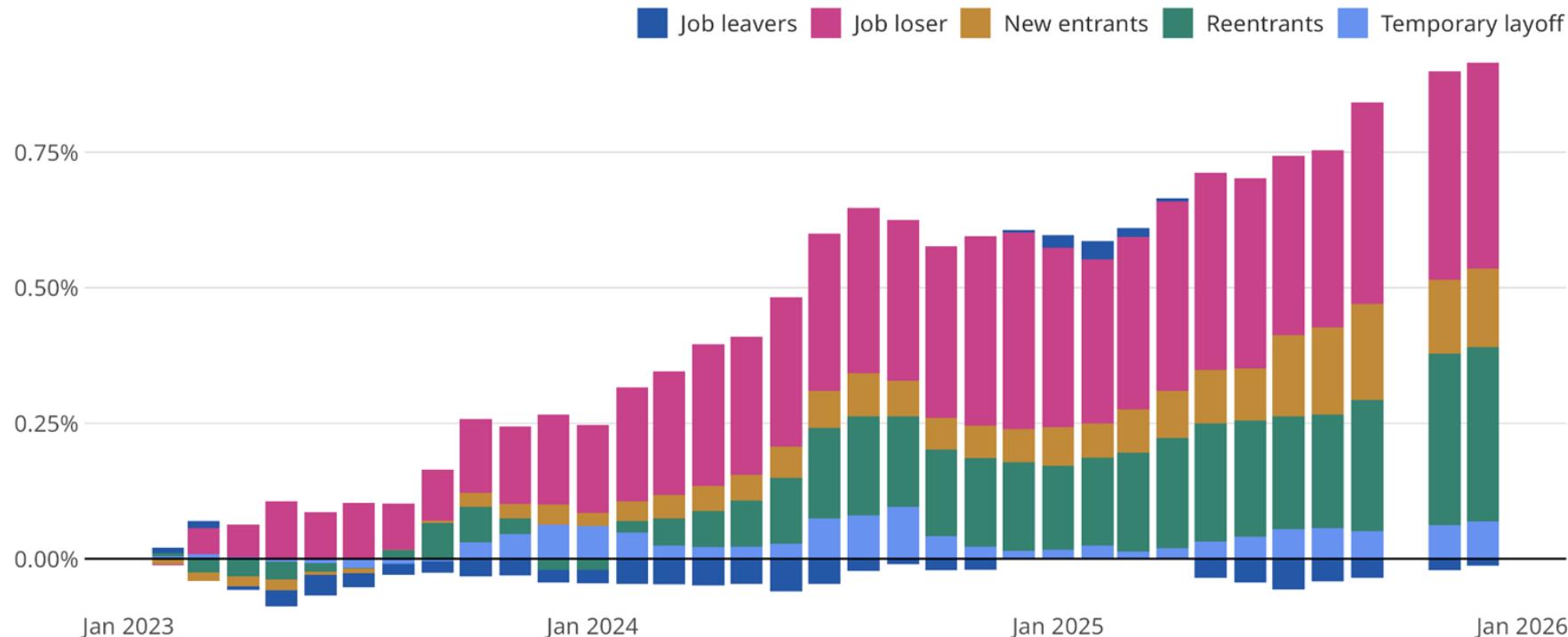
1.1%

Source: US Bureau of Labor Statistics

indeed

# Job losers and reentrants are leading the rise in unemployment

%-point increase in US unemployment rate since Jan 2023, 3mo avg, data through Dec 2025



Source: US Bureau of Labor Statistics

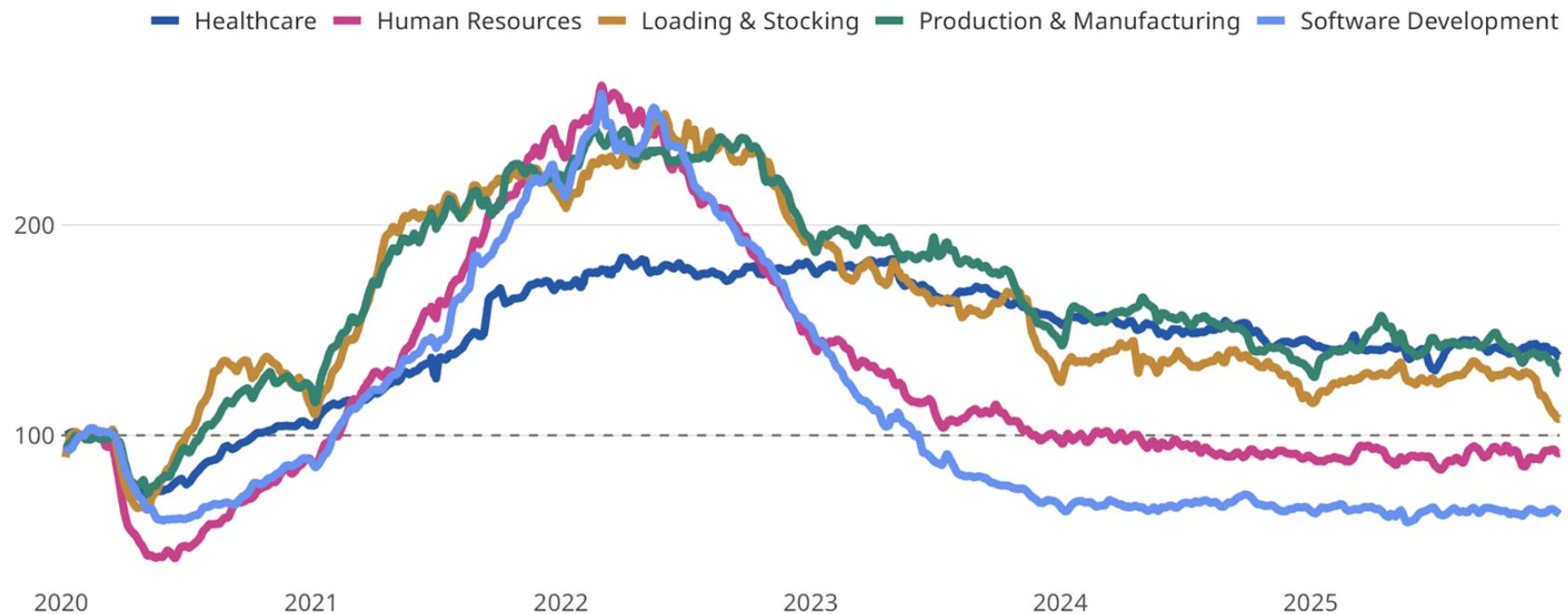
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02

## The North Carolina Lens

# Job postings are below pre-pandemic levels in several white-collar sectors

Indexed level of job postings in North Carolina by sector, through December 31, 2025 (100 = 1 February, 2020)



Source: Indeed

indeed

# Job postings are strongest in some medical fields and weakest in white-collar and STEM sectors

Top and bottom 10 sectors in North Carolina, by non-seasonally adjusted job postings index on Indeed (as of December 31, 2025)

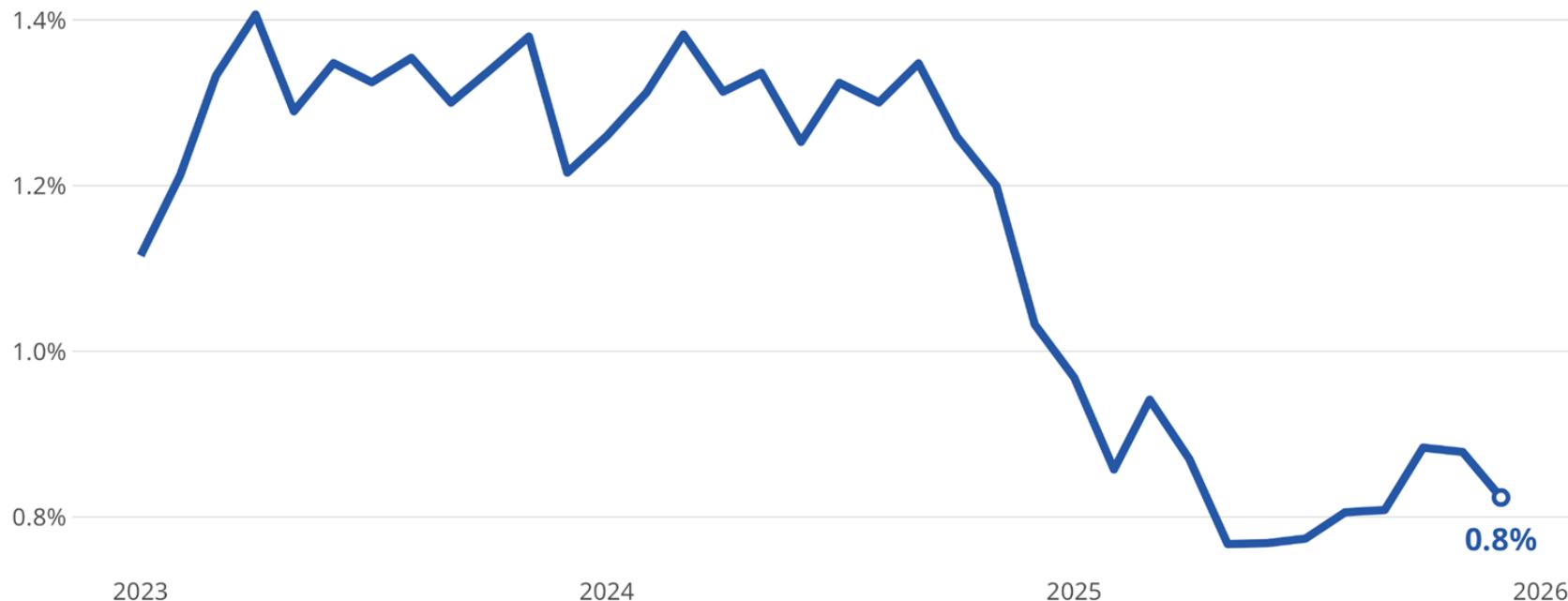
Top 10 sectors	JPI	Bottom 10 sectors	JPI
Therapy	261.8	Data & Analytics	47.3
Civil Engineering	186.5	IT Infrastructure, Operations & Support	55.0
Construction	179.5	Software Development	62.6
Physicians & Surgeons	174.2	Scientific Research & Development	64.7
Dental	172.7	IT Systems & Solutions	65.3
Veterinary	172.5	Media & Communications	78.1
Electrical Engineering	166.0	Retail	86.8
Personal Care & Home Health	155.9	Industrial Engineering	87.5
Security & Public Safety	151.8	Hospitality & Tourism	88.7
Logistic Support	141.2	Arts & Entertainment	90.7

Source: Indeed



# After remaining consistent through late-2024, foreign clicks on North Carolina job postings dropped in 2025

Share of total clicks on North Carolina job postings by job seekers abroad (by month) through December 2025

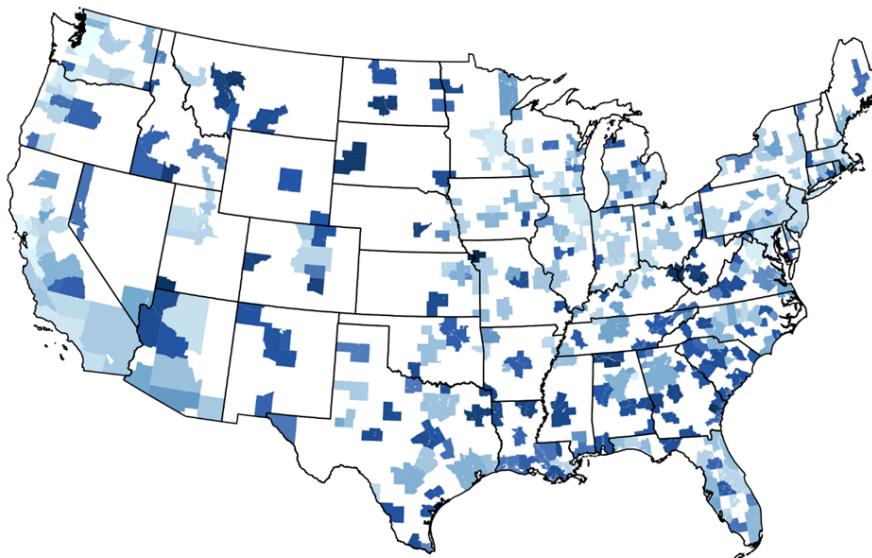


Source: Indeed

indeed

# Smaller MSAs experience more resilient labor demand

Indeed job postings by MSA as of December 31, 2025; Index (Feb 2020 = 100)

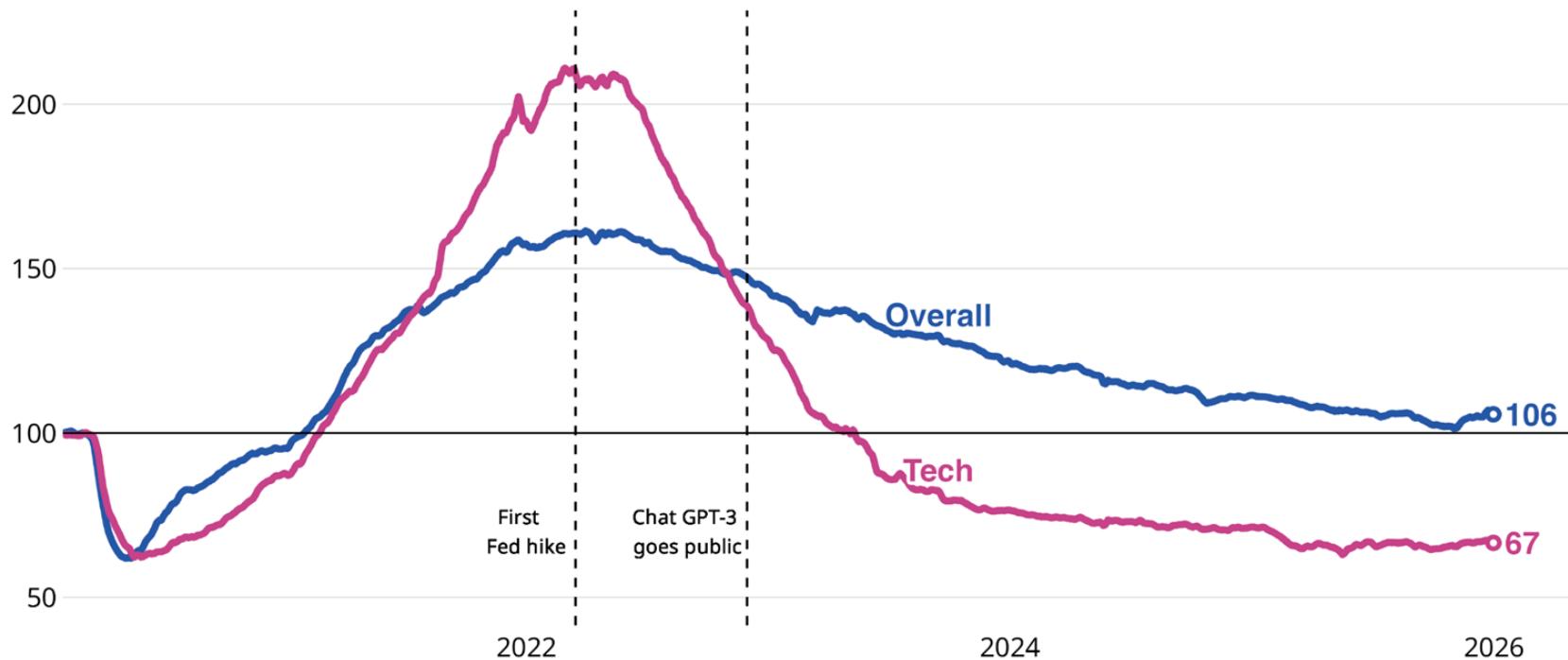


# 03

## The Impact of AI

# US tech job postings have gone from boom to bust

7-day trailing average of indexed job postings levels (Feb-2020 = 100), through December 31, 2025



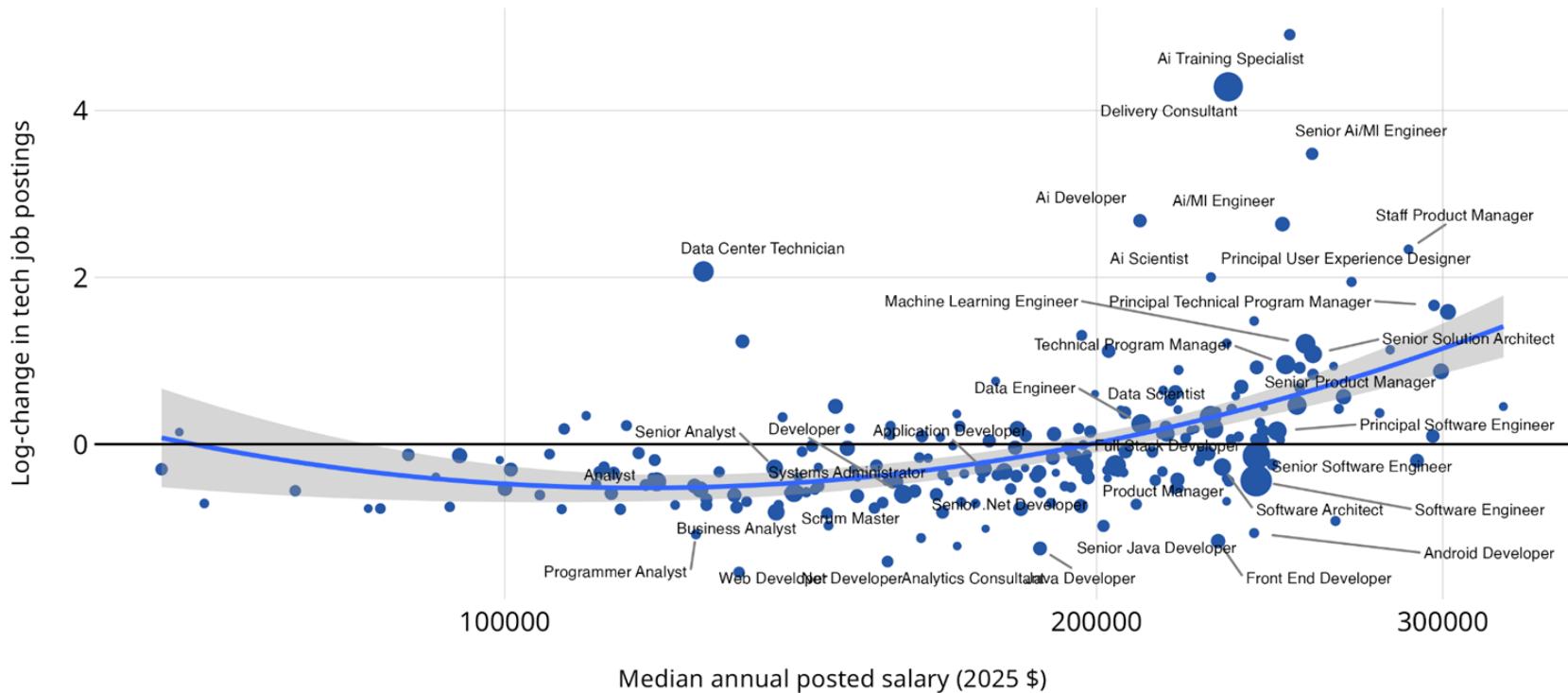
Source: Indeed

Tech occupations include software development, IT systems & solutions, IT infrastructure, operations & support, data & analytics

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# Mid-paying tech postings are down most

Job posting change (Q4 2019 to Q4 2025) vs posted salaries by tech job title



Source: Indeed

Minimum 1000 postings in Q4 2025

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## Most skills still out of reach for GenAI

Distribution of ~2,900 skills across GenAI Skill Transformation Index (GSTI) levels.  
Derived from GPT-4.1 and Claude Sonnet 4 evaluations.

Minimal transformation



Assisted transformation



Hybrid transformation

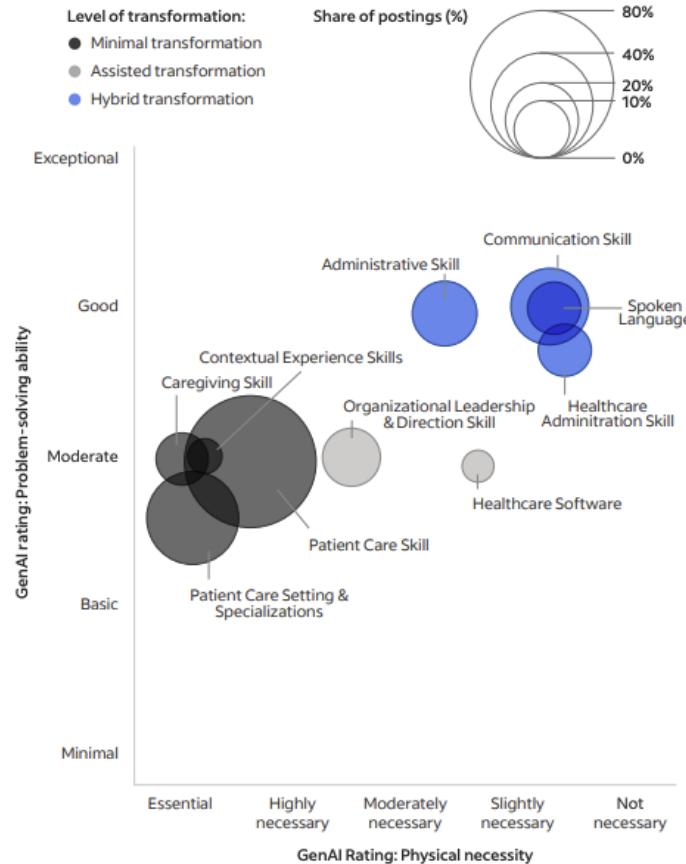


Full transformation



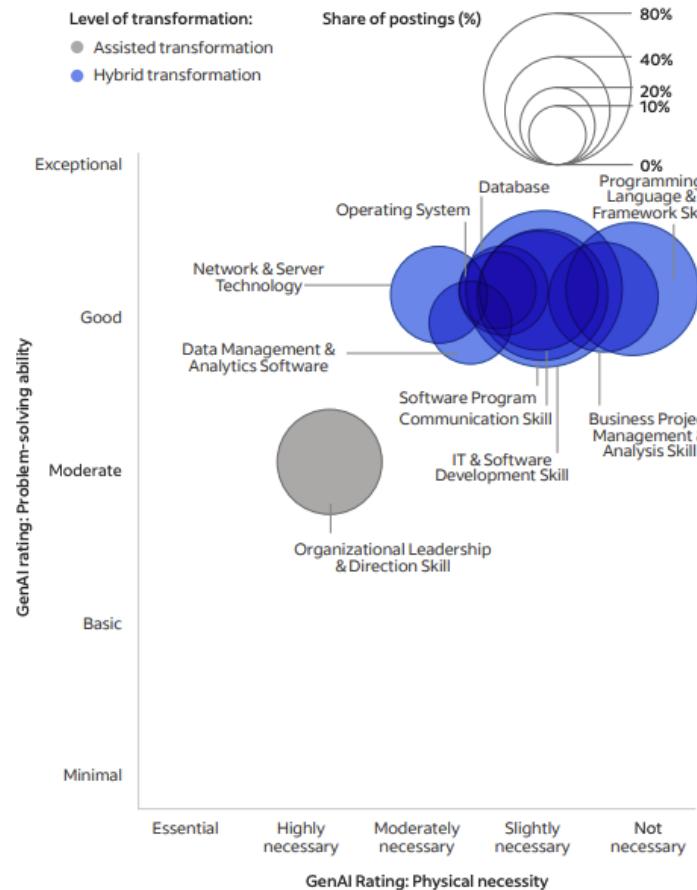
## Nursing occupations: Peripheral skills have potential for hybrid transformation

Occupation-level share of US job postings mentioning top 10 GenAI Skill Transformation Index (GSTI) skill families (May 2024-Apr 2025)



## Software development occupations: Hybrid transformation dominates 9 out of the top 10 skill families

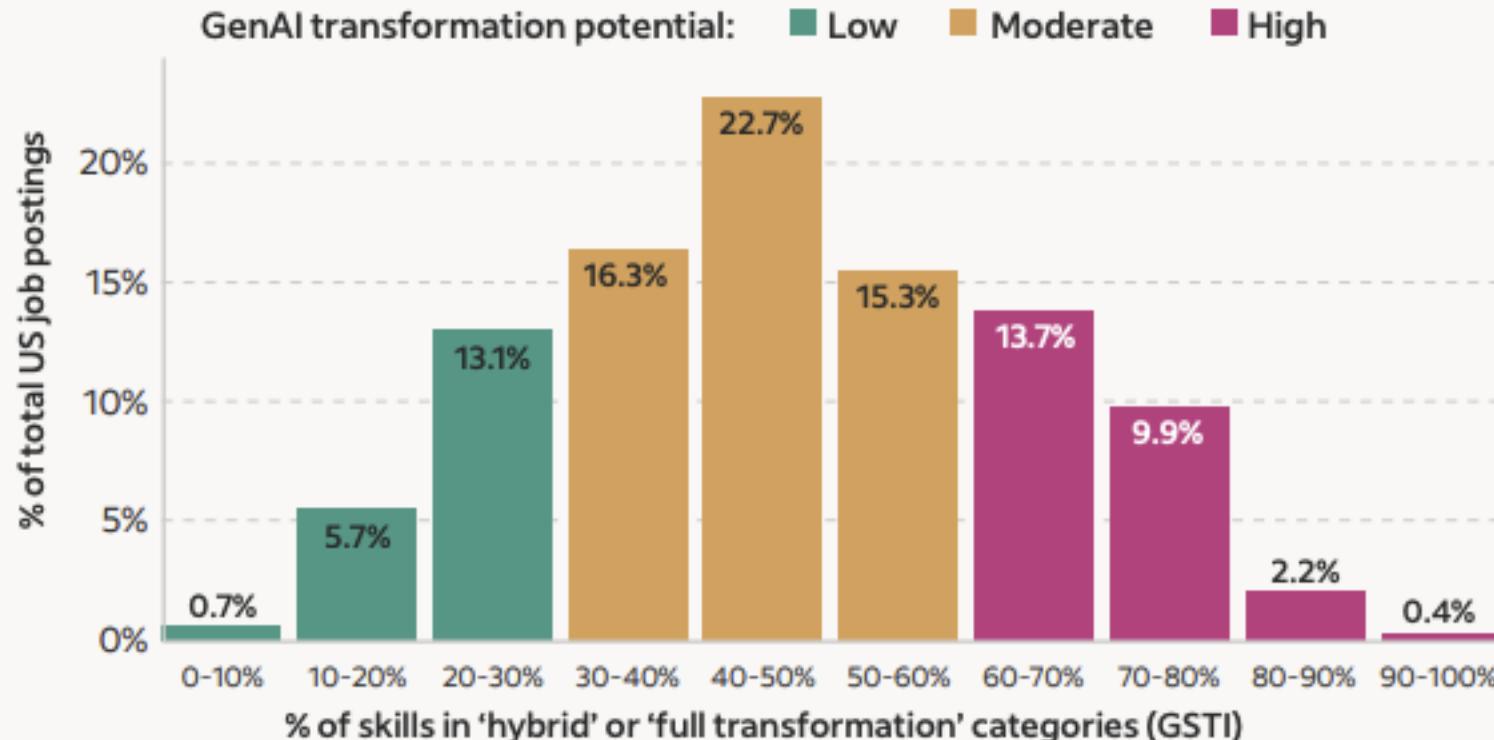
Occupation-level share of US job postings mentioning top 10 GenAI Skill Transformation Index (GSTI) skill families (May 2024-Apr 2025)



Source: Indeed. Only transformation levels of the top 10 skill families are displayed.

# A quarter of US jobs are highly exposed to GenAI transformation

Based on US job postings on Indeed (May 2024-Apr 2025). Occupations are evaluated using the GenAI Skill Transformation Index (GSTI); chart shows share of job postings with skills in the high-impact categories



# 03

## The economic outlook

## Economic scenarios for 2026

January 2026, GDP from Blue Chip Forecasts, unemployment and job openings Indeed calculations

Scenario	2026 YoY GDP (%)	Job openings (mil)	Unemployment rate (%)
Consensus	2.1	7.3	4.4
Upside	2.7	7.6	4.1
Downside	1.4	7.1	4.7

Source: Indeed, Wolters Kluwer, Author's calculations

Initial base of estimated 2025Q4 4.5% unemployment rate, 7.3m job openings



# The economy today

## **Labor market has slowed in many sectors, but health care remains strong**

Economy is adding few jobs overall, but unemployment and layoff rates remain low.

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## **The Fed will have a tough job moving forward**

The Federal Reserve will keep a close eye on inflation and the labor market.

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## **Upside/downside risks**

Policy changes present several upside and downside risks to the economic outlook.

# The 2026 outlook

## **Upside risk: Tax cuts and deregulation**

Generally means faster economic growth, higher demand for workers, tighter labor markets

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## **Downside risk: Tariff and executive policy uncertainty**

Slower economic growth, less demand for workers, likely inflationary which can mean higher wage growth but lower levels of consumption

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## **Downside risk: Immigration restrictions**

Potential negative shock to labor supply, tighter labor markets, higher labor costs



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