

U.S. Job Openings Rise to 7.8 Million in May, Showing Labor Market Resilience

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— Categories: Economics



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The U.S. labor market showed unexpected strength in May, as job openings rose to 7.8 million, according to new data released by the Labor Department on Tuesday. This marks an increase from 7.4 million in April and is the highest level seen since November 2024.

Economists had expected job openings to fall to 7.3 million, making the latest numbers a positive surprise. Strong demand in the hospitality and finance sectors contributed to the

rise, with hotels and restaurants continuing to hire as consumer spending remains steady.

However, not all areas saw growth. Job openings in the federal government dropped to their lowest level since May 2020. This is likely a result of President Donald Trump's ongoing hiring freeze across federal agencies.

While the number of job openings increased, actual hiring fell slightly in May. This suggests that while businesses are looking to fill roles, they remain cautious due to high interest rates and continued uncertainty in economic policy.

The report also showed that fewer workers were laid off in May, and slightly more people quit their jobs often a sign that workers feel confident about finding better opportunities elsewhere.

"Hiring is slower, but layoffs are still low," said Nancy Vanden Houten, lead U.S. economist at Oxford Economics. "That tells us employers want to keep their workers, which is a good sign for overall job stability."

Job openings have declined from the record 12.1 million reached in March 2022, during the post-pandemic recovery. Since then, the Federal Reserve has raised interest rates 11 times to control inflation. Higher borrowing costs have slowed some business activity, especially in construction and manufacturing.

Looking ahead, the Labor Department is expected to release June's jobs report this Thursday. Analysts predict the economy added around 117,000 jobs last month, down from 139,000 in May. The unemployment rate is forecast to rise slightly to 4.3%.

Overall, while the pace of hiring has slowed, experts say the job market remains stable. "The labor market is not overheating like it was in past years," Vanden Houten said. "But it's still showing healthy signs of resilience."