

# Global Labor Market and Workforce Trends

Presented by Indeed,  
a Recruit Holdings subsidiary

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## Svenja Gudell

Chief Economist

Indeed

Today's labor market is largely calm, but calm is not the same as comfortable, and business leaders know it is also anything but predictable.

Hiring is low, firing is low, quitting is low, and things feel flat rather than dynamic. Not all organizations will feel this calm the same way – under the surface, the picture splits by sector, by role, and by where someone sits in their career.

Competition is fierce among those looking for hands-on talent in healthcare or skilled trades, but far more selective in increasingly AI-touched, white-collar sectors.

More-experienced workers are prized in this moment, but if early-career talent can't get a foothold today, the pipeline fueling an organization's success tomorrow starts to break down.

And that's more important than ever, because this stillness is about to give way to huge demographic changes coming over the next few years. The US labor force has already begun to shrink as more workers retire and fewer workers come in to replace them. That decline will accelerate drastically over the next five to 10 years. The good news is there will be no shortage of work to do, and we will very likely have enough workers to do it.

The challenge will be one of matching, not scarcity. Many of the workers retiring soon are concentrated in fields including construction and manufacturing, where AI offers little substitute. But today's existing talent pathways still funnel workers toward finance, IT, and other roles where AI can increasingly augment the existing workforce. Moving people from where they will not be needed to where they will be needed is the real task ahead.

These changes are happening as we speak, and will peak within just a handful of budget cycles. The time to prepare is now, and it starts with hiring for skills rather than credentials. Our data shows broad, portable skills, including business operations and communications skills, appear across a strikingly diverse range of jobs and travel well from one field into another. It also means widening your potential talent pool through flexible and remote work where possible, easing unnecessary degree requirements, and treating paid time off, retirement contributions, and healthcare coverage as seriously as wages.

The road ahead won't be simple, but it is navigable. Indeed's real-time data can help employers identify where talent is scarce, where skills transfer, and which tactics are working as the market evolves. It is our mission to put these insights to work to help job seekers and employers find meaningful, durable, productive matches for years to come.



Indeed provides the tools, data, and insights companies need to anticipate and adapt to the future of work.

### About Indeed

Indeed is **the world's #1 job site**<sup>1</sup> and the leading global two-sided talent marketplace. With 31 hires made per minute, more people find jobs on Indeed than anywhere else. With over 665 million Job Seeker Profiles and 3.5 million employers, Indeed has a front-row seat to what's changing and what comes next.

Across Indeed and Glassdoor, we see how people search for work, how companies hire, and how roles and skills are evolving across industries and geographies. Indeed is a subsidiary of Recruit Holdings, a global leader in HR technology and business solutions dedicated to simplifying hiring and transforming the world of work.

### About Indeed Hiring Lab

As the economic research arm of Indeed, Hiring Lab is driven by a team of leading economists and data scientists who provide actionable thought leadership on global labor market conditions, including hiring trends, salary information, popular skills, and employer benefits.

Indeed Hiring Lab provides unique, unbiased and timely data insights on the global labor market, inspiring new conversations about the state of work. Hiring Lab analyzes millions of data points collected over time by Indeed, together with other publicly available data sources, to reveal emerging labor market trends in the United States and across the world.

Learn more at [hiringlab.indeed.com](https://hiringlab.indeed.com).

Source: <sup>1</sup> Comscore, Total Visits, March 2026

# Market Overview: Calm before the storm

In a world where talent is more scarce, longer-term workforce planning will become more essential. Indeed is here to help you navigate that future.



## **Overall labor demand is roughly equal to pre-pandemic levels.**

The post-pandemic boom and subsequent normalization are largely over. The labor market is moving into a new phase.



## **Firms prize experience, but risk damaging their future talent pipelines.**

Today's job gains are largely being driven by demand for more-senior workers, at the expense of entry-level talent struggling to gain a foothold.

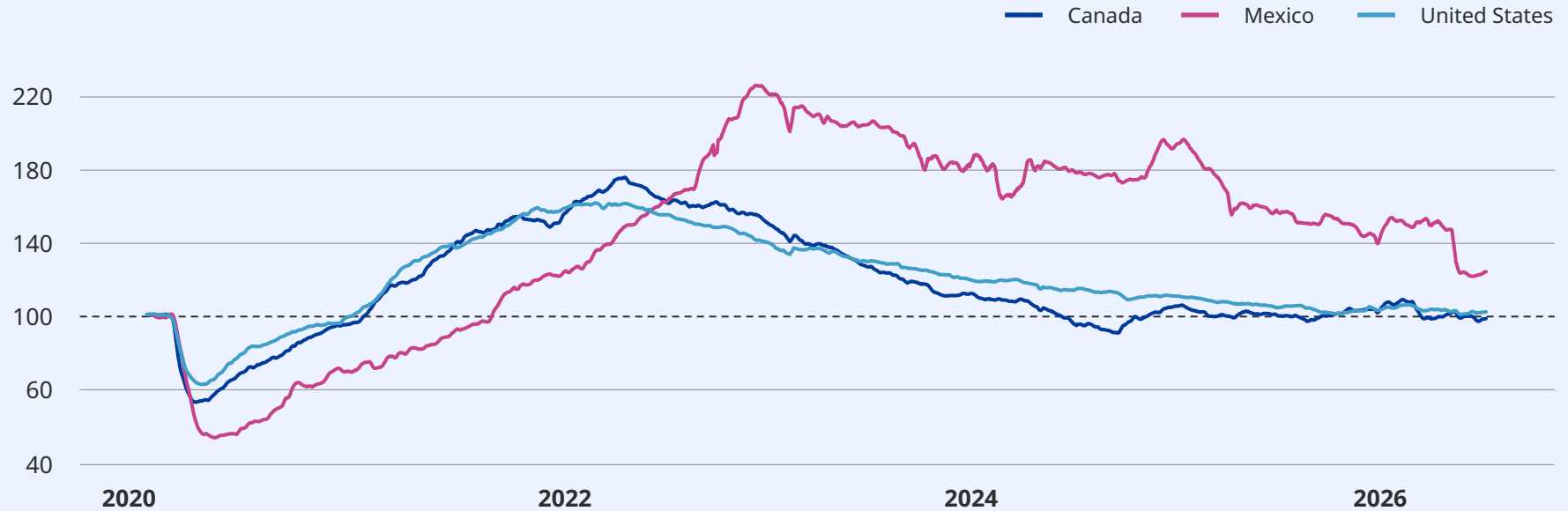


## **Don't lose sight of economic fundamentals.**

Wage growth has slowed while inflation has picked up, eating into paychecks and likely pushing many workers to seek greener pastures.



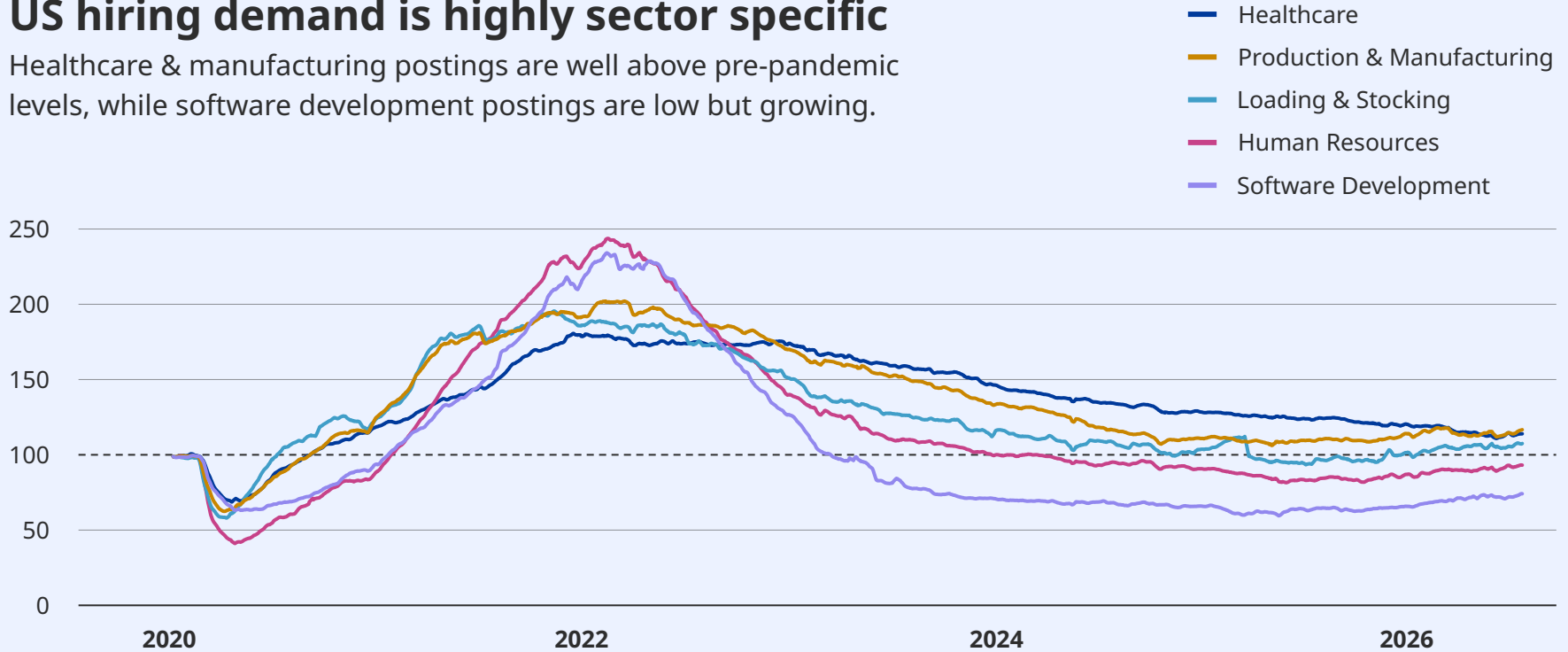
## Job postings in US & Canada are close to pre-pandemic levels, but remain elevated in Mexico



Source: Indeed. Index (100 = February 1, 2020), data through July 17, 2026.

## US hiring demand is highly sector specific

Healthcare & manufacturing postings are well above pre-pandemic levels, while software development postings are low but growing.



Source: Indeed. Index (100 = February 1, 2020), data through July 17, 2026.

# Unemployment has largely stabilized after slowly creeping up

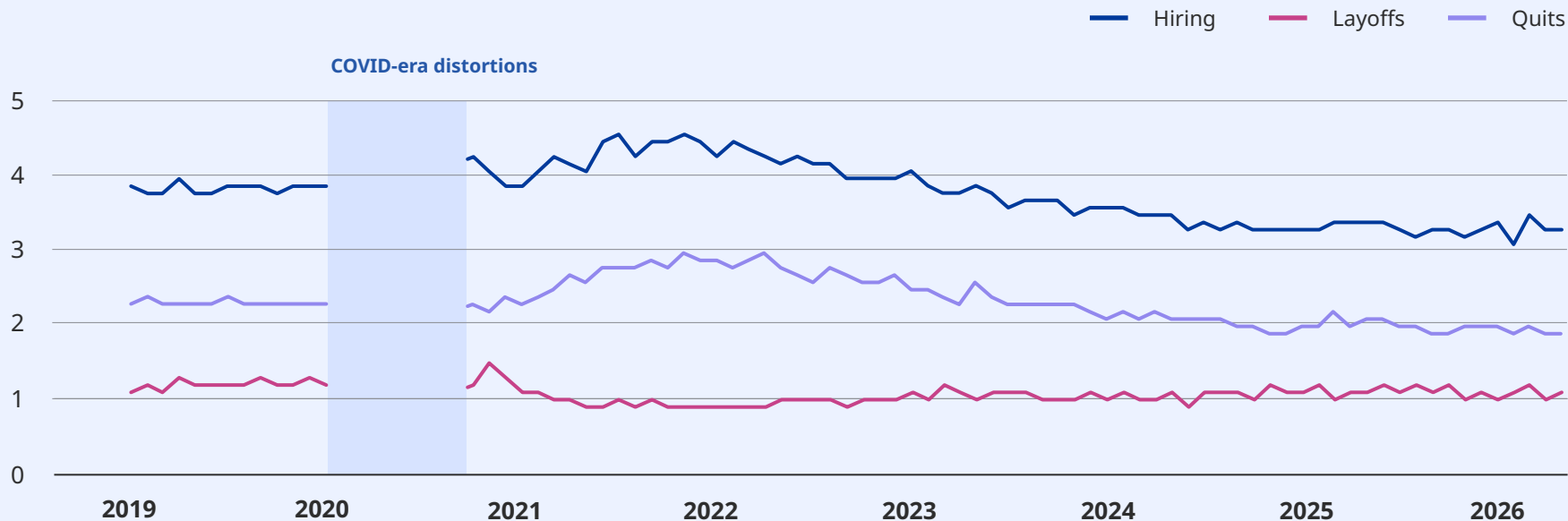
If unemployment continues to rise, however slowly, the odds of a recession increase.



Source: US Bureau of Labor Statistics, data through June 2026.

# The low-hire, low-fire dynamic is firmly entrenched

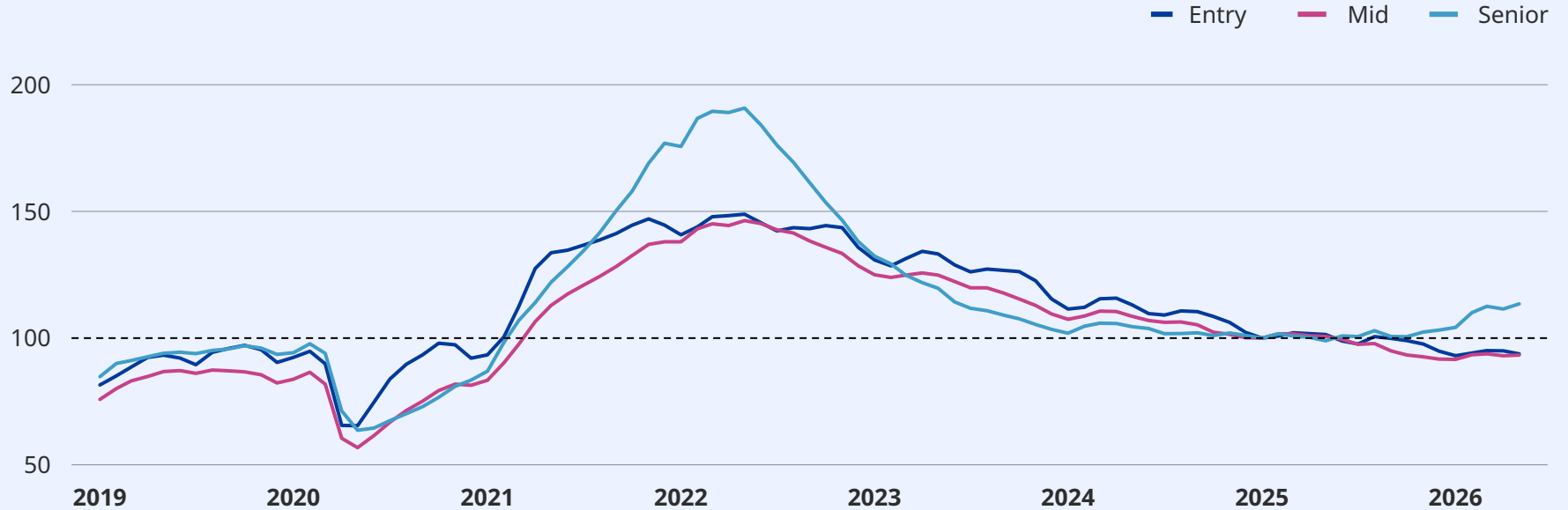
Employers and workers both are cautious, contributing to stability but also robbing the market of some needed dynamism.



Source: US Bureau of Labor Statistics. Layoffs and discharges rate in the US, January 2019–May 2026; Quits as percentage of employment in US, January 2019–May 2026; Hires as percentage of employment in US, January 2006–May 2026

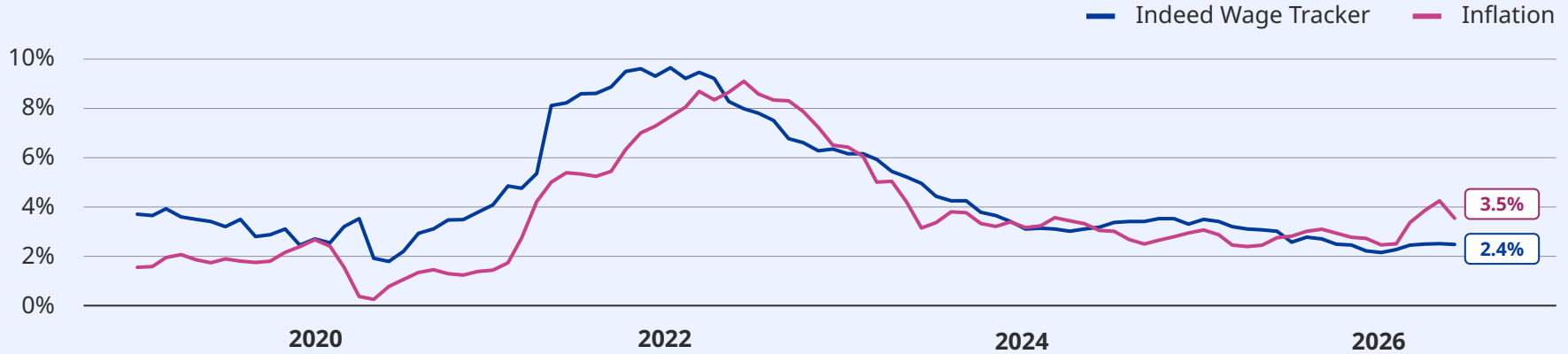
## Demand for senior workers is surging

Postings for entry- and mid-level workers are steady, but there is a clear divergence in labor demand across seniority levels



Source: Indeed, Monthly average of daily job postings with each seniority level (100 = January 2025), through May 2026

# US inflation is growing faster than posted wages

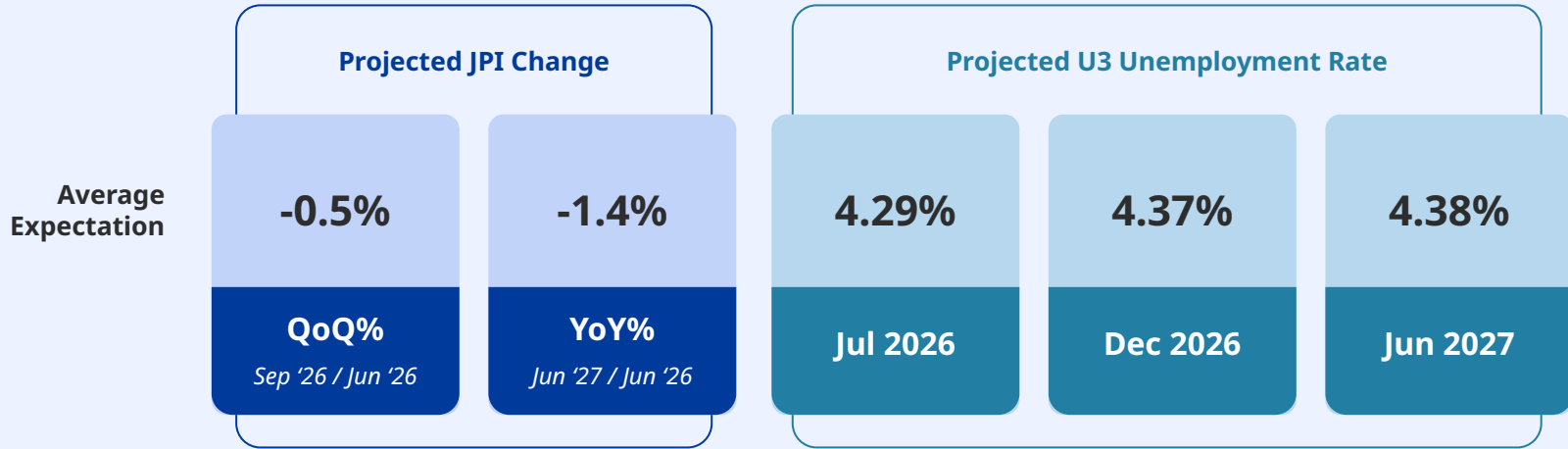


**If this trend continues, consumer spending may drop and GDP could be impacted.**

Workers whose purchasing power is quietly declining will eventually respond through disengagement or departures. Employers who proactively address compensation and benefits in real terms, even modestly, will build loyalty and resilience.

Source: Indeed Wage Tracker; Consumer Price Index. Year-over-year growth, January 2019–June 2026.

# Looking Ahead: Job postings and unemployment likely to stay stable



100+ labor market experts were asked to predict what will happen with job postings and unemployment over the next year. Unemployment is expected to tick up slightly over the next 6-12 months, while job postings stay mostly flat.

# The Evolving Promise of AI



**AI adoption, while growing quickly, remains low overall.**

Widescale adoption is generally limited to the largest firms. Any meaningful impacts from AI will depend on whether and how more businesses adopt and integrate AI tools.

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**The industries most exposed to AI are the ones currently showing the most growth.**

AI tools are adept at taking on many tasks, but also require specialized talent to set up and implement. We're seeing an example of new technology leading to productivity gains AND more demand for workers to use the technology in new ways.

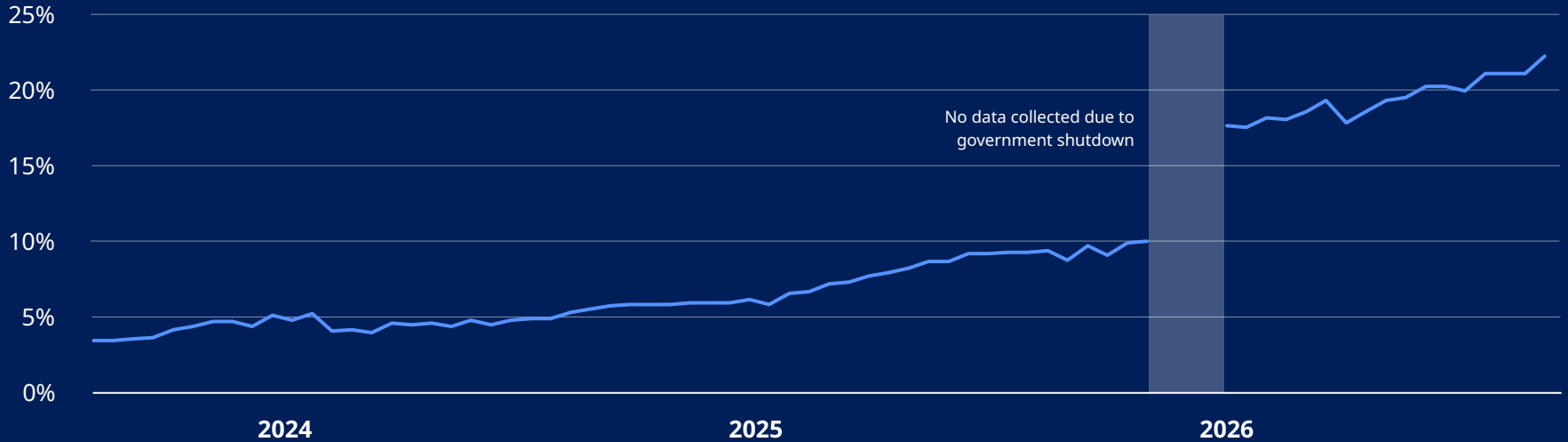
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**AI is moving beyond tech, and starting to create new roles.**

The AI data center buildout is creating a huge number of good jobs, in places that need them, helping fuel more-rapid adoption outside of tech. Your IT department is using AI, and so is your sales department, your marketing department, HR and facilities.

# Only about one-in-five US employers report regularly using AI

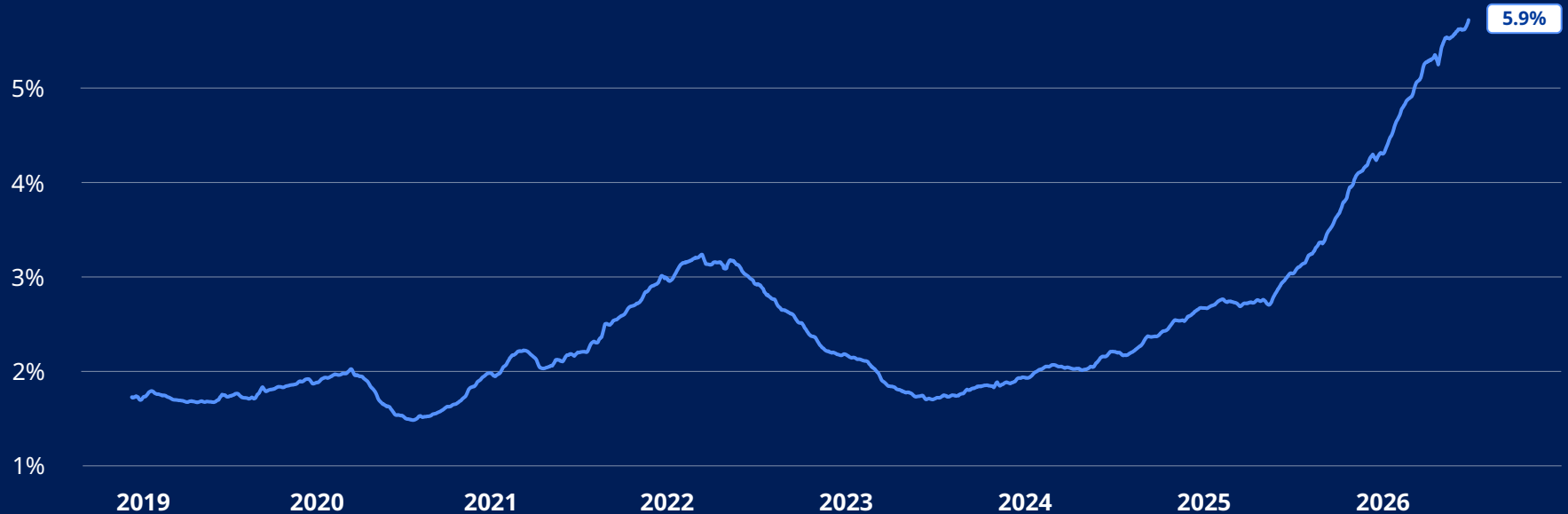
Share of firms using AI tools in the past two weeks, through June 28, 2026



Source: US Census Bureau Business Trends and Outlooks Survey (BTOS). Note: The question firms were asked about AI usage changed in early December, 2025, from asking about AI use in 'producing goods and services' to asking about AI use in 'any business functions.' The later values are not directly comparable to the earlier series.

## AI mentions in US job postings are growing quickly, but remain low

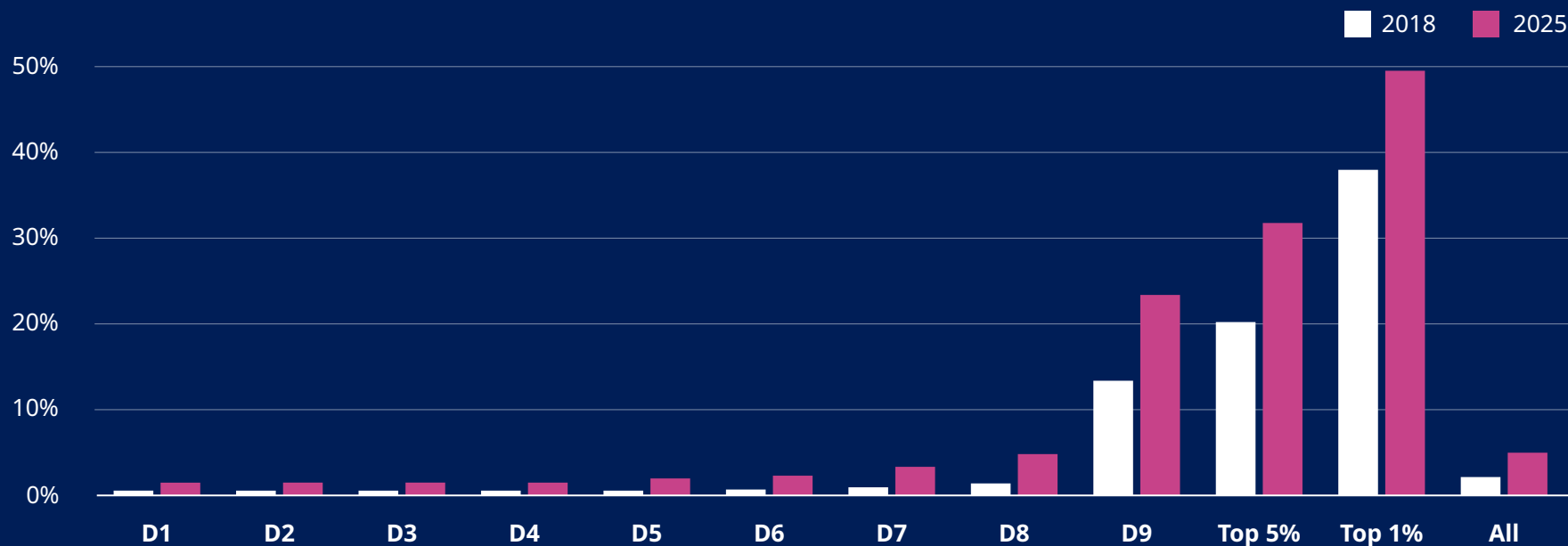
Right now, only about 1 in 20 jobs mention AI or related terms, but that's up from 1 in 40 a year ago.



Source: Indeed. Job postings on Indeed containing AI terms, as a share of all US job postings, data through June 2026.

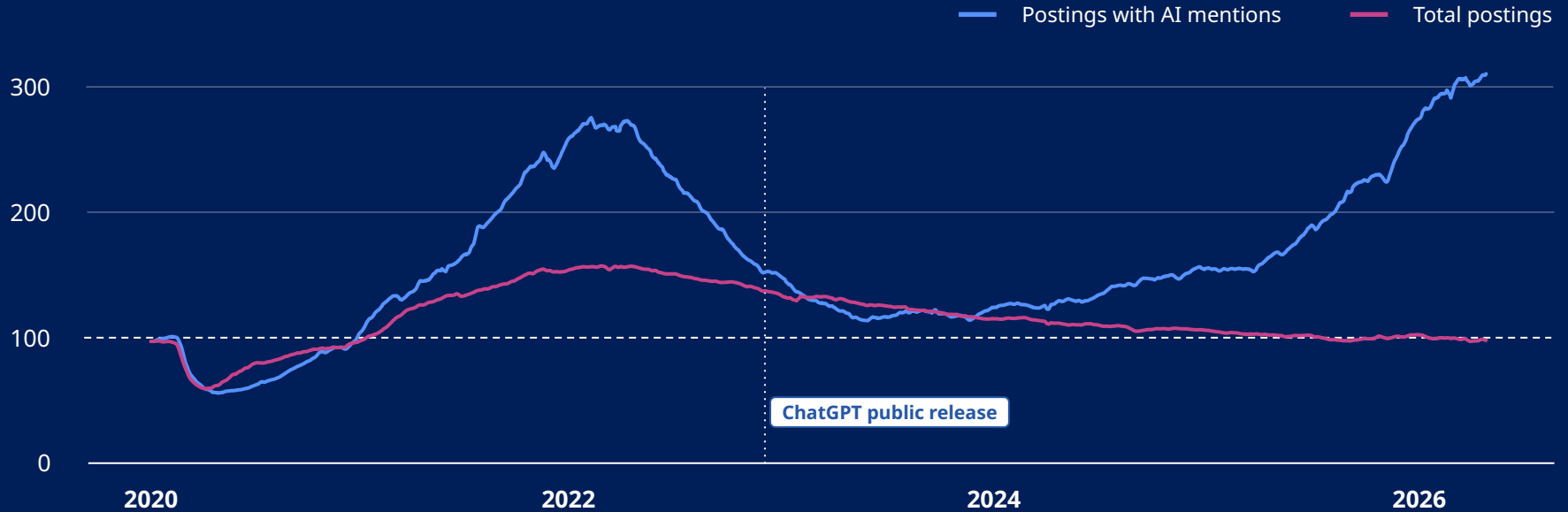
# AI adoption is highest amongst the largest, typically tech-forward firms

Half of the largest 1% of firms had an AI-related job posting in 2025, compared to less than 5% among all firms



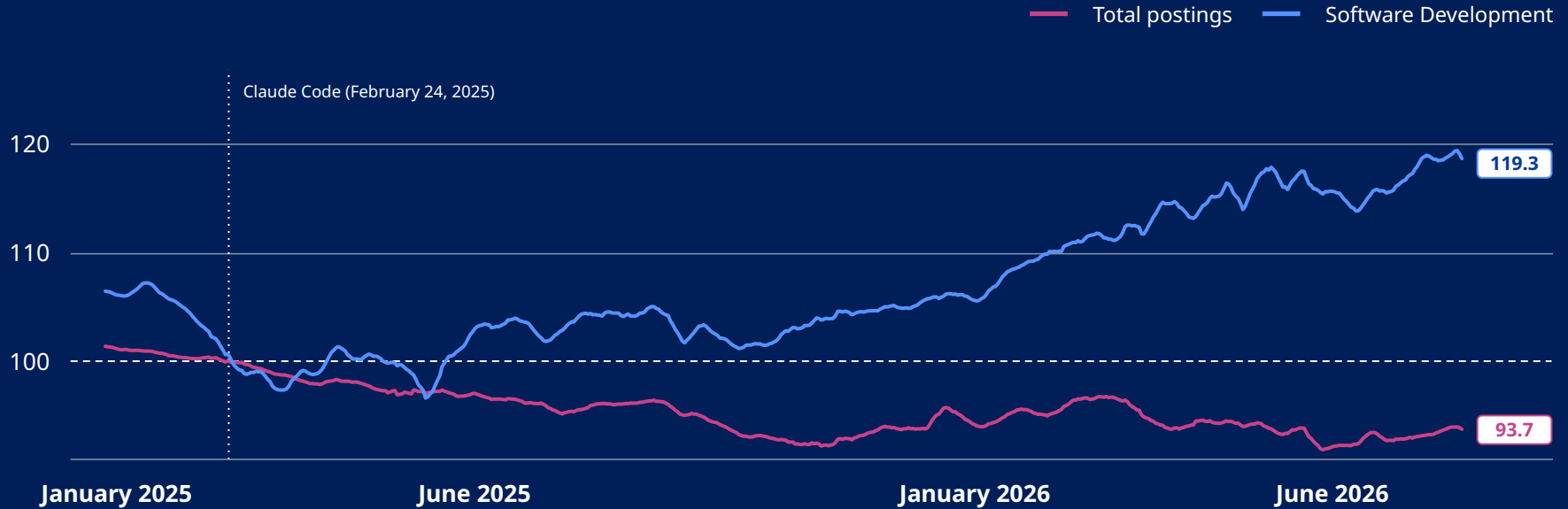
Source: Indeed. Percentage of US firms with AI-related job postings, by number of postings a firm has on Indeed (a proxy for firm size).

# Postings with AI mentions are diverging from overall hiring trends



Source: Indeed. Job postings with AI mentions vs. all postings (February 2020 - 100), through June 2026

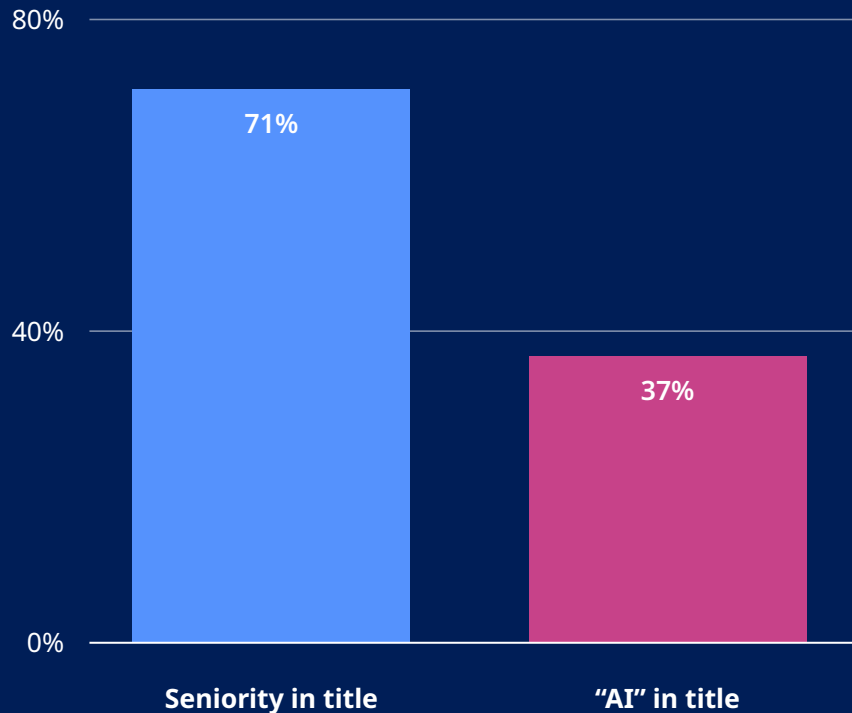
# Software development jobs have been rising since the introduction of advanced AI coding agents



Source: Indeed. United States, January 2025– July 31, 2026, seasonally adjusted | Index, February 24, 2025 = 100

## The software development job postings rebound is concentrated in Senior and AI roles

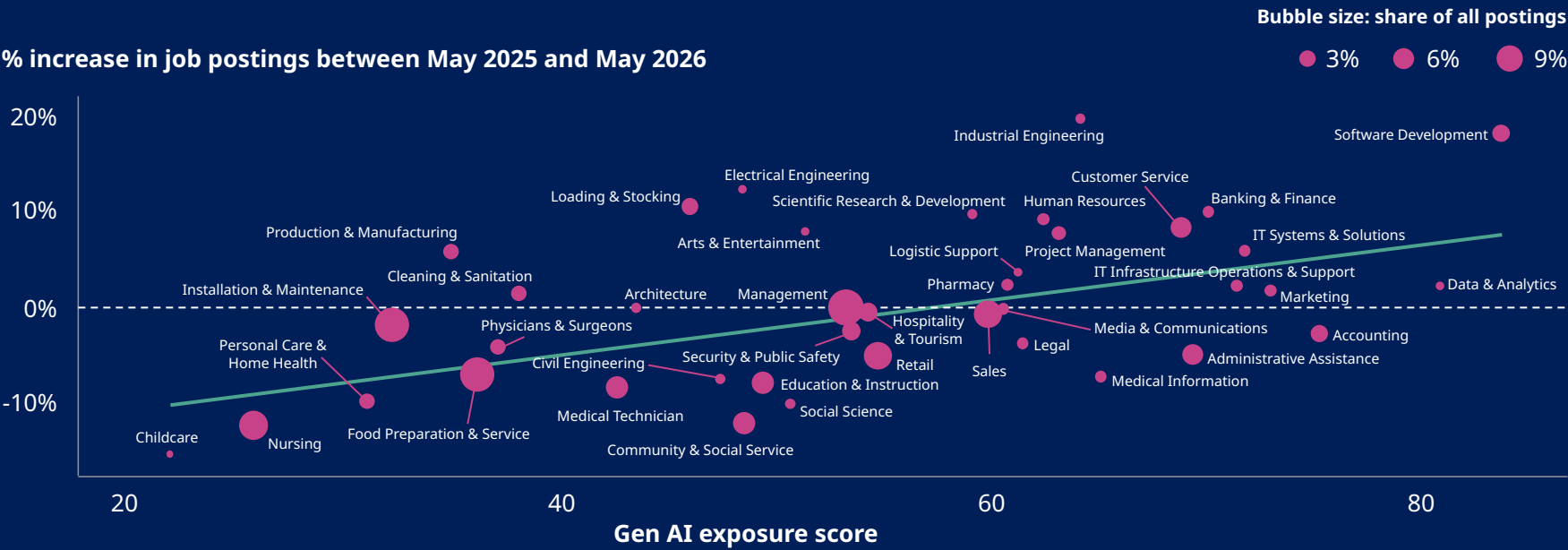
Demand is growing for experienced professionals who can work with AI, though this does not necessarily mean demand is growing across all software roles



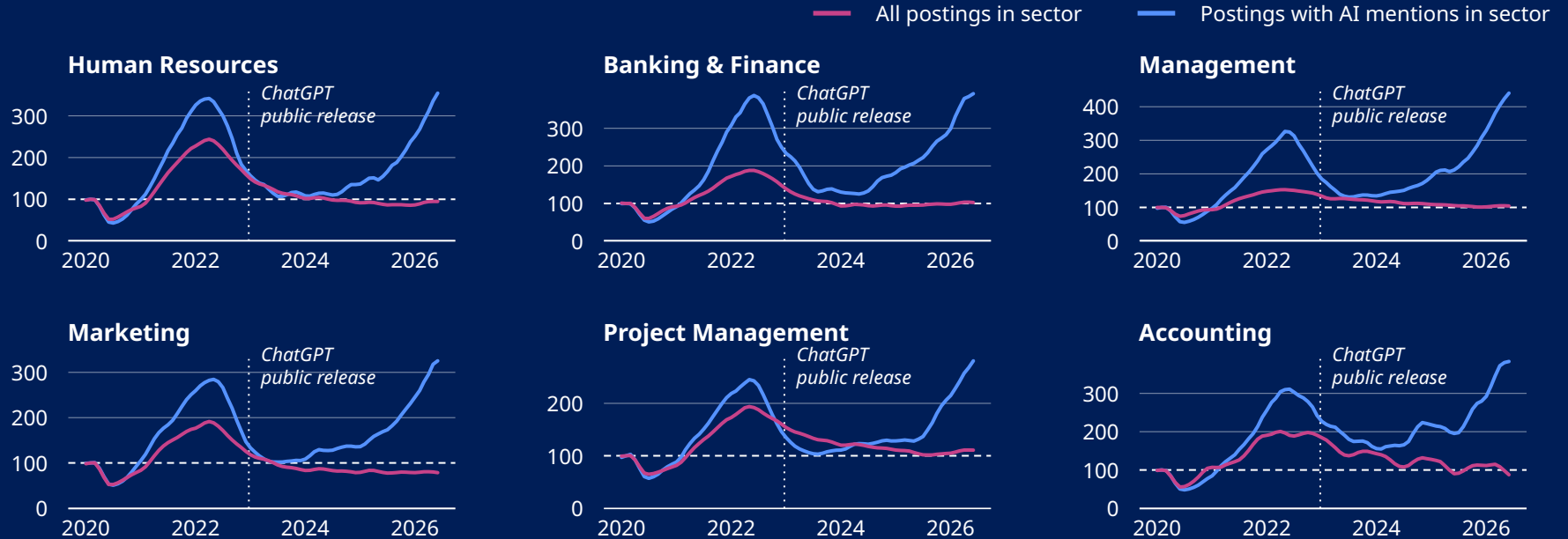
*Source: Indeed. United States, share of the net increase in Software Development job postings, May 2025–May 2026. Seniority in title = Senior, lead, principal, director, or manager. "AI" in title = AI, machine learning, deep learning, or prompt. Categories overlap.*

# Since 2025, AI-exposed occupations have been leading the job posting recovery

Job growth in highly AI-exposed occupations like software and finance suggests AI is increasingly augmenting human workers, not replacing them



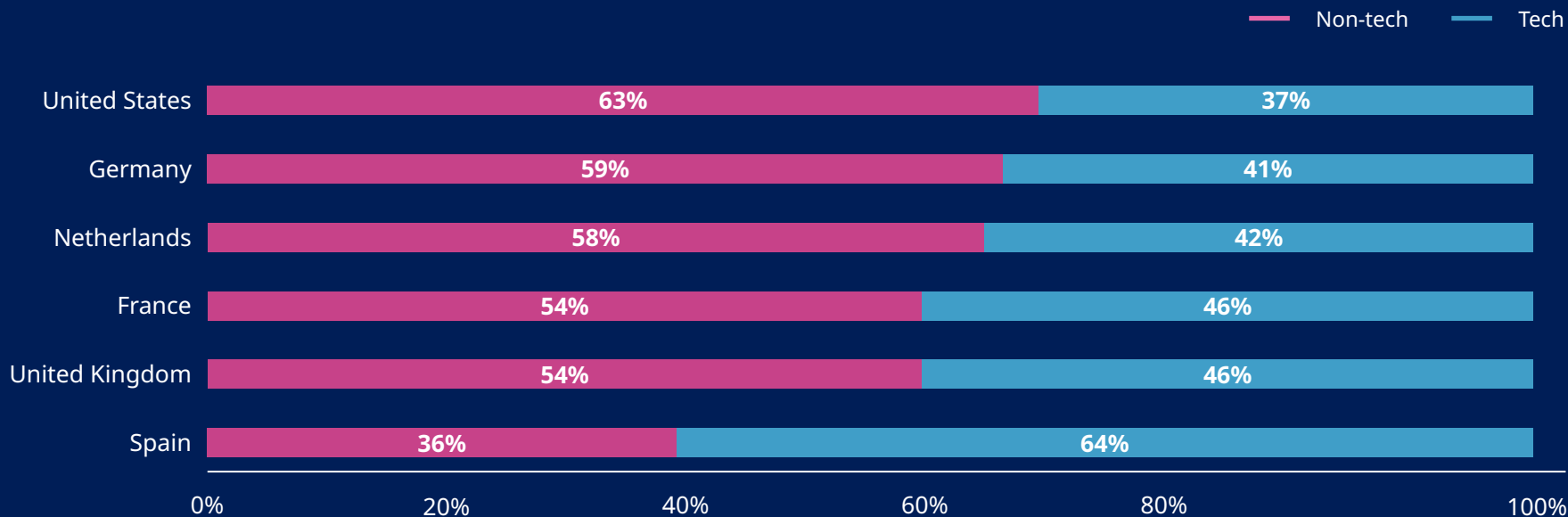
# Postings with AI mentions are defying recent trends in many knowledge-work sectors



Source: Indeed. 3-month moving average indexed to February 2020. US job postings on Indeed containing AI terms, compared to all postings in selected occupational group, Index (100 = February 1, 2020), data through June 2026. Vertical dashed line is Q4 2022, when ChatGPT-3 was made public.

# AI is no longer just a tech story

In the US, almost two-thirds of jobs with “AI” in the title are outside of traditional tech sectors



Source: Indeed. Share of AI-touched job titles (%+ AI postings in Q1 2026), tech vs non-tech

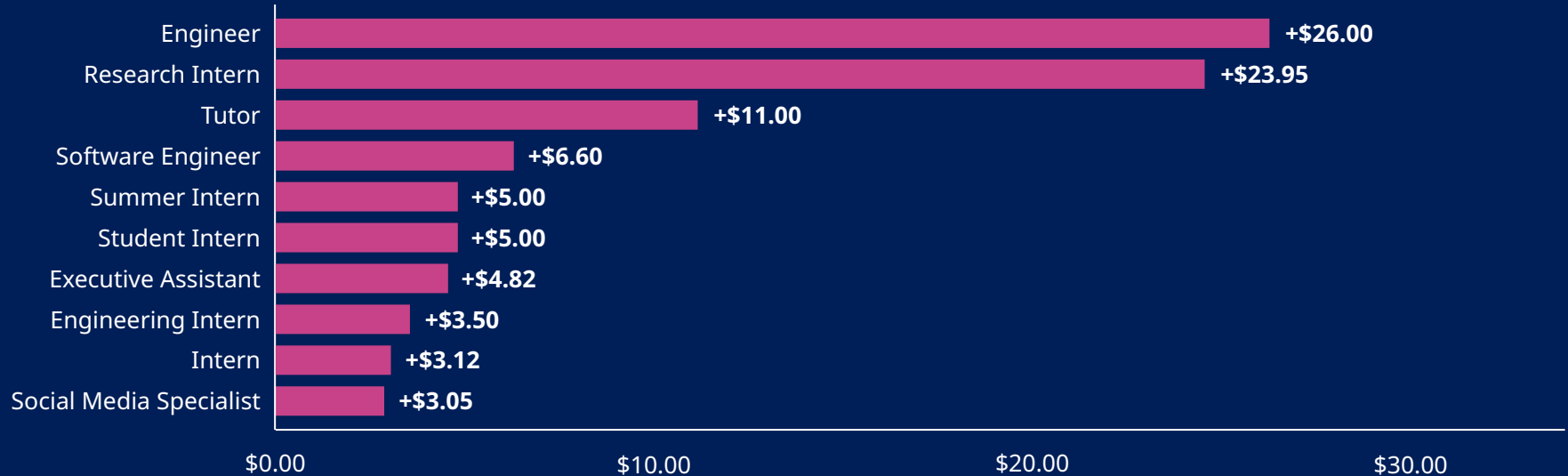
## New AI-related job titles are cropping up outside of tech as AI adoption rises

| Normalized job title            | Sample AI job titles                                            |
|---------------------------------|-----------------------------------------------------------------|
| Truck Driver                    | AI Autonomous Truck Test Driver - (CDL)                         |
| Retail Sales Associate          | Fashion Retail & AI Commerce Associate                          |
| Customer Service Representative | AI Platform Customer Service Professional                       |
| Physical Therapist              | Physical Therapist (AI Documentation)                           |
| Administrative Assistant        | Part-Time AI Proficient Admin Assistant with CRM Experience     |
| Account Manager                 | Account Manager for AI Software Solutions                       |
| Outside Sales Representative    | B2B Outside Sales Representative - AI Solutions                 |
| Teacher                         | AI Literacy & Innovation Teacher                                |
| Sales Manager                   | AI Sales Manager - AI Solutions                                 |
| Real Estate Agent               | Real Estate Agent - Scottsdale - AI Lead System Included        |
| Insurance Agent                 | Operations Manager - Insurance Sales Operations & AI Enablement |
| Manager                         | AI Enablement Manager                                           |
| Operations Associate            | Operations & AI Enablement Associate                            |
| Operator                        | AI Safety Operator (Night Shift)                                |
| Tutor                           | After-School AI & Technology Instructor                         |
| High School Teacher             | Artificial Intelligence High School Teacher                     |
| Coach                           | AI Strategy & Transformation Coach                              |
| Project Engineer                | AI Project Engineer                                             |
| Electrical Engineer             | Electrical Engineer - Battery Systems for AI Data Centers       |

Source: Indeed. Largest non-tech job titles containing postings mentioning AI in the job title in Q1 2026 but not in Q1 2023, sorted by size, United States

# Jobs that require AI skills pay more than the same jobs that don't

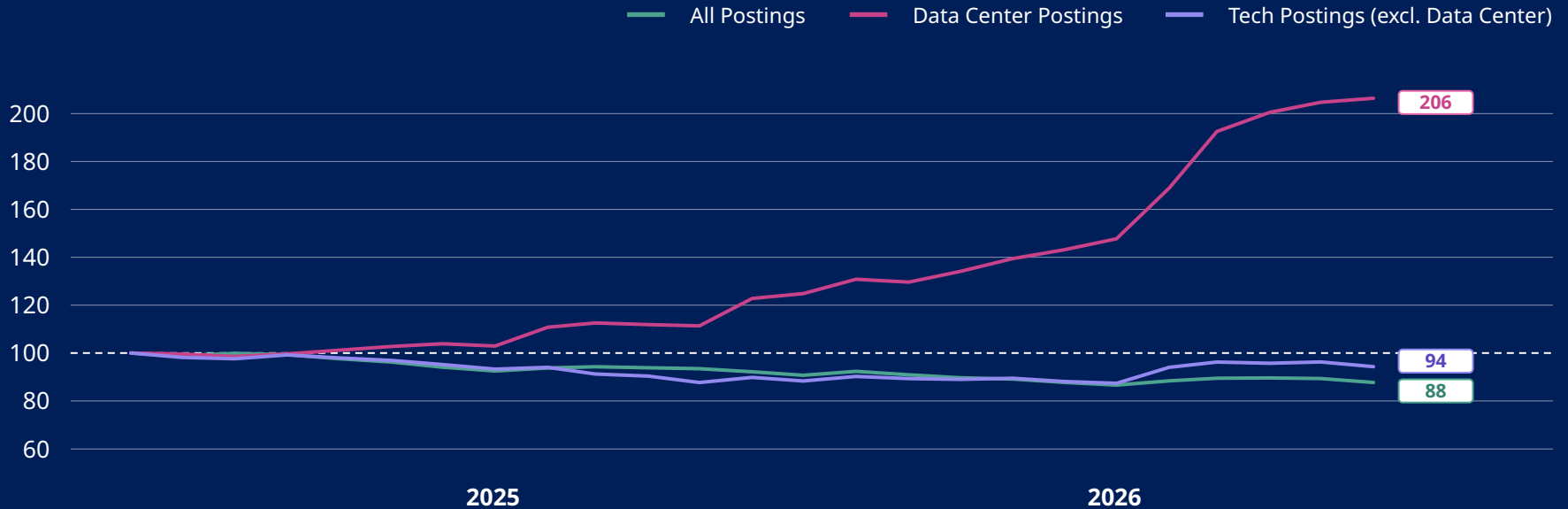
Job postings for engineers that explicitly include an AI skill pay \$26 more per hour than engineering jobs that don't require an AI skill



Source: Indeed. Difference in median hourly salary: AI-skills vs. non-AI postings, Q1 2026

# Jobs related to data centers are surging

Data center job postings have doubled since 2024, while other posting have stayed steady

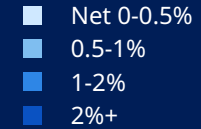


Source: Indeed. Indexed level of job postings (100=June 2024), through June 2026

# Rural areas are typically home to the largest shares of data center jobs

85% of all job postings in the Hermiston, OR area are data center related

Data center share of postings



Hermiston-Pendleton, OR (85%)

The Dalles, OR (7%)

Reno, NV (12%)

Bloomsburg-Berwick, PA (38%)

Columbus, OH (14%)

Washington, D.C. (8%)

Washington Court House, OH (55%)

Rockingham, NC (39%)

Jackson, MS (13%)

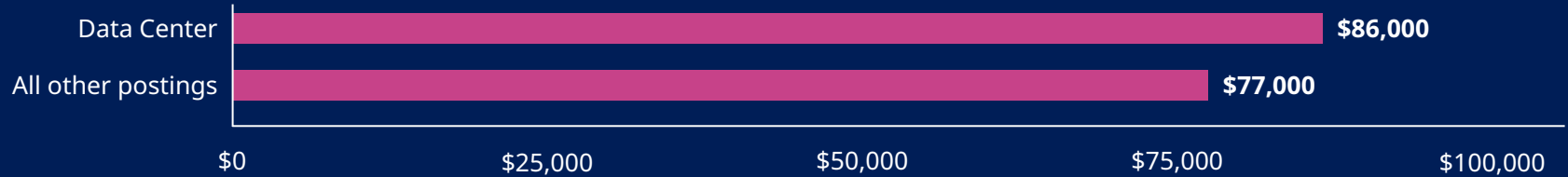
El Campo, TX (18%)

Source: Indeed Hiring Lab. CBSAs with insufficient data are not shown. Data center share of all Indeed job postings by core-based statistical area (CBSA), year to date June 2026. Labels mark the 10 CBSAs with the highest data center share.

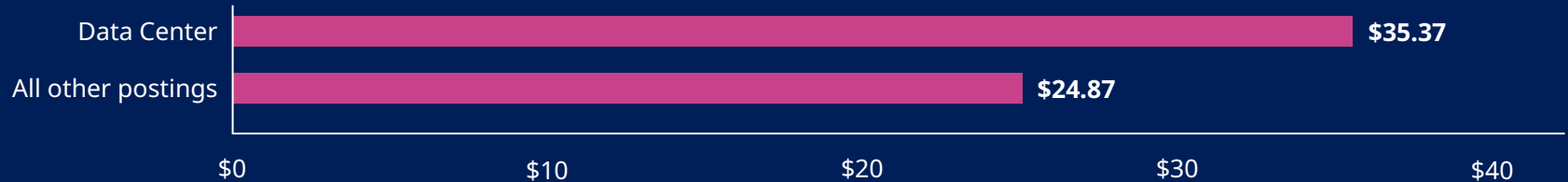
# Data center jobs for blue-collar workers pay a hefty premium

Both hourly pay and annual salaries are meaningfully higher for data center installation workers

## Annual Salary (Data Center Premium: +12%)



## Hourly Pay (Data Center Premium: +42%)



Source: Indeed. Median of the posted-range midpoints in postings for installation & maintenance roles in the United States. Data covers January 2026–June 2026.

# The Future: Fewer workers, sooner than you think

The US labor force has already begun to shrink as more workers retire and fewer workers come in to replace them. This dynamic will only accelerate over the next 5-10 years.

Immigration has traditionally been a good source of younger workers, but overall job seeker interest in work outside their home countries has fallen as global immigration policies have tightened.

The decline in immigration is one factor helping to drive up time to hire, especially in industries with a higher share of immigrant workers (i.e., food & beverage roles).

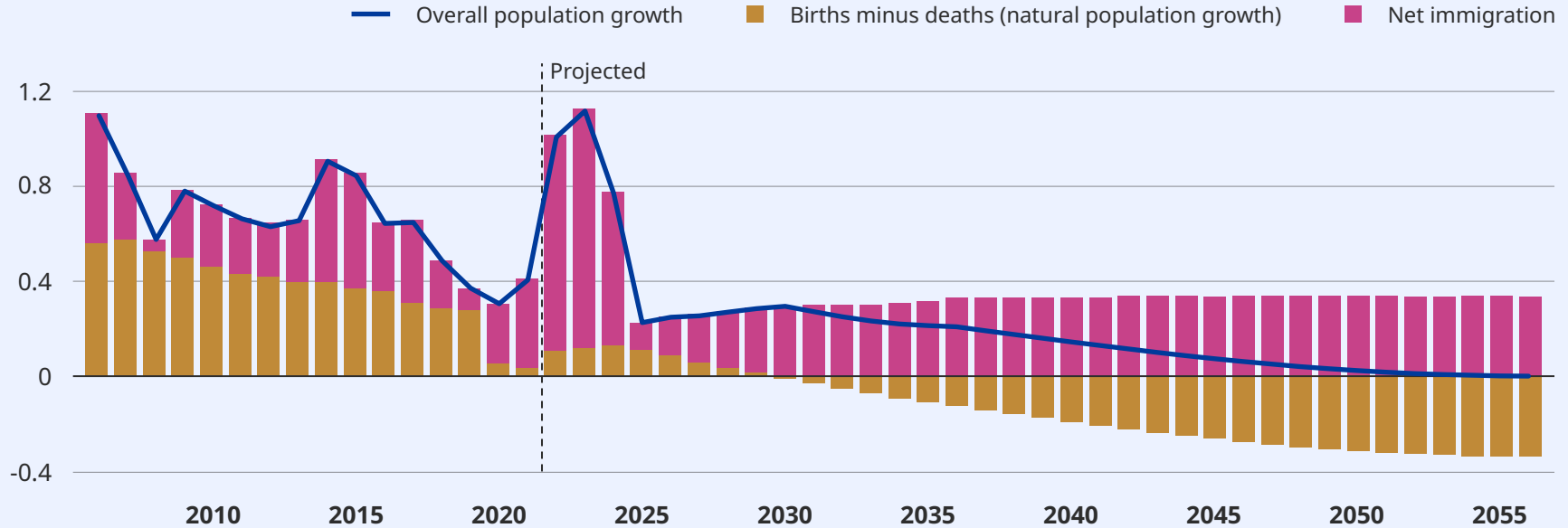


## Employer Insight

The pool of available workers is shrinking. This won't reverse. Recruitment and retention will become even more important.

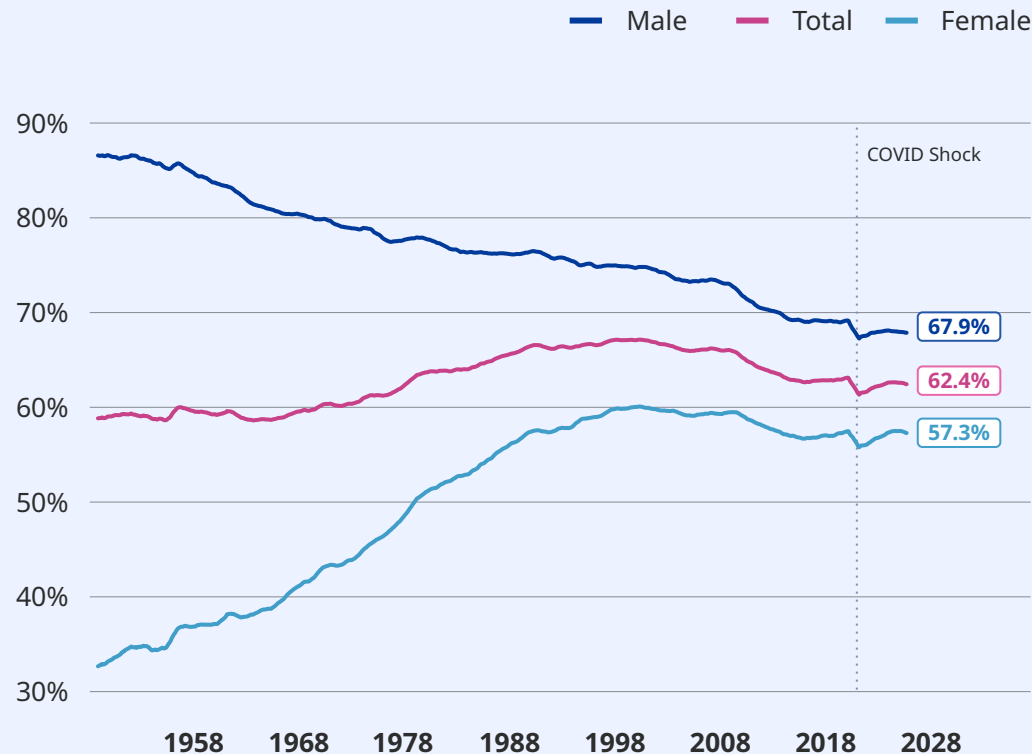
# US natural population growth is projected to turn negative by 2030

Under current immigration projections, the overall population is expected to stop growing by 2056



Source: Congressional Budget Office. All values from 2022 are projections

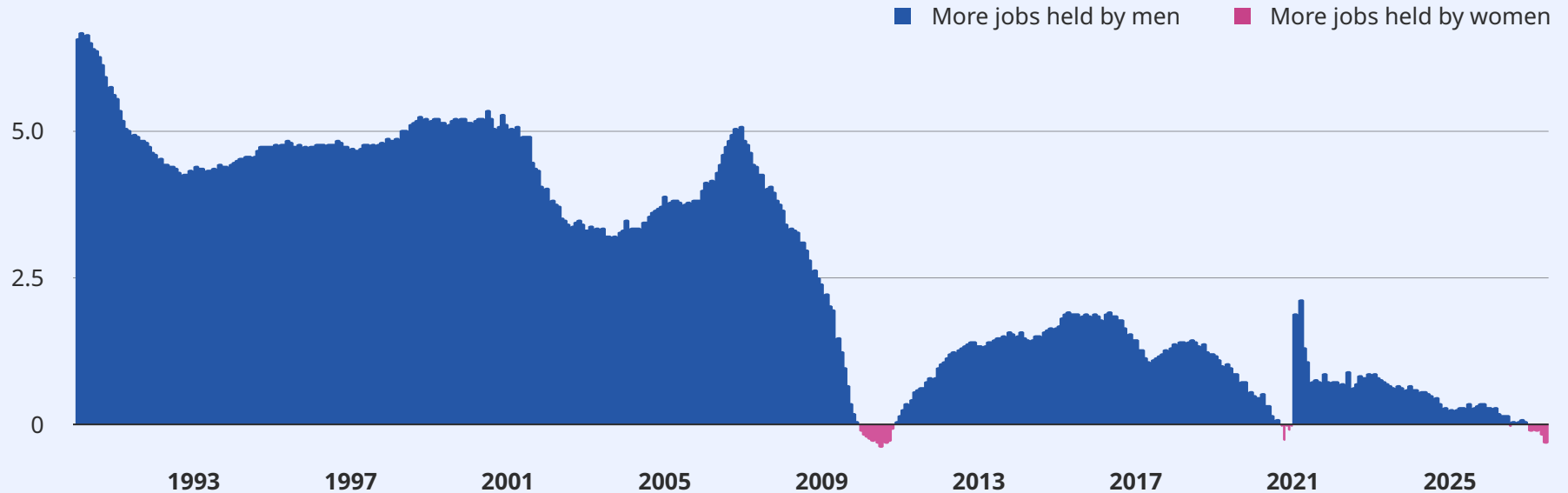
# Labor force participation has fallen, largely driven by a decline in working men



Source: U.S. labor force participation rates by sex (1948–2026); US Bureau of Labor Statistics; 12-month rolling averages

# The male-female employment gap has disappeared

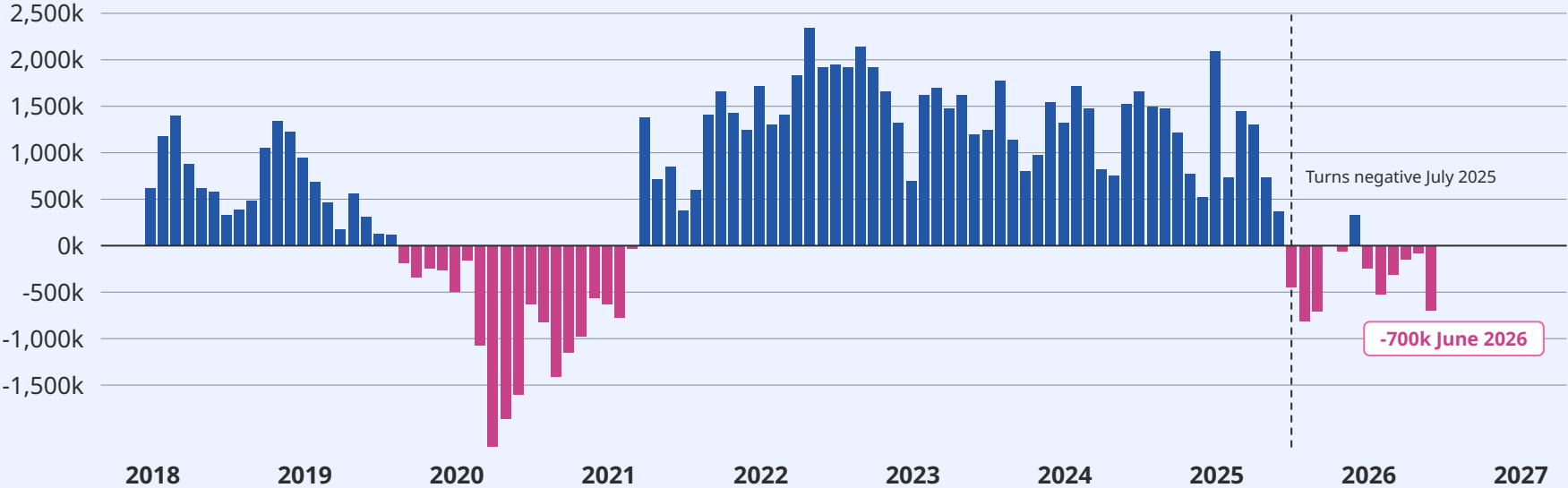
Difference in total nonfarm employment (millions), 1990–June 2026



Source: Bureau of Labor Statistics, Indeed Hiring Lab. Shaded areas indicate recessions.

# Immigration can no longer be counted on for a steady supply of new workers

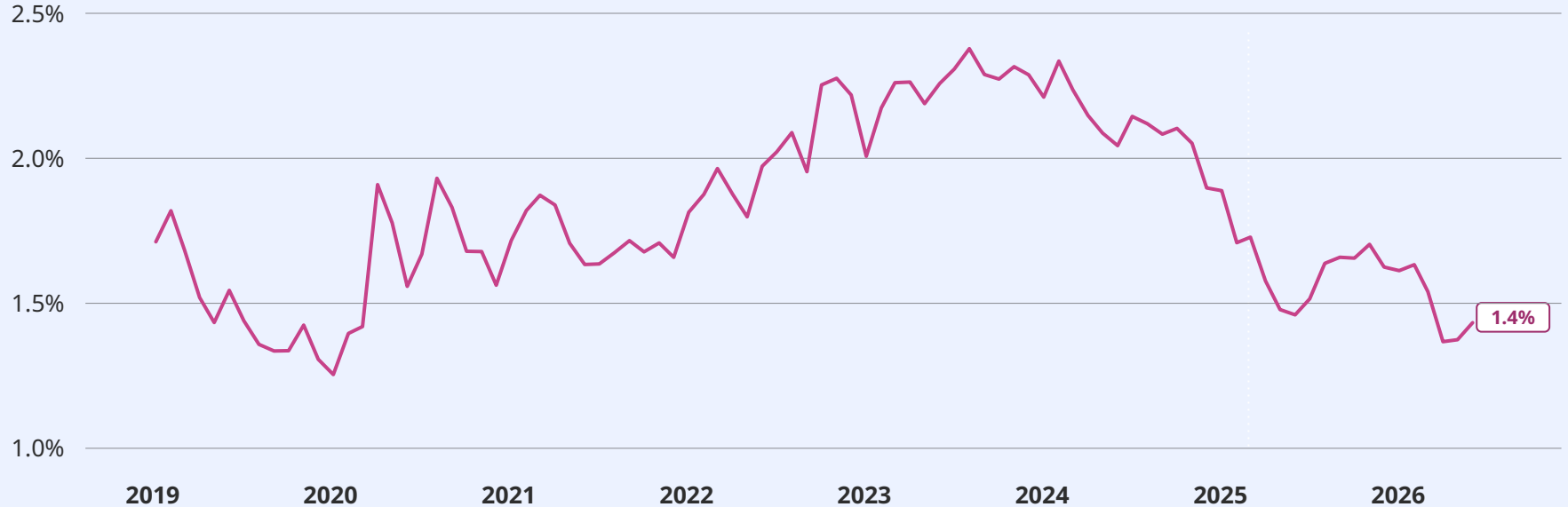
Industries more-reliant on immigrant labor, including healthcare & hospitality, may already be feeling the squeeze



Source: Civilian labor force, foreign-born workers. Year-over-year change, monthly, thousands.BLS Current Population Survey (CPS), foreign born, not seasonally adjusted 32

## Foreign job seeker interest in US jobs peaked in mid-2023

Foreign interest in US jobs is currently at a 6-year low, even as employers' demand for immigrant workers has risen.



Source: Indeed. Share of clicks on US job postings by job seekers abroad by month, data through June 2026.

# Impending retirements will be concentrated in hands-on fields where AI has limited impact

Replacing this talent will require retraining & reallocating millions of workers

Retirement rate

1.5% 2.5% 3.5% 4.5%

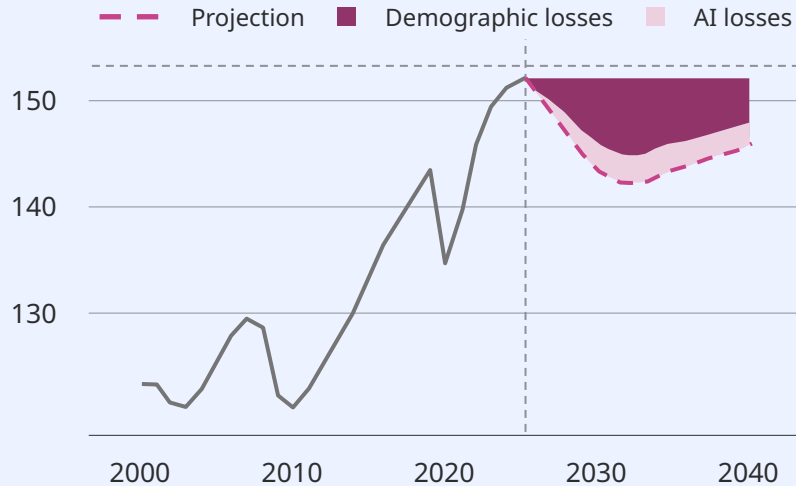
|                                  | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 |
|----------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Education & Health               | 3.5  | 3.5  | 4.0  | 4.4  | 4.6  | 4.4  | 4.1  | 3.7  | 3.1  | 2.5  | 2.6  | 2.6  | 2.5  | 2.4  | 2.4  | 2.5  |
| Manufacturing                    | 3    | 3    | 3.4  | 3.8  | 3.9  | 3.8  | 3.5  | 3.2  | 2.7  | 2.2  | 2.2  | 2.2  | 2.1  | 2.1  | 2.1  | 2.1  |
| Government                       | 2.9  | 2.9  | 3.3  | 3.7  | 3.9  | 3.7  | 3.4  | 3.1  | 2.6  | 2.1  | 2.2  | 2.1  | 2.1  | 2    | 2    | 2    |
| Financial                        | 2.8  | 2.8  | 3.2  | 3.5  | 3.6  | 3.5  | 3.3  | 2.9  | 2.5  | 2    | 2.1  | 2    | 2    | 1.9  | 1.9  | 2    |
| Wholesale, Transport & Utilities | 2.7  | 2.6  | 3    | 3.4  | 3.5  | 3.4  | 3.1  | 2.8  | 2.4  | 1.9  | 2    | 2    | 1.9  | 1.9  | 1.9  | 1.9  |
| Construction                     | 2.4  | 2.4  | 2.7  | 3    | 3.3  | 3    | 2.8  | 2.5  | 2.1  | 1.7  | 1.8  | 1.8  | 1.7  | 1.7  | 1.7  | 1.7  |
| Professional & Business          | 2.2  | 2.2  | 2.5  | 2.7  | 2.9  | 2.8  | 2.6  | 2.3  | 2    | 1.6  | 1.6  | 1.6  | 1.6  | 1.5  | 1.6  | 1.6  |
| Information                      | 2    | 1.9  | 2.2  | 2.4  | 2.6  | 2.5  | 2.3  | 2.1  | 1.8  | 1.4  | 1.5  | 1.5  | 1.4  | 1.4  | 1.4  | 1.4  |
| Retail                           | 1.8  | 1.8  | 2    | 2.2  | 2.3  | 2.3  | 2.1  | 1.9  | 1.6  | 1.3  | 1.3  | 1.3  | 1.3  | 1.3  | 1.3  | 1.3  |
| Leisure & Hospitality            | 1.4  | 1.4  | 1.6  | 1.6  | 1.8  | 1.8  | 1.7  | 1.5  | 1.3  | 1    | 1.1  | 1.1  | 1    | 1    | 1    | 1    |

Projections by Indeed Hiring Lab. Retirement rate = annual retirements / sector employment. Data Sources: BLS Employment Projections; CDC NCHS Births; SSA 2024 cohort life tables.

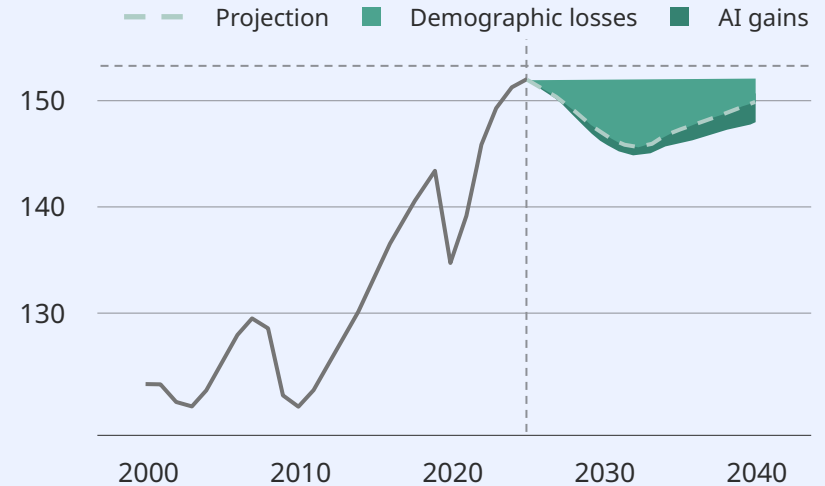
# Total employment will shrink no matter what, and it will be because of demographics, not AI

If AI evolves to augment rather than replace workers, the blow will be cushioned.

## Replacing



## Augmenting



Source: All 10 JOLTS supersectors combined. Projections by Indeed Hiring Lab. Source for historical data: BLS.

# Reimagining hiring today, to prepare for an uncertain tomorrow

Employers can no longer depend on a steadily expanding labor force. But the future will be defined less by scarcity, and more by our ability to match the right workers with the right skills with the employers that need them.

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There will be work to do, and workers available to do it, but only if we can more efficiently move workers from where they won't be needed to where they will.

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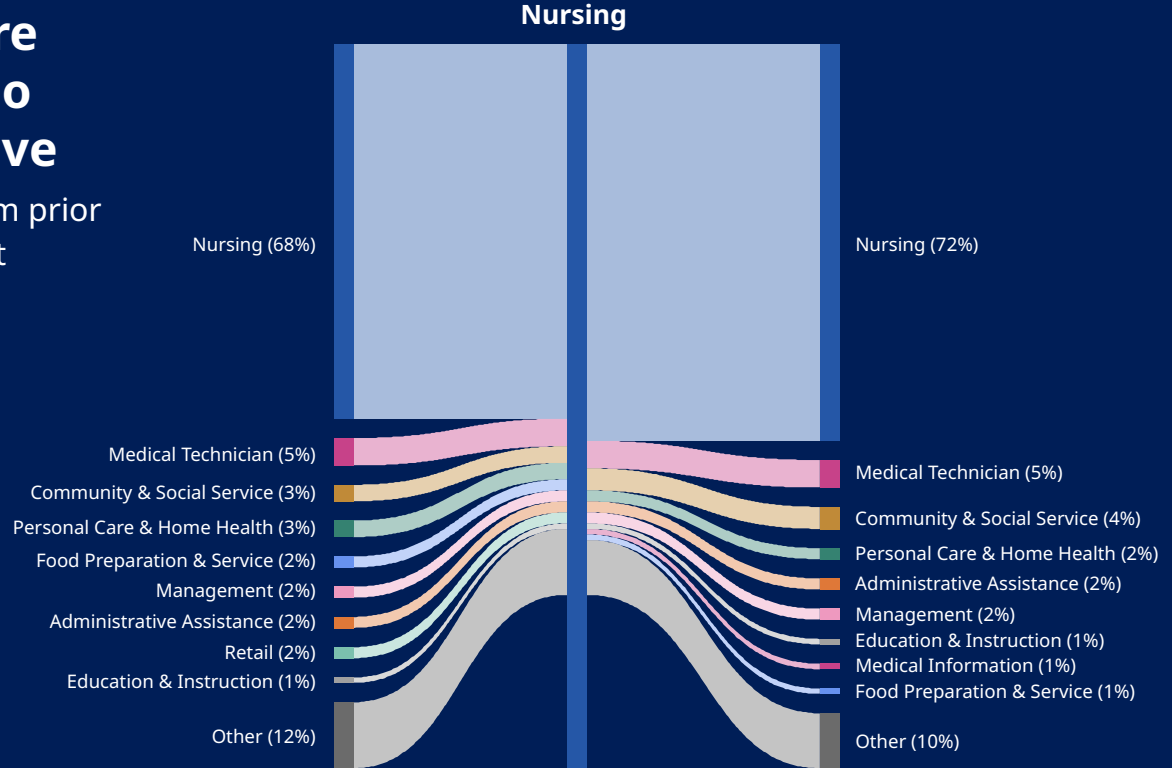
Breaking down some barriers to entry for the next decade's in-demand fields, including healthcare and skilled trades, will be critical. So will identifying portable skills, like business operations and communications skills, that transfer well from one job to another.



## Many healthcare roles are closed loops — difficult to enter, and difficult to leave

Nurses overwhelmingly both come from prior nursing roles, and go on to subsequent nursing roles when they change jobs.

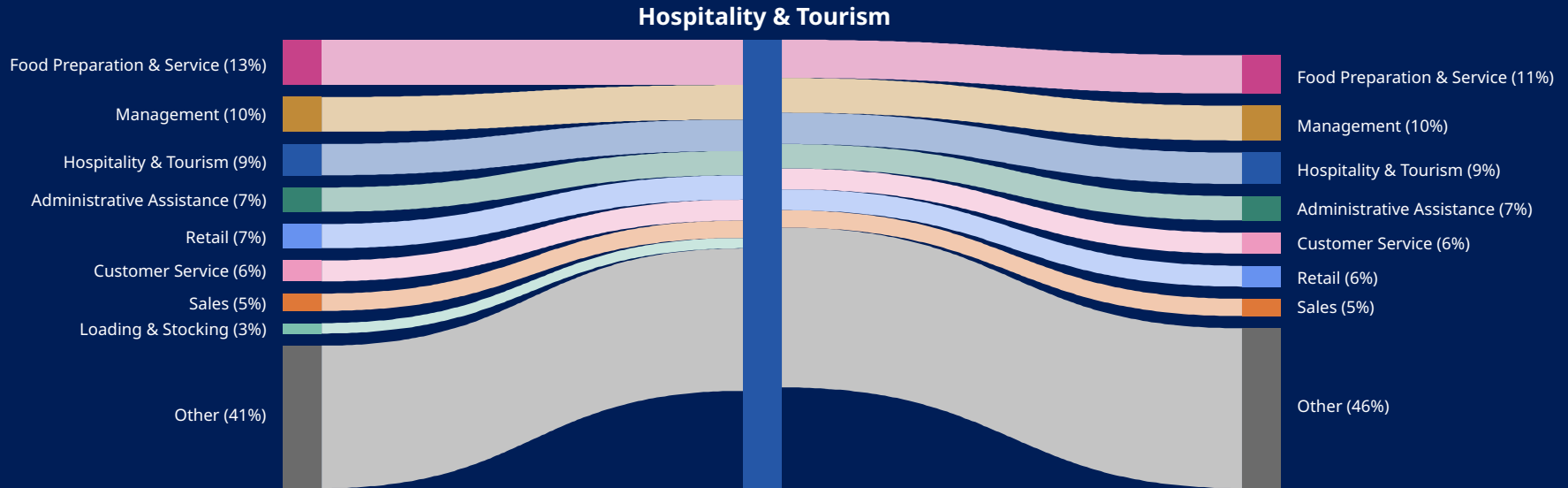
**For employers:** In coming years, the market will need a lot more flexibility and firms will have to consider a wider range of candidates with differing backgrounds. Investing in training pipelines today for tomorrow's in-demand fields, including healthcare, will make it easier for workers to move from where they aren't needed to where they are.



Source: Indeed. Inflows and outflows to and from Nursing jobs by sector of origin or destination, percentage of people switching to new jobs (2022–2024)

# Hospitality & tourism workers are more fluid, coming from and going to a wider range of industries

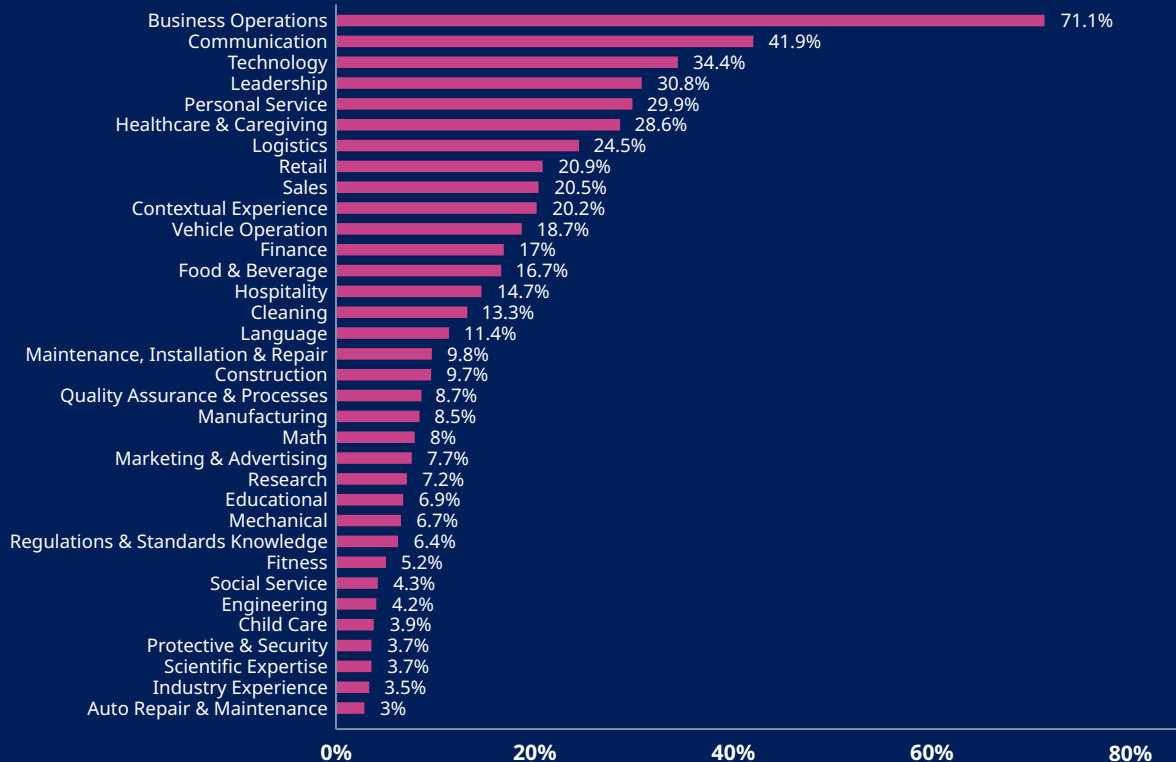
These workers often have portable skills that translate well from one industry to another



Source: Indeed. Inflows add up to 100% of the destination category. Rates only include people who switched to new jobs. Inflows to Hospitality & Tourism jobs by category of origin; percentage of people switching to new jobs from 2022-2024

# Business operations and communications skills appear in a wide range of job postings and are portable from job-to-job

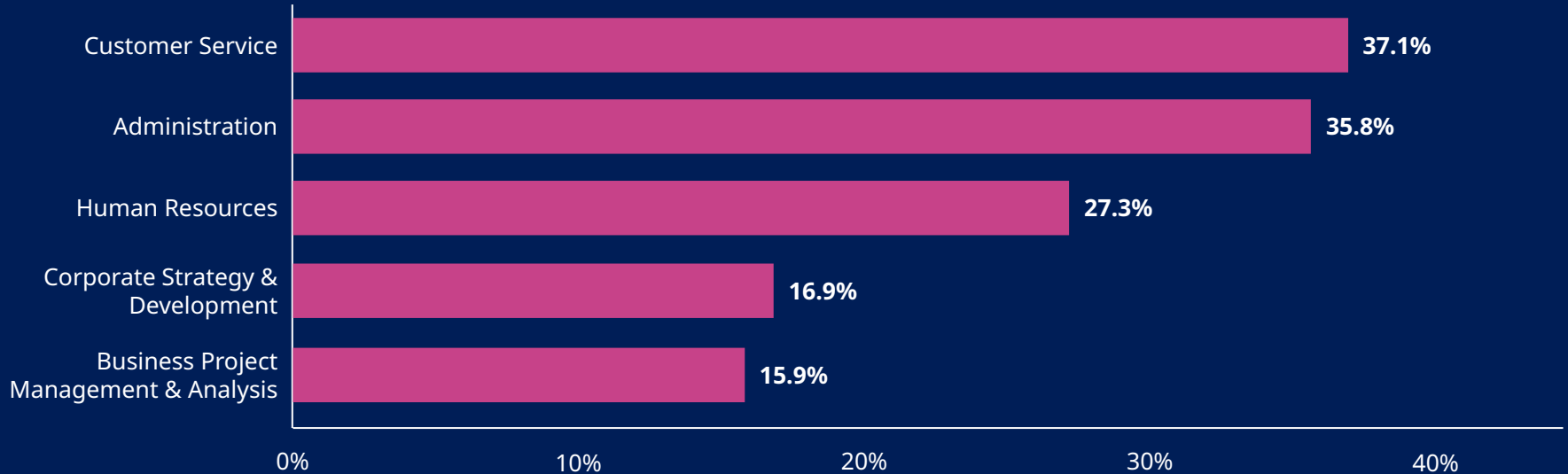
More than 70% of all US job postings mention at least one business operations skill



Source: Indeed. Average share of postings mentioning at least one skill in each skill category (%), Q4 2025.  
Only skill categories with at least one skill mentioned in at least 3% of job postings are shown.

## Business operations skills encompass a wide range of HR, admin, and customer service skills

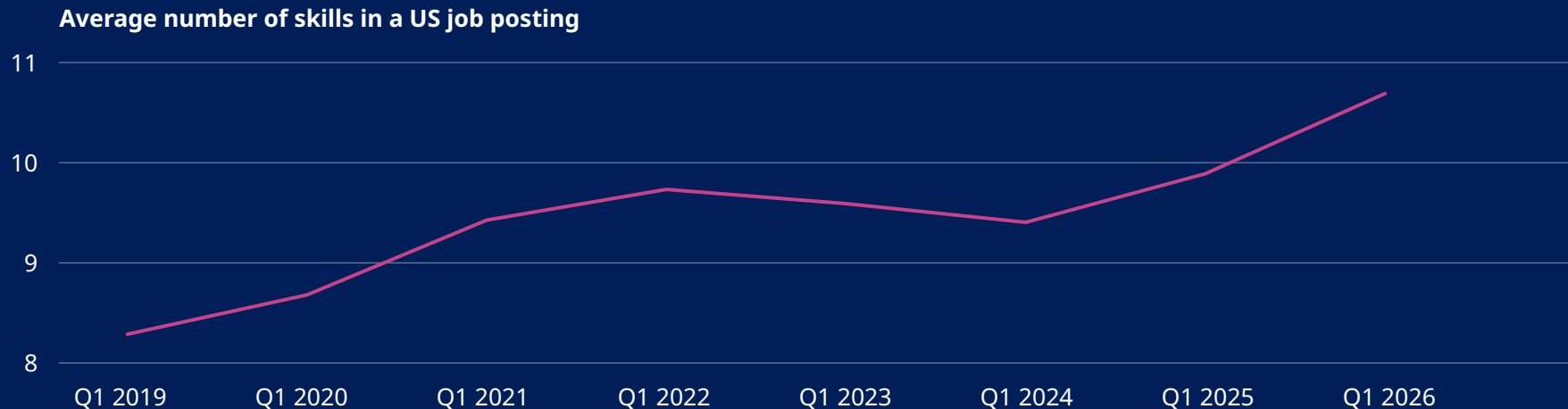
Customer service and administrative skills appear in more than a third of US job postings



Source: Indeed. Top 5 Business Operations Skill subcategories by average share of job postings mentioning at least one skill (%), Q4 2025

## The typical job requires more skills today than it did prior to the pandemic

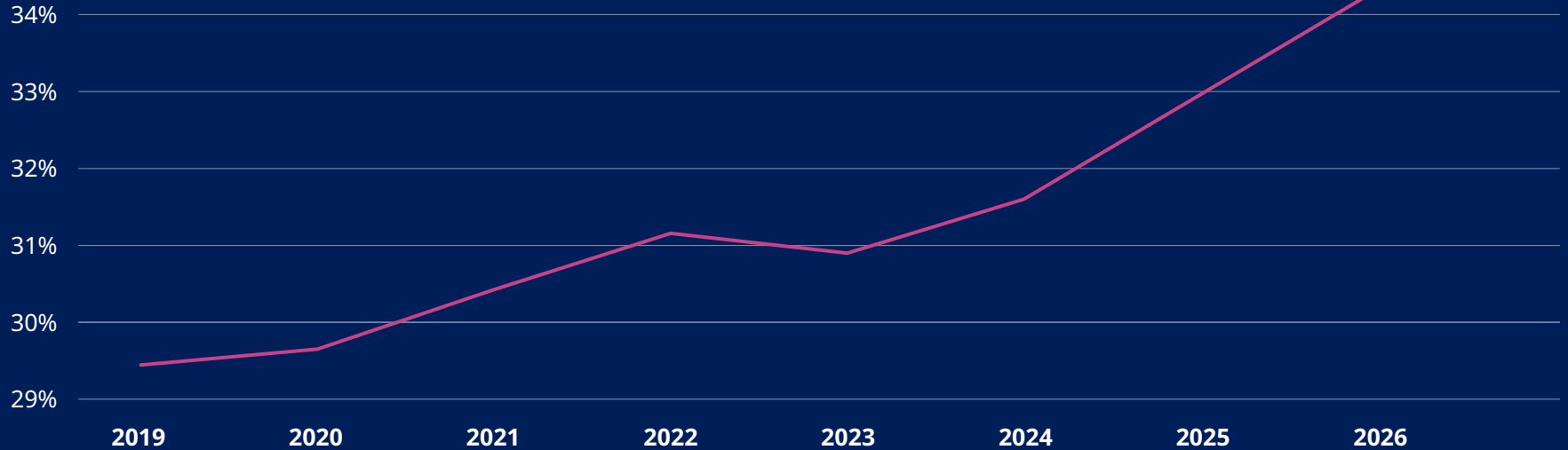
On average, employers asked for eight skills in the typical job posting prior to the pandemic. Today, they typically ask for more than 10.



Source: Indeed. Average number of skills listed in US job postings, Q1 of each year, 2019–2026.

# Non-tech jobs are becoming more technical

A third of skills required in the typical non-tech role are technical skills



Source: Indeed. Share of non-tech US job postings mentioning at least one technology skill, Q1 of each year, 2019–2026.



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