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Indeed Hiring Lab

Global Labor Market and Workforce Trends

Presented by Indeed,
a Recruit Holdings subsidiary

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Labor markets worldwide are caught between the promise of an AI-driven, transformative future and the realities of an uncertain, stagnant present.

Labor demand has cooled, and risks stalling without renewed dynamism. Structural pressures — aging populations, declining participation, and limited mobility — are worsening. AI offers a chance to relieve these pressures and amplify what workers can do, but its impact so far has been modest and uneven.

Indeed Hiring Lab research shows that AI's full effect is still emerging. Adoption is advancing quickly in large tech and professional services firms, but much more slowly across the broader economy. Virtually every job will eventually be touched by AI to some degree, but the current tools are better at enhancing existing skills and reshaping tasks rather than entirely reinventing work itself.

Meanwhile, the global economy feels unsteady. Inflation remains high in many markets, shifting trade policies are rewiring supply chains, and migration is tightening despite employers' hiring challenges. Affordability is deteriorating and access to essential services is under strain. Even in an AI-enabled future, aging populations will require more hands-on labor – but today, critical industries such as construction and care face severe worker shortages.

AI's potential is immense — but potential is not progress. Realizing it will require balancing innovation with present needs, keeping people at the center of productivity, and ensuring that technological gains translate into shared opportunity across borders.

In times of uncertainty, data is a compass. Indeed's real-time insights from employers and job seekers reveal where opportunities are growing, where skills are scarce, and where mismatches could impede recovery. At the Hiring Lab, it always starts with the data. It lets us look around corners and interpret the world we live in. It is our mission to share these insights and help others make better decisions with data.

HiringLab.org

Indeed Hiring Lab provides unique, unbiased and timely data insights on the global labor market, inspiring new conversations about the state of work.

Our team of leading economists and data scientists provide actionable thought leadership on global labor market conditions, including hiring trends, salary information, popular skills, and employer benefits.

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.

Global trends
Gain insight from our global team of economists based in Australia, Canada, France, Germany, Ireland, Japan, the UK and the US.

Labor market updates
Keep up to date with monthly/ quarterly overviews, or request a presentation to your team or client.

On-the-go alerts
Subscribe for regular email updates and newsletters about our research.

Global Labor Market Overview

> **Global labor markets cooled but did not collapse over the past year.**

But further slowdowns may mean that currently cool conditions could quickly turn cold.

> **While today's conditions are generally stable, longer-term structural challenges are growing.**

Populations are aging, immigration is slowing and labor supply shortages are already a concern in some areas.

> **Demographics may shrink the workforce, but AI will help expand what the workforce can do.**

AI adoption is growing quickly, but remains limited and uneven.
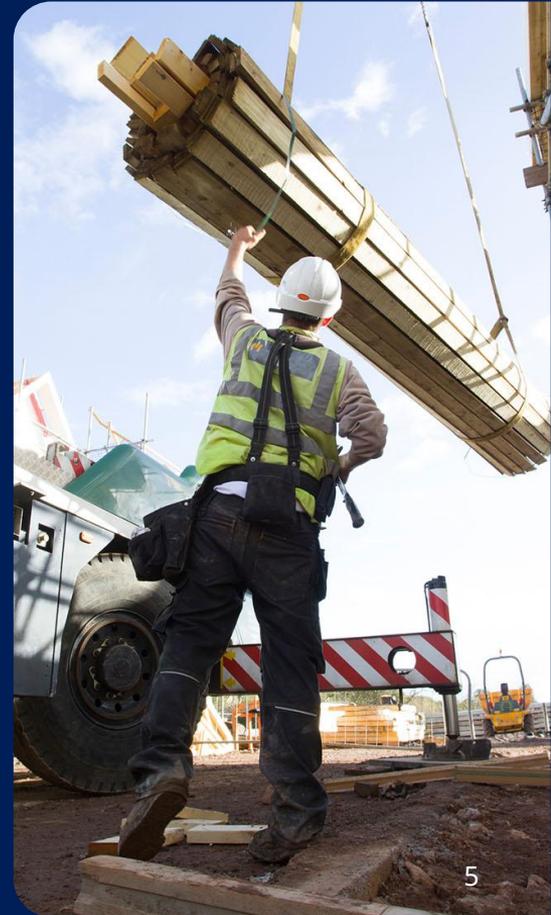
Job postings in US & Canada are close to pre-pandemic levels, but remain elevated in Mexico

Index (100 = February 1, 2020), data through February 13, 2026

Legend: Canada, Mexico, United States

Source: Indeed

In Europe, hiring demand is highest in Italy and lowest in the UK

Index (100 = February 1, 2020), data through February 13, 2026

Legend: Belgium, Euro Area, France, Germany, Italy, Netherlands, Spain, United Kingdom
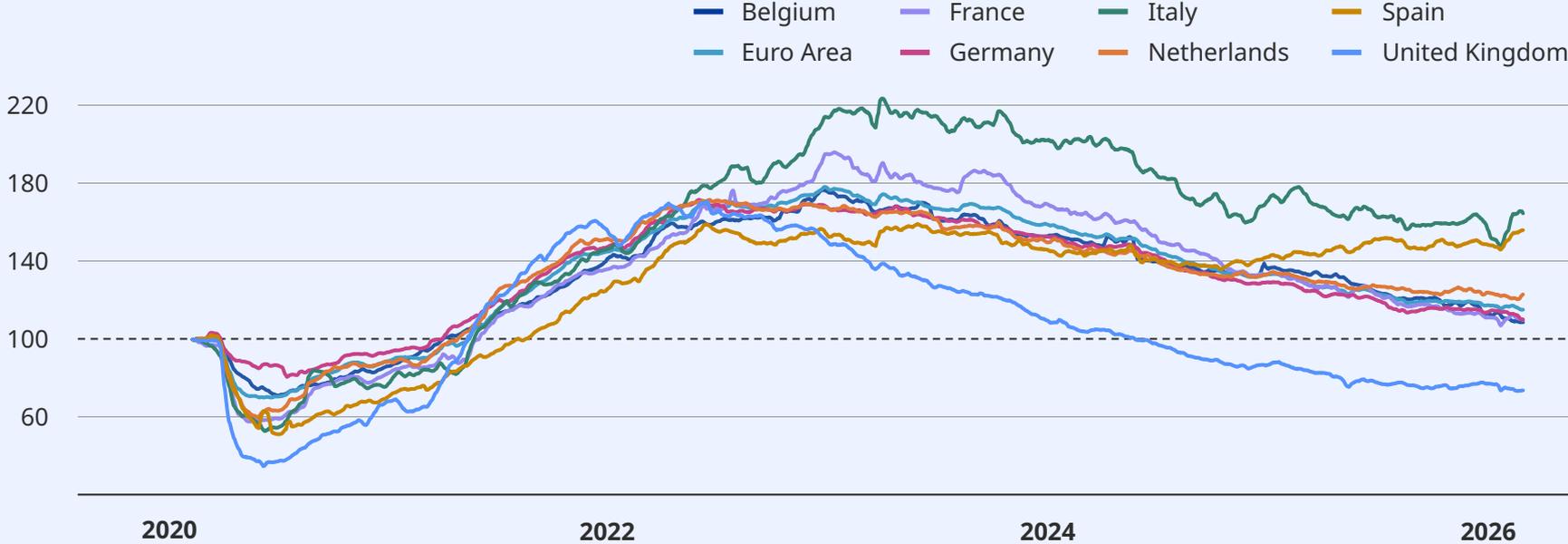
Source: Indeed

In the Asia/Pacific region, job postings in Australia and Singapore remain higher than pre-pandemic levels
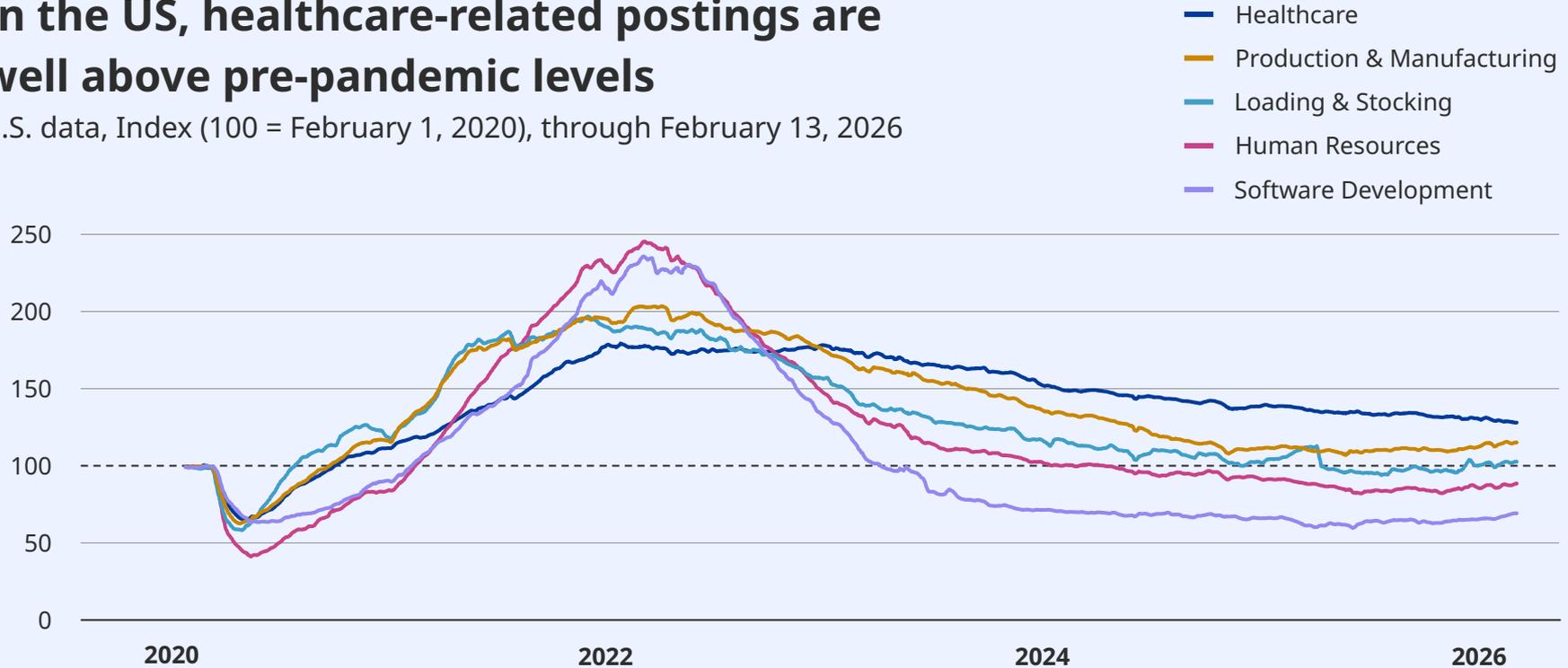
Index (100 = February 1, 2020), data through February 13, 2026
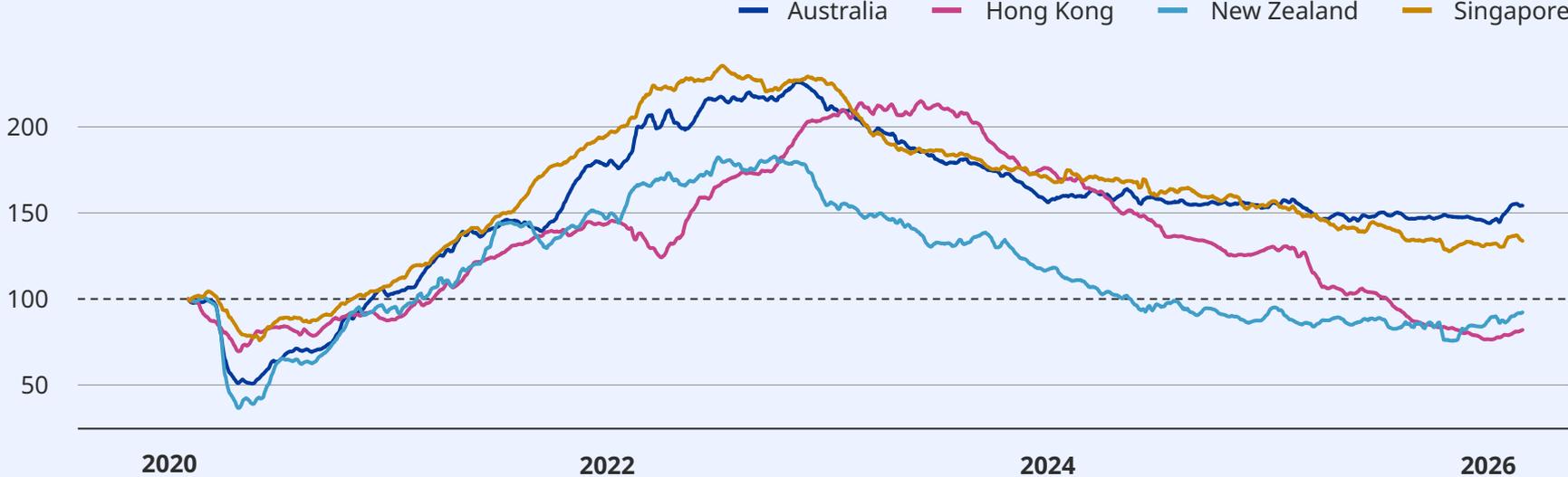
Source: Indeed

In the US, healthcare-related postings are well above pre-pandemic levels

U.S. data, Index (100 = February 1, 2020), through February 13, 2026

Legend:
- Healthcare
- Production & Manufacturing
- Loading & Stocking
- Human Resources
- Software Development

US inflation is once again growing faster than posted wages

Year-over-year growth

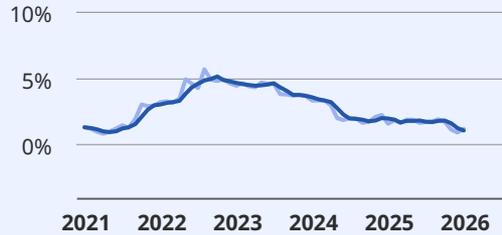Legend: Indeed Wage Tracker, Inflation

2.4%
2.0%

Source: Indeed Wage Tracker, Consumer Price Index (January 2019 – January 2026)

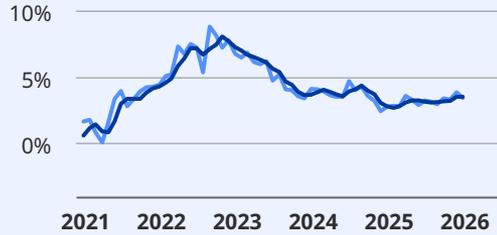# Posted wage growth is broadly stable across Europe

Year-over-year growth in posted wages, to January 2026

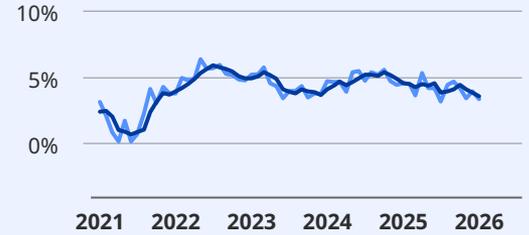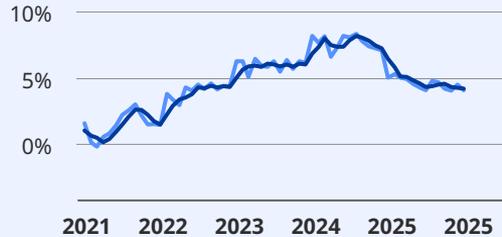— Wage Growth YoY
— Wage Growth YoY (3 month avg)
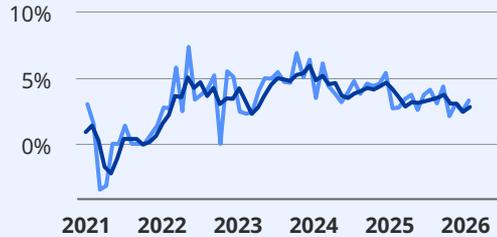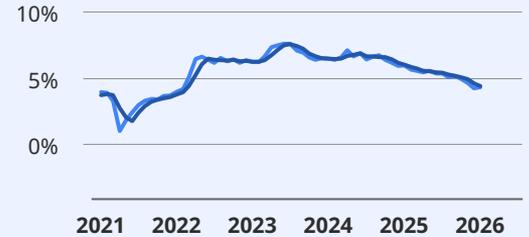

France

Germany

Ireland

Netherlands

Spain

United Kingdom

Source: Indeed Wage Tracker

Time-to-hire has risen as the US labor market has loosened
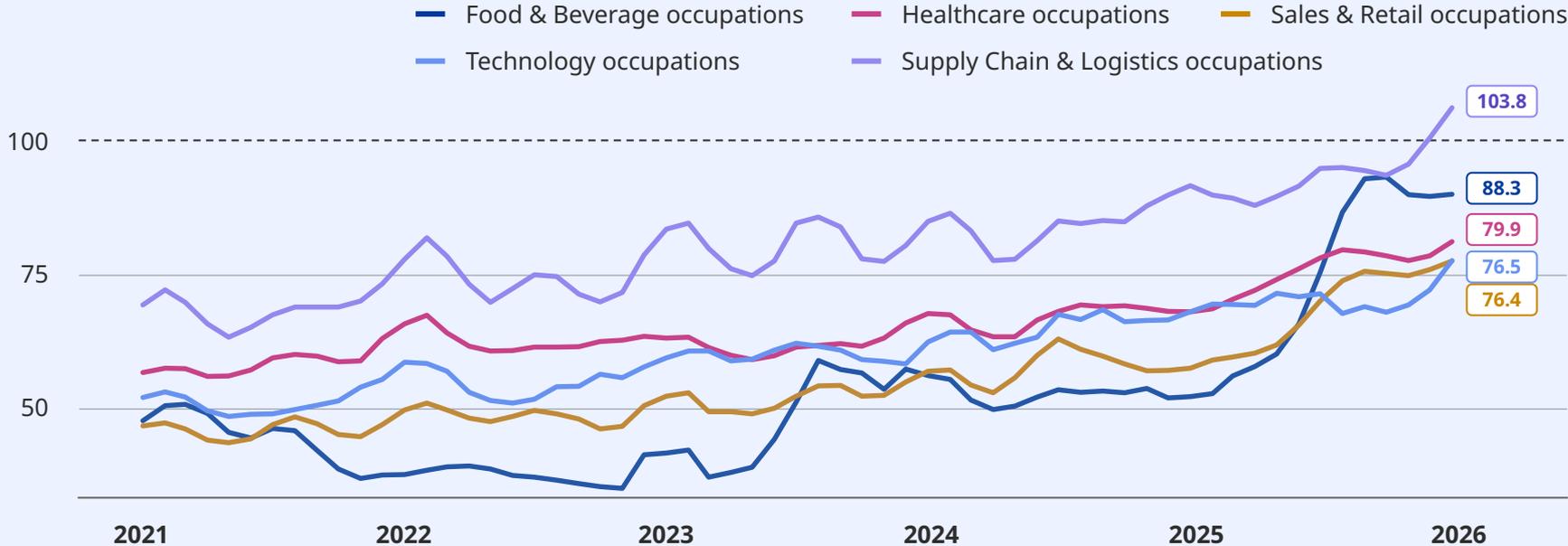
Indexed number of days between job posting and hire (100 = February 2020), through January 2026

Time-to-hire is rising across many occupations

Indexed 3-month moving average by occupation (100 = February 2020), through January 2026

- Food & Beverage occupations
- Healthcare occupations
- Sales & Retail occupations
- Technology occupations
- Supply Chain & Logistics occupations

103.8
88.3
79.9
76.5
76.4

Source: Indeed

Immigration and Future Labor Shortages

The working-age population in many advanced nations is rapidly aging, contributing to worker shortages and declining workforce participation.

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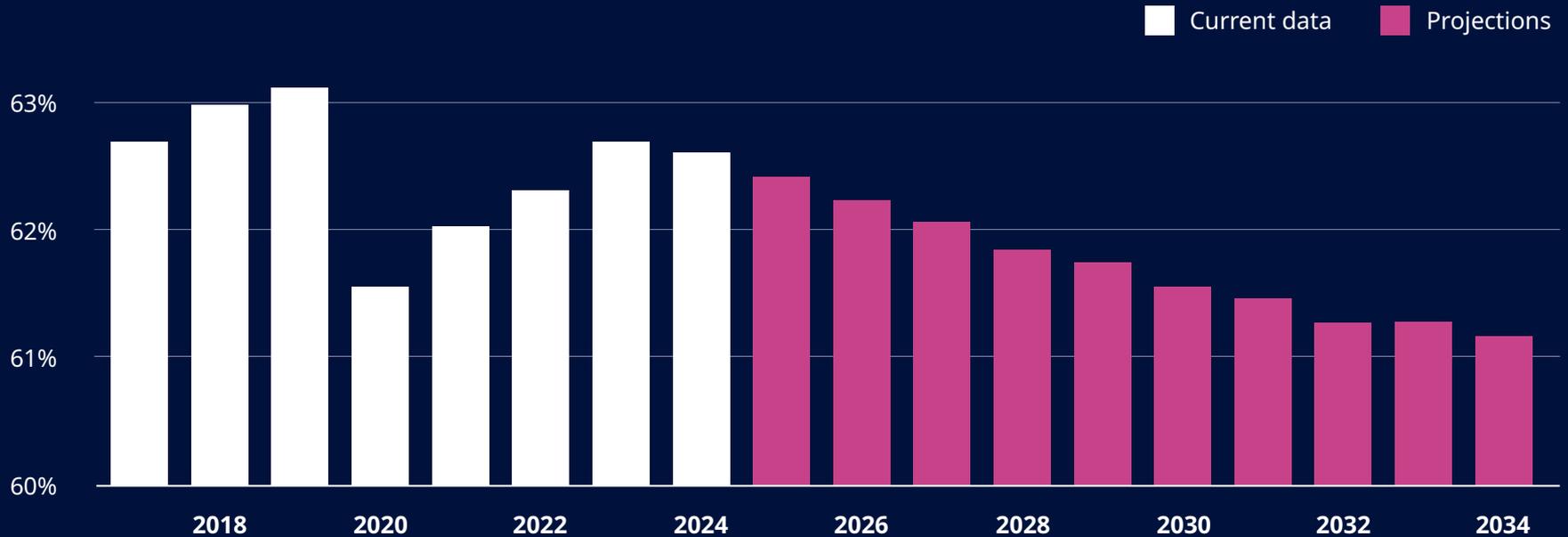
The decline in immigration is one factor helping to drive up time to hire, especially in industries with a higher share of immigrant workers (i.e., food & beverage roles).

US labor force participation is expected to continue declining

Projected and actual Labor Force Participation Rate, 2017 – 2034, US data

Legend: Current data | Projections

Source: Indeed calculation using US Bureau of Labor Statistics data and Congressional Budget Office projections

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

Share of clicks on US job postings by job seekers abroad by month, through January 2026

Aug 2023: 2.4%

1.6%

Election 2024

2.5%

2.0%

1.5%

1.0%

2019 2020 2021 2022 2023 2024 2025 2026
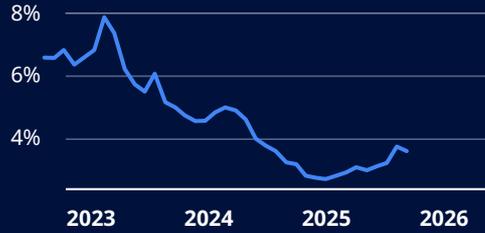
Source: Indeed

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Foreign job seeker interest has been trending upwards in some countries, but largely remains below recent peaks

Share of total clicks on job postings by job seekers abroad (by month), through January 2026
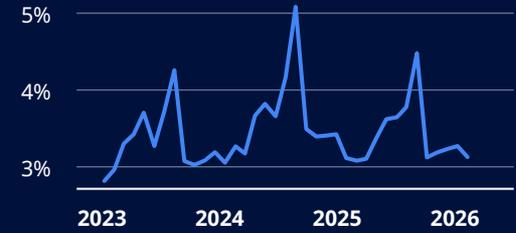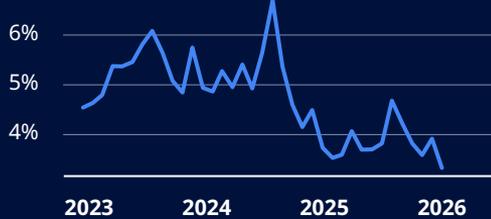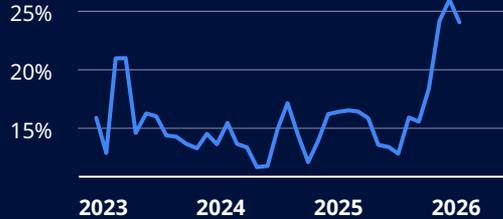

Australia
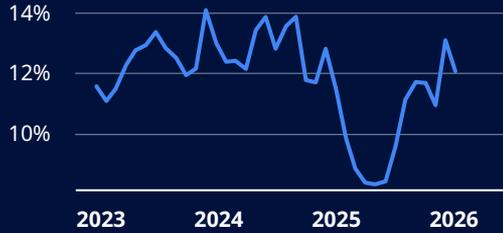
Canada

France

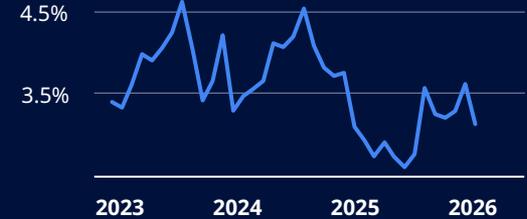**Germany**

Singapore

United Kingdom

The Promise of AI

The future of work isn't about humans *or* machines—it's about what the two can achieve together. Only about a quarter of jobs are set to be heavily impacted by AI, and AI is currently unable to perform a large majority of work skills without human oversight.

AI adoption, while growing quickly, remains low overall. Wide scale adoption is generally limited to the largest firms, and regular users report only modest time savings so far. Any meaningful impacts from AI will depend on whether and how more businesses adopt and integrate AI tools.

Certain industries—including tech—are experiencing bigger impacts from AI. Growing adoption of AI tools likely did not contribute much to the current slowdown in tech hiring demand, but it may be standing in the way of a full rebound.

Humans will remain in the loop — very few skills can be fully transformed by GenAI
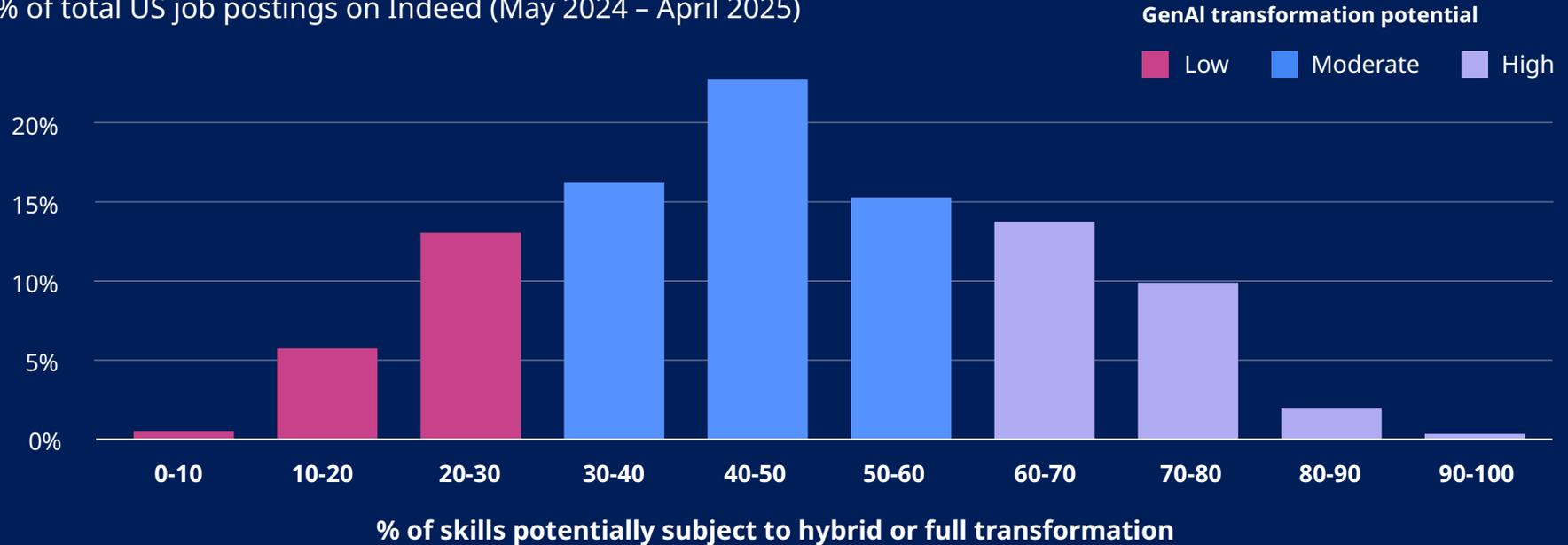
Distribution of ~2,900 skills across GenAI Skill Transformation Index (GSTI) levels.
Derived from GPT-4.1 and Claude Sonnet 4 evaluations.

Category	Value
Minimal transformation	40%
Assisted transformation	19%
Hybrid transformation	40%
Full transformation	1%
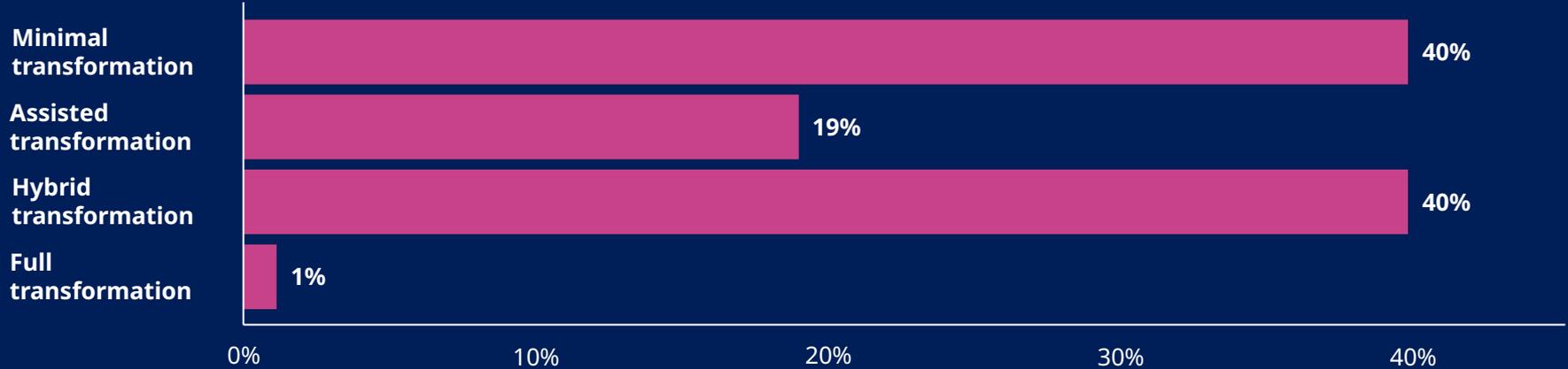
Source: Indeed. Minimal transformation means humans are largely still required to perform the skill; Assisted transformation means AI can perform some elements of a skill, but human intervention is still essential; Hybrid transformation means AI can adequately execute a skill, but some human oversight is still required; Full transformation means AI can perform a skill largely without human involvement.

AI will touch all jobs, but only ~25% currently face the highest potential impact

% of total US job postings on Indeed (May 2024 – April 2025)

GenAI transformation potential

■ Low ■ Moderate ■ High

% of skills potentially subject to hybrid or full transformation

Source: Indeed

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

Job postings on Indeed containing AI terms as a share of all US job postings, January 2019 – January 2026
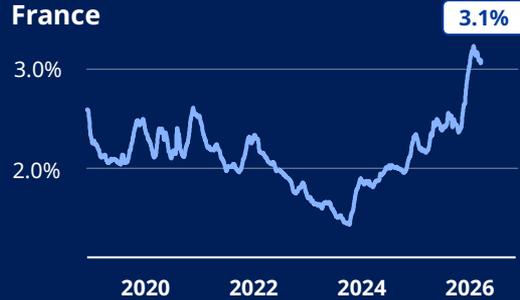

4.7%

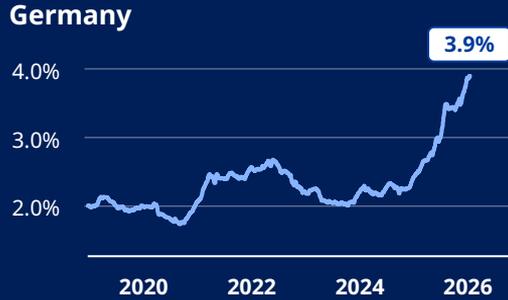|						
2019	2020	2021	2022	2023	2024	2025	2026
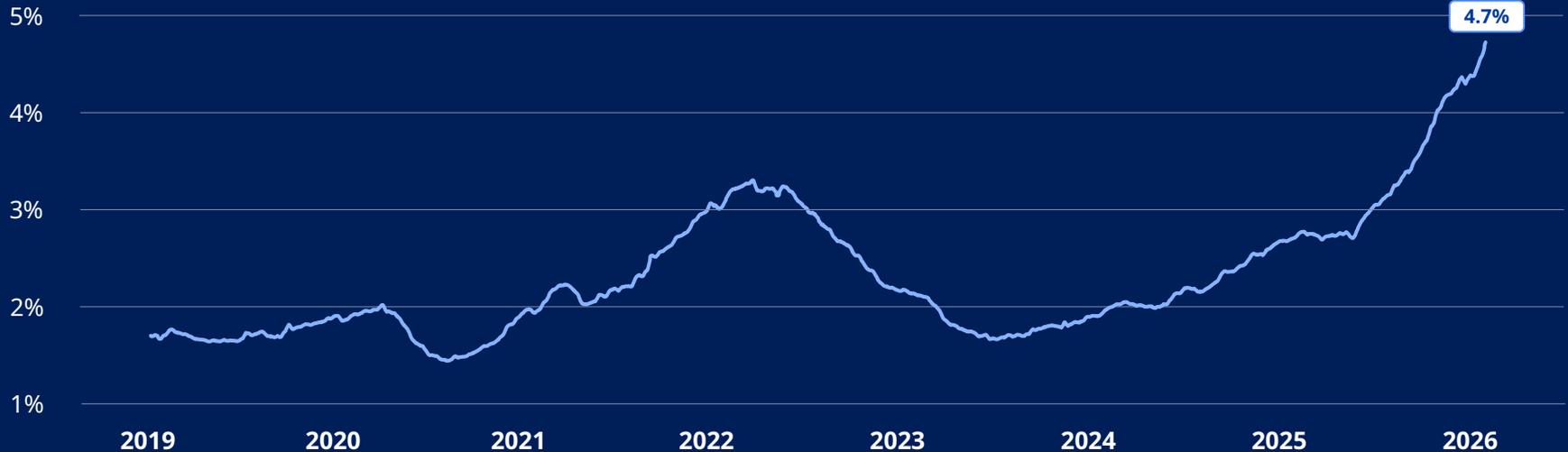
Source: Indeed

In Europe, AI mentions are high and growing in the UK and Ireland

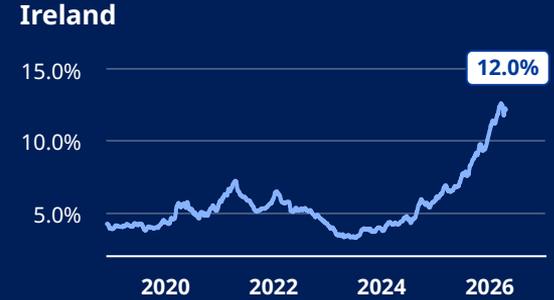Share of job postings mentioning AI terms, 7-day moving average, to January 2026
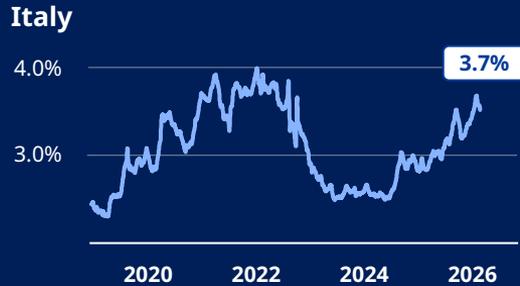

France — 3.1%
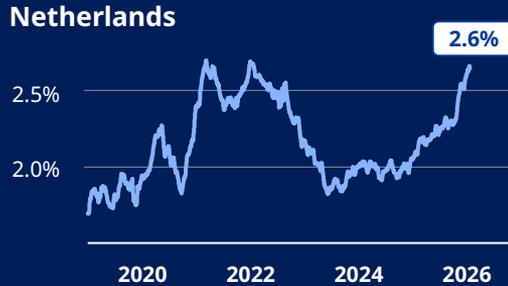
Germany — 3.9%

Ireland — 12.0%

Italy — 3.7%

Netherlands — 2.6%

United Kingdom — 7.0%
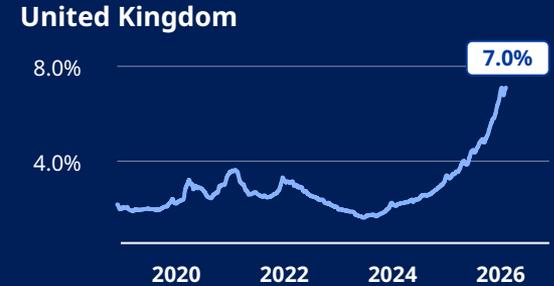
Source: Indeed. Cross-country level differences are partly due to differences in sector composition.

Postings with AI mentions are diverging from overall hiring trends

Job postings on Indeed containing AI terms compared to all postings
Index (100 = February 1, 2020), February 2020 – January 2026

— Postings with AI mentions — Total postings

Chat GPT goes public

300

200

100

0

2020   2022   2024   2026

Source: Indeed

23
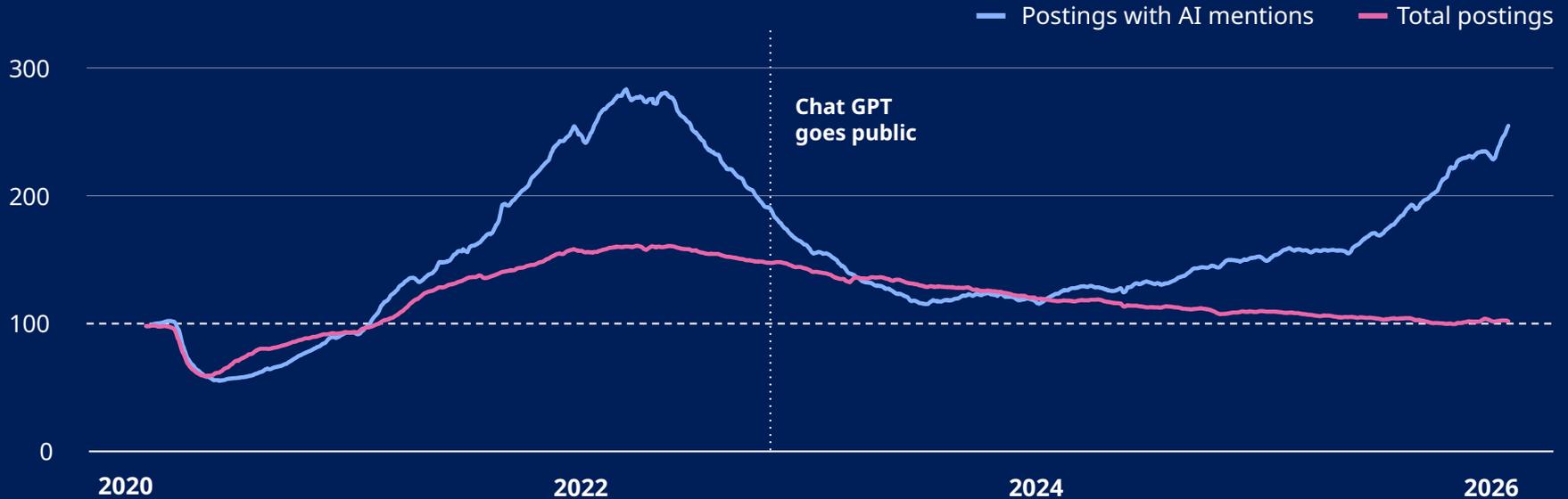
Postings with AI mentions are defying recent trends in many knowledge work sectors

US job postings on Indeed containing AI terms, compared to all postings in selected occupational group, Index (100 = February 1, 2020), February 2020 – January 2026
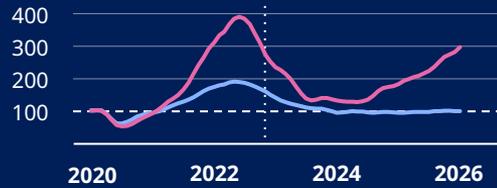
— All postings in group

— Postings with AI mentions in group
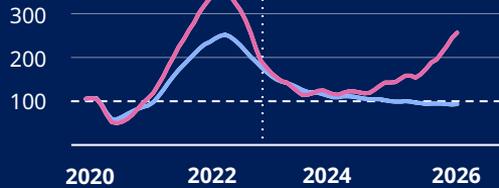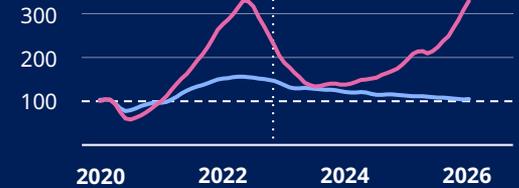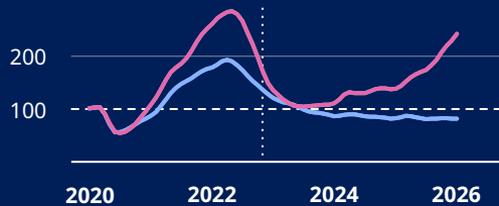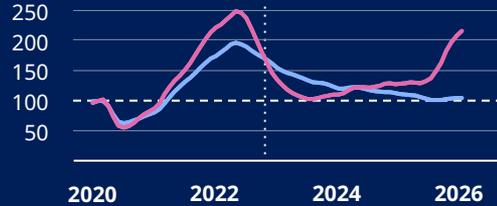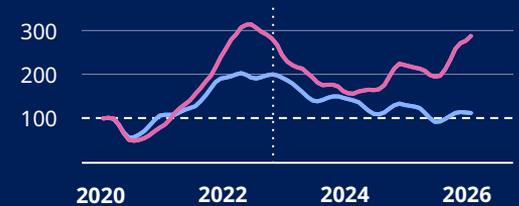
Source: Indeed. 3-month moving average indexed to February 2020. Vertical dashed line is Q4 2022, when ChatGPT-3 was made public.

Workers' AI use is highest in Ireland, lowest in Japan

Share of employed workers who report using AI at least a few times per month

Legend: ■ Personally ■ Professionally

Country	Personally	Professionally
Ireland	72%	70%
Australia	56%	48%
Germany	59%	46%
Canada	54%	44%
United States	52%	43%
UK	46%	41%
France	50%	39%
Japan	27%	18%
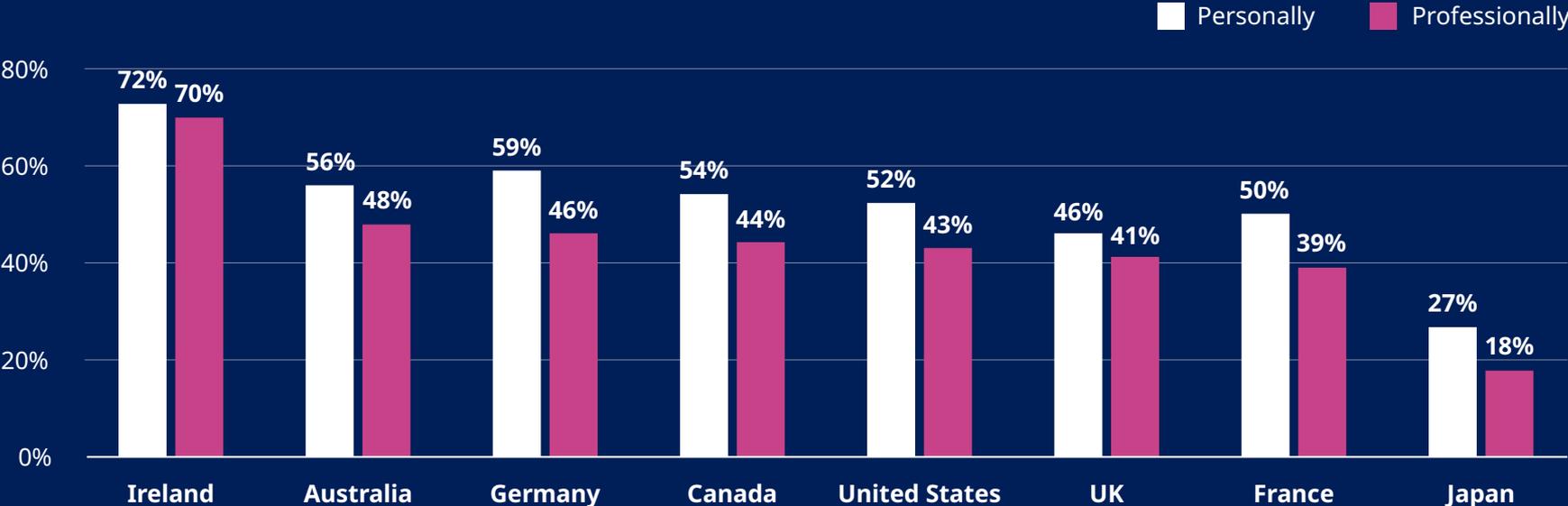
Source: 2025 Indeed Workforce Insights Survey

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Globally, most AI users report modest time savings

Distribution of daily time savings among AI users, % of AI users

Legend: 0 hours | 1-2 hours | 3-5 hours | 6-8 hours

Country	0 hours	1-2 hours	3-5 hours	6-8 hours
Ireland		43%	44%	8%
Australia	9%	58%	26%	
Germany	16%	63%	17%	
Canada	13%	57%	22%	
United States	15%	53%	26%	
UK	19%	61%	16%	
France	10%	58%	24%	
Japan	11%	61%	22%	

Many US employers still haven't adopted AI—yet

Share of firms answering yes to the question that they have used AI tools in the past two weeks

No data collected due to government shutdown →

18.9%

20%

15%

10%

5%

Jan 2024   Jul 2024   Jan 2025   Jul 2025   Jan 2026
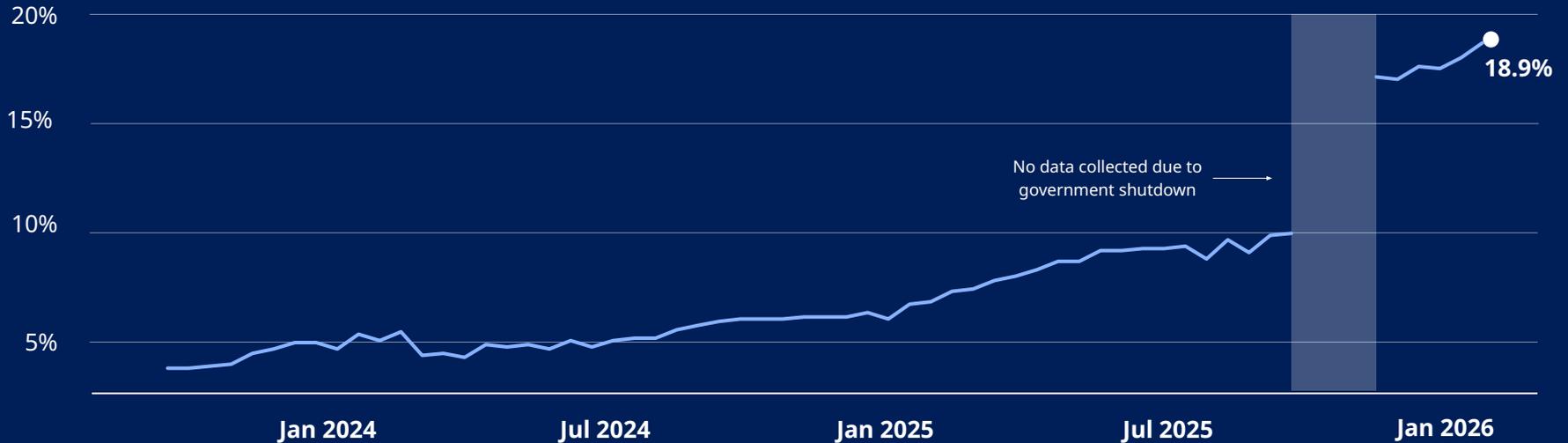
Source: US Bureau of Labor Statistics Trends and Outlooks Survey. Note: The question firms were asked about AI usage changed in early December from asking about AI use in 'producing goods and services' to asking about AI use in 'any business functions.' The later values are not directly comparable to the earlier series.

Only ~5% of US firms have any available AI-related jobs

3-month moving average of the share of US firms with job postings mentioning
AI-related terms in a given month, through January 2026
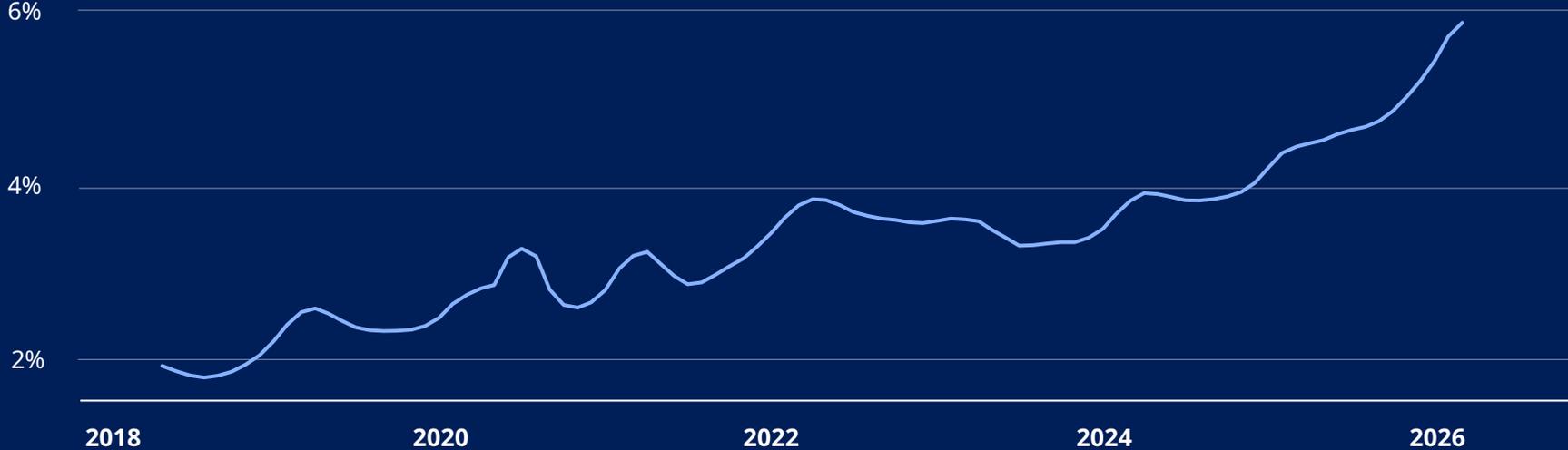
AI adoption is highest amongst the largest firms

Percentage of US firms with AI-related job postings, by firm size
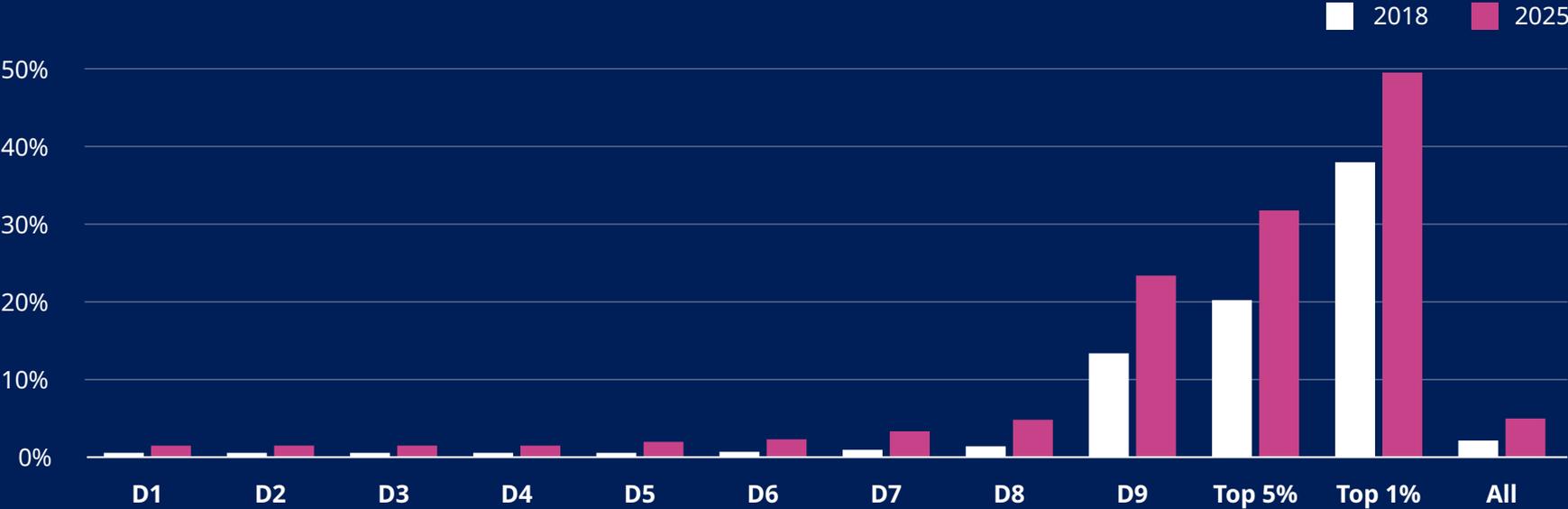
Source: Indeed

US tech job postings have gone from boom to bust

7-day trailing average of indexed job posting levels (February 2020 = 100),
through February 13, 2026

Chat GPT
goes public

Overall

First Fed hike

Tech

200

150

100

50

2020   2022   2024   2026
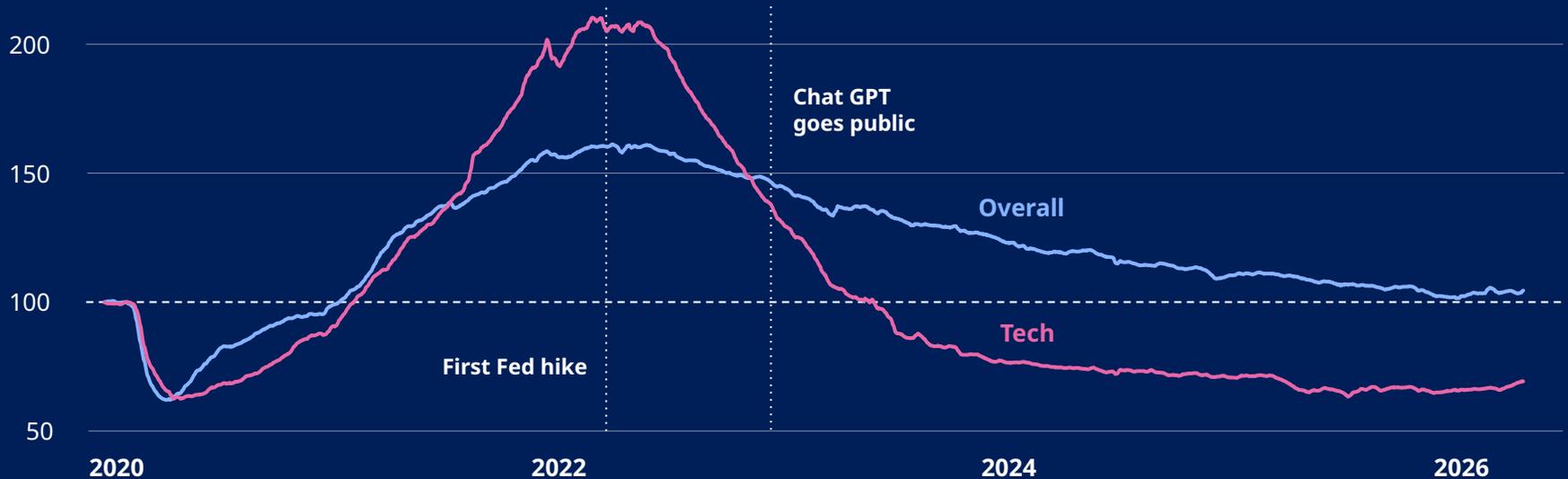
Source: Indeed. Tech occupations include software development, IT systems & solutions, IT infrastructure, operations & support, data & analytics.

Tech postings with AI mentions are rising while tech continues to cool overall

Job postings with AI mentions compared to all postings in tech occupations, February 2020 – January 2026

Legend: All tech postings, Tech postings with AI mentions

Chat GPT goes public
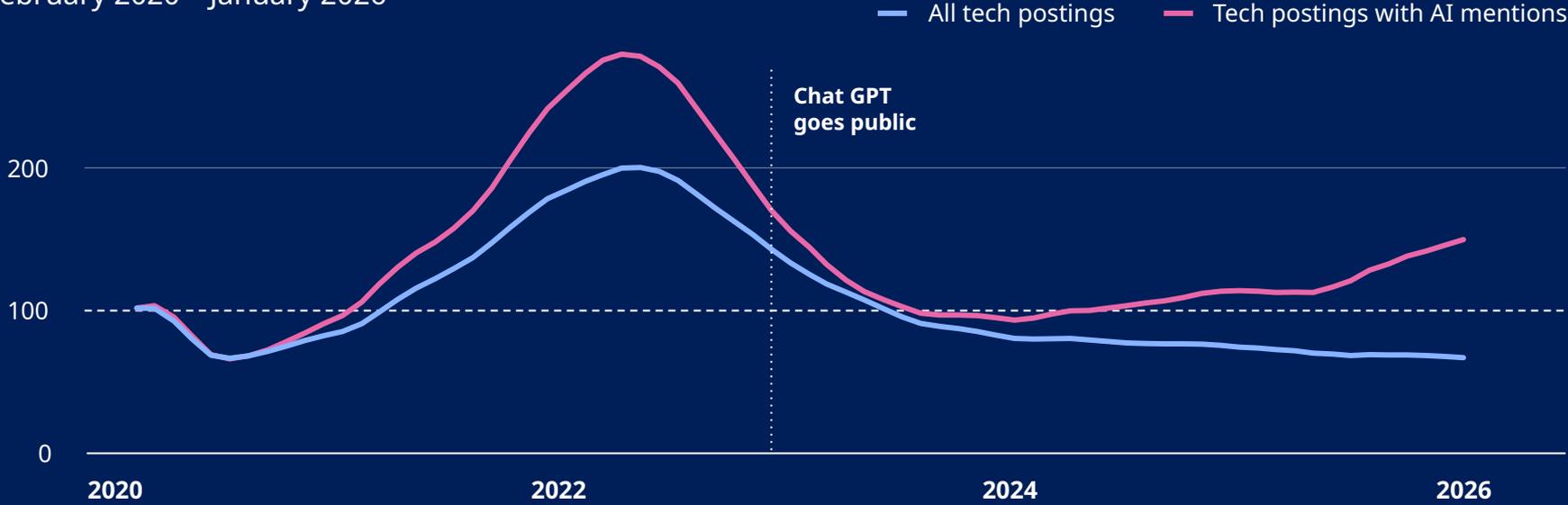
Source: Indeed. 3-month moving average indexed to February 1, 2020.

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More US tech postings are looking for at least 5 years of experience

Share of US tech job postings that mention years experience (%, 3-month average)

Legend: 2022 Q3 (white), 2025 Q3 (pink)

Category	2022 Q3	2025 Q3
1 year or less	18%	17%
2 to 4 years	45%	43%
5 years or more	37%	40%
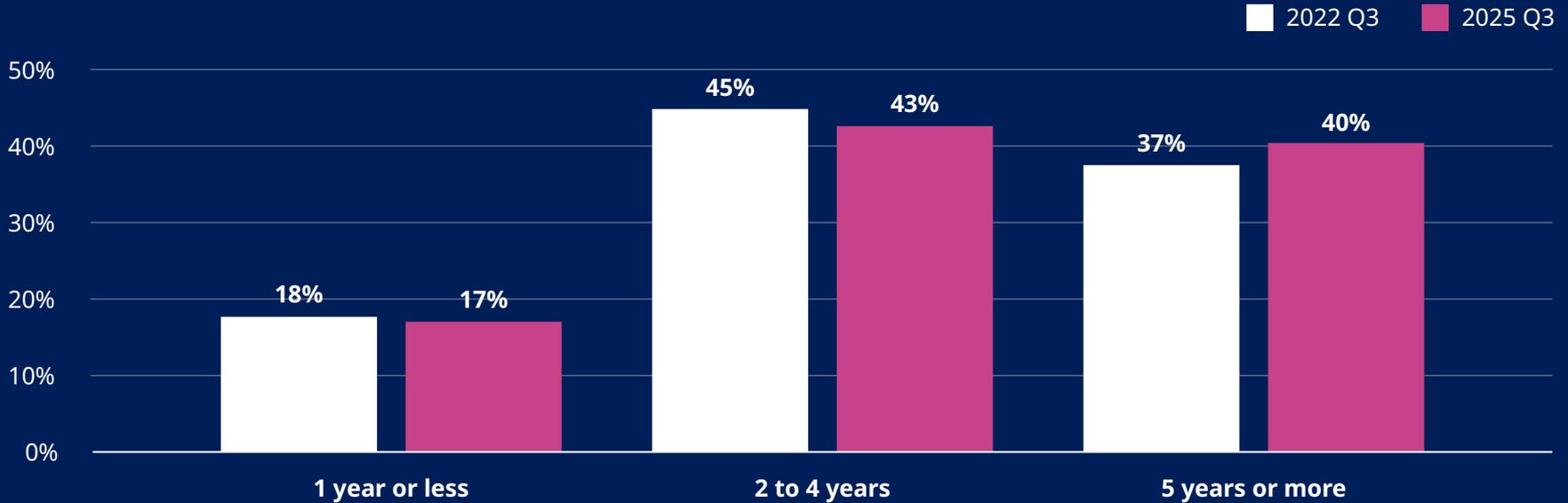
Source: Indeed, excluding postings that do not mention experience

Experience requirements have stiffened for US tech jobs but eased for most others

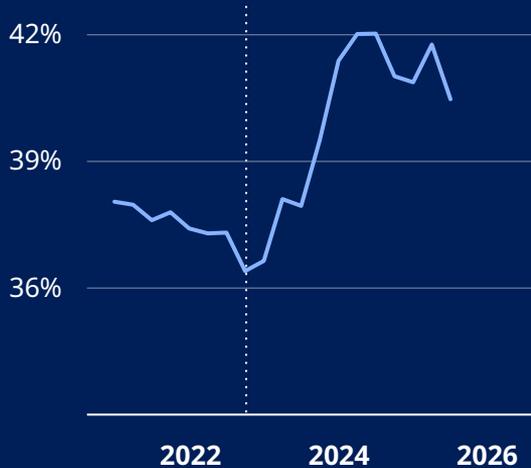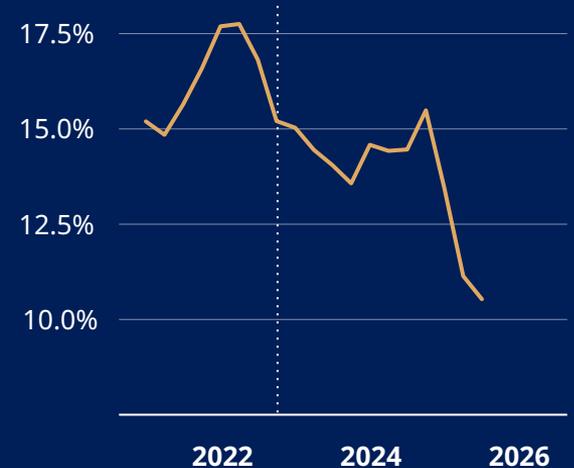Share of job postings looking for 5+ years of experience (%), through Q3 2025

Tech occupations

Healthcare occupations

Other occupations

Source: Indeed. Vertical dashed line is Q4 2022, when ChatGPT-3 was made public.

Future Outlook

Despite broad geopolitical volatility and economic uncertainty, most indicators suggest that many global labor markets in 2026 will look much like 2025.

In the US, job openings are poised to stabilize, but may not grow much; unemployment may rise, but not alarmingly so; and GDP growth will remain positive, but somewhat anemic.

Globally, workers in Ireland are most optimistic about conditions in their country over the next year, while Japanese and British workers were the most pessimistic.

Economic scenarios for 2026 (US)

Forecasts as of February 2026, GDP from Blue Chip Forecasts, unemployment and job openings Indeed calculations

Scenario	YoY 2026 GDP Growth	Q4 2026 Job Openings	Q4 2026 Unemployment Rate
Consensus	2.4%	7.1M	4.3%
Upside	3.0%	7.4M	4.0%
Downside	1.6%	6.8M	4.6%

Source: Indeed, Wolters Kluwer, Author's calculations. Initial base of estimated 2025Q4 4.5% unemployment rate, 7M job openings.

Workers in UK and Japan are less-confident than peers in other nations

Share of respondents, by country

Legend:
- Australia
- Ireland
- Canada
- Japan
- France
- United Kingdom
- Germany
- United States

Categories:
- **Job seeker confidence** (next month, confident)
- **Job security rate** (one year, not concerned)
- **Industry outlook** (one year, better)
- **Country outlook** (one year, better)

X-axis: 20% 30% 40% 50% 60%
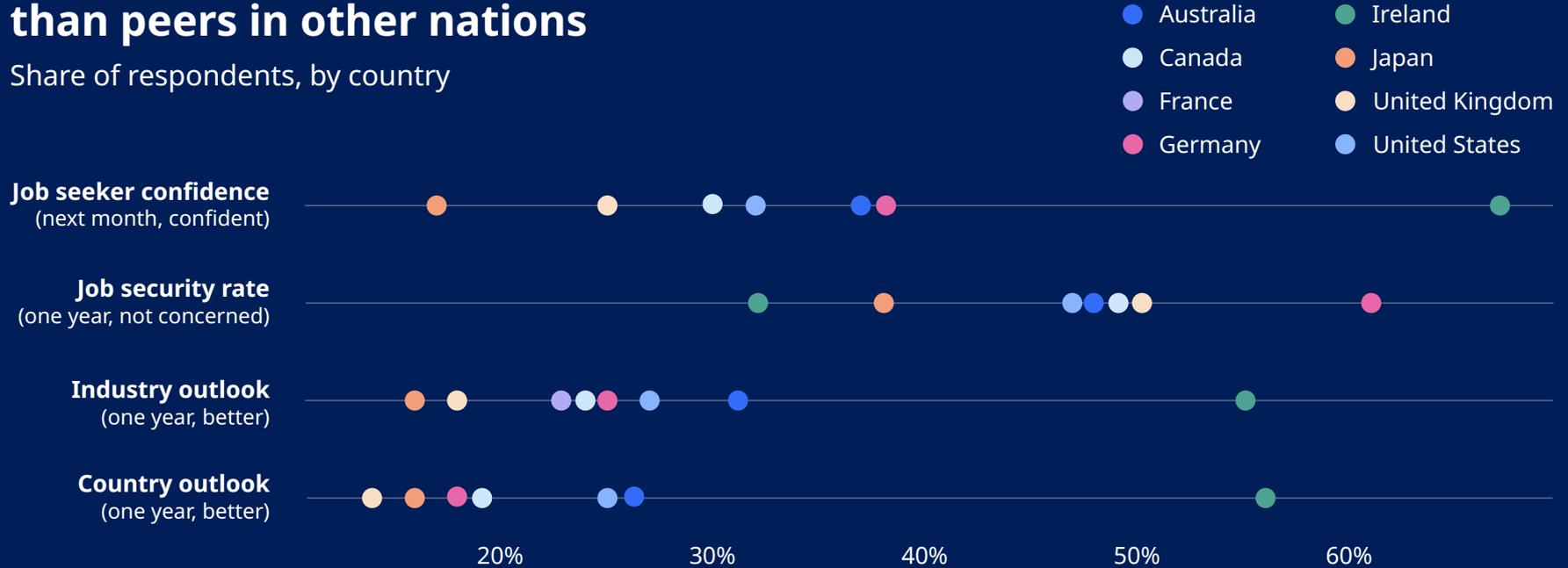
Source: Indeed. Workers were asked to rate their confidence in their ability to quickly find work if needed; their confidence in their own job security over the next year; their confidence in their industry's outlook in one year; and their confidence in their nation's economic outlook in one year.

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Learn more at
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