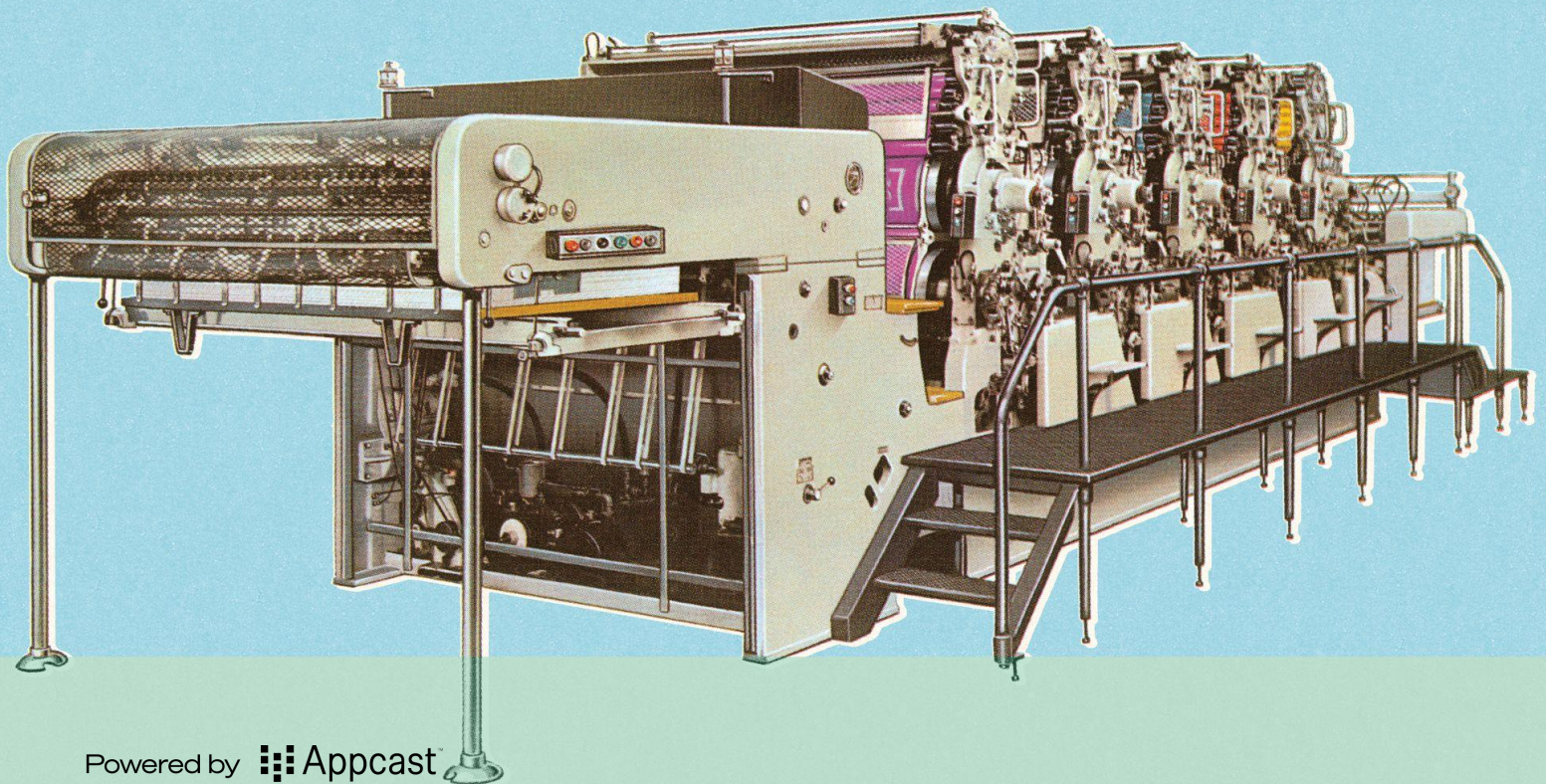


# Appcast Manufacturing Snapshot

Steady and Strong Gains in October



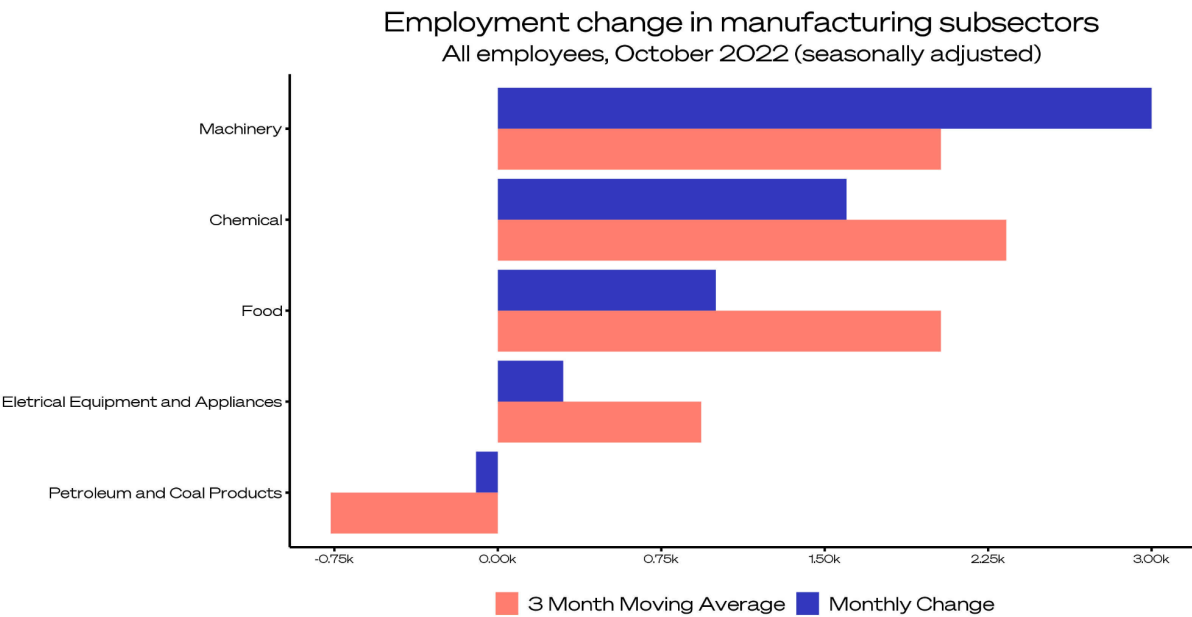
## Economy-wide breakdown:

- The U.S. labor market continued to be a bright spot in an otherwise challenging economy last month. In October, the economy added 261,000 net new jobs. The unemployment rate increased slightly to 3.7% from a historically low 3.5%.
- Encouragingly, wage growth moderated once again last month – the Federal Reserve’s fears of a wage-price spiral are steadily abating. Average hourly earnings (3-month annualized rate) grew at just 4.3%.
- It was not all clear skies, however. Labor force participation disappointed yet again, with the prime-age participation rate declining to 82.5%. The labor force participation rate has yet to return to February 2020 levels.
- Shifting employment growth trends reflect shifts in consumer demand and the receding influence of the pandemic. Goods-producing sectors that ruled the recent recession recovery, like warehousing, are slowing. Now, as pandemic fears ease, healthcare is leading monthly gains.
- [Read our economy-wide breakdown of the October numbers.](#)

# Employment Trends in Manufacturing

Manufacturing once again evaded the impacts of the Federal Reserve’s rate hikes in October. Even while other goods-producing or goods-adjacent sectors slowed, manufacturing added a strong 32,000 jobs last month. The sector is actually averaging higher monthly gains than 2021 – so far this year, manufacturing employment has increased by 37,000 per month, compared to 30,000 per month in 2021.

Durable goods employment gains (23,000), once again, far outnumbered nondurable goods (9,000). Within durable goods, machinery had an especially strong month, adding 3,000 new jobs. Food manufacturing and chemical manufacturing both underperformed compared to recent averages, adding only 1,000 and 1,600 jobs, respectively.

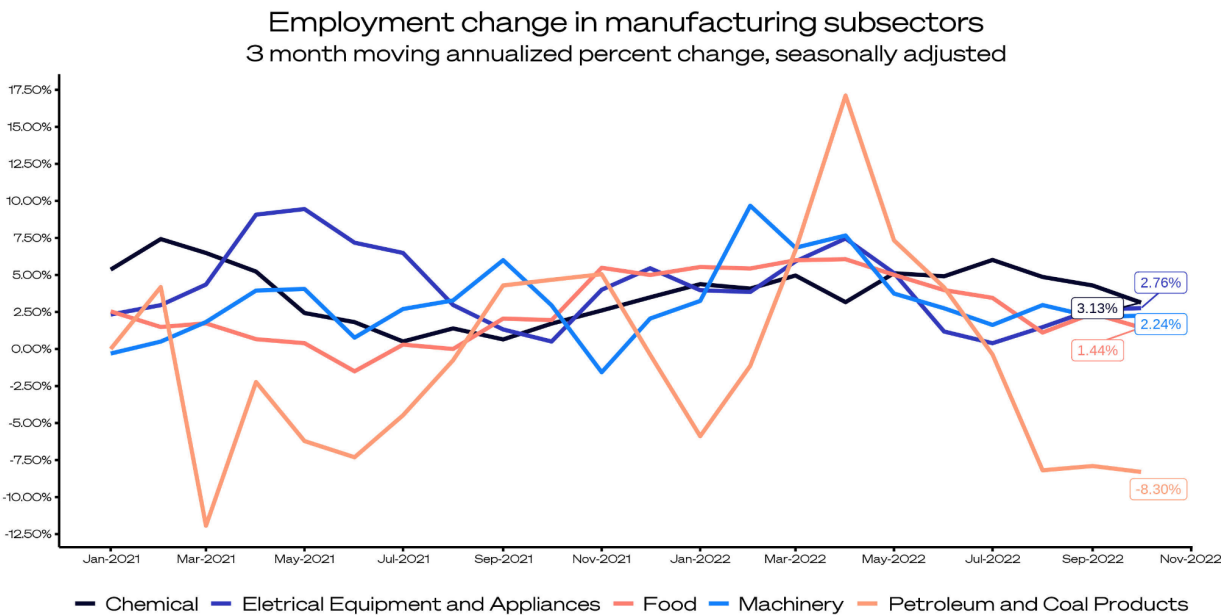


Source: Bureau of Labor Statistics; Created on Nov 07 2022



# Employment Trends in Manufacturing

Growth rates are slowing for manufacturing subsectors, especially for petroleum and coal products manufacturing. Growth in the subsector has slowed considerably in the latter half of the year, now shrinking at an annualized rate of -8.30%. Chemical manufacturing slowed to 3.13% growth in October, and food manufacturing slowed to 1.44%.

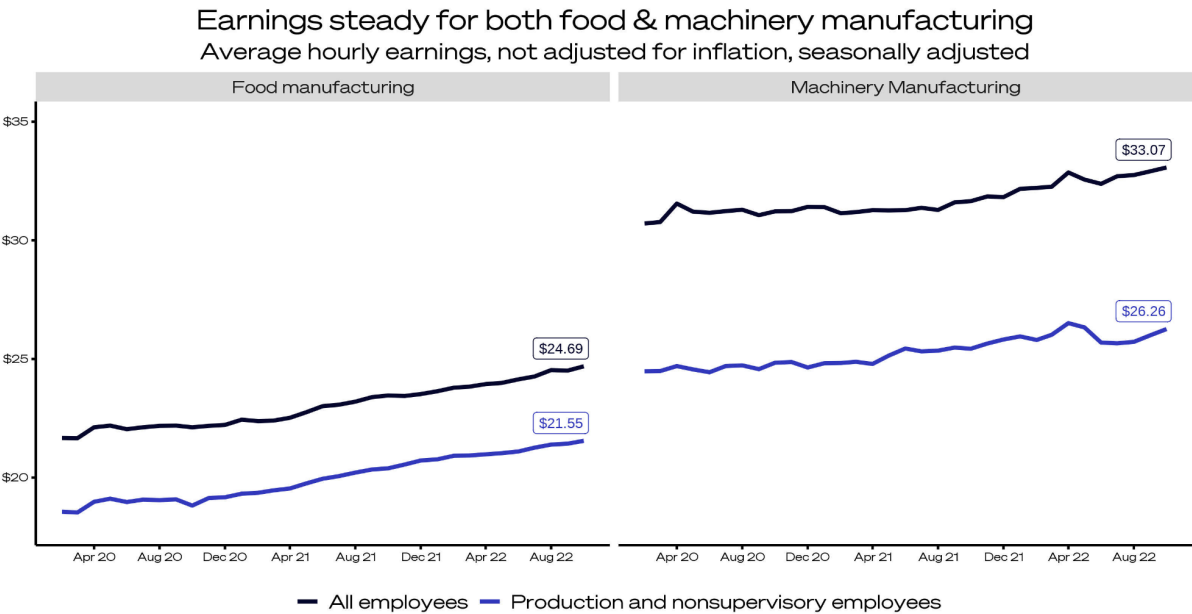


Source: Bureau of Labor Statistics; Created on Nov 07 2022



# Wage Trends in Manufacturing

Employees once again experienced healthy wage gains in October. Nominal average hourly earnings ticked up for managers and non-managers alike in both food and machinery manufacturing. In food manufacturing, rank-and-file workers earned \$21.55 per hour. In machinery, the same cohort earned \$26.26 per hour.



Source: Bureau of Labor Statistics; Created on Nov 07 2022

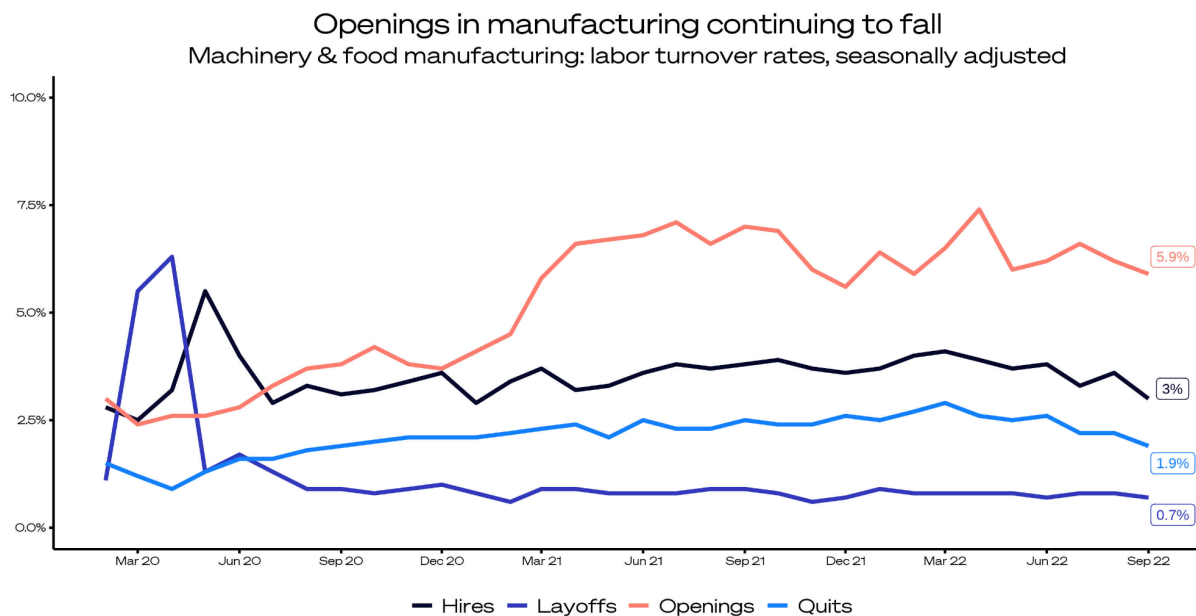




## Openings and Turnover Trends in Manufacturing

Unlike the broader labor market in September, manufacturing openings fell – indicating falling demand. The openings rate decreased to 5.9%; compared to the rate of 7.0% in September 2021, the market in manufacturing has cooled considerably.

Hires dropped sharply in September to 3.0%. Quits continued on a downward trend, indicating that workers are feeling less confident about their position in the labor market. Layoffs remained flat and low – demand is high enough that employers feel compelled to keep the labor they have.



Source: Bureau of Labor Statistics; Created on Nov 07 2022

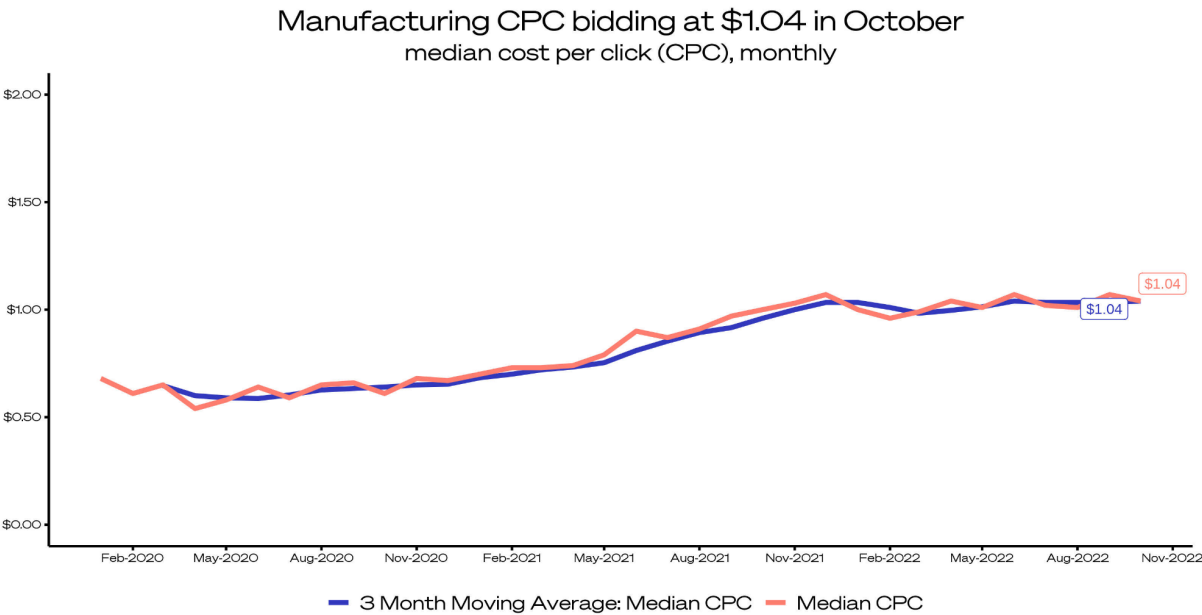
Appcast™

# Recruitment Marketing Trends in Manufacturing

Recruitment marketing costs in manufacturing have remained stubbornly elevated and steady compared to pre-pandemic levels. In October, the three-month moving average of cost-per-click (CPC) was almost unchanged, moving from \$1.03 to \$1.04. A decline in the openings and hires rate may indicate lower costs in the future.

The median cost-per-application (CPA) decreased slightly to \$24.99 in October but the less volatile three-month moving average ticked up to \$24.41.

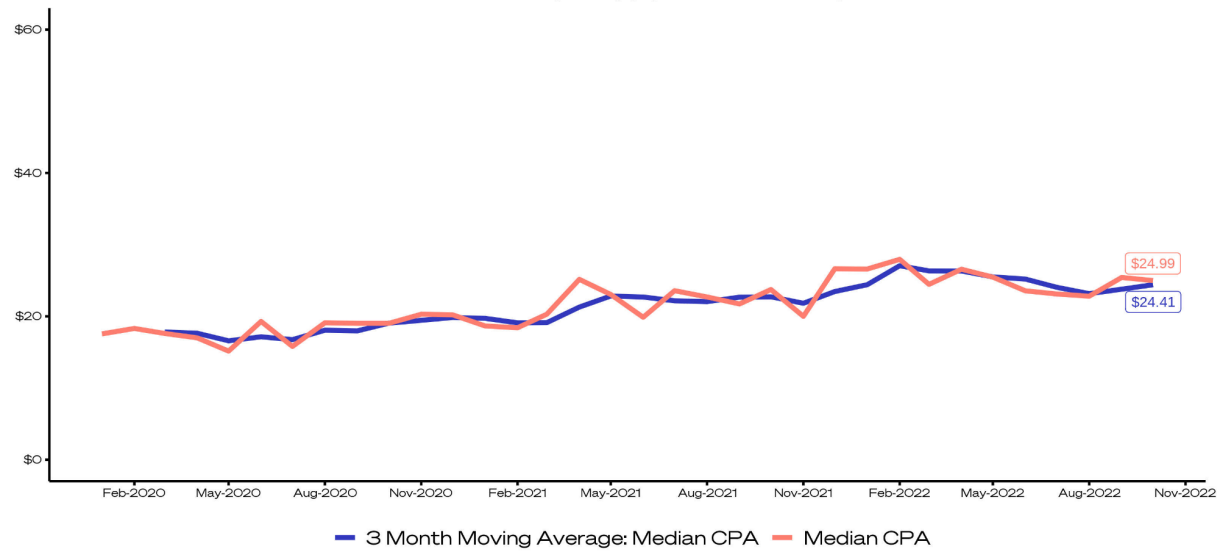
The median apply rate decreased slightly to 4.38% but the rate is elevated above 2020 measures. Manufacturing job seekers have expressed more interest in 2022.



Source: Appcast; Created on Nov 07 2022



Manufacturing CPA bidding at \$24.99 in October  
median cost per apply (CPA), monthly



Source: Appcast; Created on Nov 07 2022



Manufacturing Apply Rates at 4.26% in October  
median apply rate, monthly



Source: Appcast; Created on Nov 07 2022



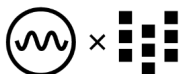


## **What does this mean for Manufacturing?**

While the broader macro economy is slowing, Manufacturing has proven to be very resilient in the wake of interest rate hikes. Throughout 2022, the sector has averaged strong employment and wage gains. In October, the sector grew once again at a steady pace. Wage gains are moderating and openings are cooling slightly. Recruiting costs are elevated, but steady – there's no dramatic increase or decrease in recruitment metrics. The manufacturing sector is humming along and sticking to 2022's status quo.

# Thank you

Why Recruitonomics?



Recruitonomics is a hub for data-driven research, powered by Appcast, that aims to make sense of our evolving world of work. Combining labor economics and recruitment best practices, Recruitonomics seeks to bring clarity to the chaos of a changing economic landscape.

© Recruitonomics 2022