

Healthcare and Government Drive PA Job Gains

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The latest data from the U.S. Bureau of Labor Statistics (BLS) for January and February 2024 reveal that the healthcare-social assistance, accommodation-food service and government sectors generated all year-over-year Pennsylvania payroll job gains for 2024. (The preliminary data are based on a monthly survey of establishments and exclude the self-employed. If an individual holds two jobs, they are counted twice.) This outcome reflects the impact of an aging population and on-going demand for dining out and social assistance services.

2024 PA Payroll Job Change (YTD)		
	Number	Percent
All Payroll Jobs (000s)	62.5	1.0%
Administrative and Support	-8.8	-3.0%
Retail and Wholesale Trade	-7.2	-0.9%
All Other Sectors	0.2	0.0%
All Government	12.9	1.9%
Accommodation-Food Service	15.0	3.4%
Social Assistance	<u>16.3</u>	<u>6.5%</u>
Childcare	1.5	3.3%
Elderly, Disabled, Family	14.8	7.2%
Healthcare	<u>34.1</u>	<u>4.3%</u>
Ambulatory Healthcare	10.0	3.5%
Home Health Care	5.3	7.2%
Hospitals	7.8	2.9%
Nursing and Residential	11.1	6.3%

Note: Thousands of jobs. Excludes self-employed. Data are not seasonally adjusted. YTD is year-to-date.
Source: U.S. Bureau of Labor Statistics.

For the first two months of the calendar year, payroll jobs continued to expand at a solid rate (62,500, +1.0%). However, two sectors recorded notable contractions. The administrative-support sector contracted by 8,800 (-3.0%) payroll jobs, solely due to firms that provide temporary employment services (-15,400). The retail-wholesale trade sector contracted by -7,200 (-0.9%) payroll jobs, driven by lower employment at retail establishments (-8,000). All other sectors not shown in the table recorded modest gains (finance and real estate) or losses (manufacturing) that largely offset.

Four sectors or sub-sectors motivated all net payroll job gains from the prior year. The government sector expanded by 12,900 (+1.9%) payroll jobs due to employment growth at local school districts (4,700) and federal (3,200) jobs.

The accommodation-food service sector expanded by 15,000 (+3.4%) payroll jobs due to accommodation (4,400) and limited-service restaurants (5,200). The social assistance sub-sector expanded by 16,300 (+6.5%) payroll jobs due to strong growth in social services for the elderly, disabled and families. The healthcare sub-sector recorded the largest number of job gains (34,100, +4.3%). Ambulatory healthcare services (10,000, +3.5%) include offices of physicians, dentists, other health practitioners, outpatient care centers and medical/diagnostic labs. Home health care services recorded the largest relative increase (+7.2%) and expanded by 5,300 payroll jobs. Hospitals, which include general medical and surgical, psychiatric and substance abuse and specialty hospitals, expanded by 7,800 (+2.9%) payroll jobs. Nursing and residential care service jobs expanded by 11,100 (+6.3%) from the prior year, but unlike most other industries, it remains far below (-15,700) employment levels from the same two months in 2020 (pre-Covid pandemic).