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## LOGISTICS REPORT

# Logistics Hiring Ticks Up Despite Soft Freight Demand

Truckers, warehouse operators and parcel-delivery companies grew their payrolls in January

By [Liz Young](#) [Follow](#)

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Courier and messenger companies added 2,800 jobs last month. PHOTO: MICHAEL REYNOLDS/SHUTTERSTOCK

Logistics operators added jobs in January, though employment was down over the previous 12 months as companies continue to grapple with a downturn in the goods-moving economy.

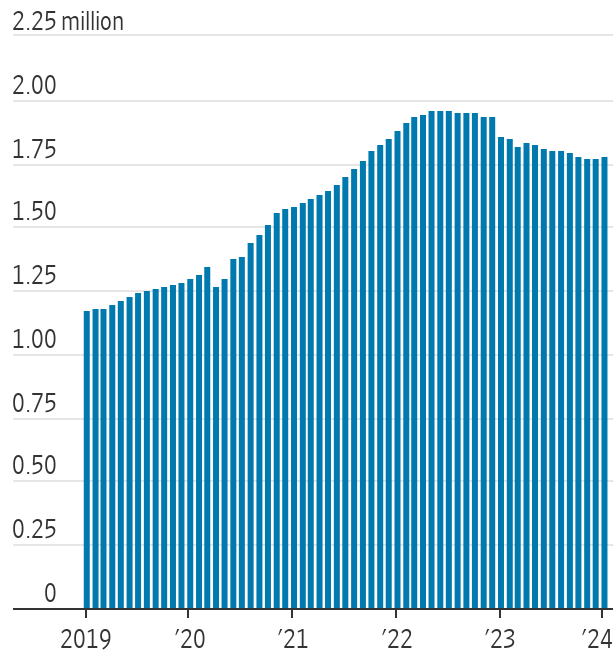
Trucking, warehousing and parcel-delivery companies added a combined 10,700 jobs from December to January, according to seasonally adjusted preliminary employment figures released Friday by the U.S. Bureau of Labor Statistics.

The industry added jobs at a time when logistics companies have been coping with a faltering freight market for the past 20 months. Employment across the sectors was down by 117,300 jobs in January from a year earlier as companies

adjust their payrolls following a two-year hiring spree driven by a surge in e-commerce demand during the pandemic.

The overall drop in logistics employment is “a sign of normalization of the economy, of an industry that expanded when demand shot up now kind of right-sizing for more normal activity levels,” said Julia Pollak, chief economist at online jobs marketplace ZipRecruiter.

### Monthly employment in the warehousing and storage industry in the U.S.



Source: Bureau of Labor Statistics

Pollak said the uptick in January “suggests that contraction and normalization may be behind us, that the sector may now be able to start to level off and grow again.”

The growth in logistics hiring came as the broader U.S. economy added a seasonally adjusted 353,000 jobs last month, according to the BLS report, the strongest month in a year.

January is typically a soft month for logistics hiring as companies shrink their payrolls after bringing on seasonal hires during the fall.

Companies were especially cautious with their seasonal holiday hiring this past year in an uncertain retail economy.

Nick Bunker, an economist at job-search marketplace Indeed.com, said the muted seasonal hiring may have contributed to the growth in employment in January.

“Maybe there was just less shedding of temporary workers this year,” Bunker said. “Maybe that shedding will happen later, or maybe it might not happen at all.”

Warehousing and storage companies added 5,500 positions last month, according to BLS data, the second time the sector has grown employment since June 2022. The sector has been cooling off after a rapid expansion during the

pandemic that added nearly 700,000 jobs over two years. Companies have shed some 181,000 jobs over the past 18 months as consumers spend more on services rather than goods.

More warehouse operators are looking at offloading some of their storage space. About 156 million square feet of warehouse space was listed for sublease in the fourth quarter, more than double the amount available in the year-ago quarter, according to real-estate services firm Savills.

Courier and messenger companies, a category that includes the package carriers that deliver e-commerce orders to homes and businesses, added 2,800 jobs last month, according to the BLS data. The sector has cut 7,500 jobs over the past year as companies grapple with soft shipping demand.

United Parcel Service reported Tuesday that revenue declined in the fourth quarter amid weaker volumes in both its domestic and international businesses. The Atlanta-based company plans to cut about 12,000 jobs in 2024, targeted at management staff and contract workers, as it projects the small-package market in the U.S. will grow less than 1% this year.

Trucking employment grew by 2,400 jobs in January, according to the BLS, but was down by 31,300 jobs year over year as freight volume remains muted.

The Cass Freight Index, which measures trucking and rail shipments moving in the U.S., fell 7.2% in December from a year earlier.

Satish Jindel, president of ShipMatrix, which analyzes parcel-shipping data, said the uptick in employment doesn't suggest that freight demand has returned.

"The whole industry is struggling from a volume perspective," Jindel said.

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