

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

and averaged a growth rate of 2.49 percent for 2018.

Jan. 03, 2019

The [Paychex | IHS Markit Small Business Employment Watch](#) closed the year with a decline in small business job growth and continued, moderate growth in hourly earnings. The Small Business Jobs Index stands at 98.88 in December, down 0.13 percent for the month and 0.82 percent for the year. At \$26.95, hourly earnings in December gained 2.42 percent (\$0.64) year-over-year and averaged a growth rate of 2.49 percent for 2018.

The Paychex | IHS Markit Small Business Employment Watch closed the year with a decline in small business job growth and continued, moderate growth in hourly earnings.

The Small Business Jobs Index stands at 98.88 in December, down 0.13 percent for the month and 0.82 percent for the year.

At \$26.95, hourly earnings in December gained 2.42 percent (\$0.64) year-over-year and averaged a growth rate of 2.49 percent for 2018.

“At 98.88, the Small Business Jobs Index continued its decline through the end of 2018, confirming that it’s a difficult hiring environment for the country’s small businesses,” said James Diffley, chief regional economist at IHS Markit.

“With the positives of a strong economic environment and the prospects for growth under tax reform, small employers were challenged throughout 2018 with job growth due to the difficulty of recruiting employees given the historically low rates of unemployment,” said [Martin Mucci](#), Paychex president and CEO.

Broken down further by geography and industry, the December report showed:

- The top regions for employment growth and wage growth, respectively, are the South and West.

- Wisconsin and Arizona are the strongest states for small business job growth;

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

National Jobs Index

- The national index has slowed steadily for two years, and the pace of decline accelerated in 2018.
- At 98.88, the national index is down 0.13 percent from November, its seventh consecutive decrease.

National Wage Report

- At 2.42 percent in December, hourly earnings growth has slowly improved each month since August.
- However, at 2.22 percent, weekly earnings growth has declined, with a reduction in weekly hours worked.

Regional Jobs Index

- The Northeast fell 1.42 percent in 2018 to 98.11, its lowest index level since early 2010.
- The West held its pace of employment growth throughout 2018 as it improved from last to second among all regions, just behind the top-ranked South.

Regional Wage Report

- The Northeast was the only region to not show a year-over-year improvement in its hourly earnings growth rate, declining to 2.14 percent.
- Weekly hours worked growth has decreased sharply during 2018 in the West.

State Jobs Index

- Two states with an index above 100 remain, Wisconsin and Arizona.

- Massachusetts, Pennsylvania, and New Jersey each have indexes below 98.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

- Though decelerating, Arizona still leads states in wage growth, trailed by California and Tennessee.

Note: Analysis is provided for the 20 largest states based on U.S. population.

Metropolitan Jobs Index

- Dallas and Denver lead all metros in small business employment growth, both well above 100.
- With an index level above 100 at the end of 2017, the pace of employment growth in Boston has slowed 3.25 percent during 2018, down to 97.04.

Note: Analysis is provided for the 20 largest metro areas based on U.S. population.

Metropolitan Wage Report

- Western metros continue to lead wage gains, with Riverside, Phoenix, Denver, and Los Angeles taking the top four spots among metro areas.
- Houston, Atlanta, and Boston are the three weakest metros for hourly earnings growth, all with prolonged declines.

Note: Analysis is provided for the 20 largest metro areas based on U.S. population.

Industry Jobs Index

- Construction slipped below 100 for the first time since 2011, but remains one of the strongest and most steady sectors for small business employment growth.
- Up 0.20 percent to 98.63, Leisure and Hospitality had the best gain in December among industry sectors.

Note: Analysis is provided for seven major industry sectors.

Hello. It looks like you're using an ad blocker that may prevent our website from working properly. To receive the best experience possible, please make sure any blockers are switched off and refresh the page.

If you have any questions or need help you can email us

CPA Practice Advisor is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors.

© 2024 Firmworks, LLC. All rights reserved