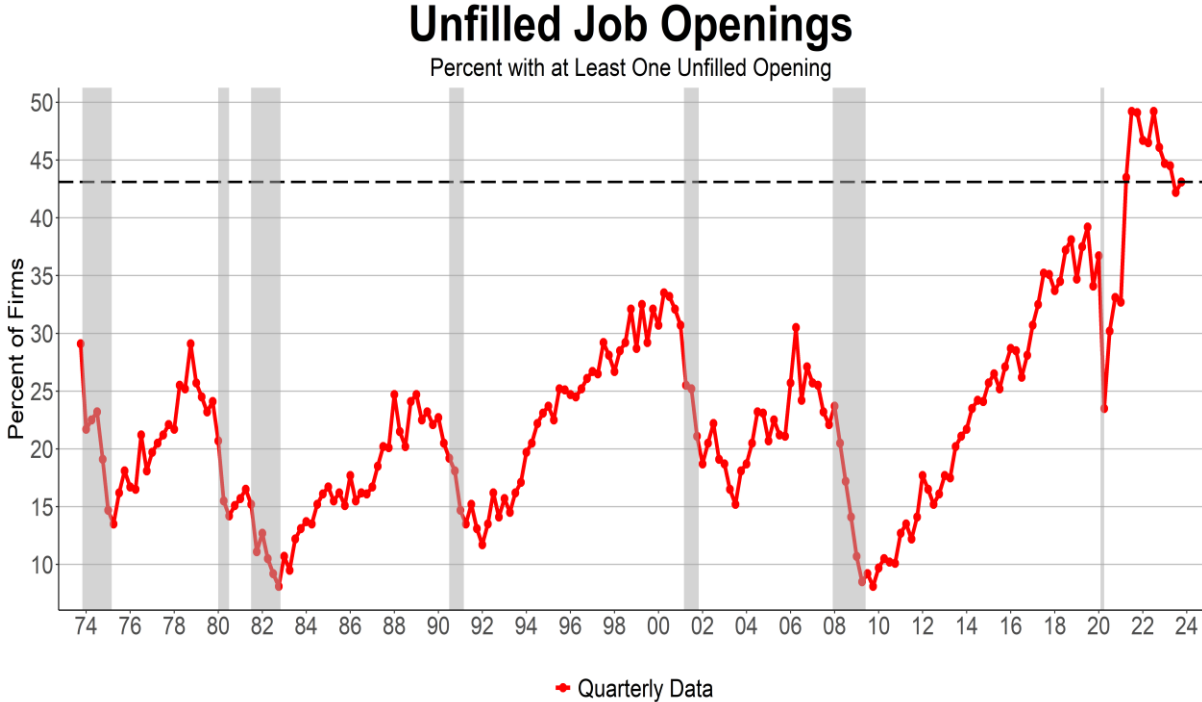


# Small Business Unfilled Job Openings Remain In the Historical Stratosphere

Based on 1382 respondents to the October survey of a random sample of NFIB's member firms, surveyed through 10/26/2023.

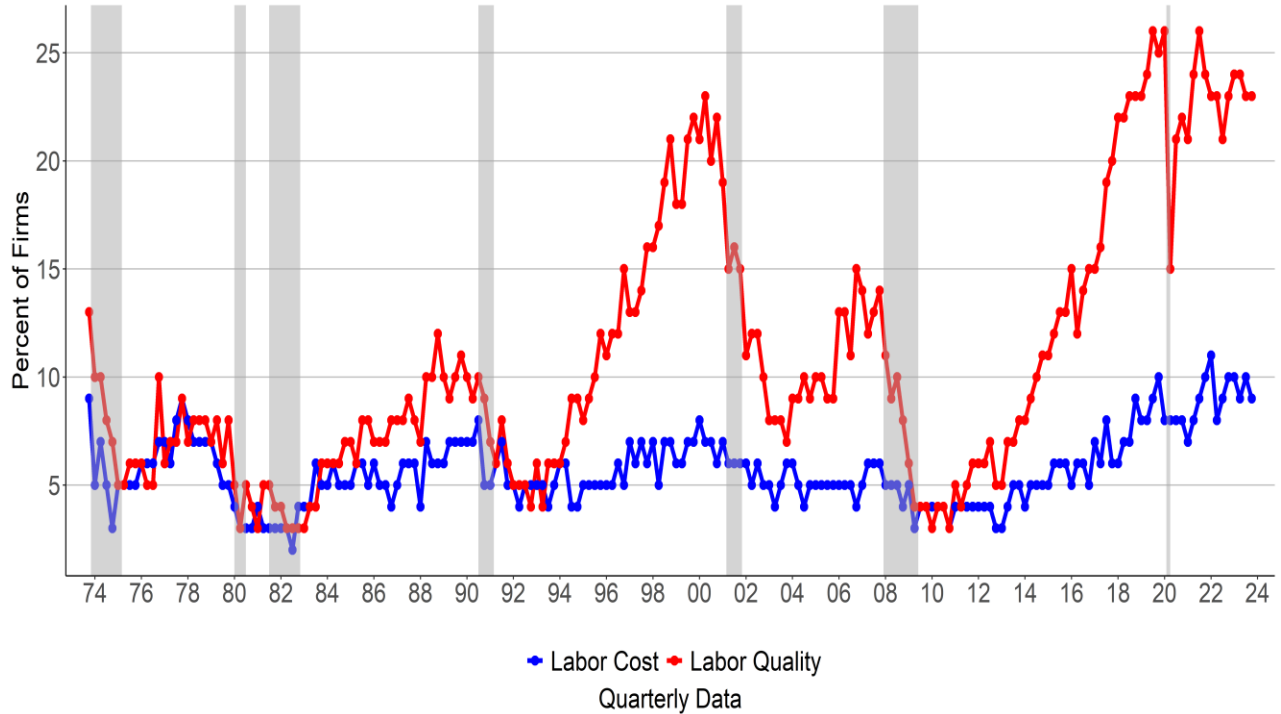
EMBARGO 1 PM THURSDAY

The level of small business job openings remains stuck in the historical stratosphere. In NFIB's survey, 43 percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, unchanged from September. Coincidentally, 43 percent is also the 12-month average for unfilled job openings. So, if reports of small business unfilled job openings sound like a broken record over the last year, that's the reason. The labor market has not eased up much at all on Main Street. Thirty-seven percent have openings for skilled workers (unchanged) and 18 percent have openings for unskilled labor (unchanged).



The percent of small business owners reporting labor quality as their top small business operating problem remains elevated at 23 percent, also unchanged from September. Labor cost reported as the single most important problem for business owners was unchanged at 9 percent, 4 points below the highest reading of 13 percent reached in December 2021.

# Single Most Important Problem

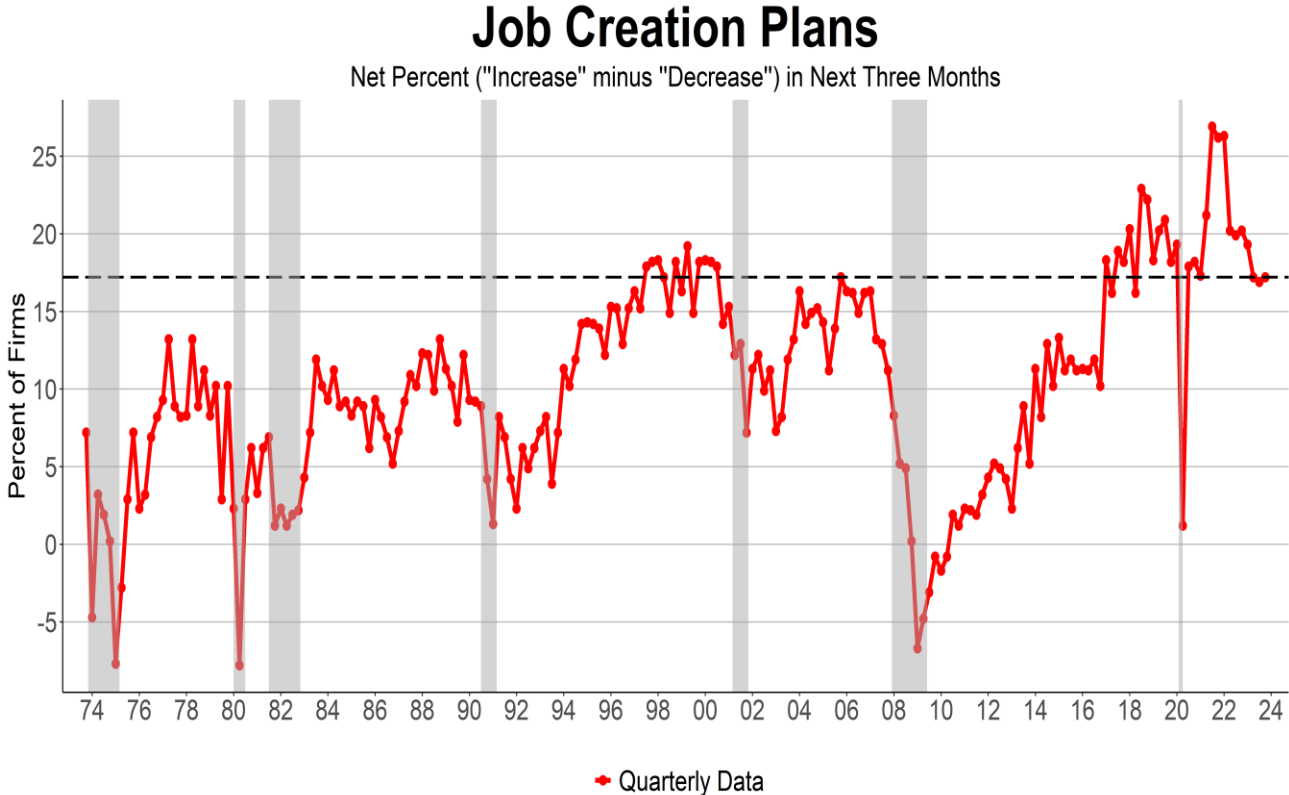


Job openings in construction were down 4 points from last month but still over half have a job opening they can't fill. Higher mortgage rates have not depressed real estate purchases as much as expected. Mortgage rates will remain high for the rest of the year, and likely longer than that under Fed policy. Job openings were the highest in the transportation and construction sectors, and the lowest in the wholesale and finance sectors.

## Industry- Percent with Job Openings

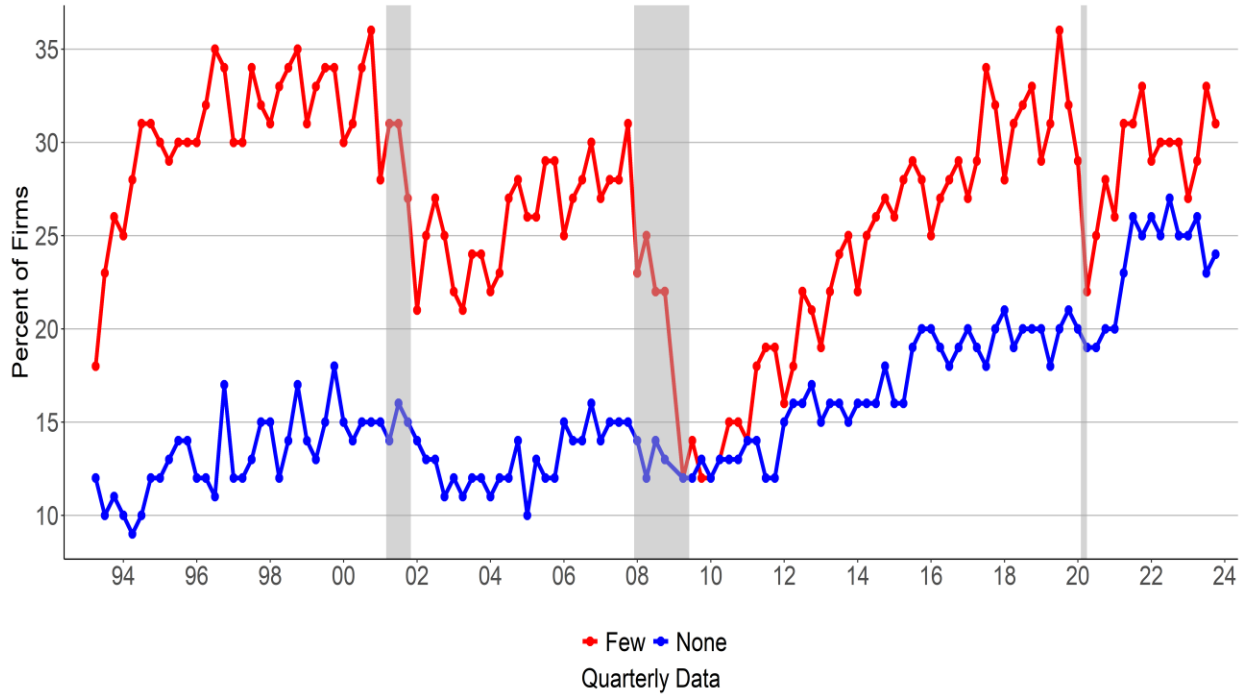
Transportation	67%
Construction	58%
Services	47%
Manufacturing	44%
Retail	41%
Professional	37%
Agriculture	34%
Wholesale	31%
Finance	18%

Owners' plans to fill open positions remain elevated, with a seasonally adjusted net 17 percent planning to create new jobs in the next three months, down 1 point from September and 15 points below its record high reading of 32 reached in August 2021.



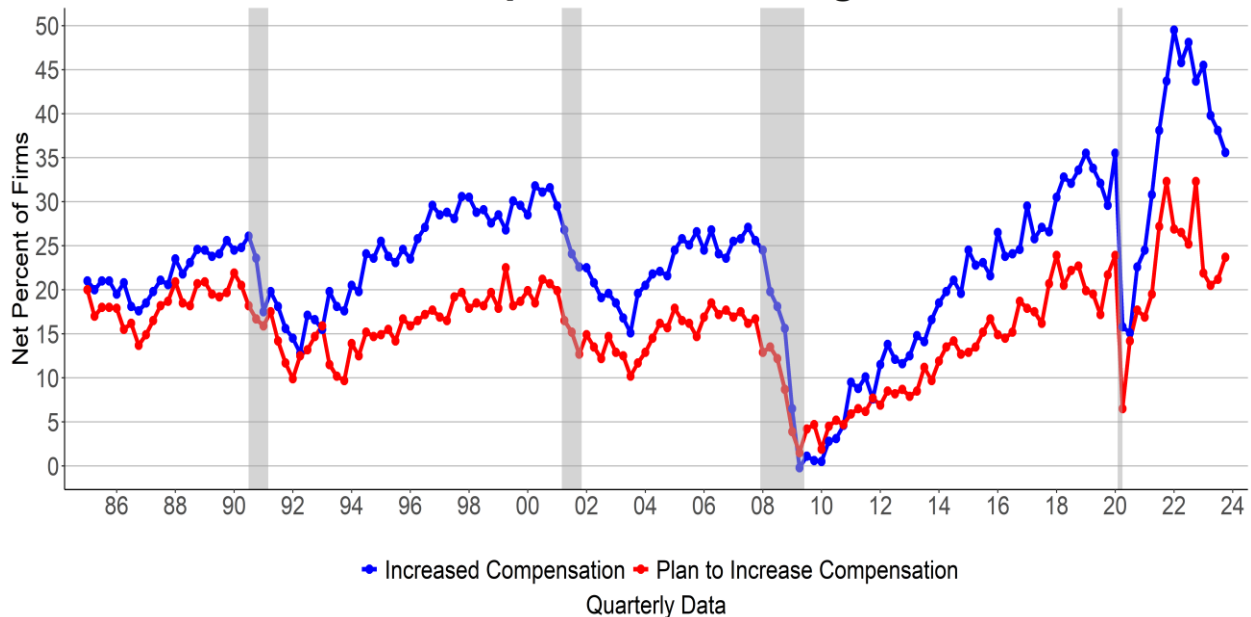
Overall, 61 percent reported hiring or trying to hire in October, unchanged from September. Fifty-five percent (90 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (down 2 points). Thirty-one percent of owners reported few qualified applicants for their open positions (up 1 point) and 24 percent reported none (down 3 points).

## Qualified Job Applicants



Seasonally adjusted, a net 36 percent reported raising compensation, unchanged from September. A net 24 percent plan to raise compensation in the next three months, up 1 point from September.

## Planned and Actual Labor Compensation Changes



With labor demand remaining strong (as has consumer spending), firms must maintain competitive compensation to retain workers and hopefully to fill critical positions. As long as consumers spend, firms will find it profitable to hire. But hiring continues to be hindered by the lack of qualified workers. For now, the level of job openings suggests the labor market will continue to be firm, especially on Main Street.