

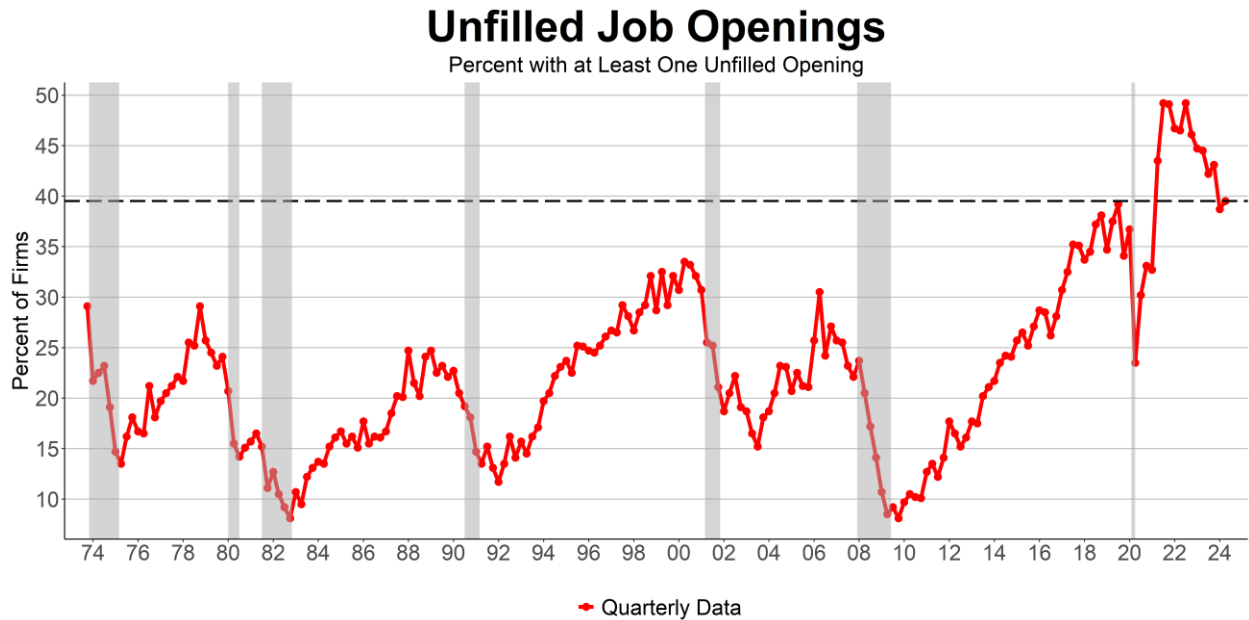
# Small Business Unfilled Job Openings Rise

Based on 1215 respondents to the April survey of a random sample of NFIB's member firms, surveyed through 4/25/2024.

EMBARGO 1 PM THURSDAY

The U.S. Bureau of Labor Statistics (BLS) reported that March added 303,000 jobs to the economy, much higher than most forecasters expected. Revisions for January and February added 22,000 to total employment, an improvement from pervasive downward revisions last year. NFIB's April jobs report found solid employment hiring plans among small business owners, but overall unsuccessful attempts to hire additional workers.

In NFIB's April survey, 40 percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, up 3 points from March's lowest reading since January 2021. Thirty-four percent have openings for skilled workers (up 3 points) and 18 percent have openings for unskilled labor (up 4 points). The labor market remains tight, especially in the transportation, construction, and wholesale industries. Job openings are now back in line with levels reached before the pandemic (2017-2019).

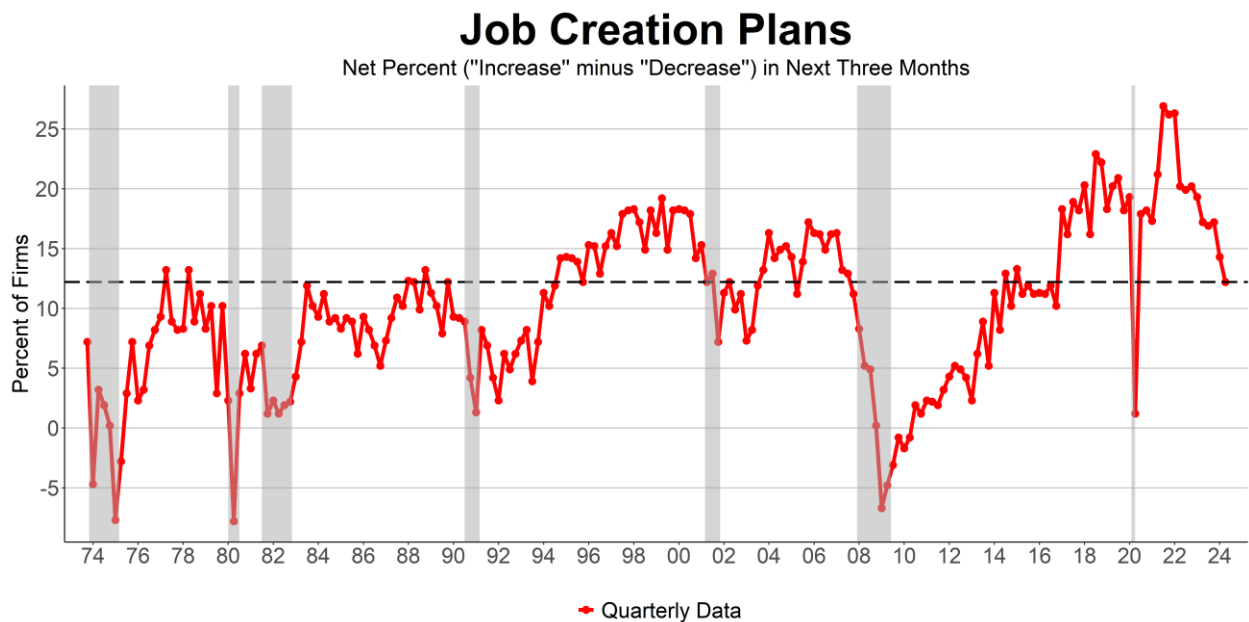


Job openings in construction were up 11 points from last month and over half of them (55%) have a job opening they can't fill. Job openings were the highest in the transportation, construction, and wholesale sectors, and the lowest in the agriculture and finance sectors.

## Industry- Percent with Job Openings

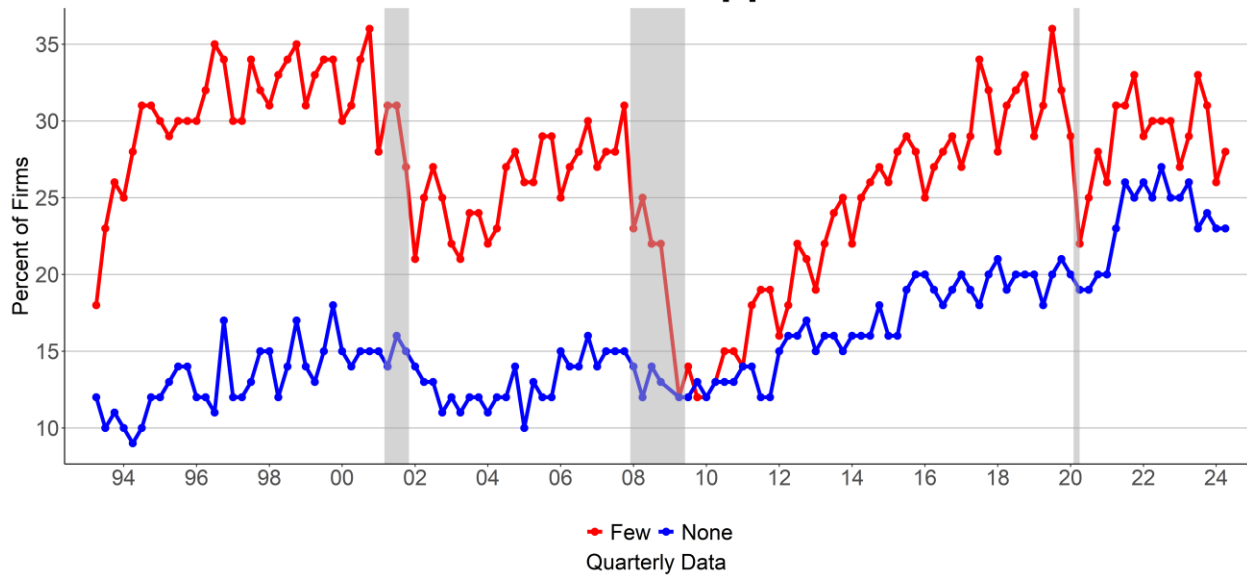
Industry	Apr. 2024	Apr. 2023
Transportation	56%	54%
Construction	55%	62%
Wholesale	43%	29%
Professional services	42%	29%
Retail	42%	45%
Manufacturing	38%	45%
Services	38%	44%
Agriculture	27%	29%
Finance	19%	27%

Owners' plans to hire reversed the trend, with a seasonally adjusted net 12 percent planning to create new jobs in the next three months, up 1 point from March's lowest level since May 2020. Job creation plans are below what would be typical in a strong growth economy.



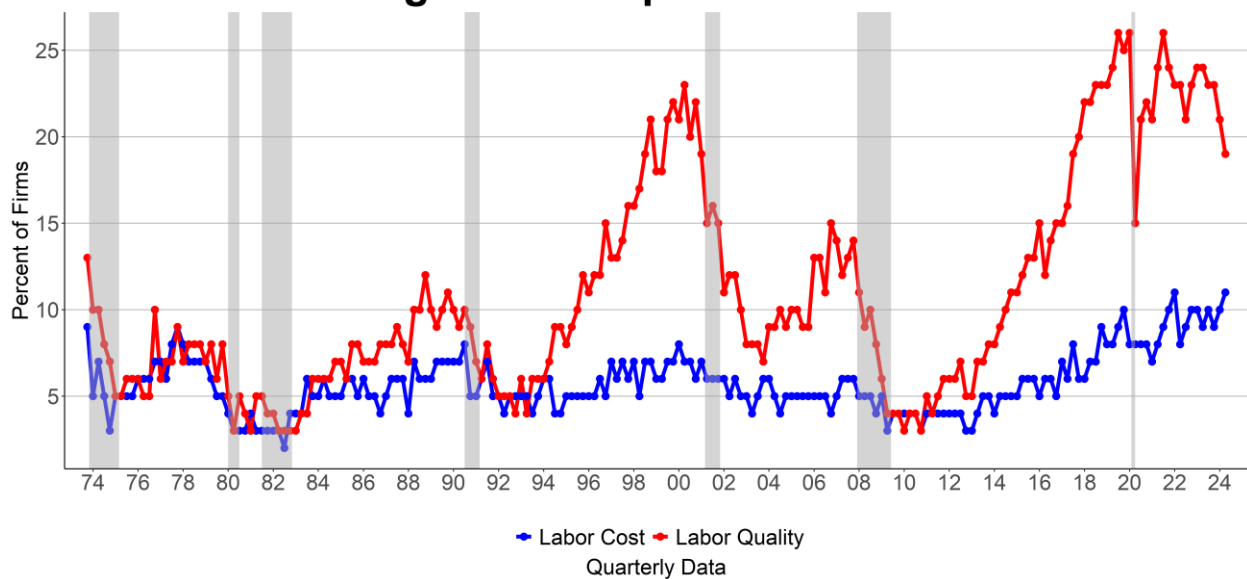
Overall, 56 percent reported hiring or trying to hire in April, unchanged for the third consecutive month. Fifty-one percent (91 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (up 3 points). Twenty-eight percent of owners reported few qualified applicants for their open positions (down 1 point) and 23 percent reported none (up 4 points).

## Qualified Job Applicants



The percent of small business owners reporting labor quality as their top small business operating problem rose 1 point from March to 19 percent. However, labor quality as small business owners' top problem has eased considerably over the last two quarters. Labor cost reported as the single most important problem for business owners increased 1 point to 11 percent, only 2 points below the highest reading of 13 percent reached in December 2021.

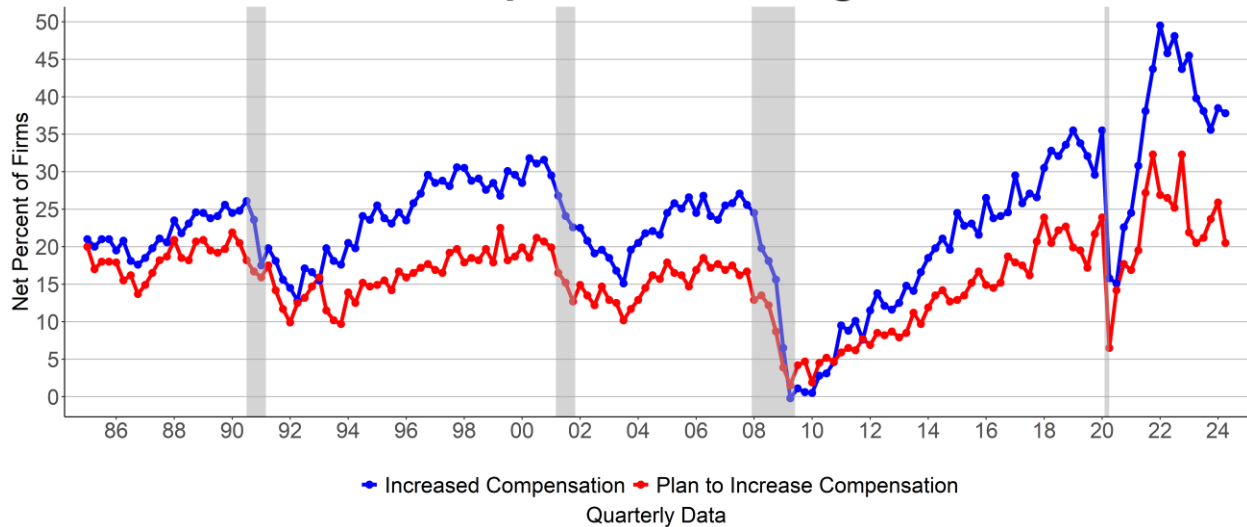
## Single Most Important Problem



Seasonally adjusted, a net 38 percent reported raising compensation, unchanged from March. A net 21 percent (seasonally adjusted) plan to raise compensation in the next three months, also unchanged from March. This will keep pressure on selling prices,

making inflation “sticky.” California’s new \$20 minimum wage that when into effect April 1 has already pushed fast food prices up 8%-10%.

## Planned and Actual Labor Compensation Changes



Employment reports indicate strong labor markets, but it is less clear where all these jobs are being created. Non-professional services spending is strong, but not strong enough to explain the reported job creation. GDP growth was weak in the first quarter, so where are all those job increases occurring? Small businesses are not reporting net gains in employment. Job reports have been puzzling for some time now, and with an election at hand may remain so until after the election.