

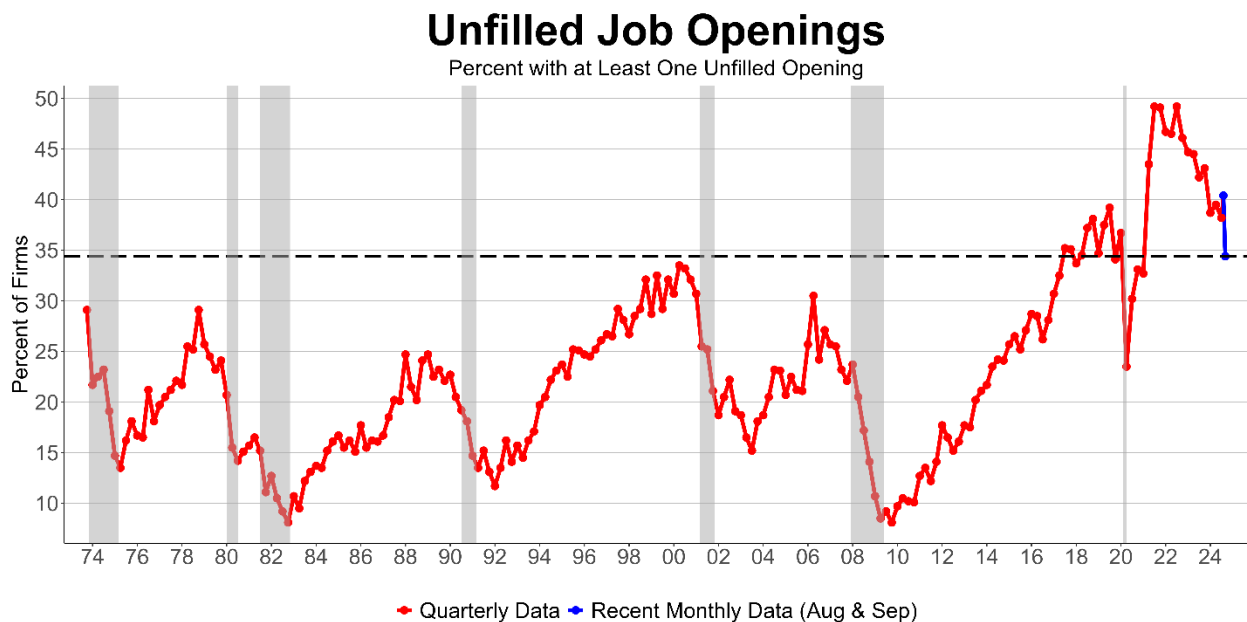
Job Openings Decline to Lowest Level Since 2021

Based on 559 respondents to the September survey of a random sample of NFIB's member firms, surveyed through 9/27/2024.

EMBARGO 1 PM THURSDAY

The U.S. Bureau of Labor Statistics (BLS) reported that, in August, 142,000 jobs were created in the U.S. economy. Revisions to estimates for June and July totaled 86,000 lower, leaving net job creation over three months at 56,000 jobs. The unemployment rate drifted lower from 4.3 percent to 4.2 percent.

In NFIB's September survey, 34 percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, down 6 points from August and the lowest reading since January 2021. Thirty percent have openings for skilled workers (down 6 points) and 14 percent have openings for unskilled labor (down 1 point). Overall, the job market seems to be softening.

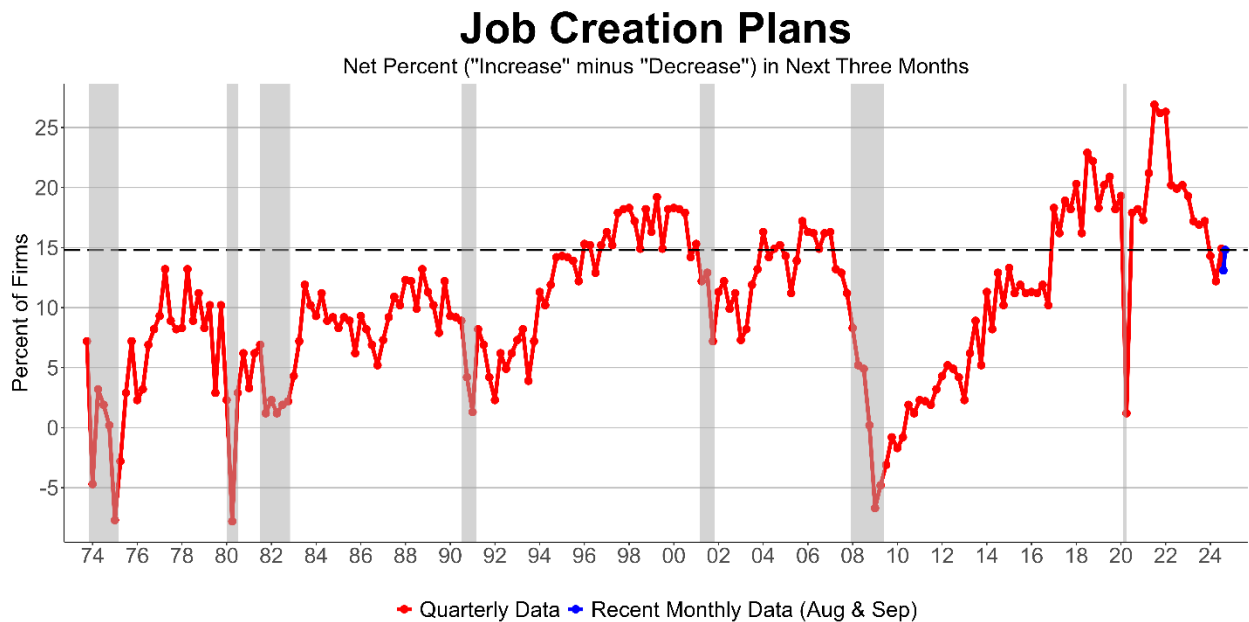


Job openings were the highest in the construction, transportation, and manufacturing sectors, and the lowest in the agriculture and finance sectors. However, job openings in construction were down 7 points from last month with 53 percent having a job opening they can't fill. Overall, the percent of firms with one or more job openings they can't fill remains at exceptionally high levels. This indicates continued upward pressure on compensation and, ultimately, on inflation. As labor markets soften overall, small firms may find more success in filling open positions.

Industry- Percent with Job Openings

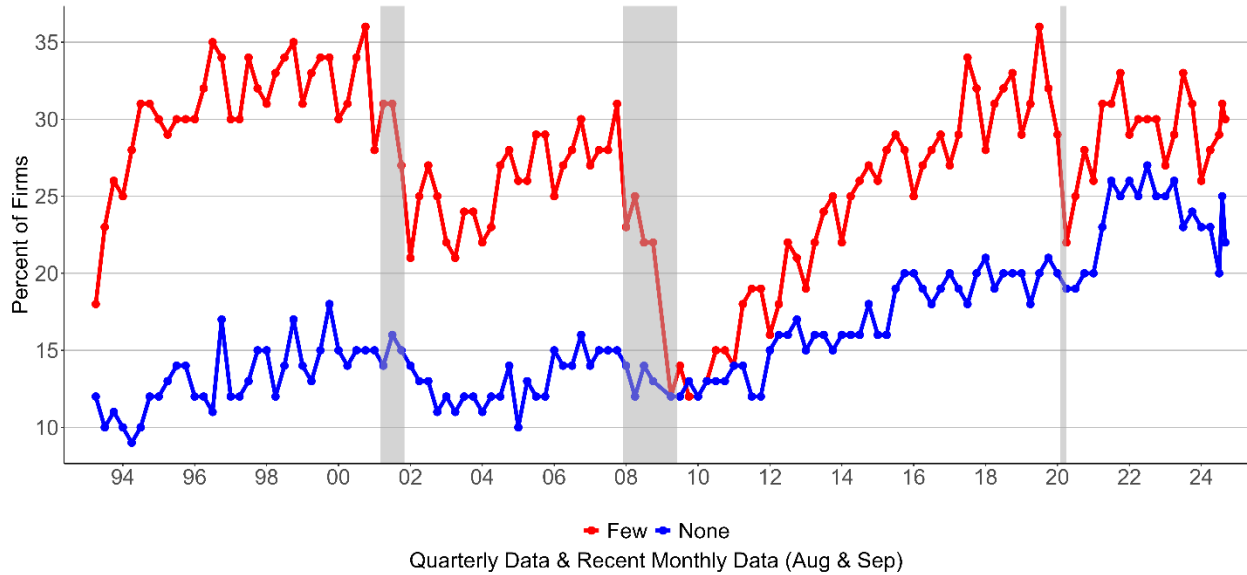
Industry	Sept. 2024	Sept. 2023
Construction	53%	62%
Transportation	47%	38%
Manufacturing	45%	44%
Professional services	40%	25%
Services	35%	43%
Retail	33%	48%
Wholesale	30%	34%
Agriculture	22%	34%
Finance	16%	25%

A seasonally adjusted net 15 percent of owners plan to create new jobs in the next three months, up 2 points from August. Job creation plans are below the levels seen the last time the economy experienced solid growth but are in solid territory historically.



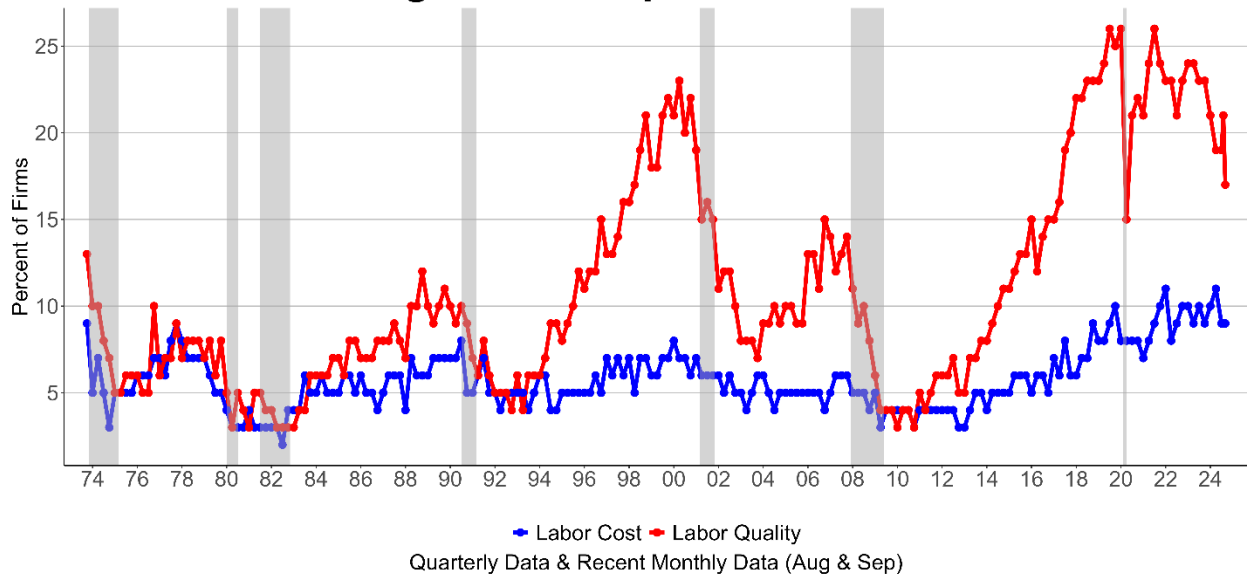
Overall, 59 percent reported hiring or trying to hire in September, down 3 points from August. Fifty-two percent (90 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (down 4 points). Thirty percent of owners reported few qualified applicants for their open positions (down 1 point) and 22 percent reported none (down 3 points).

Qualified Job Applicants



The percent of small business owners reporting labor quality as their top small business operating problem fell 4 points from August to 17 percent. 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.

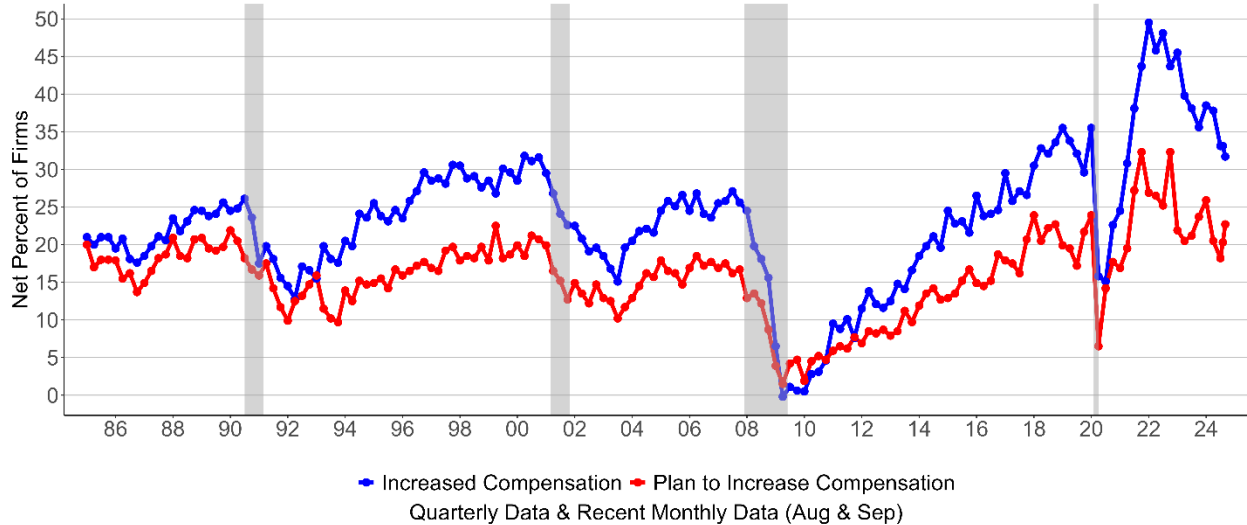
Single Most Important Problem



Seasonally adjusted, a net 32 percent reported raising compensation, down 1 point from August and the lowest reading since April 2021. A net 23 percent (seasonally

adjusted) plan to raise compensation in the next three months, up 3 points from August. Labor costs appear to still be under pressure.

Planned and Actual Labor Compensation Changes



Overall, the job market appears to be softening, led by layoffs at major employers. However, small firms are still reporting few qualified applicants for their open positions, especially in the construction, transportation, and manufacturing industries. The Federal Reserve said the economy was in a good place and they would try to keep it there. Then it cut its policy rate by 50 basis points. That could ultimately provide some economic stimulus. The impact of the election on economic activity and employment growth remains “uncertain.”