

# Paychex | IHS Small Business Jobs Index Remains Positive Despite Recent Slowdown in Small Business Employment Growth

- *National index was 100.34 in October; while job gains continue, the index has moderated, with the pace of small business employment growth slowing for three straight months*
- *Mountain remains top-ranked region; Washington rises to the top among states; Dallas continues to lead metro areas by a wide margin*
- *Other Services tops industry sectors; Construction industry ranks second with an index over 101 for more than four years*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- The [Paychex | IHS Small Business Jobs Index](#) decreased in October, moving from 100.44 to 100.34. Although small business employment remains positive, with an index level above 100, the national index has moderated, declining 0.31 percent in the last quarter and 0.49 percent over the past year. The Mountain region was once again the top-performing regional index. Washington rose to the top spot among states, followed by Texas and Georgia, all with index levels at 102 or higher. Dallas continues as the top-ranked metro area by a wide margin. Other Services (except Public Administration)\*, as defined by the [Bureau of Labor Statistics](#), ranks as the top industry sector for small business employment growth at 104.21. The Construction industry ranks second with an index above 101 for more than four years.

This Smart News Release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20151103005393/en/>

“The Paychex | IHS Small Business Jobs Index retreated again in October, for the third consecutive month,” said James Diffley, chief regional economist at IHS. “Nevertheless, at 100.34, small business job gains proceed at a pace 0.34 percent faster than in our base period 10 years ago.”

“Even though the pace of small business growth has slowed, the index has consistently been above 100, indicating a slow, but steady continuation of job gains,” said [Martin Mucci](#), president and CEO of Paychex.

## National Index

The national index has trended downward throughout the year, now 0.50 percent below its 2015 high in February. While job gains continue, with the index level above 100, this is the first time the pace of small business growth has slowed for three straight months since early

2013. The rate of job growth decreased in eight of the nine regions during the past month as well as the past year, with New England only marginally increasing, 0.04 percent in October and 0.08 percent since October 2014.

## **Regional Employment**

At 101.64, Mountain remains the top-ranked region in October. New England was the only region to show a positive one-month and 12-month growth rate, propelled by the Boston metro and Massachusetts. With the lowest 12-month growth rate (-2.12 percent), the rate of employment growth has declined seven consecutive months in the West North Central. The West North Central, along with the Middle Atlantic, are the only regions with an index below 100. Down 0.56 percent, East South Central had the lowest one-month growth rate among regions, as its index fell to a three-year low.

*Note: Percentages displayed in the regional heat map reflect 12-month changes.*

## **State Employment Trend**

Rebounding 0.27 percent to 102.73, Washington overtook Texas as the top-ranked state index. Rounding out the top three, Texas and Georgia both fell in October, but their index levels remain at or above 102. Job conditions strengthened in Massachusetts for the fifth straight month as the state's index is back over 100 and flat year-over-year. Small business job growth slowed the most in Tennessee, North Carolina, and Michigan during the past month. At 100.95, Wisconsin improved in October and had the best 12-month growth rate among states at 0.60 percent.

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

## **Metropolitan Employment Trend**

At 105.76, Dallas is relatively unchanged during the past quarter, and still well above other metros. Seattle ranked second and is the only other metro index above 102, but has retreated 1.78 percent during the past year. Boston had another strong gain in October as its index surpassed 100 and is up 0.99 percent during the past quarter. The pace of employment growth weakened further in Houston, falling 0.61 percent in October and 3.39 percent over the past 12 months. At 100.06, Houston is now at its lowest level since 2010. New York City dropped 0.20 percent to 98.96 in October and now leads only Minneapolis among metros.

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

## **Industry Employment Trend**

Other Services (except Public Administration), which includes offerings as varied as repair and maintenance to personal and laundry services among other things, hit a new record high in October, 104.21, and is outpacing all other industry sectors by a wide margin. At 101.70, Construction is the second-ranked industry index and has been over 101 for more than four years. Leisure and Hospitality had its worst one-month result in more than two years (-0.67 percent) as its index fell to 100.00, giving up all of the momentum gained in 2015. Manufacturing remains the lowest-ranked industry and its 1.43 percent decline over the past year coincides with the general manufacturing cutbacks tied to the increase in the

value of the dollar and retrenchment in oil and gas.

*Note: Analysis is provided for eight major industry sectors.*

For more information about the Paychex | IHS Small Business Jobs Index, visit the index [website](#). Plus, view and download the October 2015 Paychex | IHS Small Business Jobs Index [infographic](#). Or, [sign up](#) to receive monthly alerts on the Paychex | IHS Small Business Jobs Index.

*\*Information regarding the professions included in the industry data can be found at the [Bureau of Labor Statistics website](#).*

## **About the Paychex | IHS Small Business Jobs Index**

The Paychex | IHS Small Business Jobs Index is released each month by Paychex, Inc., a leading provider of payroll, human resource, insurance, and benefits outsourcing solutions for small-to medium-sized businesses, and IHS, Inc., a leading global source of critical information and insight, providing analysis of small business employment trends across the U.S.

The index analyzes same-store, year-over-year worker count changes to identify and track small business employment trends using real small business payroll data from the Paychex client base. The index is based on aggregated data from approximately 350,000 small businesses with fewer than 50 workers across the United States, one of the largest sample sizes of any small business index or report in the country, and provides timely, accurate insight into national, regional, state, metro, and industry employment activity.

## **About Paychex**

Paychex, Inc. (NASDAQ: PAYX) is a leading provider of integrated human capital management solutions for payroll, HR, retirement, and insurance services. By combining its innovative software-as-a-service technology and mobility platform with dedicated, personal service, Paychex empowers small- and medium-sized business owners to focus on the growth and management of their business. Backed by more than 40 years of industry expertise, Paychex serves approximately 590,000 payroll clients across 100 locations and pays one out of every 15 American private sector employees. Learn more about Paychex by visiting [www.paychex.com](http://www.paychex.com), and stay connected on [Twitter](#) and [LinkedIn](#).

## **About IHS ([www.ihs.com](http://www.ihs.com))**

IHS (NYSE: IHS) is the leading source of insight, analytics and expertise in critical areas that shape today's business landscape. Businesses and governments in more than 150 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs about 8,800 people in 32 countries around the world.

*IHS is a registered trademark of IHS Inc. All other company and product names may be trademarks of their respective owners. Copyright © 2015 IHS Inc. All rights reserved.*

View source version on businesswire.com:

<http://www.businesswire.com/news/home/20151103005393/en/>

Paychex, Inc.

Lisa Fleming, 585-387-6402

[lfleming@paychex.com](mailto:lfleming@paychex.com)

[@PaychexNews](#)

or

IHS

Kate Smith, 781-301-9311

[Kate.smith@ihs.com](mailto:Kate.smith@ihs.com)

or

Eric Mower + Associates

Emily Bowe, 315-413-4236

[ebowe@mower.com](mailto:ebowe@mower.com)

Source: Paychex, Inc.