

# Pace of Employment Growth Unchanged in First Half of Year, According to Paychex | IHS Small Business Jobs Index

*National index remained relatively stable in June; East North Central continued as top-ranked region; Washington regained top index spot among states; Dallas was top-performing metro area for ninth straight month*

ROCHESTER, N.Y.--(BUSINESS WIRE)-- The [Paychex | IHS Small Business Jobs Index](#) was relatively unchanged in June, declining just 0.03 percent, bringing the national index to 100.63. Year-over-year the index decreased 0.44 percent. After increasing 0.23 percent during the first quarter of 2015, the pace of employment growth slowed 0.16 percent in the second quarter. With a national index level above 100, employment growth conditions remain stronger than during the index's base year of 2004. The East North Central region maintained its position as the highest-ranked regional index. Washington regained the lead among states once again. Dallas continued its streak of strong employment growth and was the top-ranked metro area for the ninth straight month.

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"At 100.63, the Paychex | IHS Small Business Jobs Index was almost unchanged in June as it remains below the level set throughout much of 2014. Among industries, employment conditions strengthened most in leisure and hospitality, while construction declined sharply," said James Diffley, chief regional economist at IHS.

"Even though the pace of employment growth slowed slightly from the first quarter to the second, the past 12 months have shown the index consistently over 100, indicating a slow but steady continuation of job gains," said Martin Mucci, president and CEO of Paychex.

## National Index

The national index has shown mixed results since September 2014, moving within a narrow band for the last ten months between 100.56 and 100.85. Small business employment conditions slowed 0.44 percent since last June. However, the national index remained well over 100 during the past 12 months, signifying continued growth.

## Regional Employment

The East North Central region had the highest regional index in June at 101.82. The West North Central suffered the greatest drop for the quarter, 1.34 percent, while the East South Central had the largest fall for the month, 0.64 percent. With each of the nine regions experiencing year-over-year declines, New England once again had the worst growth rate, -1.01 percent. However, New England managed a strong one-month growth rate of 0.20

percent in June. With its worst one-month growth rate since 2009, the South Atlantic dropped to the lowest index level among regions (99.65).

### **State Employment Trend**

At 103.39 and up 0.28 percent from May to June, Washington regained the top spot and is the only state index over 103. Unable to maintain the pace of employment growth set in May, Indiana fell to the seventh-ranked index in June. After five consecutive months of sustained growth to begin 2015, Virginia lost those gains, dropping 1.04 percent from May to June.

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

### **Metropolitan Employment Trend**

At 104.26, Dallas has had an index level above 104 for the past three months; it's also been the top-ranked metro for nine consecutive months. With the second best one-month and 12-month growth rates, Detroit remained in second place and spiked to a new record high, 103.55. St. Louis jumped to 102.55 in June with the best one-month and 12-month growth rates. Coming off a four-year high in May, Washington tumbled to last place among metro areas in June, decreasing 0.85 percent to 98.58. Houston had another sizable decrease from May to June, falling 0.55 percent to its lowest index level in four years, 100.34.

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

Launched on April 1, 2014, the monthly index from 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, provides 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, and metro employment activity. The index uses a base year of 2004, a period of expansion before the start of the economic downturn. When the index trends up it is a sign of a strengthening job market, and when it trends down it is a sign of a slowdown.

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

### **About Paychex**

Paychex, Inc. (NASDAQ:PAYX) is a leading provider of payroll, human resource, and benefits outsourcing solutions for small- to medium-sized businesses. The company offers comprehensive payroll services, including payroll processing, payroll tax administration, and employee pay services, including direct deposit, check signing, and Readychex®. Human

resource services include 401(k) plan recordkeeping, section 125 plans, a professional employer organization, time and attendance solutions, and other administrative services for business. A variety of business insurance products, including group health and workers' compensation, are made available through Paychex Insurance Agency, Inc. Paychex was founded in 1971. With headquarters in Rochester, New York, the company has more than 100 offices serving approximately 580,000 payroll clients as of May 31, 2014. For more information about Paychex and our products, visit [www.paychex.com](http://www.paychex.com).

### **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.

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