

News Release and Analysis

U.S. Small Business Employment Growth Remains Consistent as Weekly Hours Worked Reach Near-Decade High

Hourly wage growth remains below three percent for 15th consecutive month

Rochester, N.Y. (November 4, 2025) —According to the latest Paychex Small Business Employment Watch, which is based on the payroll data of Paychex’s customers with fewer than 50 employees, small business employment levels remained consistent in October. The report’s Small Business Jobs Index has moved less than one percentage point over the last year, indicating continued moderation in small business hiring. While hourly earnings growth for U.S. small business workers slowed marginally to 2.58%, remaining below three percent for the last 15 months, small business employees experienced an increase in their weekly earnings due to greater hours worked during the month.

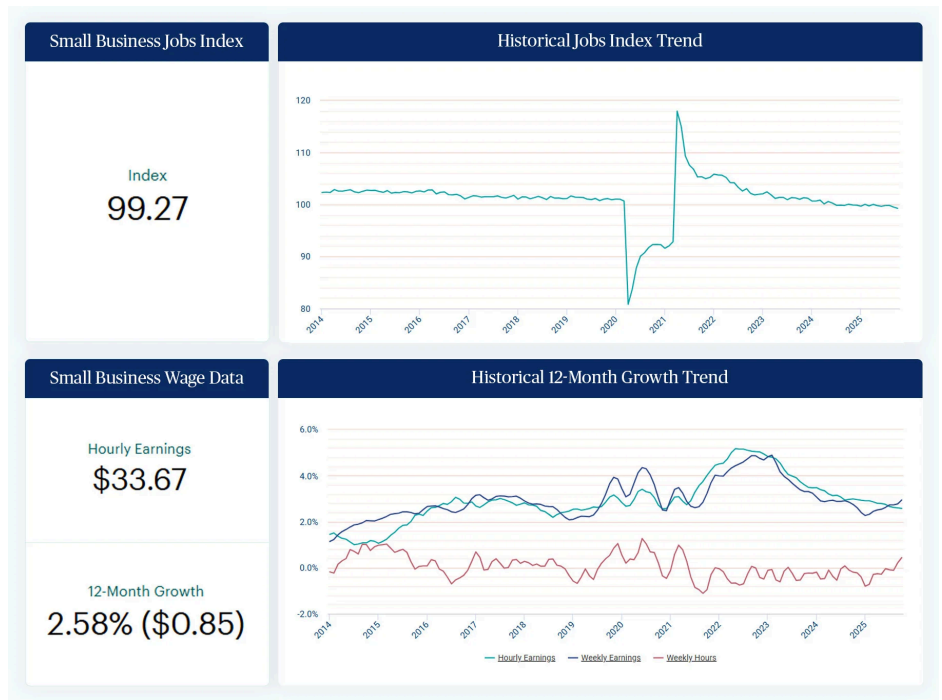
“The small business labor market remains stable among firms with less than 50 employees,” said [John Gibson](#), Paychex president and CEO. “We are also observing an emerging trend of employers increasingly relying on their existing talent working more hours. Weekly hours worked rose across all regions in October. This marks the second consecutive month one-month annualized growth was above three percent, something not seen in nearly 10 years. We continue to hear from small business owners that the supply of qualified labor remains an ongoing challenge and is leading them to look for ways to get more out of their existing workforce.”

Jobs Index and Wage Data Highlights

- The national Small Business Jobs Index for October stood at 99.27.
- National hourly earnings growth stood at 2.58% in October, remaining below three percent since August 2024 (15 months).
- National weekly hours worked growth increased 0.44% in October – the strongest gain since April 2021 (0.78%). All

regions recorded positive 12-month weekly hours worked growth in October, with one- and three-month annualized growth rates over one percent.

- Weekly earnings growth increased nationally to 2.94% in October, marking the highest level since January 2024 (3.07%).
- The Midwest remained the top region for small business employment growth for the 17th consecutive month.



More Information

Since 2014, the Paychex Small Business Employment Watch has been a trusted source of employment trends for U.S. small businesses with fewer than 50 employees. The [Employment Watch website](#) offers interactive charts and historical data across the report's two key components– the [jobs index](#) and [wage data](#). Visit the Bloomberg Terminals or [subscribe to receive monthly alerts with the latest data](#).

About the Paychex Small Business Employment Watch

The Paychex Small Business Employment Watch is released each month by Paychex, Inc. Only focused exclusively on businesses with fewer than 50 workers, the monthly report offers analysis of national

employment and wage trends and examines regional, state, metro, and industry sector* activity. Drawing from the payroll data of approximately 350,000 Paychex clients, this industry benchmark delivers real-time insights into the small business trends driving the U.S. economy.

** Information regarding the professions included in the industry data can be found at the Bureau of Labor Statistics website.*

About Paychex

Paychex, Inc. (Nasdaq: PAYX) is the digitally driven HR leader that is reimagining how companies address the needs of today's workforce with the most comprehensive, flexible, and innovative HCM solutions for organizations of all sizes. Offering a full spectrum of HR advisory and employee solutions, Paychex pays 1 out of every 11 American private sector workers and is raising the bar in HCM for approximately 800,000 customers in the U.S. and Europe. Every member of the Paychex team is committed to fulfilling the company's purpose of helping businesses succeed. Visit paychex.com to learn more.

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