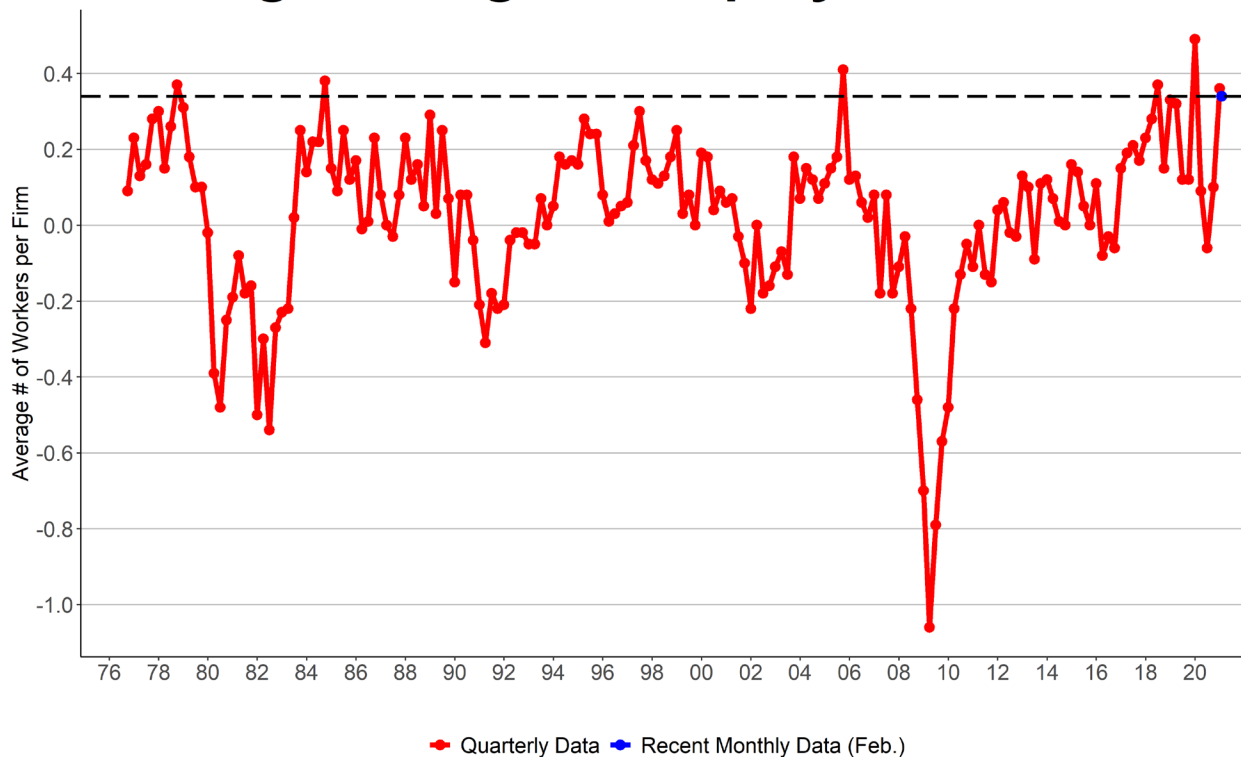


Small Business Job Openings Increase in February

(Based on 678 respondents to the February survey of a random sample of NFIB's member firms, surveyed through 2/26/2021)
EMBARGO 1 PM THURSDAY

Job growth continued in February. Firms increased employment by 0.34 workers per firm on average over the past few months, following equally good readings in December and January. Some parts of Main Street remain closed down or seriously restricted, but the economy continues to open up overall, with New York and California lagging.

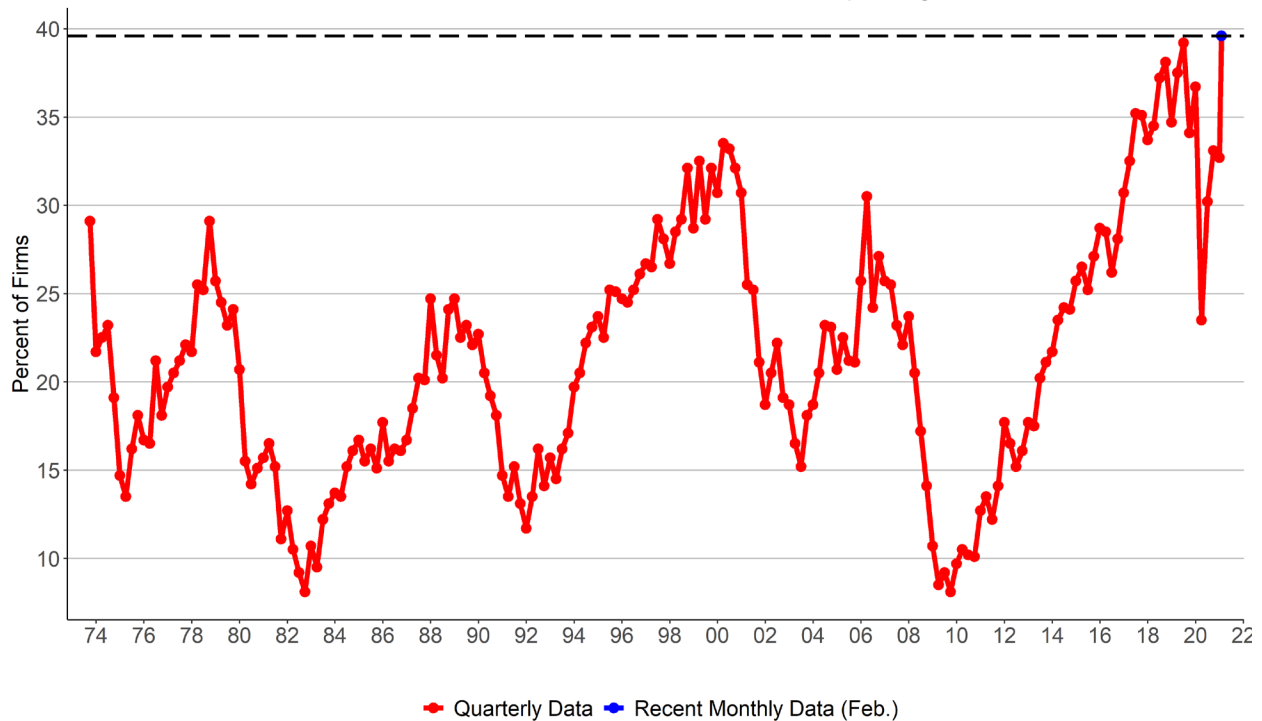
Average Change in Employment Per Firm



Forty percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, up 7 points from January. Thirty-three percent have openings for skilled workers (up 5 points) and 16 percent have openings for unskilled labor (up 4 points). Owners are clearly looking ahead to an improved economy. Current and promised stimulus money will add a lot of juice to consumer spending, so firms need to “hire up” and “stock up.”

Unfilled Job Openings

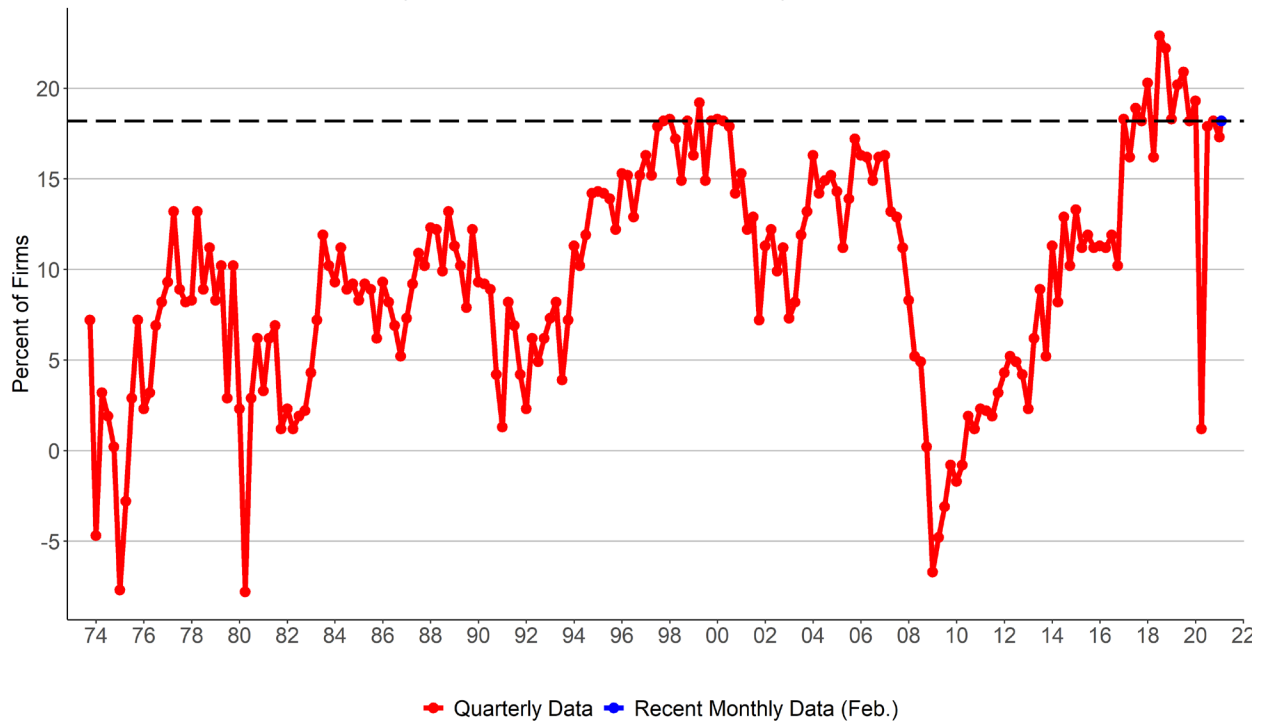
Percent with at Least One Unfilled Opening



Fifty-one percent of the job openings in construction are for skilled workers, up 7 points. Sixty-one percent of construction firms reported few or no qualified applicants (up 5 points) and 35 percent cited the shortage of qualified labor as their top business problem (up 3 points). Demand for housing continues to be strong. Most of the new homes sold have not been built yet. With materials prices rising and shortages developing, builders may find themselves in a delivery bind, unable to complete projects as agreed.

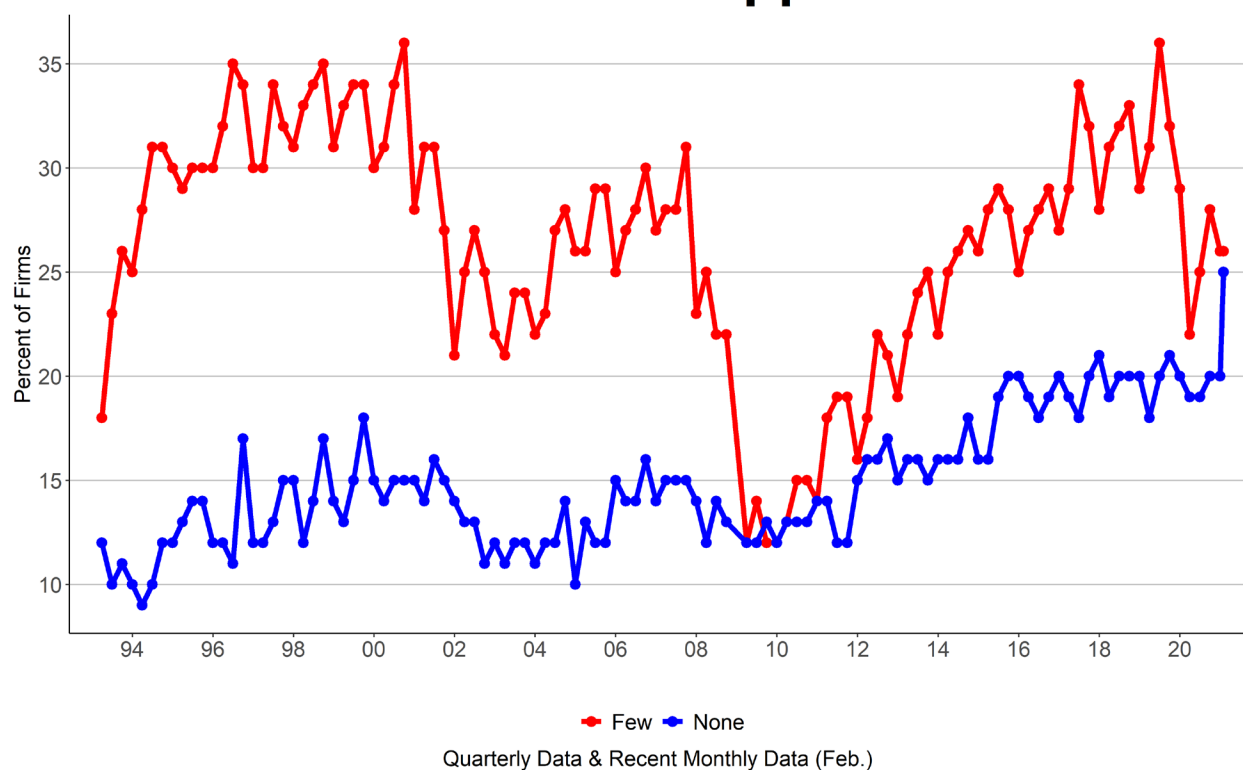
Job Creation Plans

Net Percent ("Increase" minus "Decrease") in Next Three Months



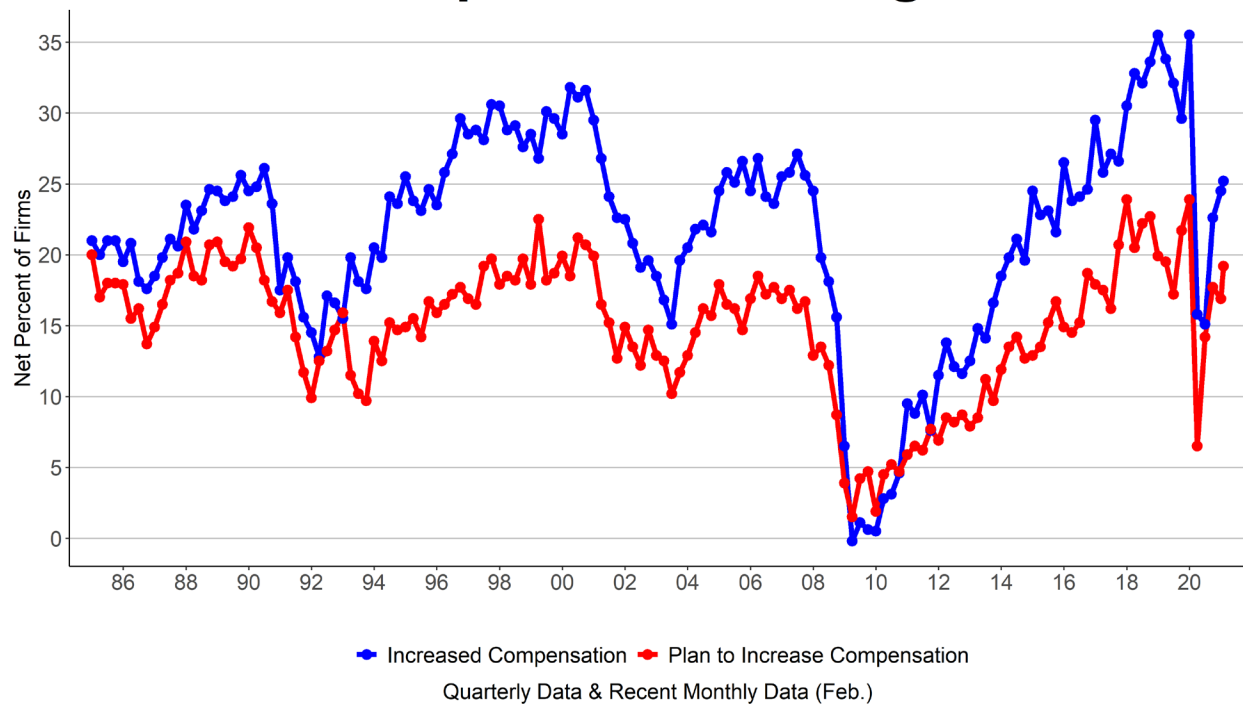
Overall, 56 percent reported hiring or trying to hire in February, up 5 points from January. Owners have plans to fill open positions, with a seasonally adjusted net 18 percent planning to create new jobs in the next three months, up 1 point from January. The Covid-19 pandemic continues to disrupt the labor market with significant populations of otherwise working adults having to stay home to care for family members, protect themselves from contracting the virus, or not able to transition previous work experience quickly to available jobs. Improved unemployment insurance benefits may also make some workers reluctant to take a new job. In over 30 states, cumulative financial assistance payments available exceed a \$15/hour (before taxes) job.

Qualified Job Applicants



Finding qualified employees remains a problem. 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 in February, up 5 points. Where there are open positions, labor quality remains a problem. Twenty-six percent of owners reported few qualified applicants for their open positions (unchanged) and 25 percent reported none (up 5 points).

Planned and Actual Labor Compensation Changes



Seasonally adjusted, a net 25 percent reported raising compensation (unchanged) and a net 19 percent plan to do so in the coming months, up 2 points. There will be continued pressure on worker compensation as the economy opens up and the anticipated stimulus package is passed. Nine percent cited labor costs as their top business problem (up 2 points) and 24 percent said that labor quality was their top business problem, up 3 points from January and the top overall concern, leaving taxes and regulatory costs in second and third positions.

Single Most Important Problem

