

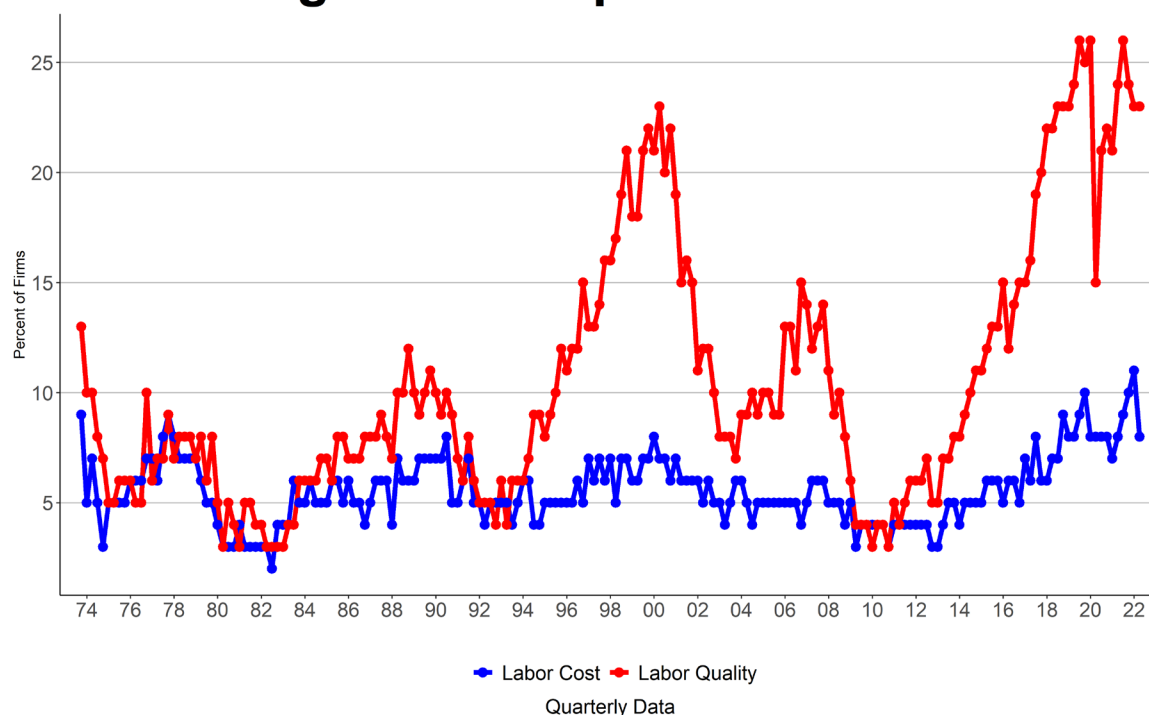
Record High Levels of Small Businesses Continue to Post Help Wanted Signs

Based on 1,457 respondents to the April survey of a random sample of
NFIB's member firms, surveyed through 4/29/2022

EMBARGO 1 PM THURSDAY

Small businesses continue to raise wages to keep employees and fill historically high levels of open positions. Twenty-three percent said that labor quality was their top business problem, up 1 point from March and remaining in second place behind inflation. Eight percent cited labor costs as their top business problem, unchanged from March. The labor shortage continues to stymie the small business economy as owners compete for workers. Reports of labor costs as the top business problem are at 48-year record high levels, just 5 points below the record set in December 2021.

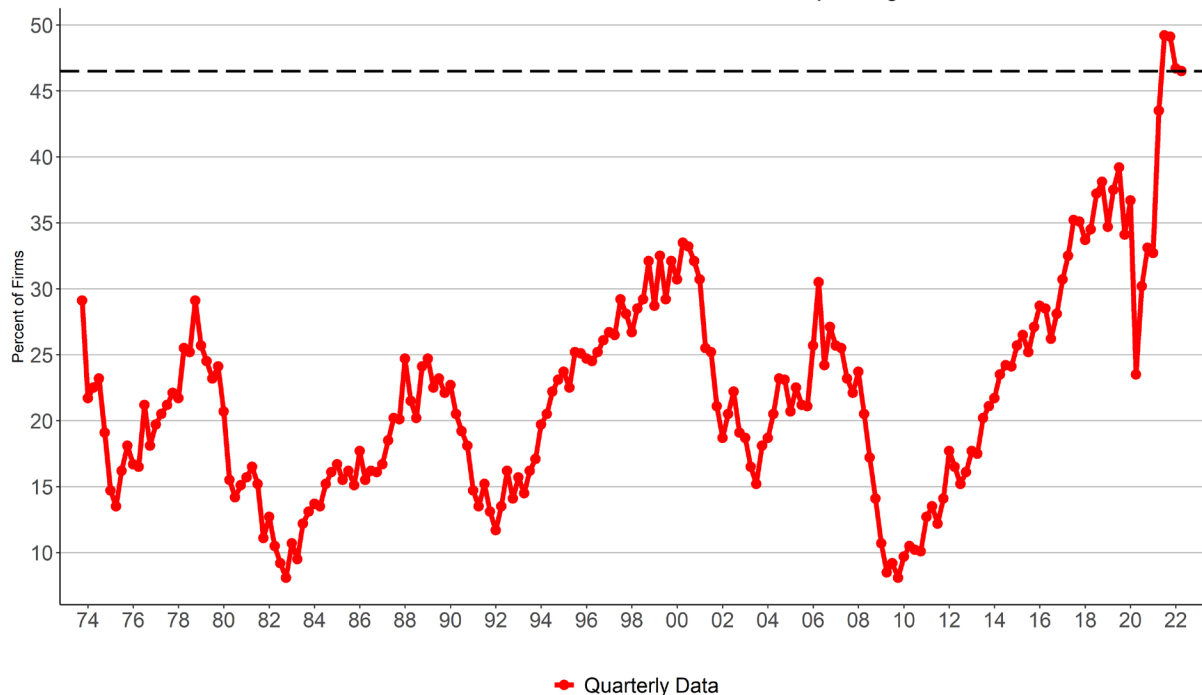
Single Most Important Problem



Forty-seven percent (seasonally adjusted) of all owners reported job openings they could not fill in the current period, unchanged from March. The number of unfilled job openings far exceeds the 48-year historical average of 23 percent. Nationwide, the number of job openings continues to exceed the number of unemployed workers (those looking for a job), producing a tight labor market and pressure on wage levels. Millions of workers are still sidelined for Covid related reasons , contributing to shortages of workers in all industries.

Unfilled Job Openings

Percent with at Least One Unfilled Opening



Forty percent have openings for skilled workers (up 1 point) and 22 percent have openings for unskilled labor (down 1 point). Fifty-four percent of the job openings in construction are for skilled workers, down 7 points. Sixty-four percent of construction firms reported few or no qualified applicants (up 2 points), one of the tightest domestic labor markets in recent history.

Industry- Percent with Job Openings

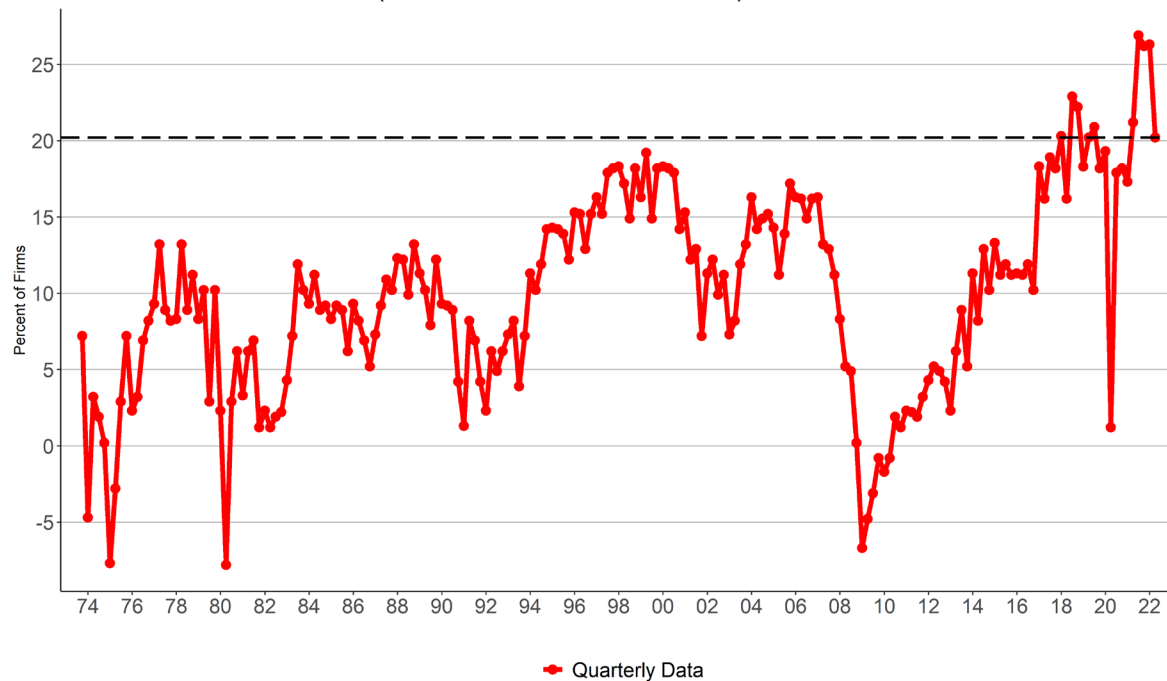
Construction	59
Manufacturing	53
Retail	52
Wholesale	50

Services	46
Transportation	45
Professional services	38
Agriculture	27
FIRE	21

Owners' plans to fill open positions remain elevated, with a seasonally adjusted net 20 percent planning (hoping) to create new jobs in the next three months, unchanged from March.

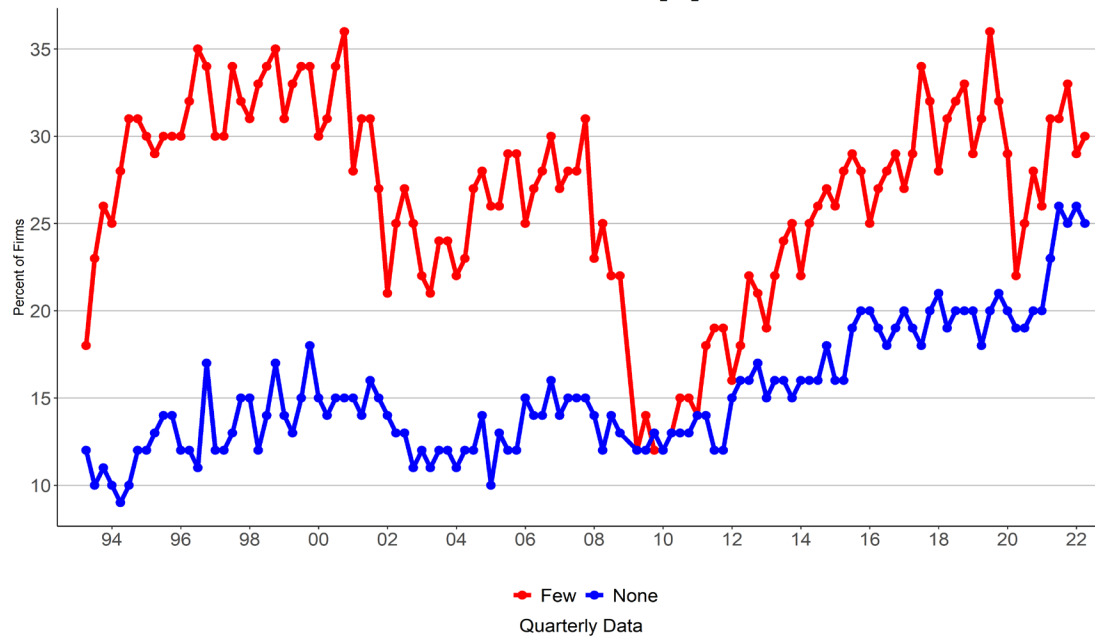
Job Creation Plans

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



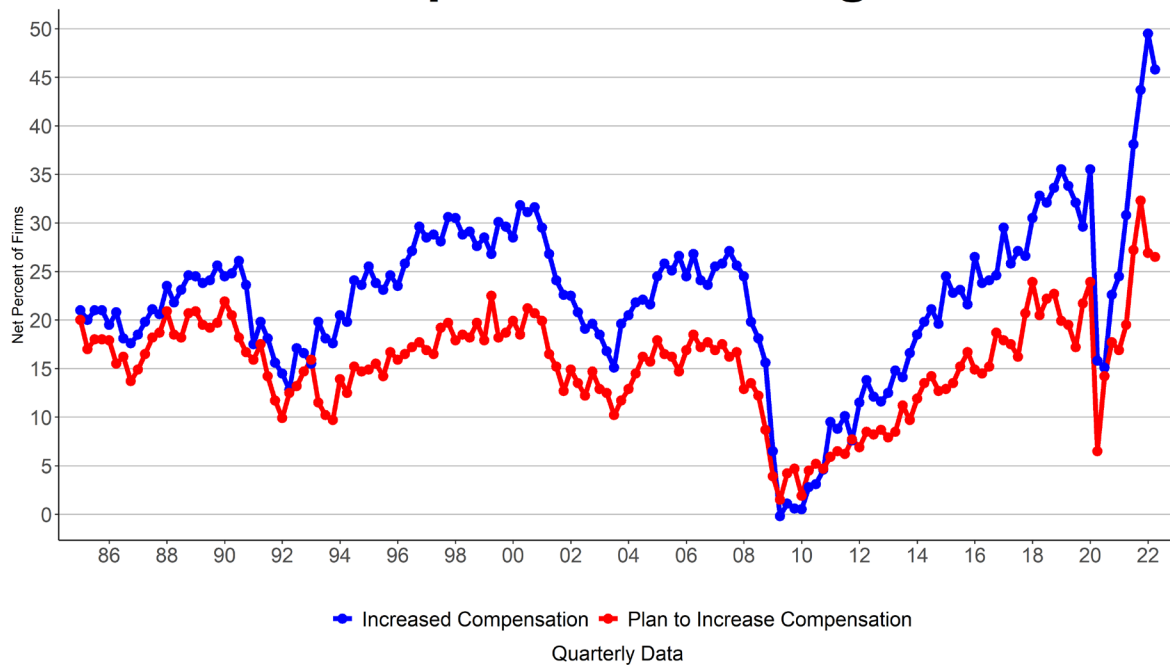
Overall, 59 percent reported hiring or trying to hire in April, down 1 point from March. Fifty-five percent (93 percent of those hiring or trying to hire) of owners reported few or no qualified applicants for the positions they were trying to fill (unchanged). Thirty percent of owners reported few qualified applicants for their open positions (down 2 points) and 25 percent reported none (up 2 points).

Qualified Job Applicants



Seasonally adjusted, a net 46 percent reported raising compensation, down 3 points from March. A net 27 percent plan to raise compensation in the next three months, down 1 point from March. These rising labor costs will be passed on to consumers through higher selling prices which are being raised at a record pace.

Planned and Actual Labor Compensation Changes



The labor force participation rate is slowly rising as more people are coming off the sidelines wanting a job. Whether their motivation is inflation pressure on retirement income or compensation offers they can't refuse, this is a welcome sign for small businesses looking to hire. However, employment is still well below pre-pandemic levels with many open positions left to fill in most industries. Wage gains have been good, but inflation has outpaced them, reducing real disposable income. Consumers are tapping into their savings, but that won't support spending indefinitely.