MAIN STREET HEALTH REPORT

Oct 2026

Labor and Wage Stats

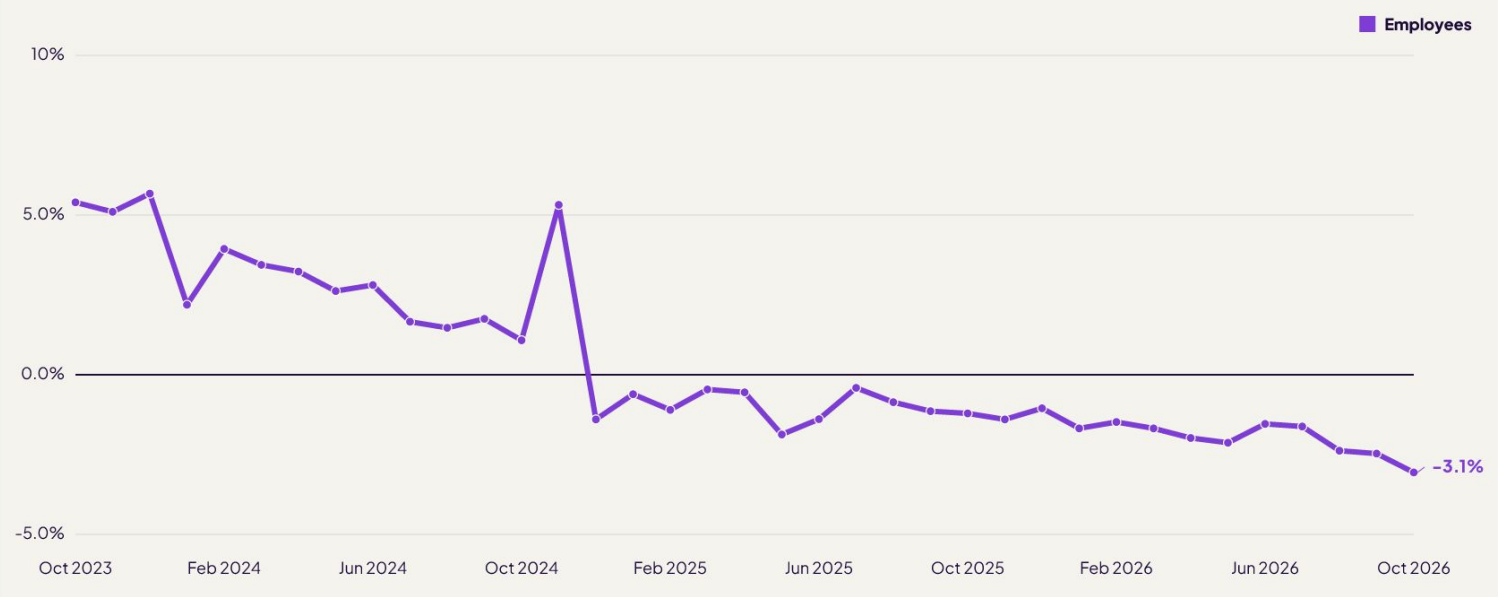


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Employees Working Down 3.1% Year-Over-Year

Employees working was flat month over month, in line with a typical October, but is down 3.1% from a year ago. Because the comparison is year over year, the drop is not a seasonal effect.

(Monthly employees working, relative to a year earlier)



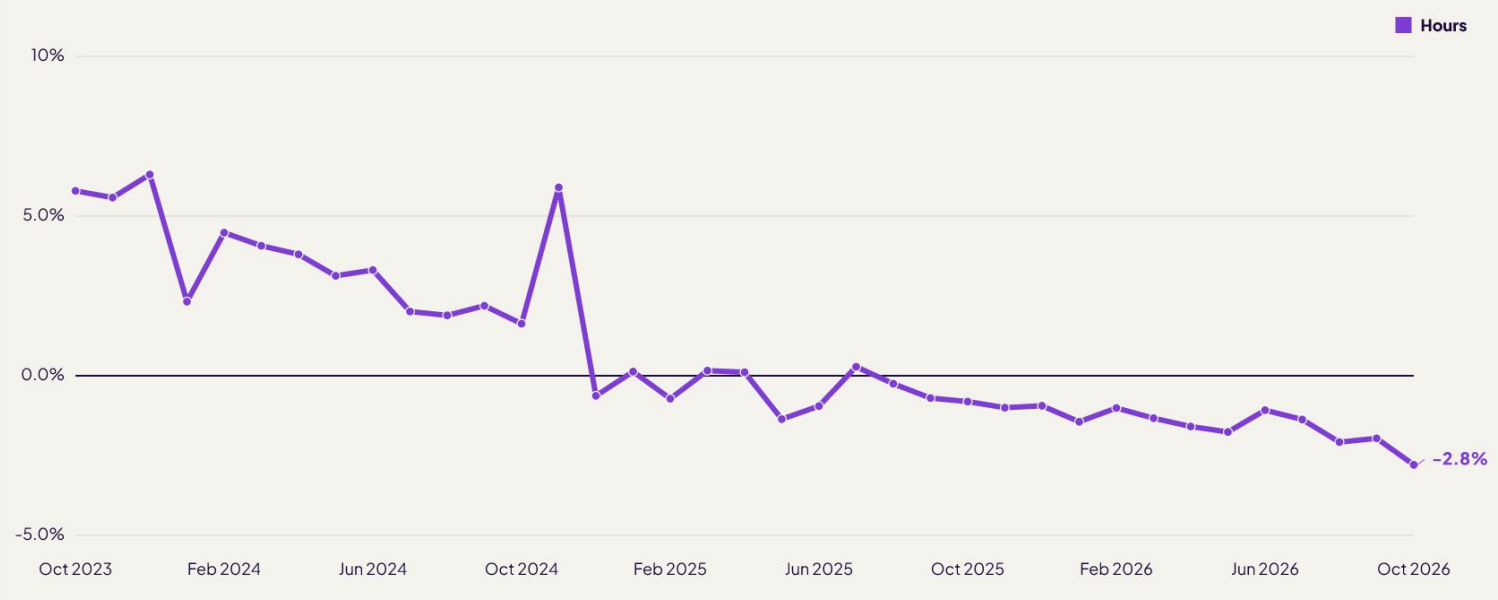
Notes Data tallied over the 28 days ending on the 26th of the month, then compared to the same period a year earlier. Monthly changes compare only locations active in both months and are chained into an index.

Source Homebase data

Hours Worked Down 2.8% Year-Over-Year

Hours worked was flat month over month, short of the +1.1% typical for October, and is down 2.8% year over year. Hours are falling slightly less than employees working, so hours per worker are edging up.

(Monthly hours worked, relative to a year earlier)



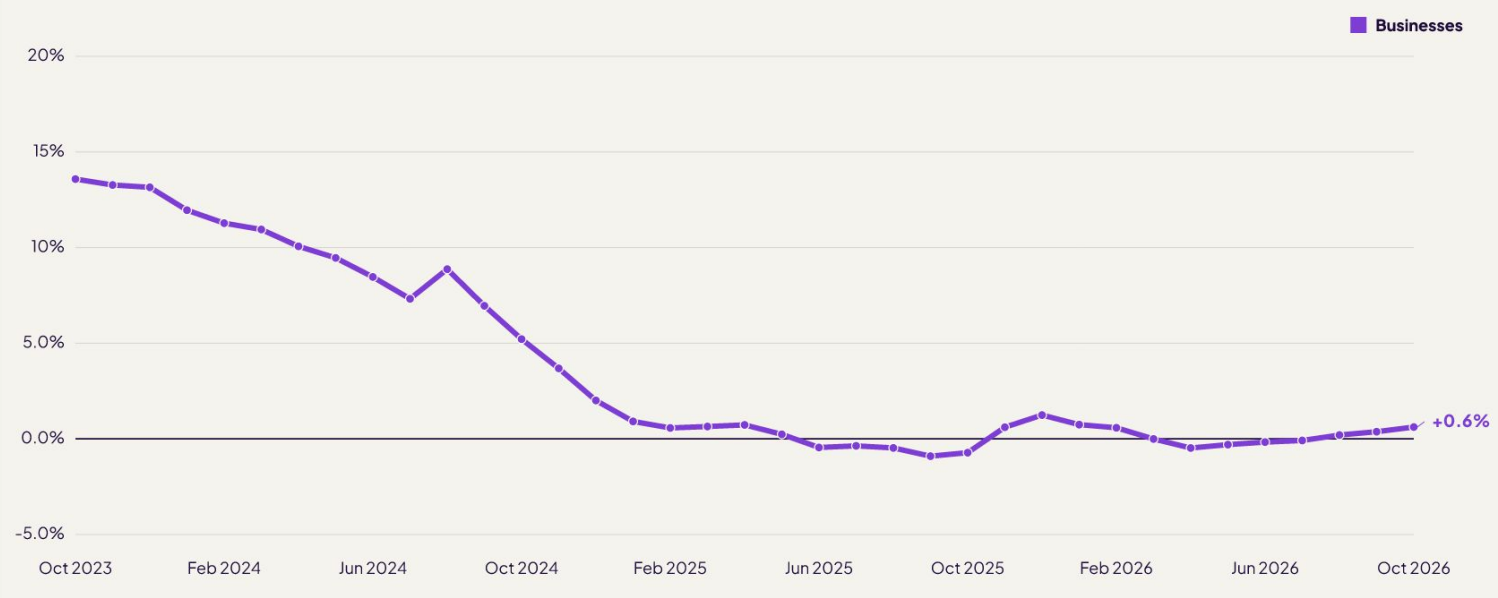
Notes Data tallied over the 28 days ending on the 26th of the month, then compared to the same period a year earlier. Monthly changes compare only locations active in both months and are chained into an index.

Source Homebase data

Businesses Open Up 0.6% Year-Over-Year

The number of open businesses is growing, and is up 0.6% relative to a year ago. With employees working down 3.1%, the average open location has fewer workers on the clock.

(Monthly number of businesses open, relative to a year earlier)



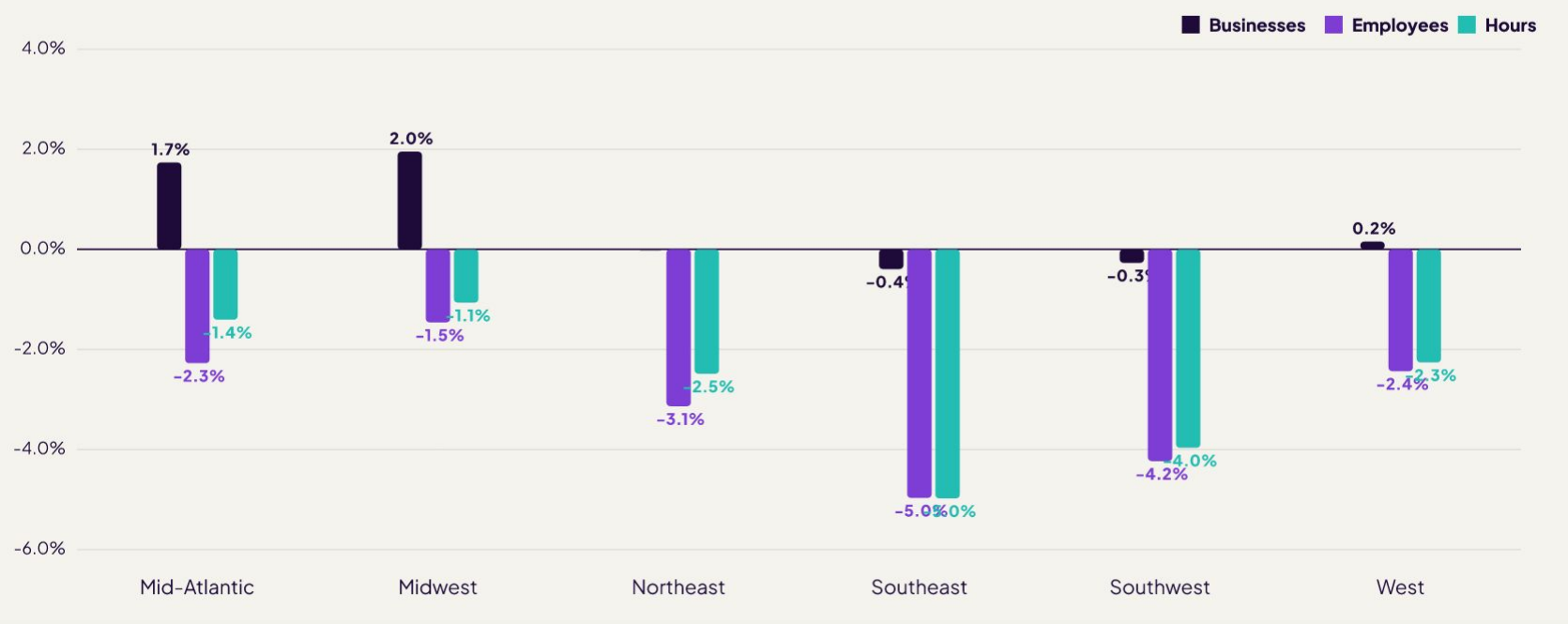
Notes Count of businesses with at least one clock-in in the 28 days ending on the 26th of the month, compared to the same period a year earlier.

Source Homebase data

Employees Working Varies Widely Across Regions

Employees working and hours worked fell year-over-year in every region, led by the Southeast (-5.0%) and Southwest (-4.2%). Only the Mid-Atlantic, Midwest and West added open businesses.

(Year-over-year change in "Businesses Open", "Employees Working", and "Hours Worked", by region)



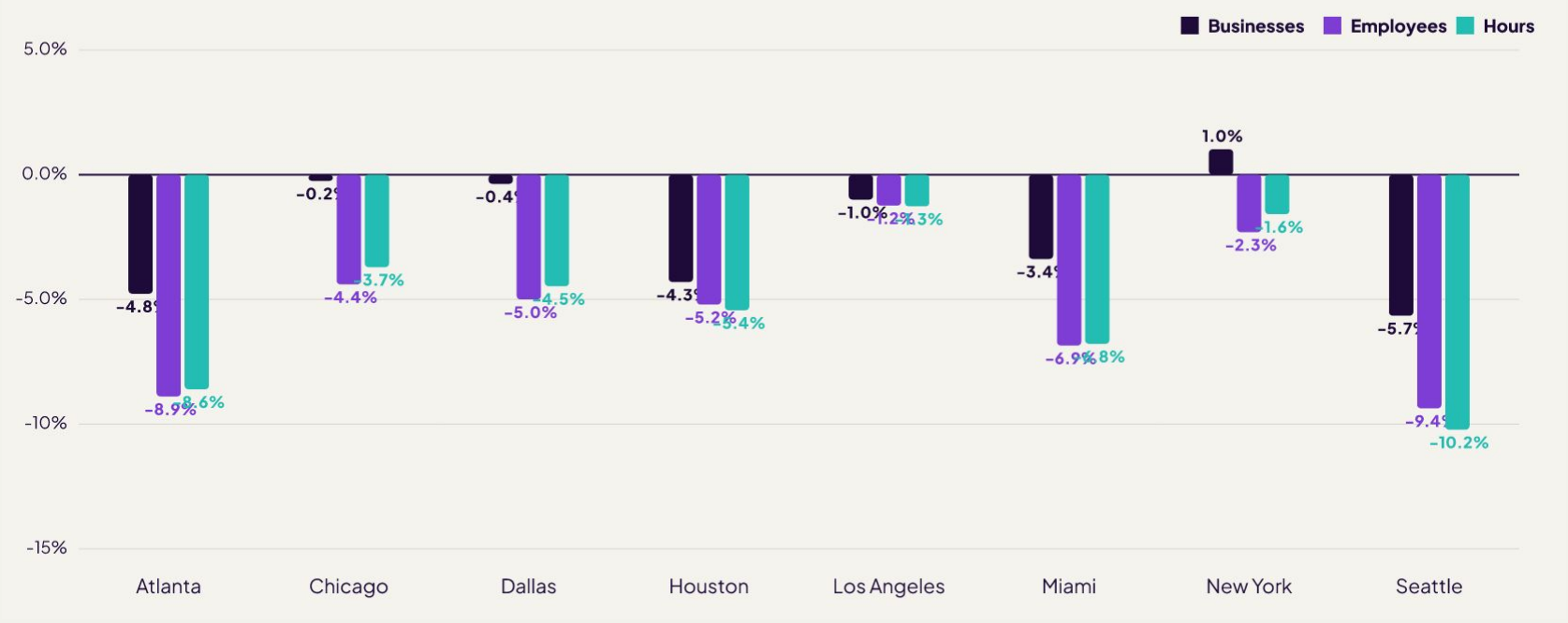
Notes Data tallied over the 28 days ending on the 26th of the month, then compared to the same period a year earlier. Monthly changes compare only locations active in both months and are chained into an index.

Source Homebase data

Employees Working Varies Widely Across Priority Markets

Los Angeles and New York experienced the smallest employment declines, and New York actually had an increase in the number of open businesses. Contractions were sharpest in Seattle and in major Sun Belt metros.

(Year-over-year change in "Businesses Open", "Employees Working", and "Hours Worked", by market)



Notes Data tallied over the 28 days ending on the 26th of the month, then compared to the same period a year earlier. Monthly changes compare only locations active in both months and are chained into an index.

Source Homebase data



MAIN STREET AT A GLANCE

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Fewer Workers, More Open Doors on Main Street

Hiring & Turnover: The job market is warming for hourly workers. Turnover is up 11.3% year-over-year against hiring up 1.2% year-over-year. Wages were up 6.2% year-over-year, the fastest growth rate since January. This is good for hourly workers, but makes it harder for small businesses to retain workers.

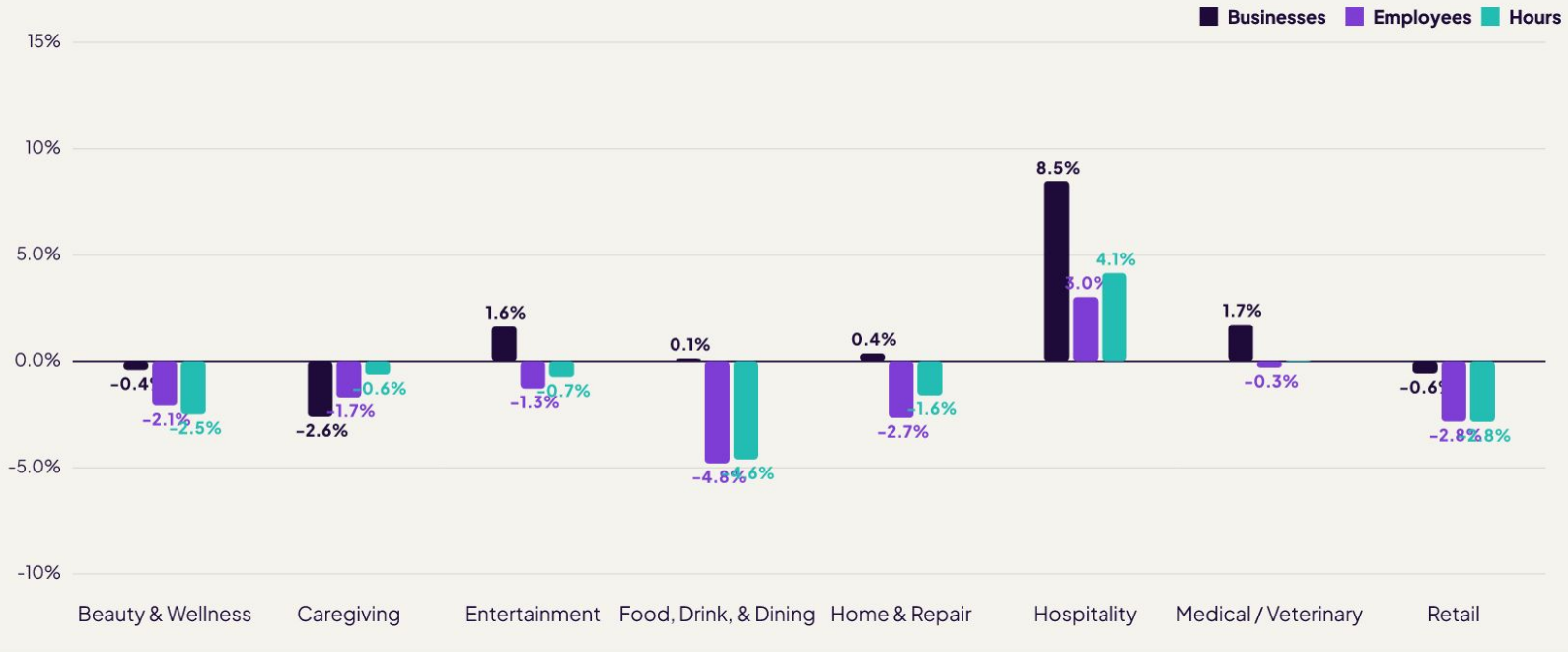
Workforce & Hours: Despite the rise in hiring and turnover, the number of employees working was down 3.1% year-over-year; the number of hours worked fell by 2.8% year-over-year. Small businesses are operating with a more labor-light model.

Industry & Regional: Hospitality led (+3.0% year-over-year employees working) while Food, Drink & Dining fell furthest (-4.8%). The Southeast was the softest region at -5.0%.

Employees Working Varies Widely Across Industries

Hospitality grew fastest across open businesses, employees working (+3.0% year-over-year) and hours worked. Food, Drink & Dining fell furthest (-4.8%). Entertainment and medical/veterinary also added open businesses.

(Year-over-year change in "Businesses Open", "Employees Working", and "Hours Worked", by industry)



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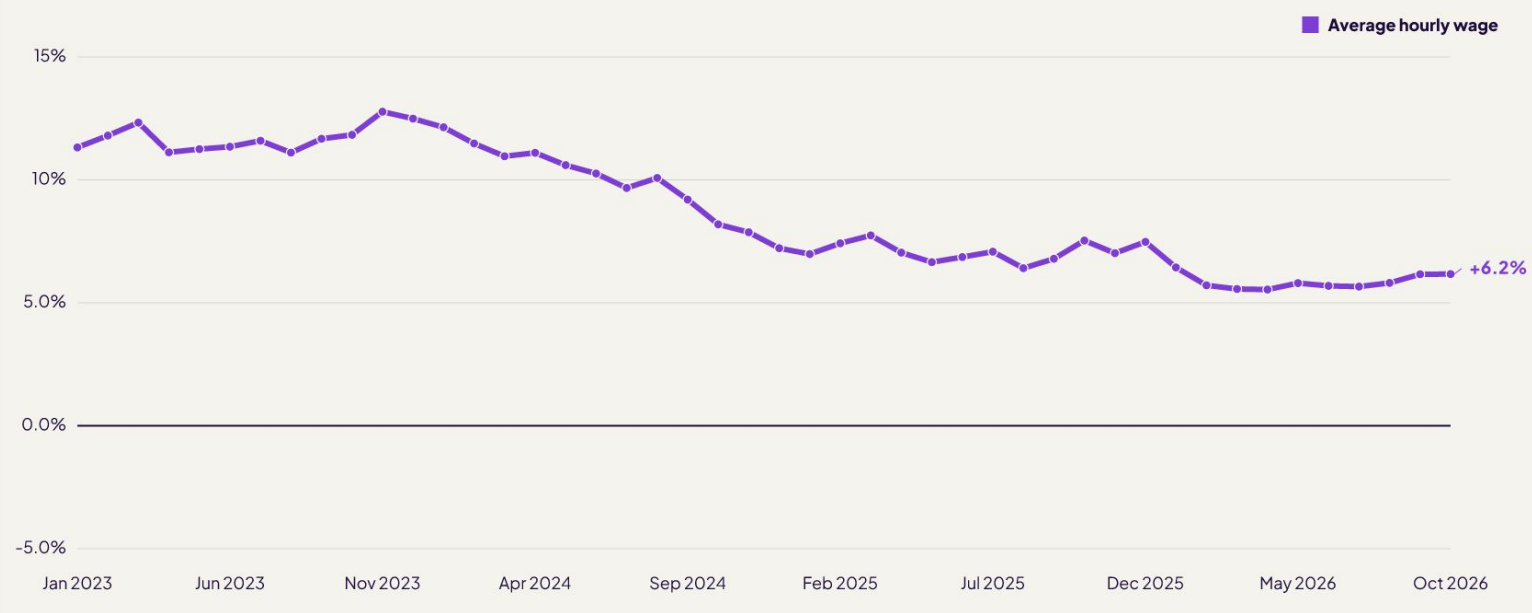
Notes Data tallied over the 28 days ending on the 26th of the month, then compared to the same period a year earlier. Monthly changes compare only locations active in both months and are chained into an index.

Source Homebase data

Wage Growth Has Stopped Falling

Year-over-year wage growth was 6.2%, the highest rate of 2026. As hiring and turnover accelerate, we may see wage growth heading upwards as well.

(Percent change in average "Hourly Wages", Year over Year)



Notes: Data measures cumulative wage-rate change relative to January 2022.
A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source: Homebase data

Average Hourly Wages Continue to Climb

Pay has grown over the past year in major metro areas

(Average "Hourly Wages" across all jobs)



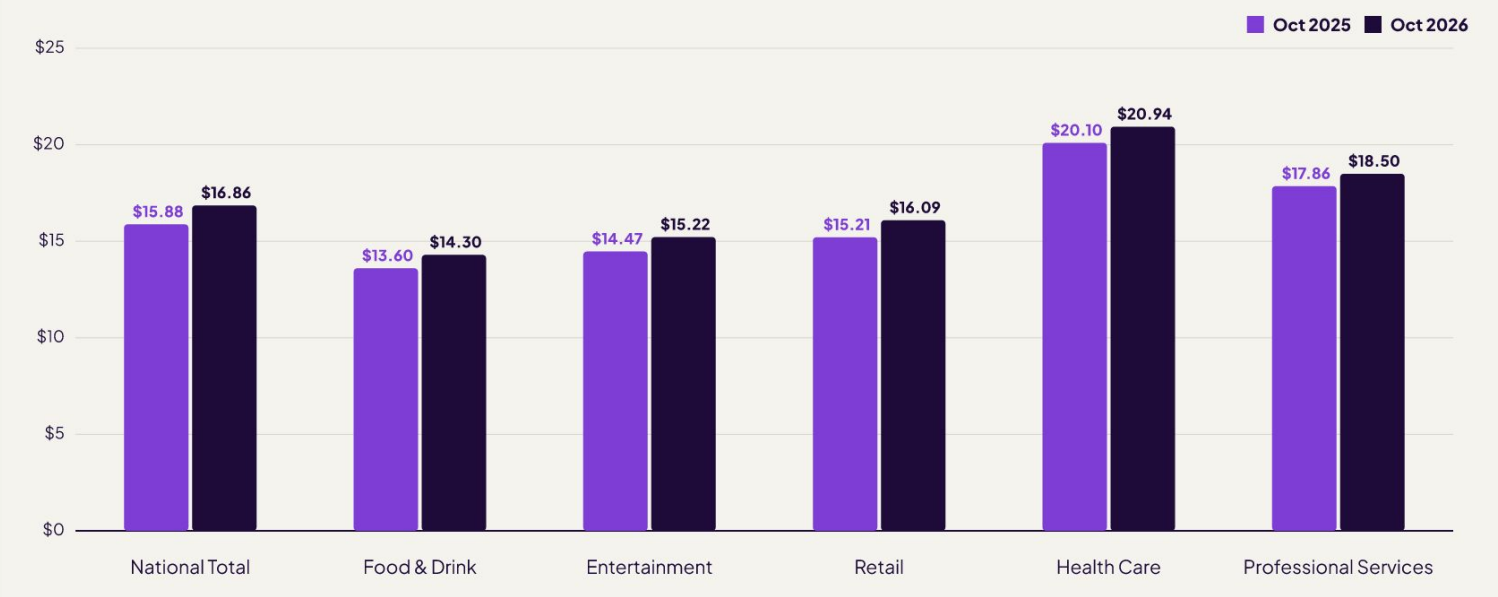
Notes Data measures average hourly wages for locations that utilized Homebase Payroll in the reporting month and same month a year before. A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source Homebase Payroll data

Average Hourly Wages Continue to Climb

Pay has grown over the past year in every industry

(Average "Hourly Wages" across all jobs)



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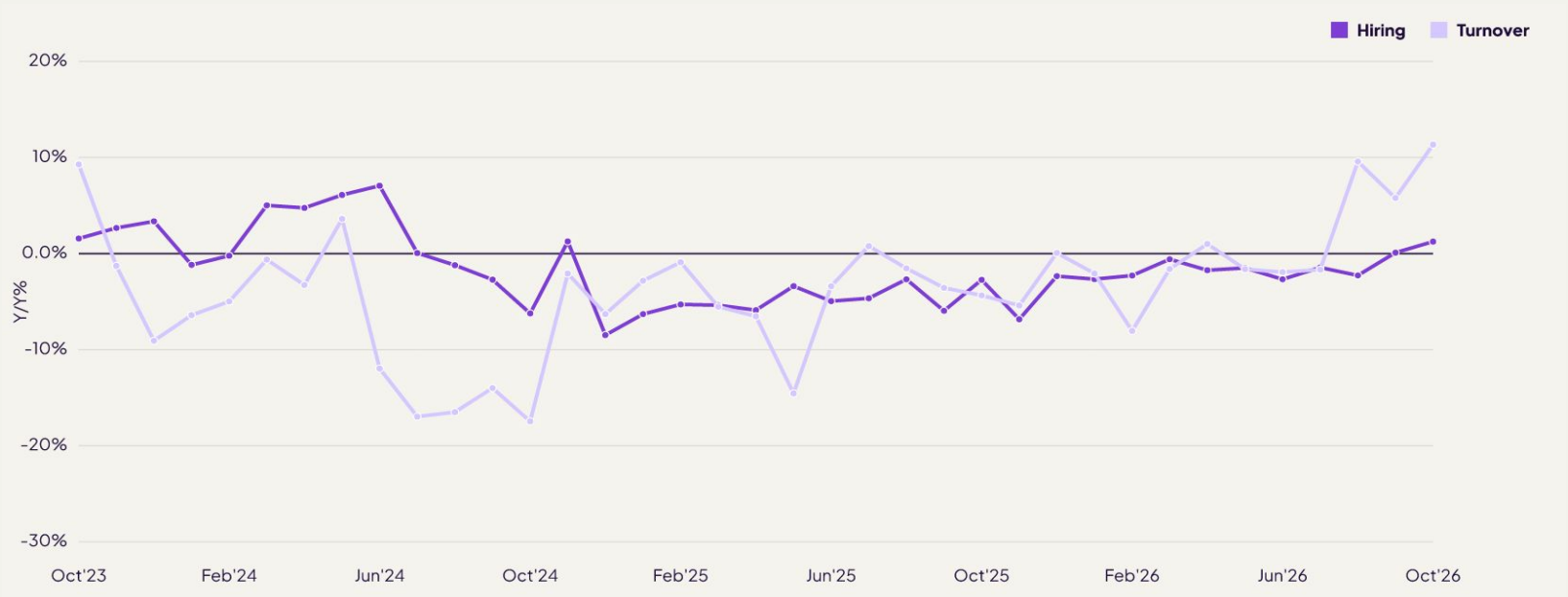
Notes Data measures average hourly wages for locations that utilized Homebase Payroll in the reporting month and same month a year before. A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source Homebase Payroll data

Hiring and Turnover Rise as Labor Demand Grows

Hiring is +1.2% year-over-year and turnover is +11.3%, measured against the same month a year earlier. Workers are starting to regain some bargaining power.

(Year-over-year change in "Number of Jobs Added" and "Number of Jobs Archived" across all jobs)



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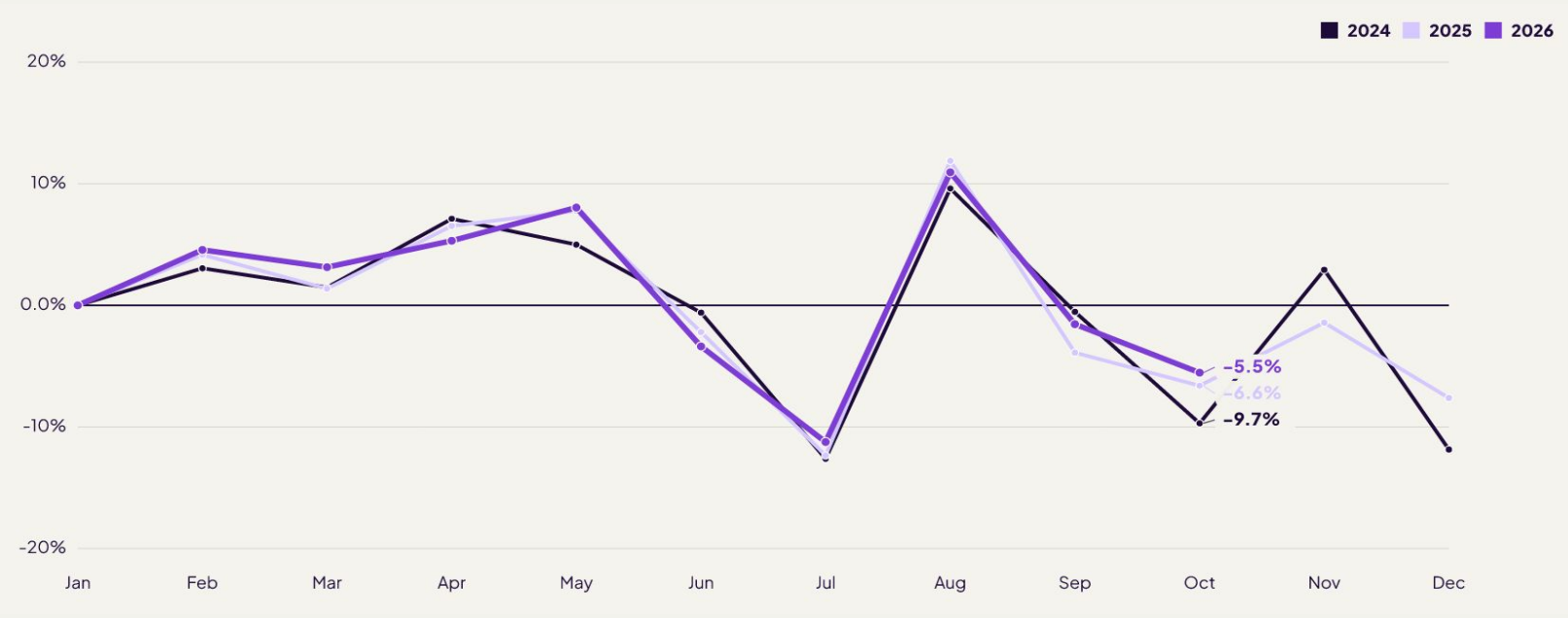
Notes Data measures average monthly change in official employee roster jobs added and archived.
A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source Homebase data

Hiring Momentum Is Mixed

Jobs added fell 5.5% month over month, close to last October's roughly 5% seasonal dip. Hiring is holding above year-ago levels (+1.2%). Despite talk of seasonal hiring, it usually peaks earlier in the year before dipping in the fall.

(Monthly change in average "Number of Jobs Added" across all jobs)



Notes Data measures average monthly change in official employee roster jobs created.
A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source Homebase data

Turnover Declines As We Head Toward Year-End

Jobs archived dipped 1.3% month over month but remain 11.3% above a year ago. It tends to decline in the fall.

(Monthly change in average "Number of Jobs Archived" across all jobs)



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Notes Data measures average monthly change in official employee roster jobs archived.
A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source Homebase data

WE LOVE TALKING DATA

If you have questions or are interested in real-time access to Homebase data feeds, please reach out to data@joinhomebase.com



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Ray Sandza
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Upcoming report schedule

Dec 03, 2026	Main Street Health Report – Nov 2026
Jan 07, 2027	Main Street Health Report – Dec 2026
Feb 04, 2027	Main Street Health Report – Jan 2027
Mar 04, 2027	Main Street Health Report – Feb 2027
April 01, 2027	Main Street Health Report – Mar 2027

METHODOLOGY

The dataset is based on Homebase data gathered from more than 100,000 businesses and 2 million hourly employees active in the US on our platform in Oct 2026. We are one of the largest and most trusted sources of real-time, quality data on employment growth across small businesses.

Beginning with this report, employees working, hours worked, and businesses open use chain-linked matched-cohort methodology: each month is a 28-day window ending on the 26th, compared only across locations active in both the current and prior window, and chained into a year-over-year series with no January reset. See the notes on each labor chart.

Wage, labor cost, hiring, and turnover data retain the existing cohort-based logic: daily figures are calculated relative to the median value for that specific day for the baseline month, net of the first 4 days of the month.

Definitions

Hours worked: Total hours recorded in Homebase timecards, chain-linked across locations active in both the current and prior 28-day window.

Businesses open: Count of locations with at least one employee clock-in in the 28-day window.

Employees working: Worker-days with at least one clock-in (not distinct workers), chain-linked across locations active in both windows.

Hourly wages: Average hourly wages at businesses that ran Homebase Payroll in both Oct 2026 and Oct 2025.

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Homebase is the AI-powered operator for hourly teams, with employee scheduling, time clocks, payroll, team communication, and HR. 150,000+ small (but mighty) businesses rely on Homebase to make work radically easy and superpower their teams.