

MAIN STREET HEALTH REPORT

Sep 2026

Labor and Wage Stats



A photograph of a smiling couple standing in front of a building. The woman is on the left, wearing a dark sweater with colorful stripes on the sleeves. The man is on the right, wearing a white t-shirt and a grey apron. They are both smiling. In the background, a sign with the word 'COFFEE' is visible.

MAIN STREET AT A GLANCE

Hiring, Wages Tick Up as Workforce Shrinks



Hiring & Turnover: Hiring turned positive year-over-year for the first time in nearly two years (+0.1%). Turnover also rose, up 6.5% year-over-year. Despite labor churn increasing, this signals that Main Street's labor market is stabilizing.



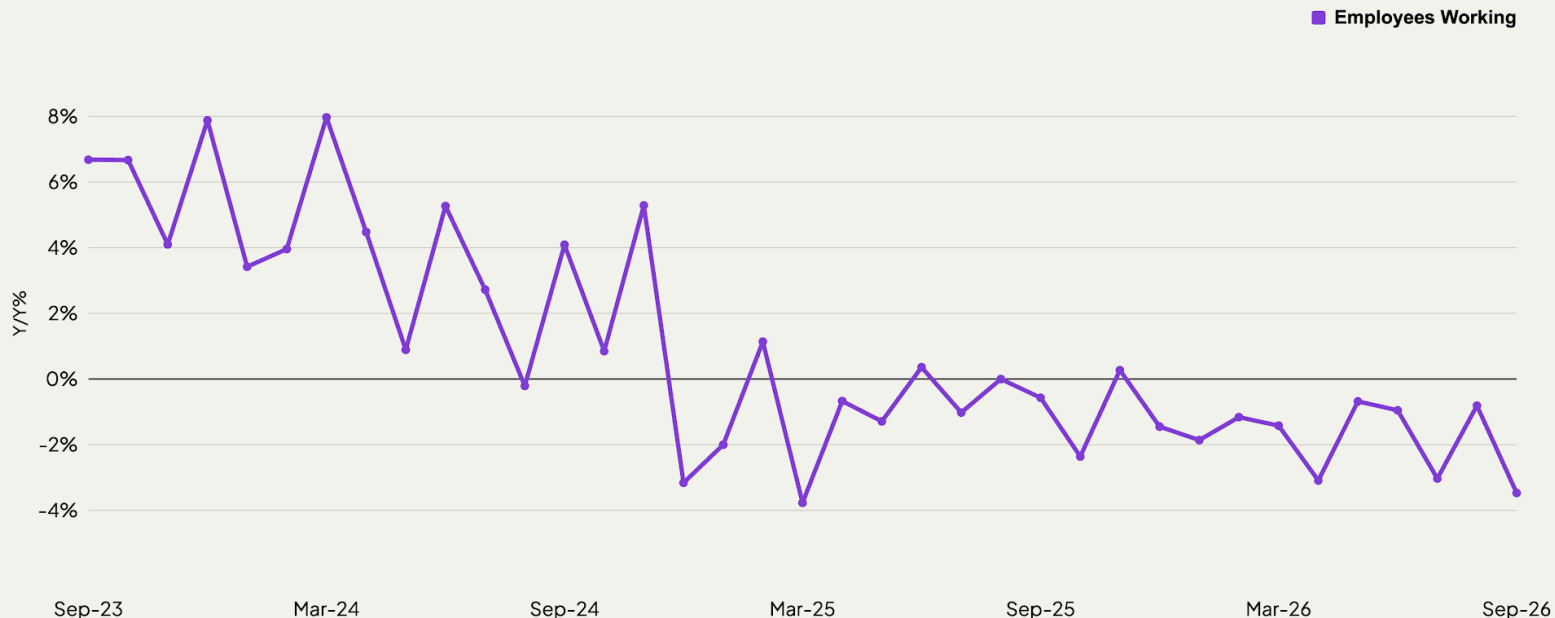
Workforce & Hours: Low labor force growth is squeezing employment and hours. Employment was down 3.7% year-over-year; hours were down 3.0% year-over-year.



Industry & Regional: Business openings declined across all five Homebase regions, led by the Southwest (-3.1% month-over-month, -13.7% versus January). Medical/Veterinary was the most resilient industry (-3.7%), while Entertainment lagged (-12.0%).

Employees working fell 4.0% month-over-month, a typical seasonal softening for September, and is down 3.7% year-over-year. Labor supply growth is negative, likely consistent with immigration policy curbing the worker pool.

(Monthly number of employees working, relative to a year earlier)



Notes

Data tallied from the 28th of the prior month to the 27th of the current month, then compared to the same period a year earlier.

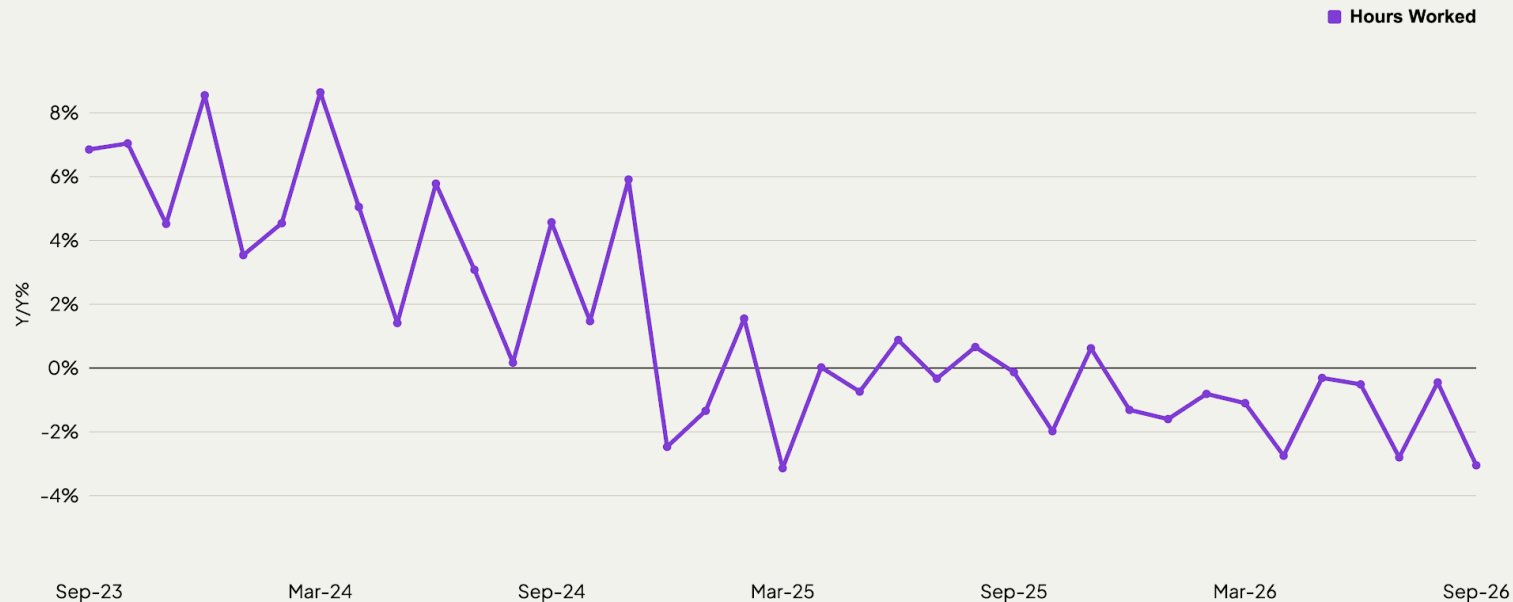
Source

Homebase data

Hours on the Clock Fall Even Faster

Hours worked fell 4.8% month-over-month (as is typical in September; not seasonally adjusted) and were down 3.1% year-over-year. As with employees working, slowing growth is a function of low labor supply growth.

(Hours worked during the month, relative to a year earlier)



Notes

Data tallied from the 28th of the prior month to the 27th of the current month, then compared to the same period a year earlier.

Source

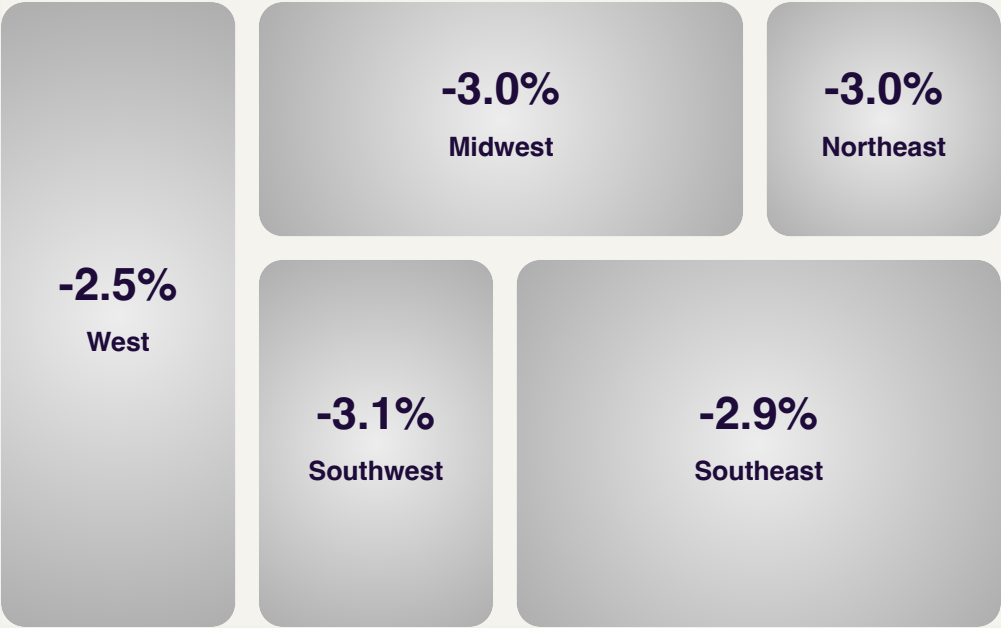
[Homebase data](#)



Openings Cooled Across Every Region

Business openings fell in all five Homebase regions this month, from -2.5% in the West to -3.1% in the Southwest.

(Month-over-month change in "Businesses Open," by Homebase report region)



REGION	2024	2025	2026	VS JAN
Midwest	-2.6%	-2.6%	-3.0%	-10.6%
Northeast	-2.8%	-2.4%	-3.0%	-10.2%
Southeast	-2.9%	-2.5%	-2.9%	-12.5%
Southwest	-2.6%	-2.2%	-3.1%	-13.7%
West	-2.2%	-2.1%	-2.5%	-12.5%

Metro-Level Declines Were Widespread

The pullback shows up across all eight priority metro markets, not just a few.

(Month-over-month change in "Businesses Open", by MSA)

MARKET	2024	2025	2026	VS JAN
Los Angeles	-2.2%	-1.9%	-2.3%	-12.4%
New York	-2.4%	-2.3%	-3.3%	-12.3%
Dallas	-2.7%	-2.2%	-3.9%	-9.4%
Houston	-2.5%	-2.4%	-3.7%	-17.5%
Atlanta	-3.3%	-3.3%	-3.6%	-13.2%
Chicago	-2.7%	-2.8%	-2.4%	-12.2%
Miami	-2.9%	-2.5%	-3.5%	-18.1%
Seattle	-2.1%	-1.5%	-3.1%	-13.8%



The Industry Pullback Was Broad

Every industry pulled back this month, but not evenly: Medical/Veterinary was the most resilient (-3.7%), while Entertainment fell the furthest (-12.0%).

(Month-over-month change in "Employees Working," by industry)



Beauty & Wellness

-4.5%

Sep MoM



Caregiving

-5.5%

Sep MoM



Entertainment

-12.0%

Sep MoM



Food, Drink, & Dining

-4.1%

Sep MoM



Hospitality

-6.8%

Sep MoM



Retail

-4.1%

Sep MoM



Home & Repair

-6.4%

Sep MoM



Medical / Veterinary

-3.7%

Sep MoM

Notes

Data compares trailing 28-day averages; the latest window ends two days before the run date. Values are indexed to each year's January reference window.

Source

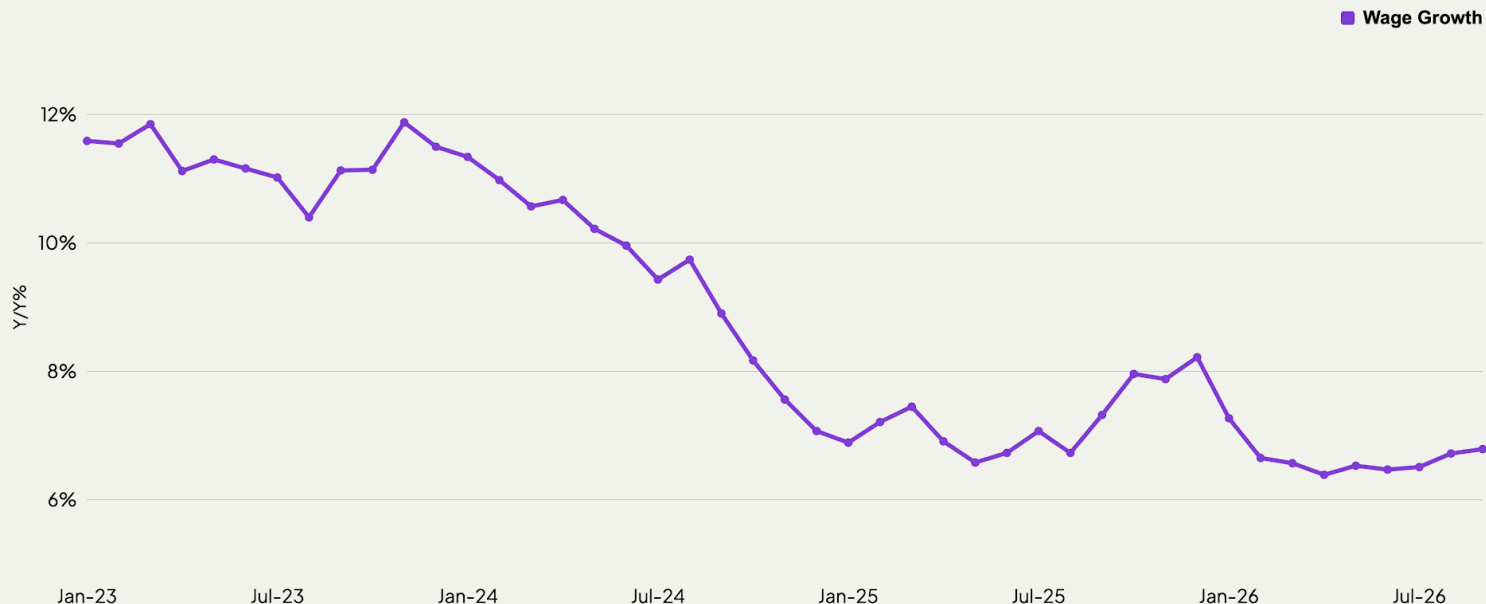
[Homebase data](#)



Labor Costs Still Running Hot

Average hourly wages are +47.4% above January 2022. Growth has cooled sharply from 2022's double-digit pace, but has stopped decelerating and may even be warming a little. September's 6.8% Y/Y was the fastest since January.

Wage Level in the Current Month, Relative to a Year Earlier



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

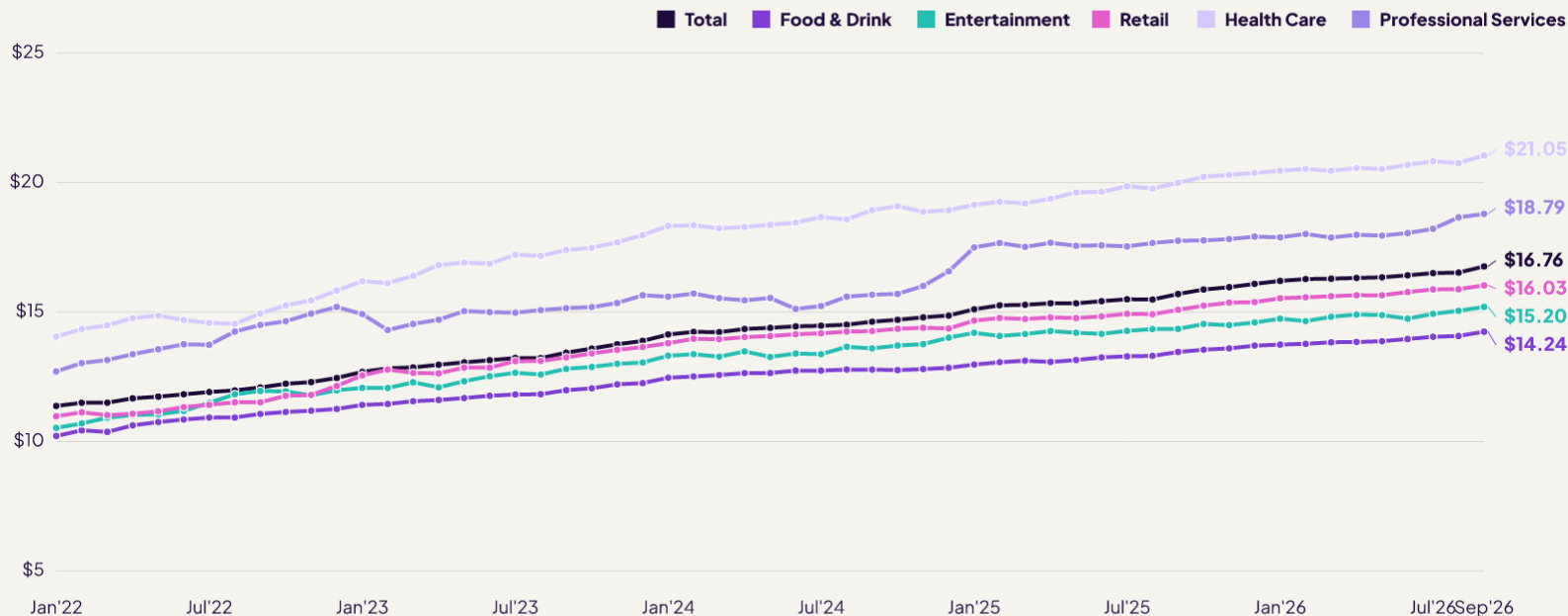
Homebase data



Average Hourly Wages Continue to Climb

The national payroll cohort reached \$16.76 per hour in September, up 6.8% year-over-year and 1.4% from August, a mild uptick after seven months in the mid-6% range. Industry lines show where pay levels remain highest.

(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.

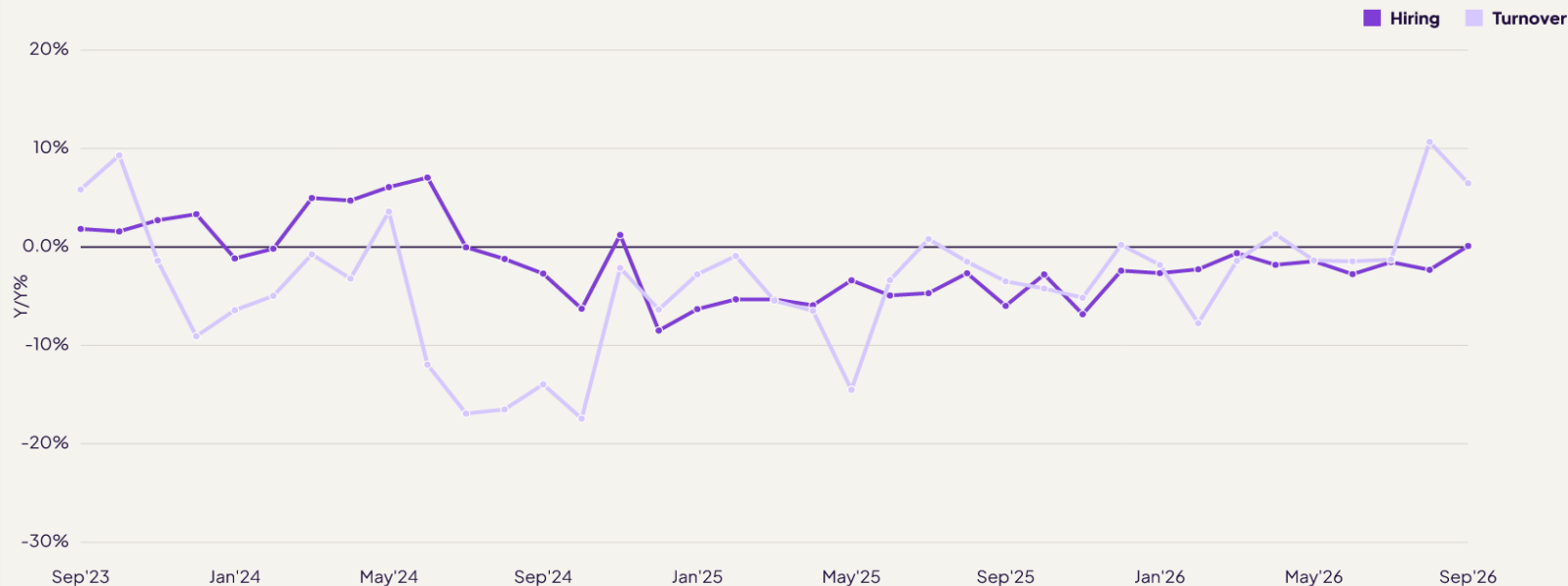
Source

[Homebase Payroll data](#)

Year-Over-Year Hiring Turns a Corner and Turnover Rises

Hiring turned positive year-over-year for the first time in nearly two years (+0.1%), while turnover climbed 6.5% versus a year ago. This is evidence that hiring may be stabilizing on Main Street even as employee churn increases.

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



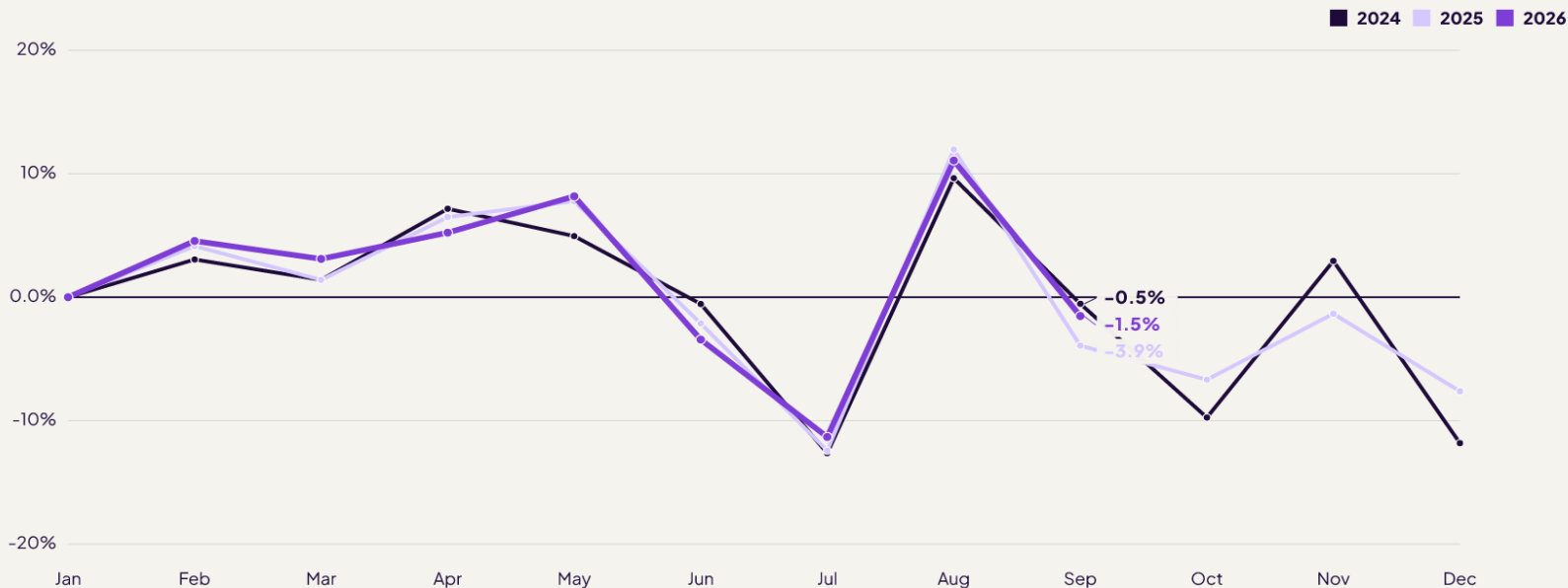
Notes | Data measures average monthly change in official employee roster jobs added and archived.
 A month is defined as the period from the 28th of the prior calendar month to the 27th of the current calendar month.

Source | [Homebase data](#)

Hiring Momentum Is Mixed

Jobs added fell 1.5% month-over-month, even as hiring turned positive year-over-year (+0.1%) for the first time in nearly two years. This is a mixed signal on whether the hiring slowdown is bottoming out and something the team will monitor.

(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.

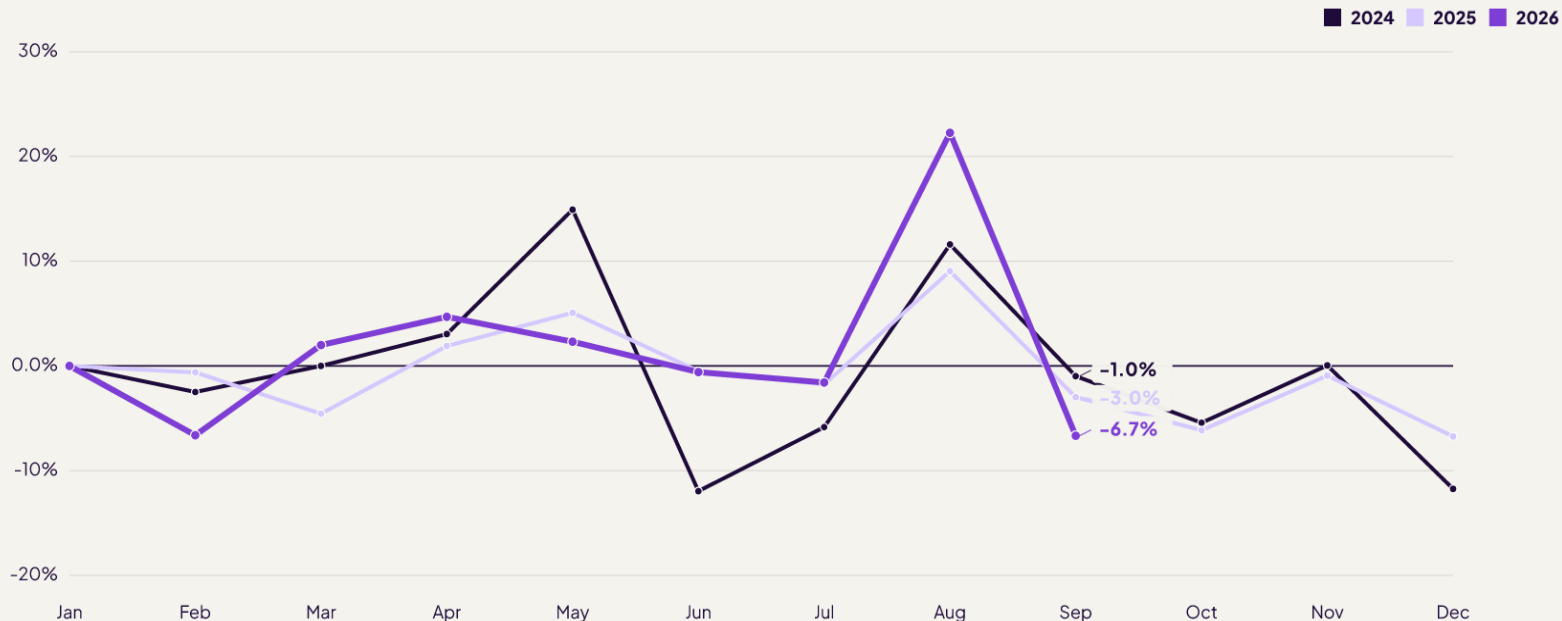
Source | [Homebase data](#)



Turnover Momentum Bears Watching

Jobs archived fell 6.7% month-over-month, but turnover is still up 6.5% year-over-year. This could be a signal of rising retention costs even as departures ease seasonally.

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



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



Guy Berger
Chief Economist
gberger@joinhomebase.com



Ray Sandza
Chief Strategy Officer
ray@joinhomebase.com

Upcoming report schedule

Nov 04, 2026	Main Street Health Report – Oct 2026
Dec 02, 2026	Main Street Health Report – Nov 2026
Jan 06, 2027	Main Street Health Report – Dec 2026
Feb 03, 2027	Main Street Health Report – Jan 2027
Mar 03, 2027	Main Street Health Report – Feb 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 Sep 2026. We are one of the largest and most trusted sources of real-time, quality data on employment growth across the small business landscape.

Definitions



Hours worked is calculated from hours recorded in Homebase timecards.



Businesses open is based on whether a business had at least one employee clock-in.



Employees working is based on the distinct number of hourly workers with at least one clock-in.



Wage inflation data measures the monthly change in average hourly wages at businesses who ran Payroll with Homebase in Sep 2026 and Sep 2025.

If you use any content contained in this report,
please include a link to: joinhomebase.com

homebase

Homebase is the leading 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.