

For Immediate Release
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NFIB Jobs Report: Higher Optimism Behind Jobs Boost

Soaring optimism in the past two months is leading to increased hiring activity among small employers, according to National Federation of Independent Business (NFIB)

Washington, D.C. (February 2, 2017) – Job openings last month matched a recovery record set last November, and the number of small firms with plans to hire rose sharply, according to the January [NFIB Jobs Report](#), released today.

“It looks like the optimism of the last two months is boosting the demand for workers. That’s a great thing for Americans looking for jobs and a strong sign that the U.S. economy is heating up,” said **NFIB President and CEO Juanita Duggan**.

The seasonally adjusted average employment change per firm posted a gain of 0.15 workers per firm. That’s the best reading since September 2015. Fifty-three percent reported hiring or trying to hire, up two points from December, but 47 percent said they found few or no qualified applicants.

“Fifteen percent of small business owners said that finding qualified workers was their single biggest problem. That’s an increase from the previous month and more proof that the labor market is getting tighter,” said **NFIB Chief Economist Bill Dunkelberg**.

Thirty-one percent of all owners reported job openings they could not fill in the current period, up two points and the highest reading in this recovery. Thirteen percent reported using temporary workers, also up two points from December.

The scarcity of qualified workers is forcing small employers to increase compensation. Thirty percent of small business owners said they raised pay in January, an increase of four points from the December report.

“In a tight labor market, business owners have to raise compensation to attract and retain the employees they need,” said Dunkelberg. “The competition for qualified workers is getting more intense, and I would expect that in the next few quarters more firms will try to increase prices to cover the higher cost of labor.”

[The NFIB Index of Small Business Optimism](#) has been flying high since the election, a sign that small business owners anticipate major policy changes on taxes, regulations, and health care. Those are their three biggest problems, according to the quadrennial [NFIB Problems and Priorities](#) report.

“Small business owners have waited a long time for relief, and obviously they like what they are seeing so far,” said Duggan. “I would caution the President and Congress that small business owners expect them to follow through on these issues.”

For more information about NFIB, please visit www.nfib.com/jobs.

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