

MAIN STREET HEALTH REPORT

February 2026

Labor and Wage Stats





MAIN STREET AT A GLANCE

Main Street Sees Steady Labor Market



Workforce participation held nearly flat and hours worked edged up, improving vs. February 2025's pullback but still well short of February 2024's stronger seasonal lift—pointing to stabilization, not expansion.



Businesses open declined across all regions, led by the West, while the Midwest stood out with gains in workforce participation. Hospitality outpaced, while Home & Repair and Medical/Vet remained soft.

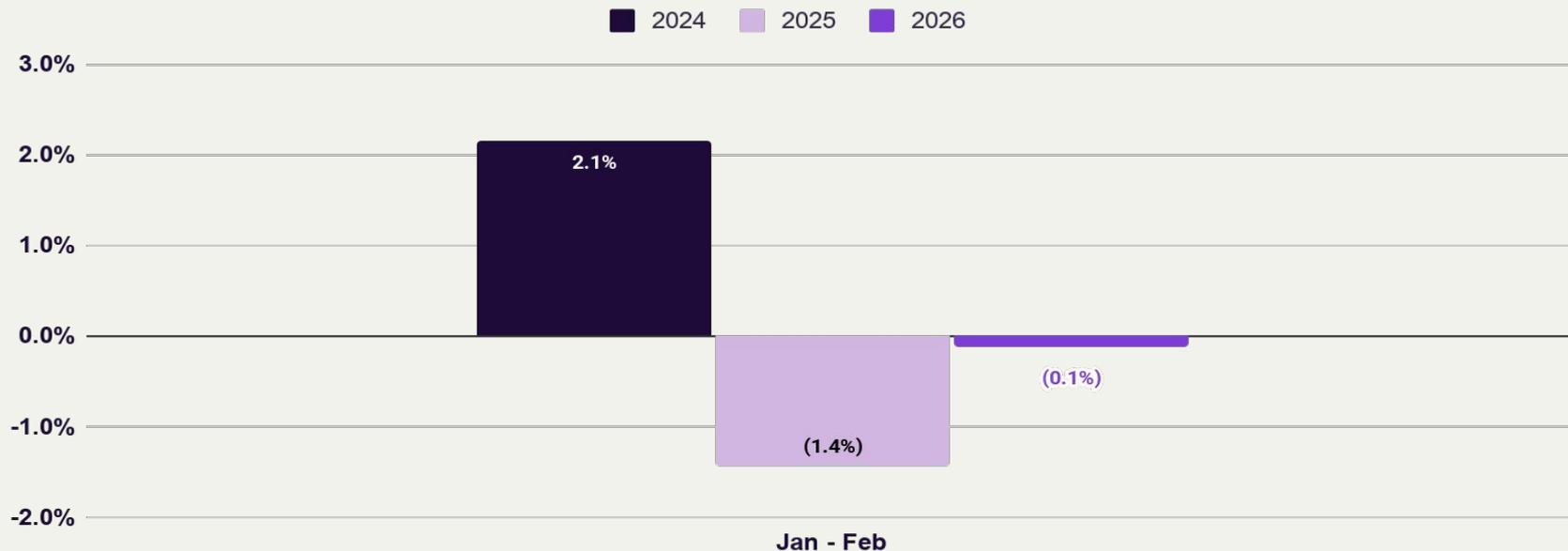


Wages rose +1.3% m/m while hiring increased +3.6%, tracking below prior February paces. Turnover fell to a three-year February low at (-3.9%) m/m, suggesting businesses are stabilizing their rosters post holiday.

Workforce Participation Eases but Falls Short of 2024 Recovery

Employees Working dipped just -0.1% in February, improving from 2025's -1.4% decline but still trailing 2024's +2.1% expansion. The labor market is stabilizing at a structurally lower level rather than returning to prior-year growth.

(Monthly change in 7-day average of “**Employees Working**”, relative to January of respective year)



Notes

1. Data compares rolling 7-day averages for weeks encompassing the 12th of each month.

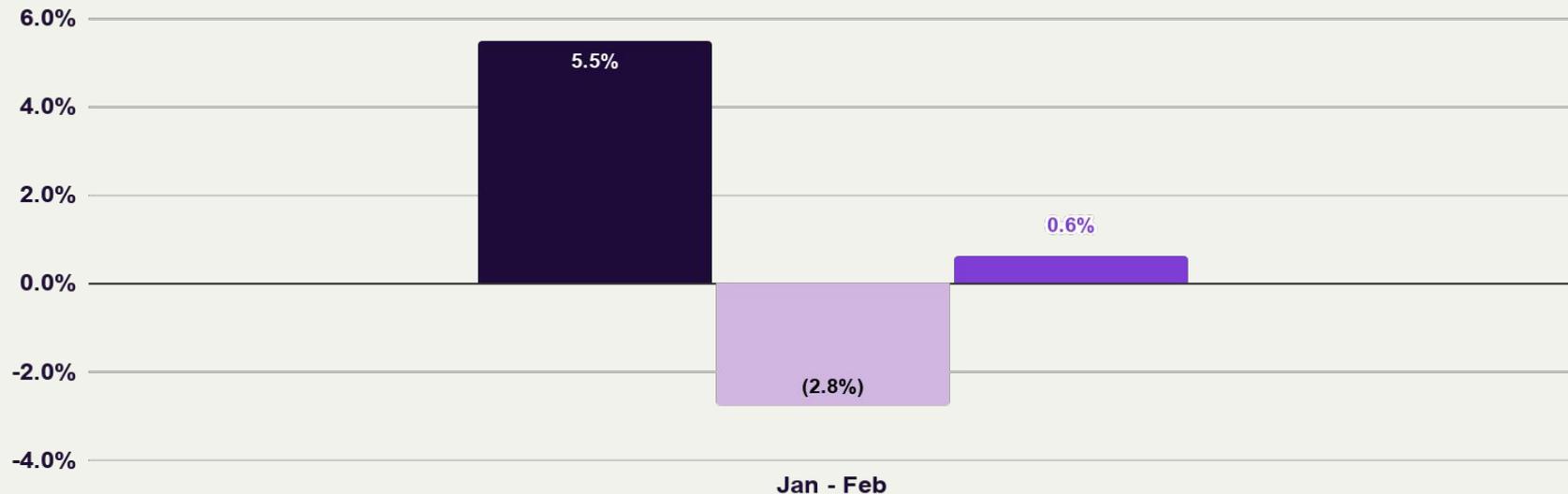
Source

[Homebase data](#)

Hours Worked Rebound Modestly, Lag Prior Year Expansion Pace

Hours Worked rose +0.6% m/m, reversing 2025's -2.8% drop but far below 2024's +5.5% surge. Businesses are extending shifts cautiously, signaling maintenance scheduling rather than confident ramp-up.

(Monthly change in 7-day average of "Hours Worked", relative to January of respective year)



Notes

1. Data compares rolling 7-day averages for weeks encompassing the 12th of each month.

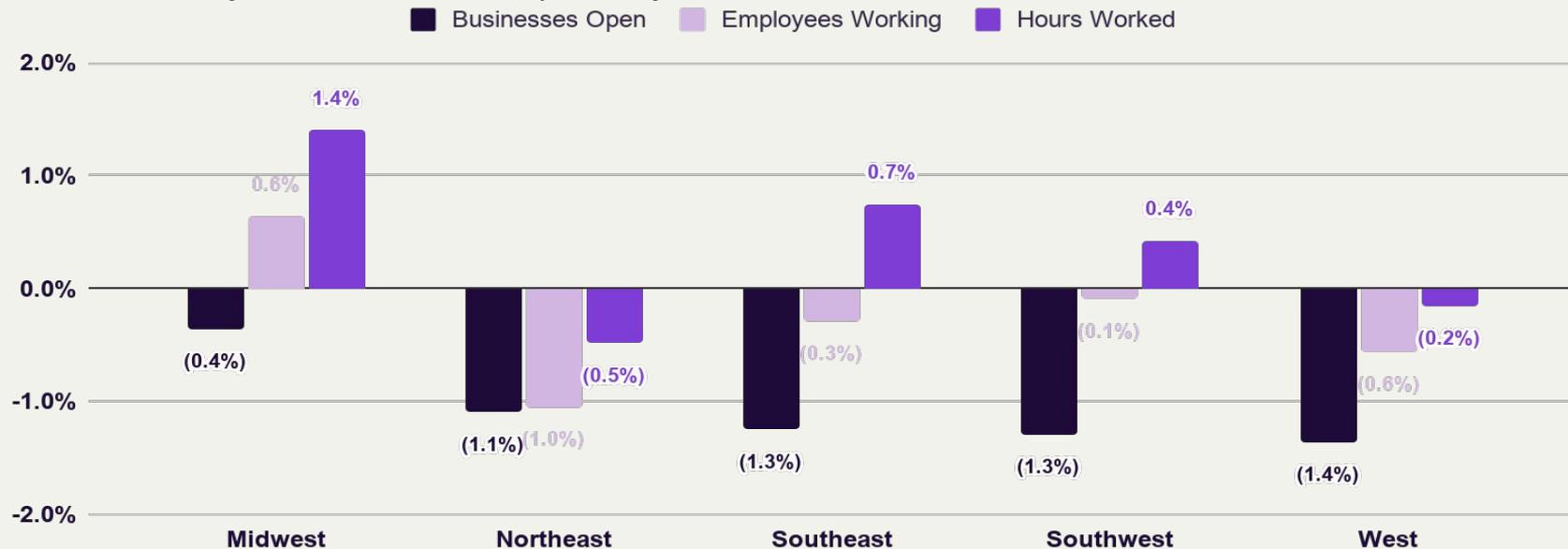
Source

[Homebase data](#)

Business Openings Decline Nationwide as Midwest Diverges

All five regions saw m/m declines in Businesses Open, led by the West (-1.4%) and Southeast/Southwest (-1.3%). The Midwest stood out with gains in Hours Worked (+1.4%) and Employees Working (+0.6%), pointing to consolidation among surviving firms rather than broad expansion.

(Month-over-month change in core economic indicators, by Census region)



Notes

1. Jan 11–17 vs Feb 08–14
2. Region classification - Midwest: ND, SD, NE, KS, MN, IA, MO, WI, IL, IN, OH, MI; West: NV, UT, AZ, NM, CO, WY, MT, ID, OR, WA, CA, HI, AK; Northeast: NY, PA, NJ, CT, RI, MA, NH, VT, ME; Southeast: MS, AL, TN, KY, NC, SC, GA, FL; Southwest: TX, OK, AR, LA.

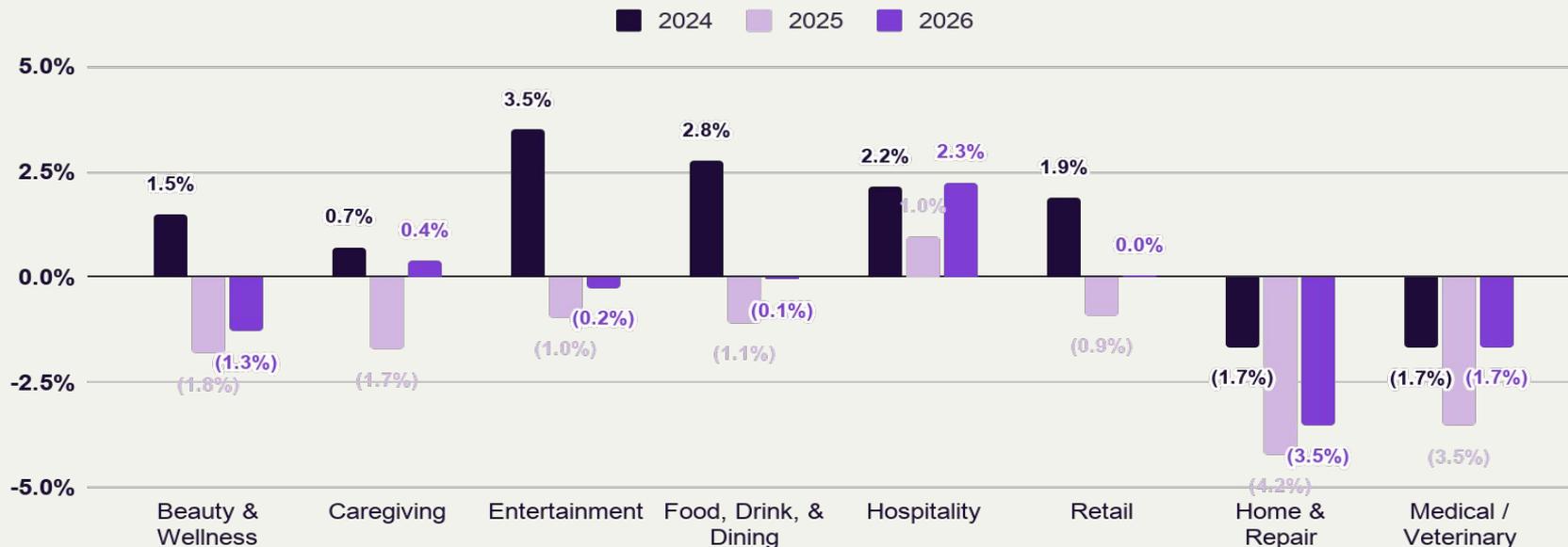
Source

[Homebase data](#)

Hospitality Leads as Home & Repair Deepens Its Decline

Hospitality posted the strongest workforce gain at +2.3% m/m — outpacing +1.0% in February 2025 — while Home & Repair (-3.5%), Medical/Veterinary (-1.7%), and Beauty & Wellness (-1.3%) all fell, while rest of the industries showed flat m/m trend.

(Monthly change in 7-day average of “**Employees Working**”, relative to January of respective year)



Notes
 1. Jan 07 - 13 vs Feb 11-17 (2024); Jan 12 - 18 vs Feb 09-15 (2025); Jan 11 - 17 vs Feb 08-14 (2026)
 2. Data compares rolling 7-day averages for weeks encompassing the 12th of each month.
 3. Entertainment includes events/festivals, sports/recreation, parks, movie theaters, and other categories.

Source | Homebase data

Wages Accelerate Despite Flat Workforce Growth

Hourly wages climbed +1.3% m/m, reaching +45.8% above January 2022 levels, well ahead of workforce and business activity trends. Labor costs continue rising even as small business expansion stalls.

(Percent change in average “Hourly Wages” across all jobs, relative to January 2022)



Notes

1. Data measures average hourly wages for locations that utilized Homebase to pay employees in both February 2025 and February 2026
2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month

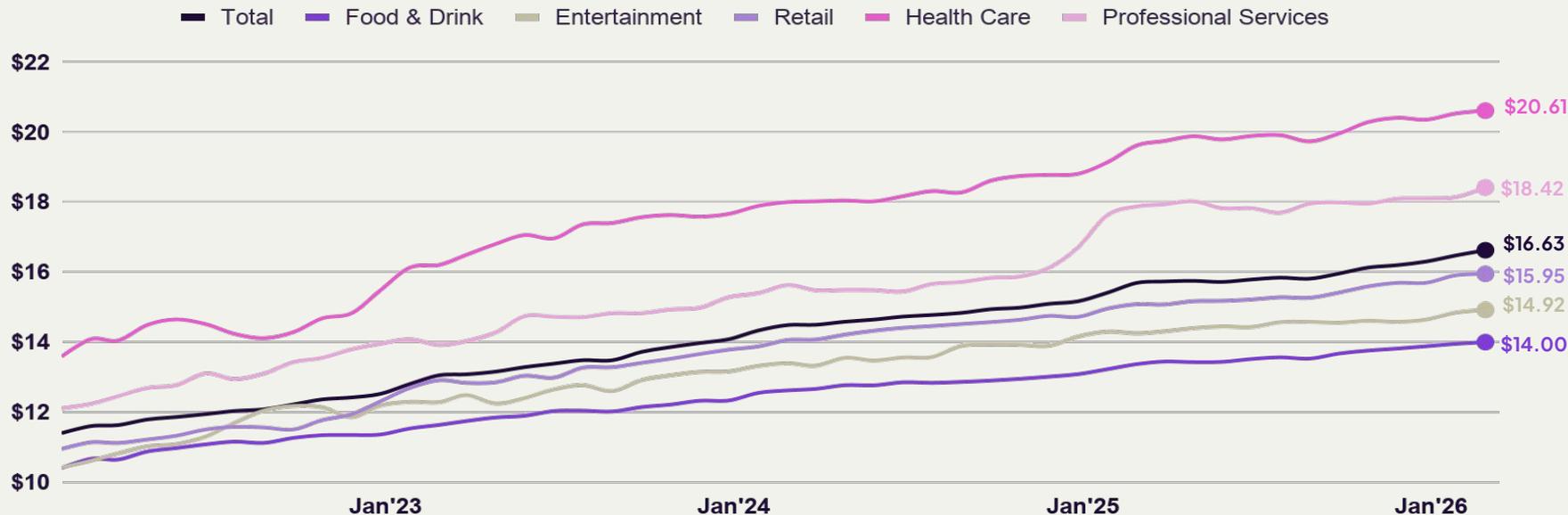
Source

[Homebase data](#)

Health Care and Professional Services Pull Ahead on Pay

Health Care wages reached \$20.61 and Professional Services \$18.42, widening the gap with Food & Drink (\$14.00). Sectoral wage stratification deepens as higher-skill industries outpace leisure and retail pay growth.

(Average “Hourly Wages” across all jobs)



Notes

1. Data measures average hourly wages for locations that utilized Homebase to pay employees in both February 2025 and February 2026. Total includes industries not depicted here.
2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month

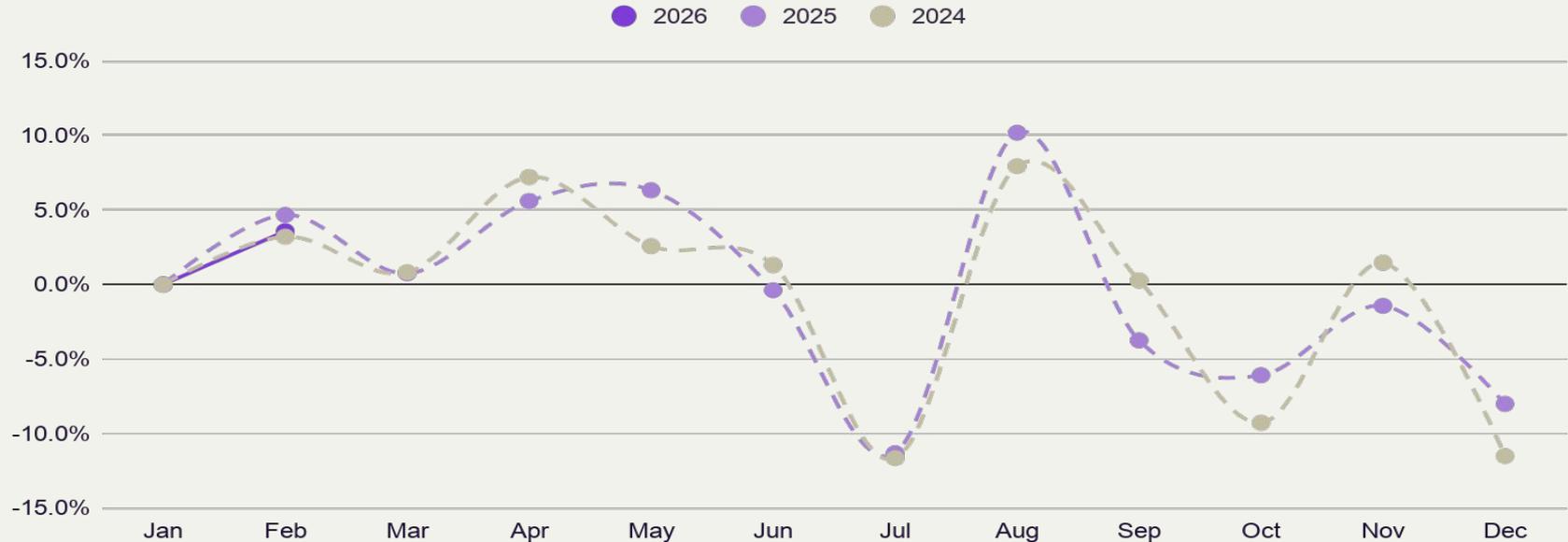
Source

[Homebase Payroll data](#)

Hiring Tracks 2025 Pattern, Shows No Spring Acceleration

Jobs added rose +3.6% in February, below 2024's +4.7% pace and closely mirroring 2025's pattern. Businesses appear to be maintaining headcount rather than expanding ahead of peak season.

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



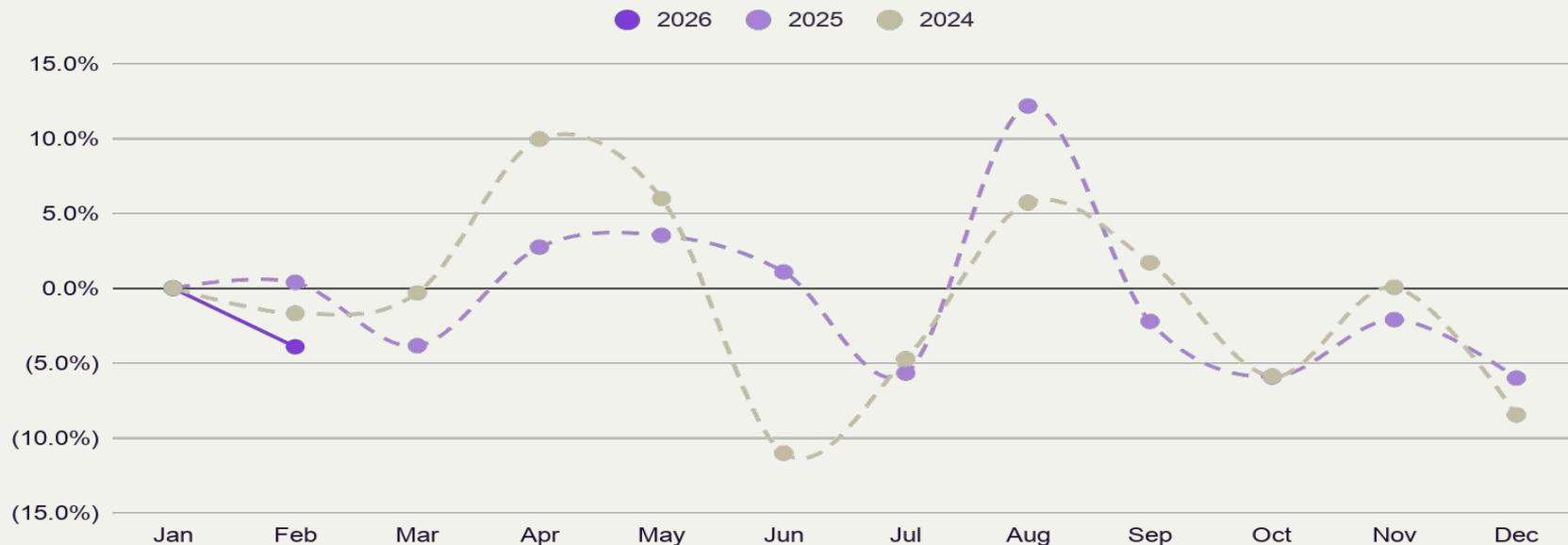
Notes
 1. Data measures average monthly change in total number of jobs created in official employee rosters for companies active in any given month.
 2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month

Source
[Homebase data](#)

Turnover Falls to Three-Year February Low

Jobs Archived declined (-3.9%) m/m in February — below the near-flat readings of 2025 (+0.4%) and 2024 (-1.7%) — suggesting businesses are retaining headcount and stabilizing rosters post holiday.

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



Notes

1. Data measures average monthly change in total number of jobs archived in official employee rosters for companies active in any given month.
2. A month is defined as the period from 28th of last calendar month to 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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Upcoming report schedule

- Apr 01, 2026** Main Street Health Report – Mar 2026
- May 01, 2026** Main Street Health Report – Apr 2026
- May 01, 2026** Main Street Health Report – May 2026
- Jun 02, 2026** Main Street Health Report – Jun 2026

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 February 2026. We are one of the largest and most trusted sources of real-time, quality data on employment growth across the small business landscape.

Data from prior years (e.g., 2024, 2025) use a similar cohort-based logic. Unless indicated otherwise, daily figures are calculated relative to the median value for that specific day for the baseline month (e.g., January) net of the first 4 days of the month.

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 February 2026 and February 2025

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Homebase is the everything app for hourly teams, with employee scheduling, time clocks, payroll, team communication, and HR. 100,000+ small (but mighty) businesses rely on Homebase to make work radically easy and superpower their teams.