

# MAIN STREET HEALTH REPORT

March 2026

Labor and Wage Stats





# MAIN STREET AT A GLANCE

## Small Businesses Hire Boldly While Activity Recovery Stays Measured



Employees Working (+0.8%) and Hours Worked (+0.9%) rose in March but trailed prior spring recoveries, signaling a seasonal rebound still running below historical norms.



Business activity declined across four of five regions, with only the Northeast gaining (+1.5%); Entertainment and Hospitality led sector gains while Retail and Beauty contracted.

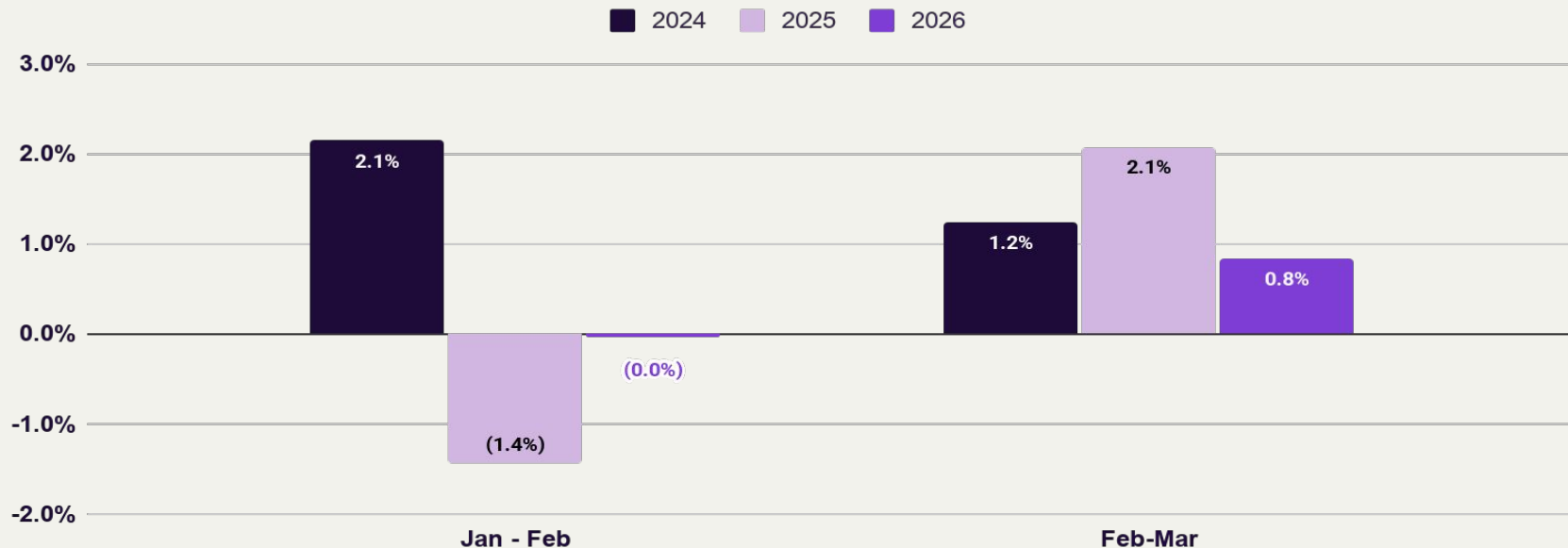


Hiring improved m/m and marked its best y/y reading in 16 months; turnover is easing but stabilizing more slowly. and cumulative wages reached +45.3% above January 2022 — net labor flow turning positive heading into Q2.

# Workforce Participation Rebounds, Trails Prior Spring Gains

Employees Working rose +0.8% from February to March 2026, a positive seasonal turn but below March 2025's +2.1% gain and March 2024's +1.2% pickup — indicating decelerating spring recovery, compared to 2025

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

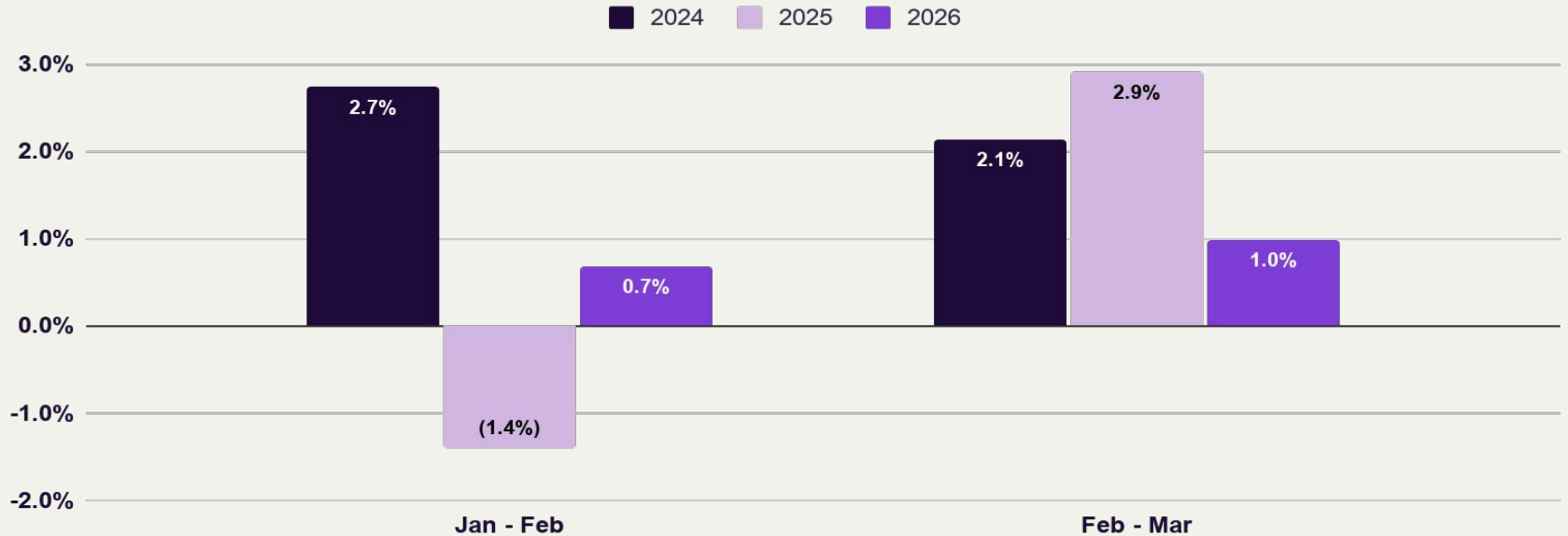


**Notes** | 1. Data compares rolling 7-day averages for weeks encompassing the 12th of each month.

# Hours Worked Edge Up, Fall Short of Last Year's Surge

Hours Worked rose +1.0% in March, continuing the spring seasonal recovery but tracking well below the +2.9% gain seen in 2025 and +2.1% in 2024 — suggesting employers are scheduling more cautiously heading into Q2.

(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.

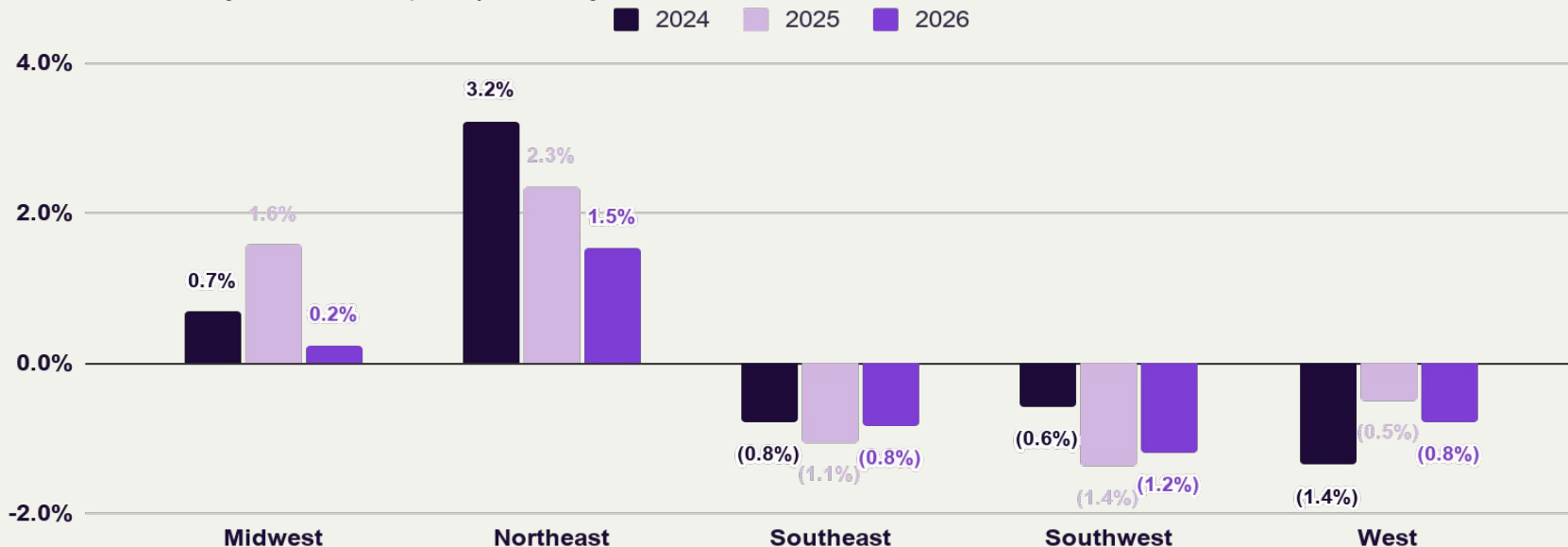
Source

[Homebase data](#)

# Northeast Stands Alone as Business Openings Fall Nationwide

The Northeast posted a gain in business activity (+1.5%), while the Southwest (-1.3%), Southeast (-0.9%), and West (-0.8%) all declined m/m; the Midwest held nearly flat (+0.1%). Broad-based softness outside the Northeast suggests regional divergence is widening, not narrowing.

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



Notes

1. Feb 11-17 vs Mar 10-16 (2024); Feb 09-15 vs Mar 09-15 (2025); Feb 08-14 vs Mar 8-14 (2026)
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.

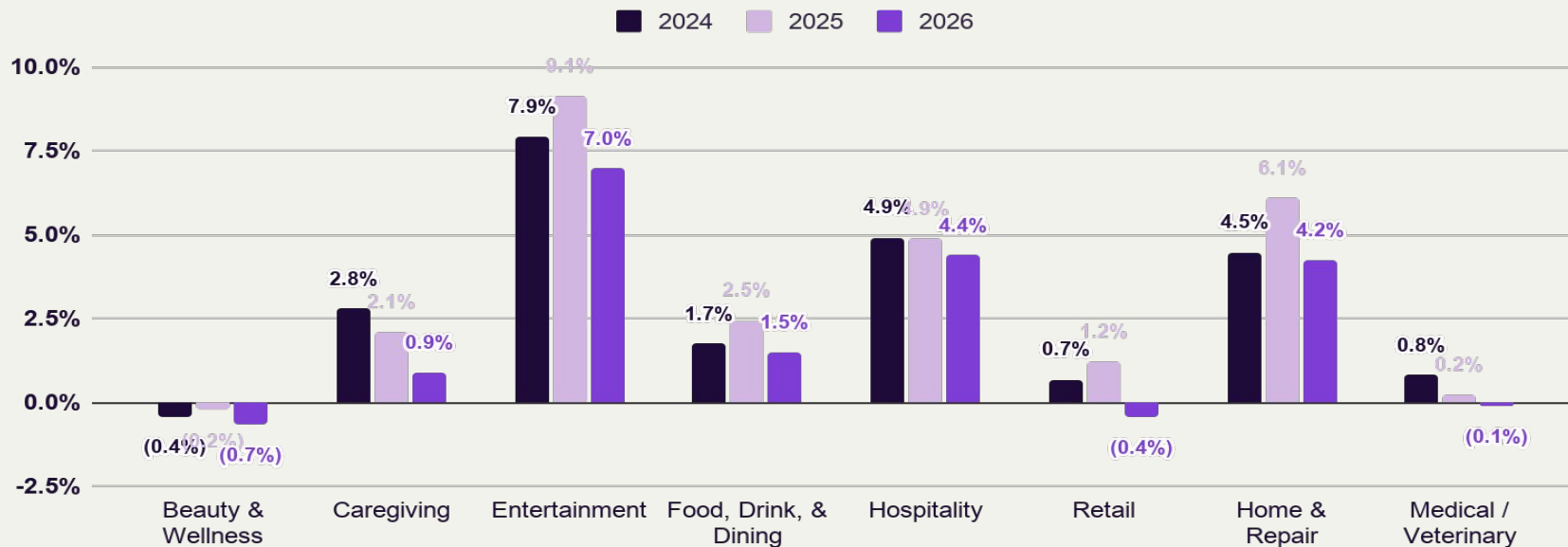
Source

Homebase data

# Entertainment and Hospitality Lead as Consumer Services Pull Back

Entertainment (+7.0%), Hospitality (+4.4%), and Home & Repair (+4.2%) drove March sector gains, while Beauty & Wellness (-0.7%), Retail (-0.4%), and Medical/Veterinary (-0.1%) contracted. The divergence between experience-driven sectors and everyday consumer services points to continued selectivity in small business hiring.

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



**Notes**

1. Feb 11-17 vs Mar 10-16 (2024); Feb 09-15 vs Mar 09-15 (2025); Feb 08-14 vs Mar 8-14 (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**

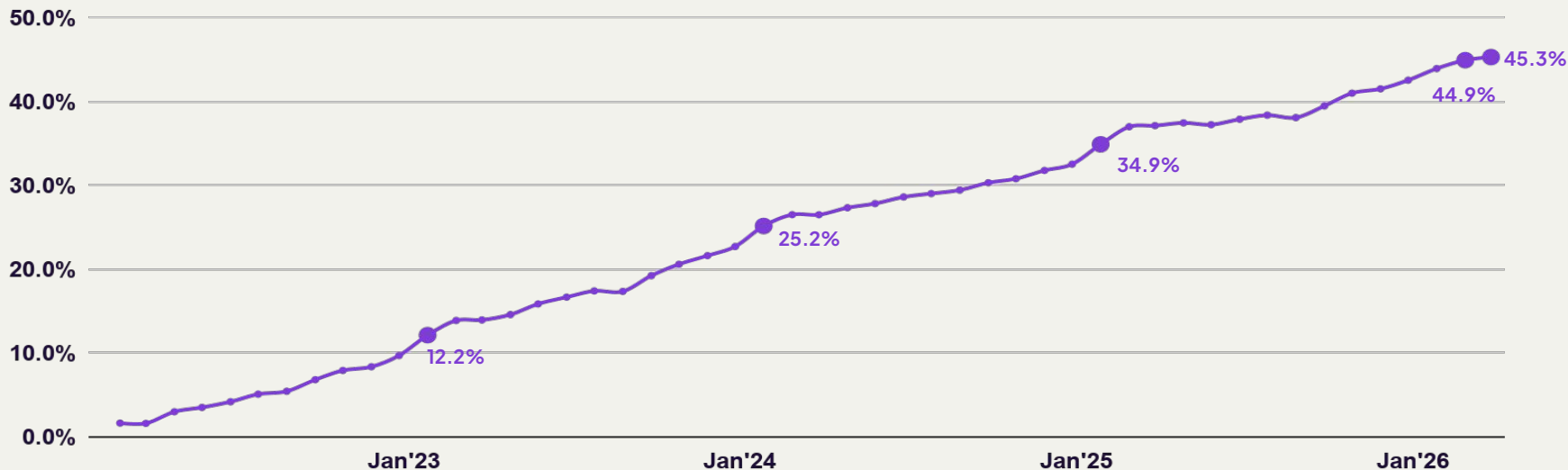
[Homebase data](#)

# Cumulative Wages Top 45%, But Annual Growth Pace Slows

Hourly wages reached +45.3% above January 2022 in March 2026, yet the year-to-date gain of +1.0% trails March 2025's +1.7% — the second consecutive year of decelerating in-year wage growth, suggesting labor cost pressure is persisting but easing at the margin.

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

● All Industries



**Notes**

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

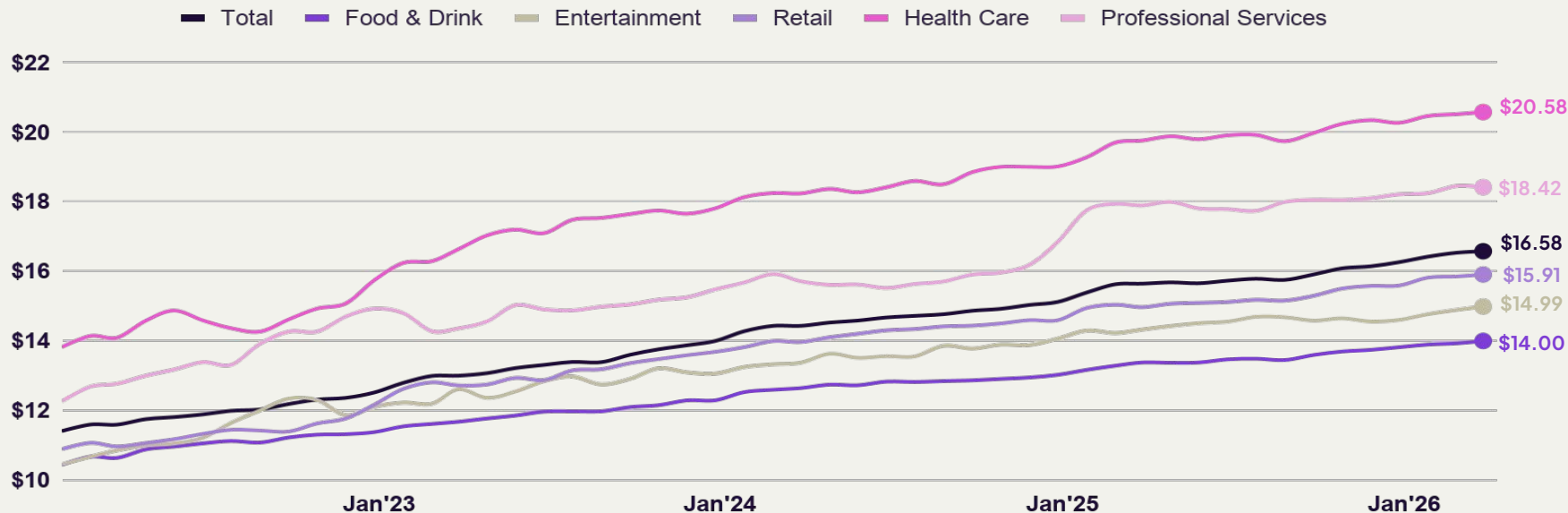
**Source**

[Homebase data](#)

# Retail Wages Reverse Course; Food & Drink Momentum Fades

Retail drove the reversal, swinging from -0.48% to +0.35% y/y. Overall wages rose 6.0% y/y in March, down from 8.4% a year prior, with Retail (+6.3% y/y) showing the least deceleration among tracked sectors.

(Average “Hourly Wages” across all jobs)



Notes

1. Data measures average hourly wages for locations that utilized Homebase to pay employees in both March 2025 and March 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

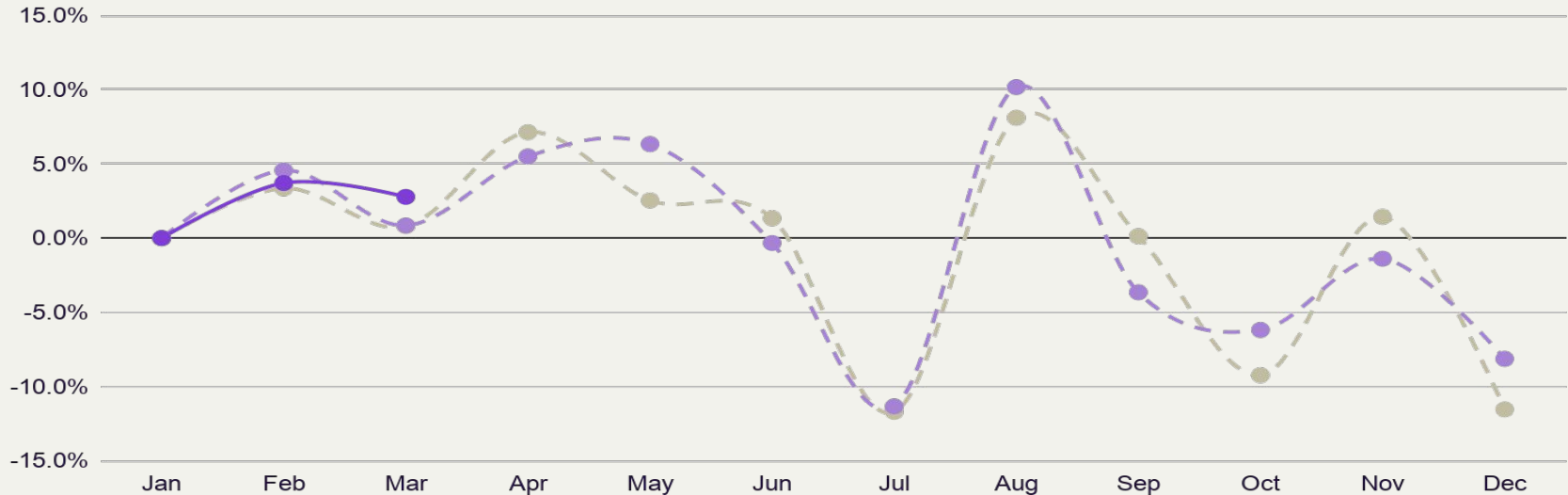
Source

[Homebase Payroll data](#)

# March Hiring Hits Three-Year High, Spring Momentum Builds

Jobs Added rose +3.0% m/m in March 2026, surpassing March 2025 (+1.4%) and March 2024 (+0.8%) — signaling businesses are entering spring with more confidence. Y/Y decline in hiring (-1.4%) indicated gradual progress toward stabilization.

(Monthly change in average “Number of Jobs Added” across all jobs) ● 2024 ● 2025 ● 2026



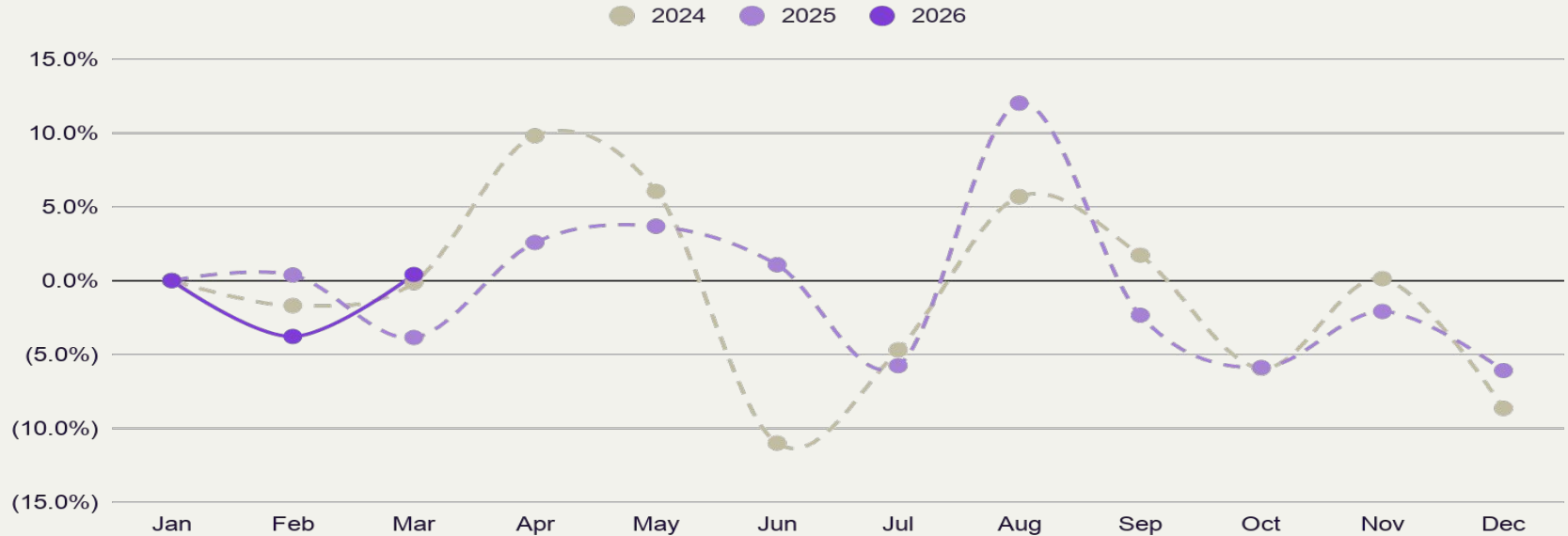
**Notes**  
 1. Data measures average monthly change in total number of jobs created in official employee rosters for companies active in any given month.  
 2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month.

**Source**  
[Homebase data](#)

# Turnover Eases Seasonally, Tracking Within Historical Range

Jobs Archived came in at +0.4% m/m in March 2026, seasonally consistent with last years. Y/Y Jobs Archived is trending toward flat, reinforcing that net labor flow for small businesses is turning positive heading into Q2.

(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](mailto:data@joinhomebase.com)



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### Upcoming report schedule

**May 01,  
2026**

Main Street Health Report – Apr 2026

**Jun 02,  
2026**

Main Street Health Report – May 2026

**Jul 02,  
2026**

Main Street Health Report – Jun 2026

**Aug 03,  
2026**

Main Street Health Report – Jul 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 March 2026 and March 2025

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# homebase

**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.