MAIN STREET HEALTH REPORT

October 2025

Labor and Wage Stats

homebase

MAIN STREET AT A GLANCE

Main Street Holds Steady as Seasonal Contraction Continues

Workforce participation declined 2.9% alongside employee activity in October, moderating from September's sharper drops.

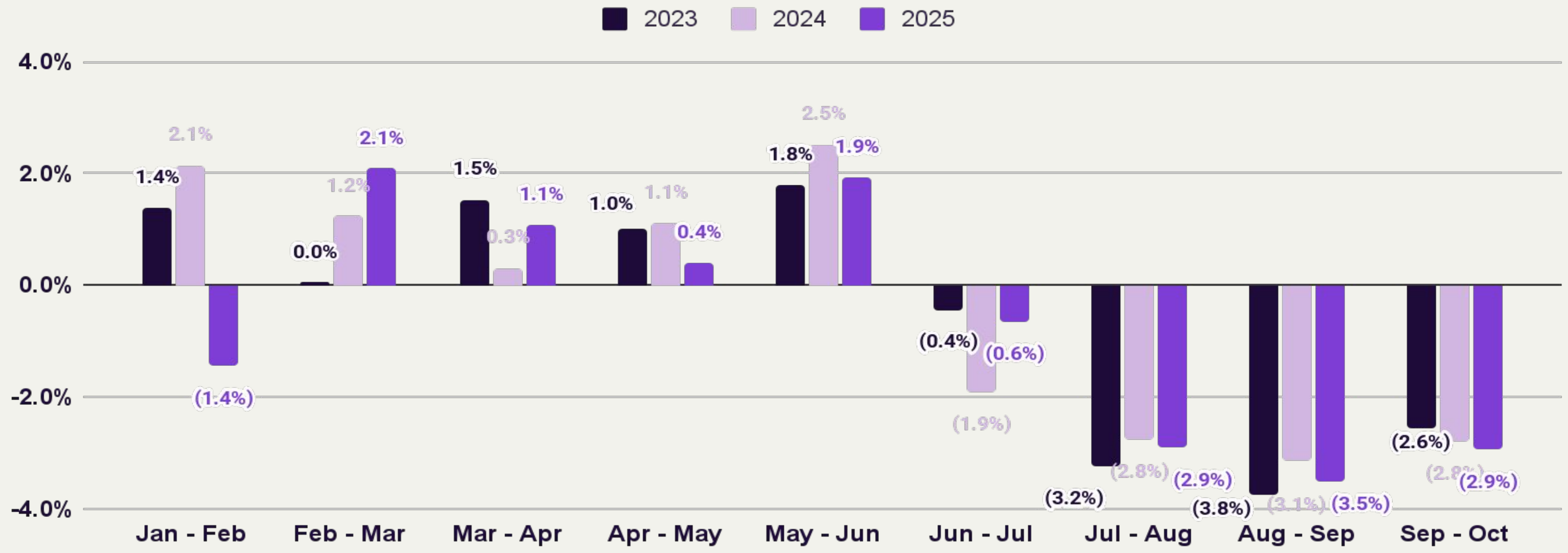
Business activity remained weak, compared to last year, across all regions except Southeast. Entertainment sector posted steepest workforce cuts at -4.3% while Hospitality emerged as the only growth sector (+0.1%), diverging from broader industry softness.

Wages rose 42.4% amid broad gains; hiring dipped 5% seasonally, while turnover stayed elevated, signaling persistent labor churn despite slower activity.

Workforce Participation Declines at a Slower Pace

Employment fell 2.9% in October, moderating from September's 3.5% drop as seasonal softening eased slightly, similar to last year.

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



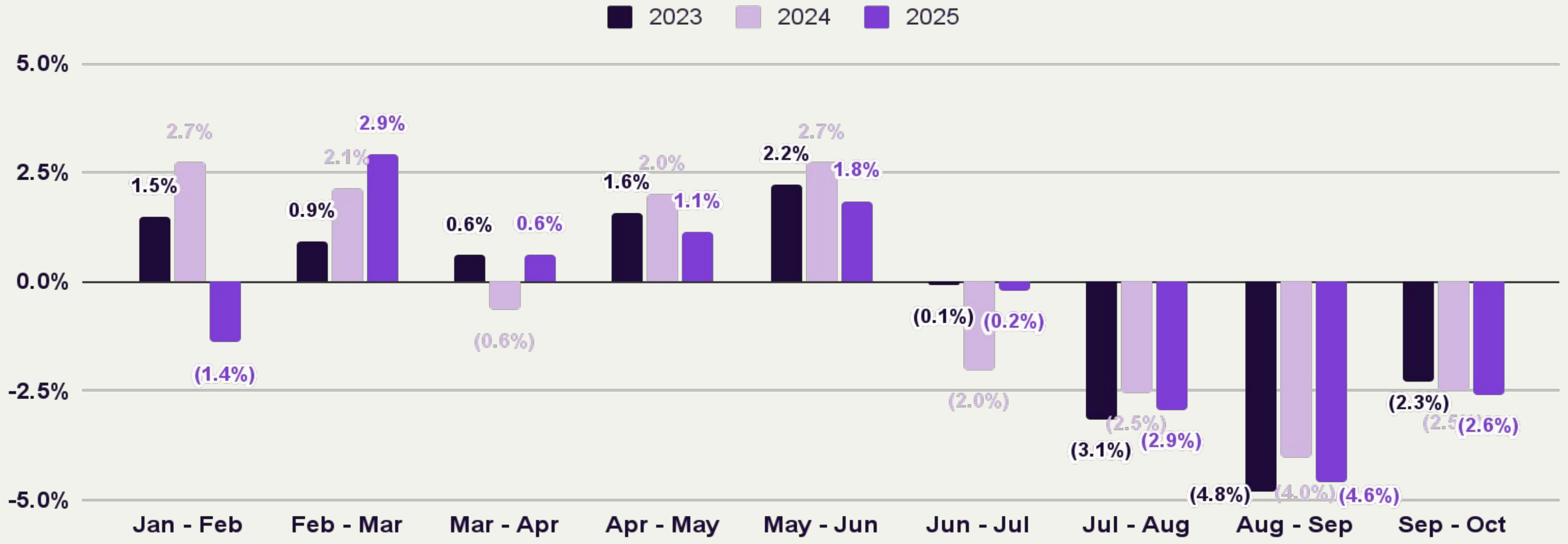
Notes 1. Data compares rolling 7-day averages for weeks encompassing the 12th of each month.

Source Homebase data

Labour Activity Follows Typical Seasonal Contraction

'Hours Worked' declined 2.6% in October, matching historical post-summer patterns as businesses scaled back operations.

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



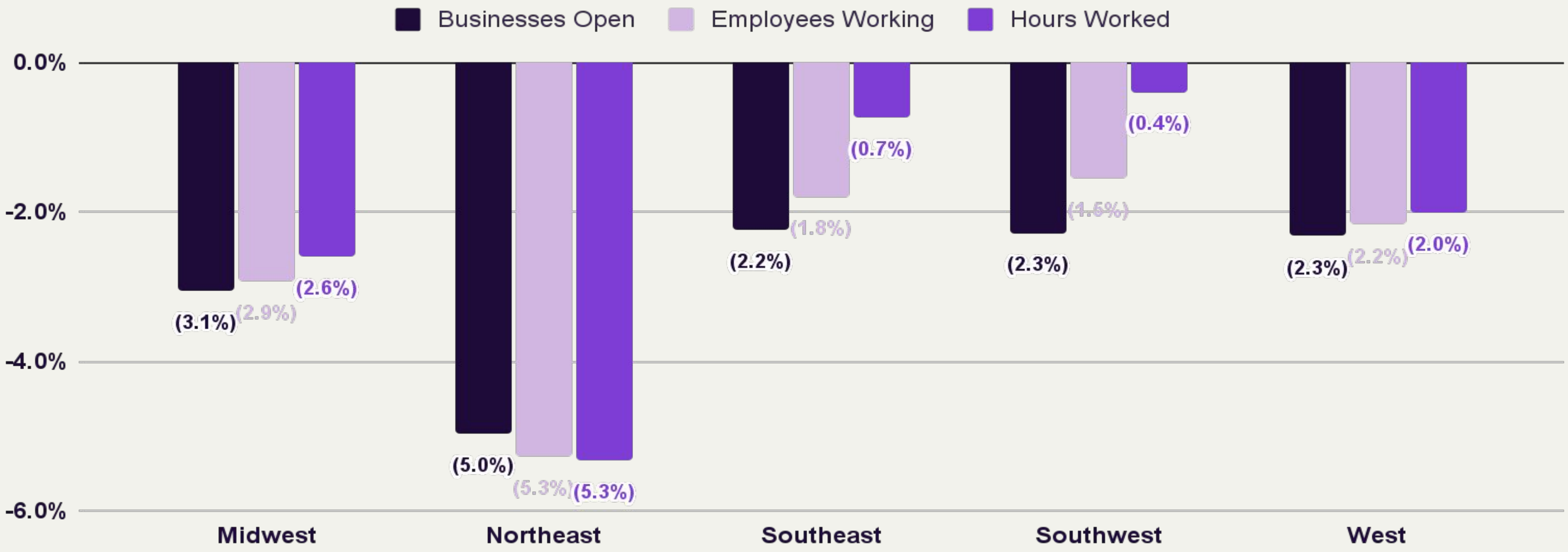
Notes 1. Data compares rolling 7-day averages for weeks encompassing the 12th of each month.

Source Homebase data

Business Activity Remained Weak Compared to Last Year

Compared to last year, all regions, except Southeast, saw seasonal decline in Business Activity. Southeast region was affected by hurricane Helene and Milton last year.

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



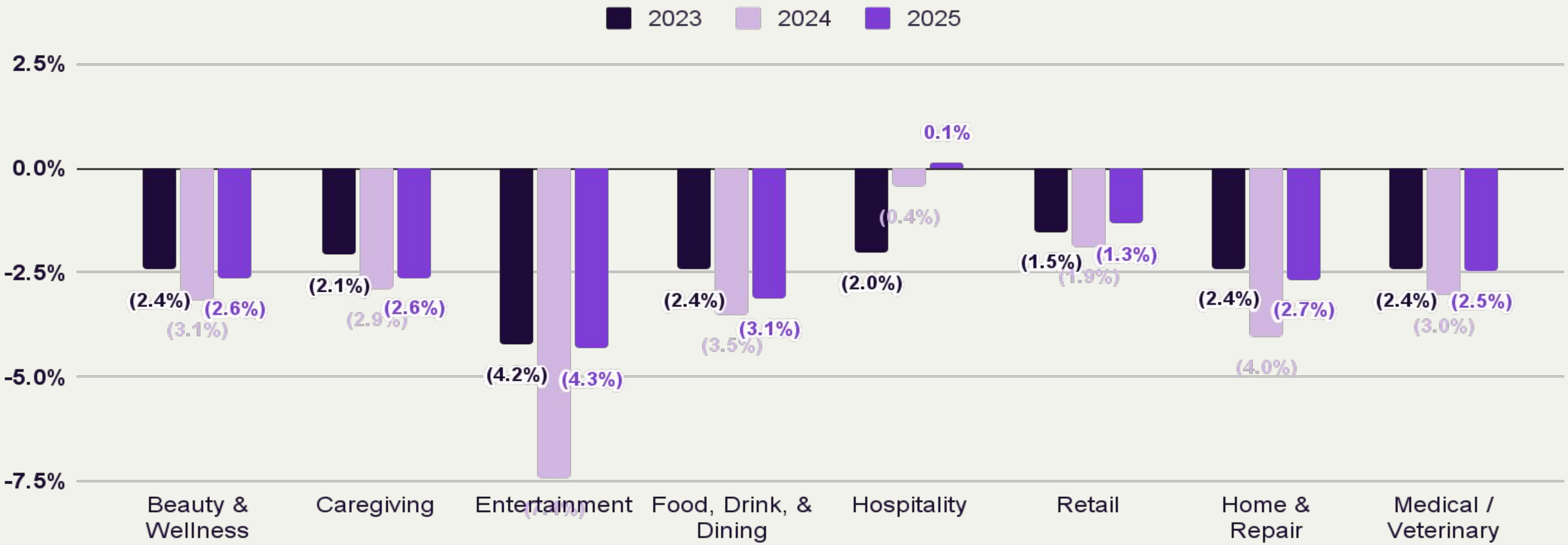
Notes
1. Sep 07 - 13 vs Oct 12 - 18
2. Region classification - Midwest: ND, SD, NE, KS, MN, IA, MO, WI, IL, IN, OH, MI; West: NV, UT, AZ, NM, CO, WY, MT, ID, OR, WA, CA, HI, AK; Northeast: NY, PA, NJ, CT, RI, MA, NH, VT, ME; Southeast: MS, AL, TN, KY, NC, SC, GA, FL; Southwest: TX, OK, AR, LA.

Source Homebase data

Entertainment Lead Industry Pullback While Hospitality Grows

All major sectors reduced workforces in October, with Entertainment (-4.3%) posting steepest cuts. Hospitality was the only sector to see growth (+0.1%) in workforce participation.

*(Monthly change in 7–day average of **"Employees Working"**, relative to January of respective year)*



Notes

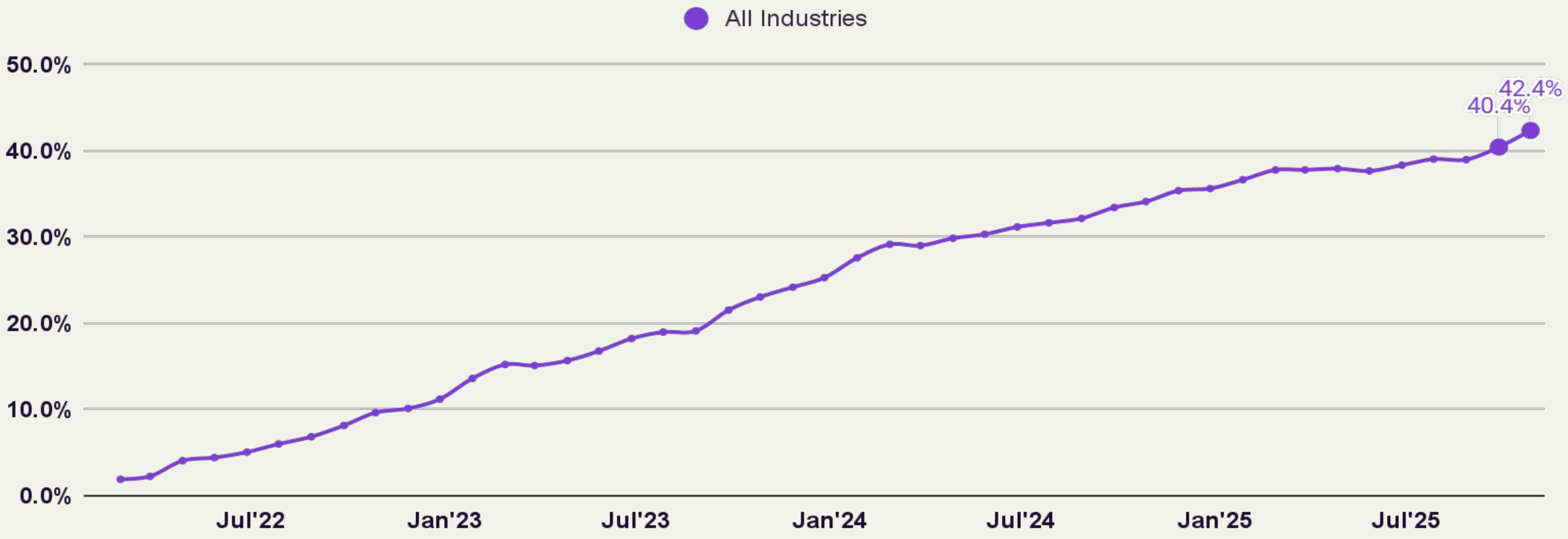
1. Sep 10 - 16 vs Oct 08 - 14 (2023); Sep 08 - 14 vs Oct 06 - 12 (2024); Sep 07 -13 vs Oct 12 - 18 (2025)
2. Data compares rolling 7–day averages for weeks encompassing the 12th of each month.
3. Entertainment includes events/festivals, sports/recreation, parks, movie theaters, and other categories.

Source Homebase data

Wage Inflation Persists Despite Activity Slowdown

Hourly wages climbed 42.4% since January 2022, with October showing continued upward pressure despite workforce reductions.

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



Notes

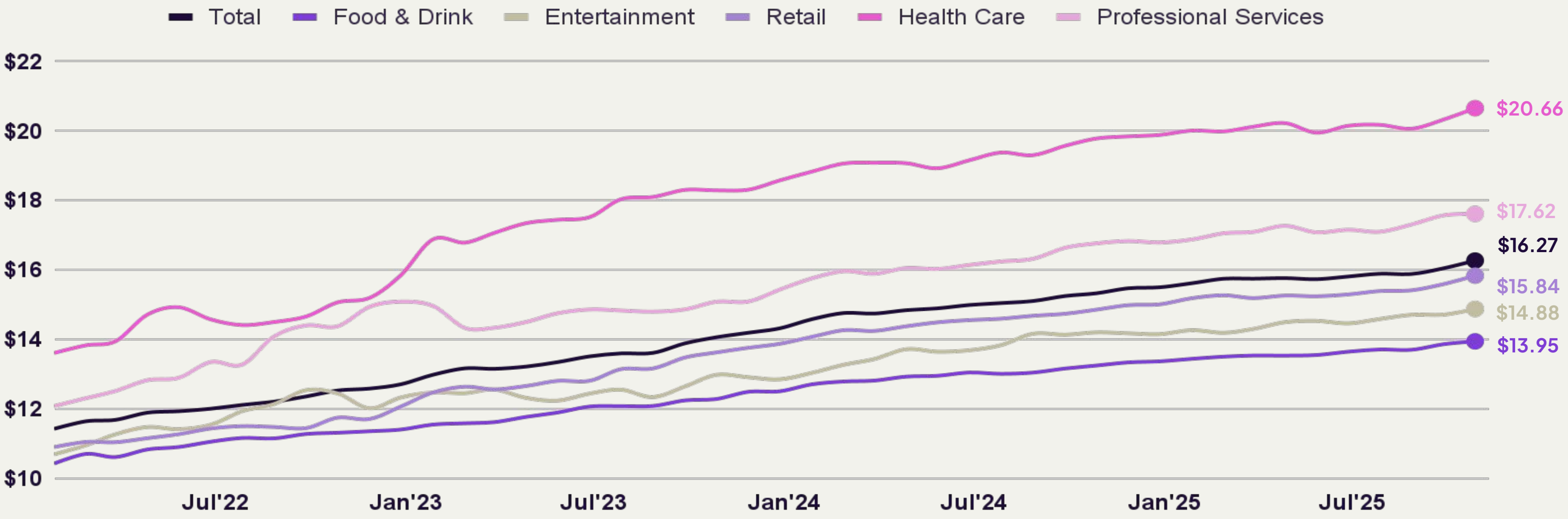
1. Data measures average hourly wages for locations that utilized Homebase to pay employees in both October 2025 and October 2024
2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month

Source Homebase data

All Major Sectors Saw Growth In Hourly Wages

Retail and Health Care each saw >1.5% month on month growth in Hourly Wages, which is the highest growth rate for October since 2023.

*(Average “**Hourly Wages**” across all jobs)*



Notes

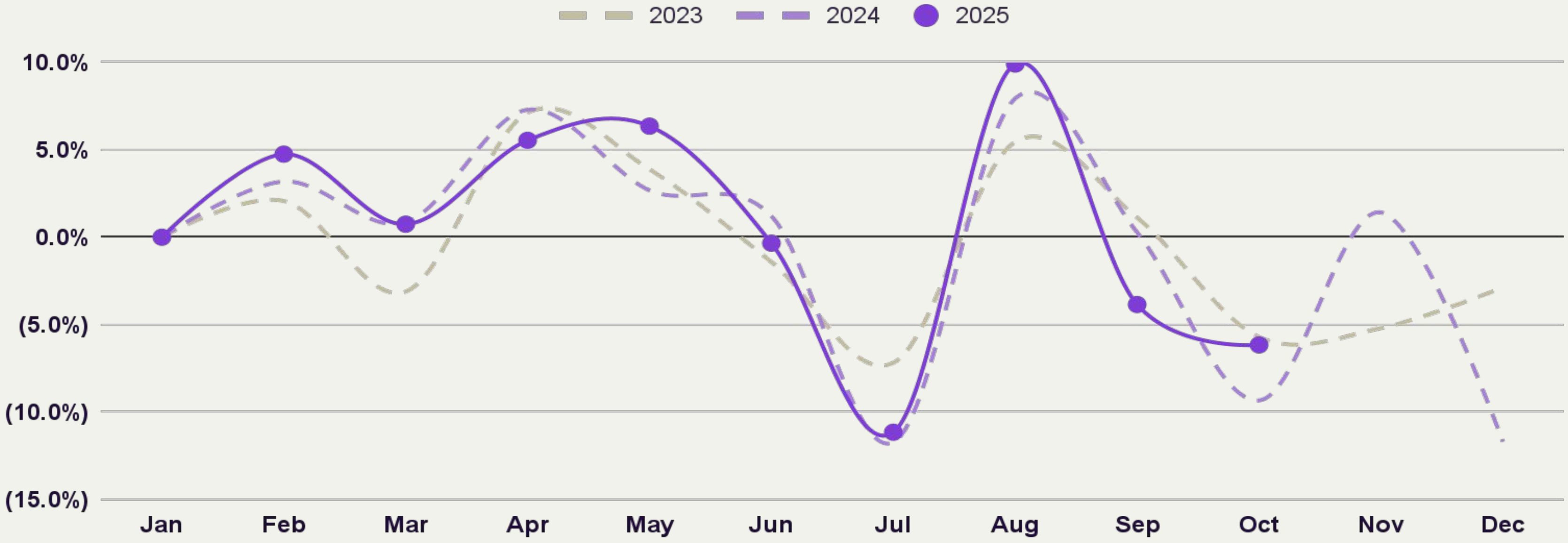
1. Data measures average hourly wages for locations that utilized Homebase to pay employees in both October 2025 and October 2024. Total includes industries not depicted here.
2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month

Source Homebase Payroll data

Hiring Remains Steady Amid Seasonal Adjustment

Month on month hiring declined ~5%, similar to prior years, indicating seasonal alignment similar to last month.

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



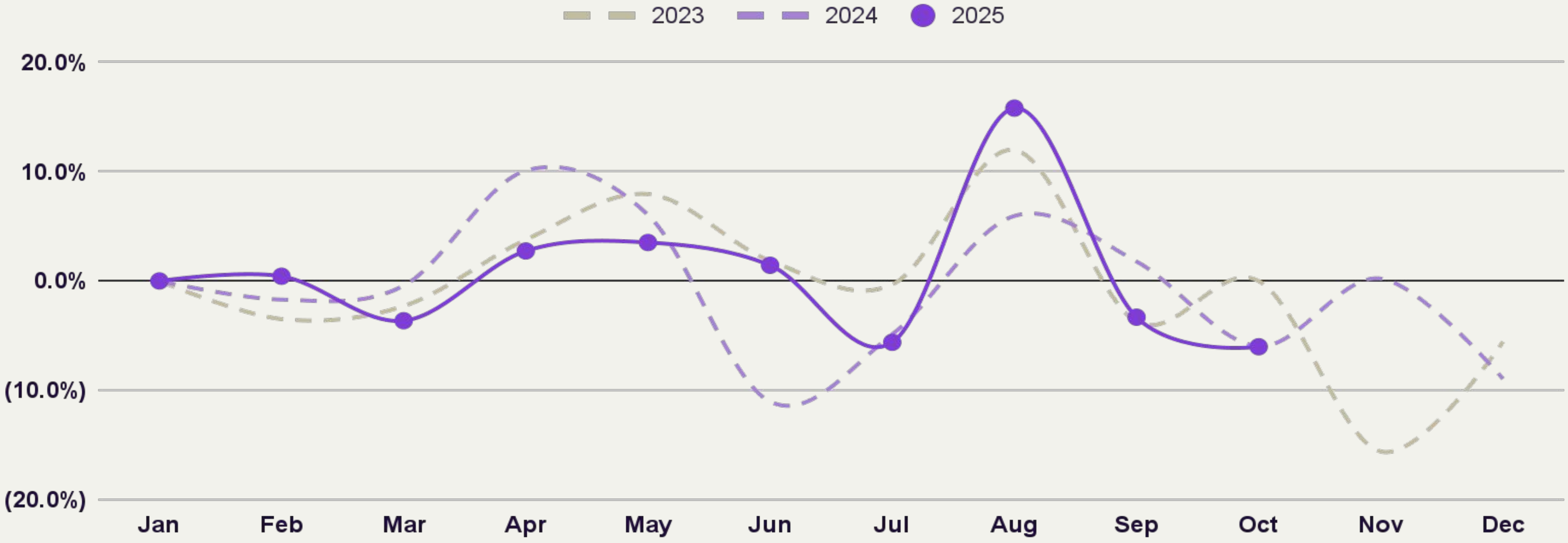
Notes
1. Data measures average monthly change in total number of jobs created in official employee rosters for companies active in any given month.
2. A month is defined as the period from 28th of last calendar month to 27th of the current calendar month

Source Homebase data

Turnover Moderates as Workers Hold Positions

Compared to average monthly turnover in H1, turnover remained high in October (+3%), which is higher than 2024 (-5%). However, it's still well below the levels seen in August (+13.4%) and September (+9.6%).

(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

Nov 03, 2025	Main Street Health Report – Oct 2025
Dec 02, 2025	Main Street Health Report – Nov 2025
Dec 30, 2025	Main Street Health Report – Dec 2025

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 October 2025. 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., 2022, 2023) 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 October 2025 and October 2024

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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.