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Intuit Small Business Employment Index Shows 0.2 Percent Job Growth for March

50,000 New Jobs Created with Employment Up in All U.S. Divisions; Continued Increase in Hours Worked with Wages Remaining Flat

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Small business employment continued to grow in March with employment up in all nine U.S. divisions. Hours worked continued to grow with wages remaining flat.

These are among the results of this month's update of the [Intuit Inc.](#) (Nasdaq:INTU) [Small Business Employment Index](#). The monthly report found that small business employment grew by 0.2 percent in March, equating to an annual growth rate of nearly 3 percent. This translates to approximately 50,000 new jobs created nationwide this month. The Index is based on figures from the country's smallest businesses that use Intuit [Online Payroll](#).

"Employment is up again for small business this month," said [Susan Woodward](#), the economist who worked with Intuit to create the Index. "The gain, at an annual rate, is not quite as large as last month but it's still encouraging. Plus there is one more sign of strength - employment was up for the first time in many months in all nine U.S. divisions. On the state level, employment was up for many of the 'sand states' - Oregon, California, Arizona, and Florida - or those states hit hardest by falling real estate prices."

Based on this latest data, the employment growth rate for February was revised slightly up to 0.3 percent, equating to 60,000 jobs added for the month and a 3.7 percent annual growth rate. Since the growth trend first began in October 2009, small business jobs have increased by a revised estimate of 820,000.

Hours Worked Up; Compensation Flat

Small business hourly employees worked an average of 107.7 hours in March, making for a 24.9-hour work week. This is a 0.12 percent rise from the revised February figure of 107.6 hours.

"Hours worked are up again, about as strongly as last month," Woodward said. "The combination of rising hours and rising employment suggests the atmosphere is improving for small businesses."

Average monthly pay for all small business employees was \$2,614 per month in March. This is a 0.03 percent decrease, which is essentially flat, compared to the February revised estimate of \$2,615 per month. This translates to wages of about \$31,400 per year, which is part-time work for many small business employees.

"There is no sign of any pressure on small businesses to pay people more," continued Woodward. "This should not be a surprise given the high unemployment rate, especially

among unskilled workers, and considering that small businesses use relatively more unskilled labor than larger businesses do."

Small Business Employment by Geography

The Intuit Index also breaks down employment by census divisions and states across the country.

"We're thrilled to see that all nine U.S. divisions are now showing employment growth," said Nora Denzel, senior vice president and general manager of Intuit's Employee Management Solutions division. "This includes the West North Central division, which had not seen growth in employment for many months. At the same time, most states saw increases in employment, with only slight decreases in Georgia and New York."

U.S. Census Division	Percent Change in Employment
East North Central	0.1%
West North Central	0.2%
Middle Atlantic	0.1%
Mountain	0.9%
New England	0.2%
Pacific	0.4%
South Atlantic	0.2%
East South Central	+0.0%
West South Central	0.2%

Small Business Employment by U.S. Census Division continues to grow across the country including the West North Central division. The data reflects employment from approximately 64,000 small business employers who use Intuit Online Payroll. The month-to-month changes are seasonally-adjusted and informative about the overall economy.

State	Percent Change in Employment
Arizona	0.4
California	0.4
Florida	0.5
Georgia	-0.1
Illinois	0.2
Maryland	0.4

Massachusetts	0.1
New Jersey	0.5
New York	-0.1
North Carolina	0.1
Texas	0.1
Virginia	0.4
Washington	0.3

Small Business Employment by State is up for many states across the country. The states above reflect those for which Intuit Online Payroll has more than 1,000 small business firms represented. The month-to-month changes are seasonally-adjusted and informative about the overall economy.

About the Index

The [Intuit Small Business Employment Index](#) is based on aggregate and anonymous online employment data from approximately 64,000 small business employers, each with fewer than 20 employees. These small businesses use [Intuit Online Payroll](#) from Intuit, the No. 1 [payroll provider](#) with more than 1 million customers. These smallest employers are important to the economy as they comprise 87 percent of the total U.S. private employer base and employ nearly 20 million people. More information is available at: www.intuitinc.com/payrollindex.

Intuit reports data for three categories: small business employment, compensation and hours worked. Intuit analyzes and publishes the data at the beginning of each month. The Index also includes employment data broken down by geography. As with the government data, there may be revisions to the Intuit Index numbers. These revisions are partly due to calculations using the latest month of new Intuit data. These calculations include re-computing seasonal factors and the moving average process used to obtain the curve, which can change the values for previously reported months. Changes to the data are also due to revisions to the government employment data, which is used to calculate the Intuit Index.

While the Intuit Small Business Employment Index offers macroeconomic insight about the economy generally, it does not indicate or represent changes in Intuit's business results for any period.

The Index data reflects monthly employment activity in small businesses, and is adjusted to account for changes in Intuit's Online Payroll customer base. The percent change is measured monthly using the change in employment for existing Intuit Online Payroll customers from one month to the next. The set of customers changes each month so the measurement is the change, for each pair of months, for customers who are present in both the earlier and the later month.

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Founded in 1983, Intuit had annual revenue of \$3.5 billion in its fiscal year 2010. The company has approximately 7,700 employees with major offices in the United States, Canada, the United Kingdom, India and other locations. More information can be found at www.intuit.com.

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