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Small Business Employment Continued Recovery in December

Compensation, Hours Worked Showed Slight Declines

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- U.S. small business employment grew in December, though compensation and hours worked for hourly employees declined. Small business employers added 20,000 jobs in December, for a cumulative total of more than 555,000 jobs since March 2010. Overall, small business revenues declined 0.19 percent in November.

The December data marked the second consecutive month of resumed job growth, after the stall from May through October. Those are among the findings of the monthly [Intuit Inc.](#) (Nasdaq: INTU) [Small Business Employment and Revenue Indexes](#). The figures also indicate:

- Employment increased 0.09 percent, for a gain of 20,000 jobs in December.
- Average monthly compensation fell 0.05 percent in December, a decrease of \$1 from November.
- Average monthly hours worked by hourly employees declined 0.16 percent in December, a decrease of approximately 12 minutes from November.

The employment index is based on data from [Intuit Online Payroll](#) and [QuickBooks Online Payroll](#), covering the period from Nov. 24 through Dec. 23.

“After no progress from May through October, small business employment has now resumed its slow rise for the second month in a row,” said [Susan Woodward](#), the economist who works with Intuit to create the indexes. “For December, the growth rate is about one-tenth of 1 percent, for an annualized rate of just over 1 percent.

“Small business employment continues to recover even more slowly than overall employment. The recovery for non-farm payroll employment is just under 6 percent from the trough in February 2010, while the employment recovery for private payroll, not including government, is a bit over 7 percent. By comparison, small business recovery is only 2.8 percent for the same period.”

Slight Declines in Hours Worked, Compensation

Hourly employees worked an average of 107.2 hours in December, which is a 12-minute decrease from November’s figure of 107.4 hours, making for a 24.7-hour work week.

Average monthly pay for small business employees fell to \$2,694 in December, down slightly from \$2,695 in November. The equivalent yearly wages would be about \$32,300. This average includes wages that small business owners pay to themselves.

“The hourly wage for hourly small business employees nudged up five cents an hour to \$15.92 per hour. This is two percent above the average hourly wage from a year ago, for the hourly employees of Intuit’s online payroll customers,” said Woodward.

Strong Geographic Small Business Employment Growth

Small business employment showed increases in nearly all of the 38 states tracked by Intuit’s Small Business Employment Index. Only six states showed employment declines, while two remained flat. Washington showed the largest employment increase, at 0.3 percent. The largest decline was in Michigan at 0.18 percent.

By census division, the East North Central region, which includes Michigan, showed the largest decline at 0.03 percent. The only other region to see a slight decline was New England at 0.1 percent. The rest of the country showed employment gains, led by the Pacific division.

State	Change (%)
Alabama	0.07
Arizona	0.02
Arkansas	0.06
California	0.16
Colorado	0.14
Connecticut	-0.02
Florida	0.2
Georgia	0.15
Hawaii	0
Idaho	-0.01
Illinois	0.02
Indiana	0.01
Iowa	0.04
Kansas	0.07
Kentucky	0.11
Louisiana	0.02
Maryland	0.03
Massachusetts	0
Michigan	-0.18
Minnesota	0.2
Mississippi	0.04
Missouri	-0.07
Nevada	0.16
New Jersey	-0.06
New Mexico	0.11
New York	0.13
North Carolina	0.14
Ohio	-0.02

Oklahoma	0.09
Oregon	0.2
Pennsylvania	0.04
South Carolina	0.09
Tennessee	0.07
Texas	0.14
Utah	0.14
Virginia	0.15
Washington	0.3
Wisconsin	-0.01

Small Business Revenues Continue to Decline

The November revenue index showed overall small business revenue decreased 0.19 percent, on a per-business basis. Per sector, all industries saw revenue decline except for the construction sector and the 'other services' sector, the latter of which covers non-professional services.

The real estate services industry showed the largest decline at 0.6 percent. The professional services industry followed, dropping by 0.5 percent. The construction industry showed the larger increase of 0.6 percent, while other services grew 0.2 percent.

This index is based on data from [QuickBooks Online](#), covering the period from Nov. 1-30.

About The Intuit Small Business Indexes

The Intuit Small Business Indexes provide unique, near real-time information each month on the activity of the smallest businesses in the U.S. in terms of revenue, hiring and compensation trends. The Employment Index is based on anonymized, non-identifiable aggregated data from approximately 200,000 small business employers, a subset of users that use [Intuit Online Payroll](#) and [QuickBooks Online Payroll](#). The Revenue Index is based on anonymized, non-identifiable aggregated data from approximately 150,000 small businesses, a subset of users that use Intuit's [QuickBooks Online](#) financial management offering and are matched in [Dun & Bradstreet](#)'s small business industry classifications. Together, the indexes provide a more complete picture of the economic health of the nation's small businesses. More information on the Intuit Small Business Indexes is available at index.intuit.com.

About Intuit Inc.

[Intuit Inc.](#) creates business and financial management solutions that simplify the business of life for small businesses, consumers and accounting professionals.

Its flagship products and services include [QuickBooks®](#), [Quicken®](#) and [TurboTax®](#), which make it easier to manage [small businesses](#) and [payroll processing](#), [personal finance](#), and [tax preparation and filing](#). [Mint.com](#) provides a fresh, easy and intelligent way for people to manage their money, while [Demandforce®](#) offers marketing and communication tools for

small businesses. [ProSeries](#)® and [Lacerte](#)® are Intuit's leading tax preparation offerings for professional accountants.

Founded in 1983, Intuit had revenue of \$4.2 billion in its fiscal year 2013. The company has approximately 8,000 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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