



## June Hiring Jumps: CBIZ Small Business Employment Index Stays Positive for Fifth Straight Month

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*- Brexit Impact Remains to be seen on Main Street as Small Business Hiring Continues Through June -*

CLEVELAND--(BUSINESS WIRE)--Jul. 8, 2016-- The [CBIZ](#) Small Business Employment Index (SBEI), a barometer for hiring trends that surveys labor data from over 4,000 companies employing 300 or fewer people, revealed a 0.90 percent month-over-month increase in small business hiring in June. This reading marks the fifth consecutive month of employment gains for the Index and follows a 0.20 percent month-over-month rise in employee headcounts [in May](#).

"June's reading is positive news for the labor market and for the domestic economy in general. While Brexit rattled global markets, it has not yet had an impact on hiring trends for domestic small businesses," says Philip Noftsinger, president of CBIZ Employee Services Organization. "However, small business owners should keep an eye on any Brexit influence, not to mention the bond markets, which could be suggesting the possibility of a U.S. recession. What's more, the upcoming earnings seasons has the potential to dampen employers' outlook on the health of our economy. Taken together, these forces could lead employers to temper their expansion plans in the months ahead."

ADP reported 172,000 jobs were added in June, exceeding economists' expectations of 159,000 gains. Phil adds, "ADP's numbers showed mild growth in small business employment, in line with expectations, and consistent with the SBEI showing mild growth even over the normal seasonal growth typically associated with June."

To review an infographic with data from the employment index, [visit the CBIZ blog](#).<sup>1</sup>

Additional takeaways from the June SBEI include:

- **June's snapshot:** When compared to May's tally, 30 percent of companies in the SBEI increased headcounts, 49 percent made no change and 21 percent decreased their staff size. Historically, seven of the past eight readings of the June SBEI have been positive, averaging about a 0.67 percent increase each year.
- **What industries should we be watching?** In June, construction, financial and professional services realized staff gains. Unsurprisingly, headcounts in education declined, while decreases in accommodation and foodservices could signal more reserved consumer spending habits during the summer season.
- **Geographical Hiring:** While the Northeast led the charge for increased hiring in June, the Central region maintained solid employment gains as well. The Southeast also hovered in positive territory, but the West region saw declines.
- **What's next?** It will be important to watch the developing story around Brexit and its potential impact on the U.K. and Eurozone economies. Certainly, the threat of recession is out there, but of the world's economies, the U.S. is probably the best positioned to weather it.

CBIZ Payroll Services manages payroll services for more than 4,000 businesses. Its index reflects a broad array of industries and geographies corresponding to the markets across the U.S., where CBIZ provides human capital services. The data represented by the SBEI is derived from a segment of employers not completely accounted for by the ADP and Federal BLS employment reports.

### Editor's note:

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