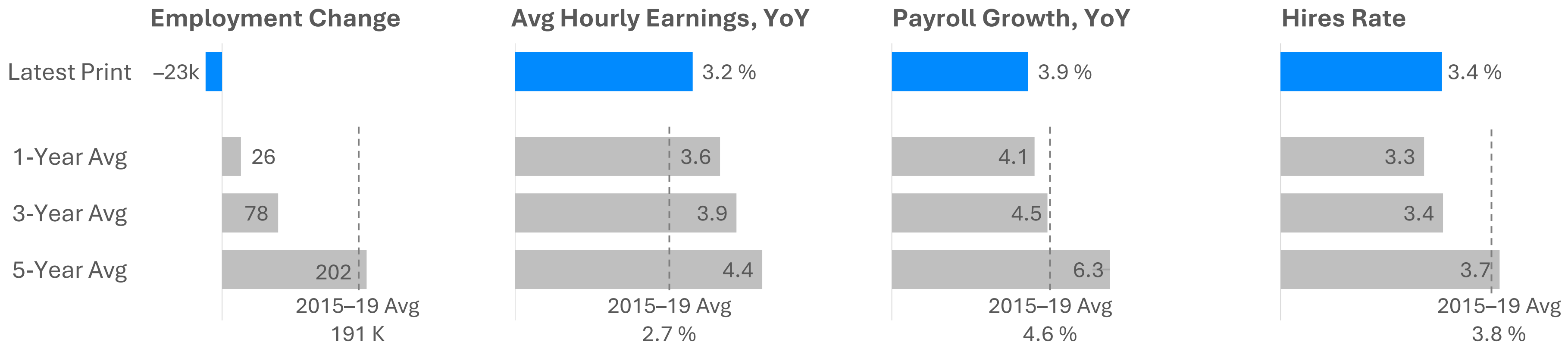
NCCI LABOR MARKET INSIGHTS

August 7, 2026



Drivers of Premium	Jan	Feb	Mar	Apr	May	Jun	Jul		Averages: 1-Year	3-Year	5-Year	2015–19
Net Employment Change (Thous.)	*160*	*–156*	*214*	*148*	*63*	*20*	*–23*	1	*26*	*78*	*202*	*191*
Net Private Employment Change (Thous.)	*180*	*–148*	*202*	*150*	*61*	*30*	*30*		*53*	*66*	*181*	*178*
Average Hourly Earnings (y/y %)	*3.7*	*3.7*	*3.4*	*3.6*	*3.3*	*3.4*	*3.2*	2	*3.6*	*3.9*	*4.4*	*2.7*
Average Hours Worked (Hours)	*34.3*	*34.3*	*34.2*	*34.3*	*34.3*	*34.3*	*34.3*		*34.3*	*34.3*	*34.4*	*34.4*
Payroll (Calculated)* Growth (y/y %)	*4.7*	*4.3*	*3.8*	*4.0*	*4.1*	*4.2*	*3.9*		*4.1*	*4.5*	*6.3*	*4.6*

*Calculated Payroll = Total Private Employment x Average Hourly Earnings x Average Hours Worked

Drivers of Frequency	Jan	Feb	Mar	Apr	May	Jun	Jul		Averages: 1-Year	3-Year	5-Year	2015–19
Unemployment Rate (%)	*4.3*	*4.4*	*4.3*	*4.3*	*4.3*	*4.2*	*4.1*		*4.3*	*4.1*	*4.0*	*4.4*
Labor Force Participation Rate (%)	*62.1*	*62.0*	*61.9*	*61.8*	*61.8*	*61.5*	*61.4*	3	*62.0*	*62.4*	*62.3*	*62.9*
Prime Age Participation Rate (25–54, %)	*84.0*	*83.9*	*83.8*	*83.8*	*83.9*	*83.3*	*83.4*		*83.7*	*83.6*	*83.2*	*81.7*
Job Openings (Thous.)	*7,240*	*6,922*	*6,887*	*7,585*	*7,537*	*7,359*	–		*7,106*	*7,591*	*8,876*	*6,360*
Hires Rate (%)	*3.4*	*3.1*	*3.5*	*3.3*	*3.3*	*3.4*	–		*3.3*	*3.4*	*3.7*	*3.8*
Quits Rate (%)	*2.0*	*1.9*	*2.0*	*1.9*	*2.0*	*2.0*	–		*2.0*	*2.1*	*2.3*	*2.2*
Layoffs Rate (%)	*1.0*	*1.1*	*1.2*	*1.0*	*1.1*	*1.1*	–		*1.1*	*1.1*	*1.0*	*1.2*

Source: US Bureau of Labor Statistics; 1-, 3-, and 5-year averages are rolling 12-, 36-, and 60-month averages from the latest data point.

1. Net employment declined by 23,000 jobs in July. Downward revisions to the past two months subtracted an additional 103,000 jobs from the initial estimates for May and June. Government employment declined by 53,000 jobs, with 50,000 of those job losses in local government education, accounting for the gap between total employment and private employment changes.

   The industry details are telling an interesting story. Leisure and hospitality services and retail trade both declined for a second consecutive month, with employment declining by 40,000 and 20,000 jobs, respectively, in July. Employment weakness in these sectors might reflect higher gas prices altering consumer behavior.

   Outside of these sectors, construction and health care employment grew solidly while the remaining sectors were little changed.

2. Average hourly earnings growth has continued to slow. Weakening has been concentrated in trade, health care, and private education, while wage growth has remained solid in construction, manufacturing, and some areas of service sectors.

   This softening wage trend combined with the slower employment growth over the past several months has put downward pressure on payroll growth for workers compensation.

3. Labor force participation has been depressed over the past two months led by younger workers. This may relate to declining employment in leisure and hospitality services during the summer season.