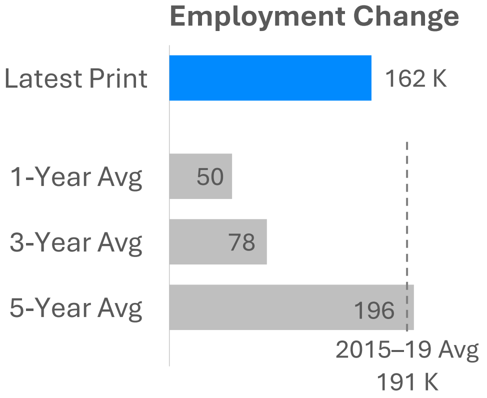
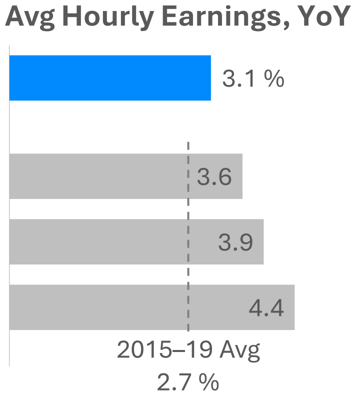
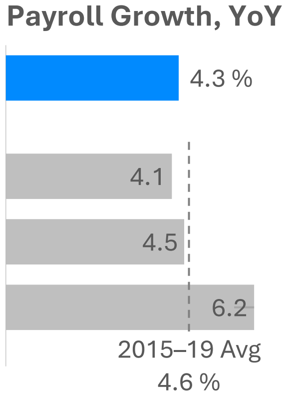
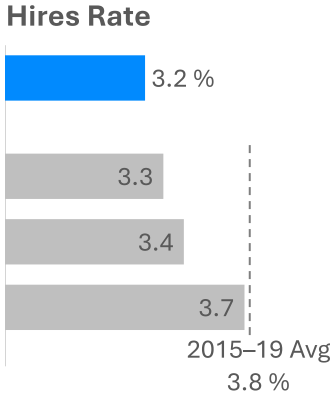
NCCI LABOR MARKET INSIGHTS

September 4, 2026









Drivers of Premium	Feb	Mar	Apr	May	Jun	Jul	Aug		Averages: 1-Year	3-Year	5-Year	2015–19
Net Employment Change (Thous.)	–156	214	148	63	31	21	162	1	50	78	196	191
Net Private Employment Change (Thous.)	–148	202	150	61	26	71	127		68	67	176	178
Average Hourly Earnings (y/y %)	3.7	3.4	3.6	3.3	3.4	3.2	3.1		3.6	3.9	4.4	2.7
Average Hours Worked (Hours)	34.3	34.2	34.3	34.3	34.3	34.3	34.4	2	34.3	34.3	34.4	34.4
Payroll (Calculated)* Growth (y/y %)	4.3	3.8	4.0	4.1	4.2	4.0	4.3		4.1	4.5	6.2	4.6

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

Drivers of Frequency	Feb	Mar	Apr	May	Jun	Jul	Aug		Averages: 1-Year	3-Year	5-Year	2015–19
Unemployment Rate (%)	4.4	4.3	4.3	4.3	4.2	4.1	4.1		4.3	4.1	4.0	4.4
Labor Force Participation Rate (%)	62.0	61.9	61.8	61.8	61.5	61.4	61.6	3	62.0	62.4	62.3	62.9
Prime Age Participation Rate (25–54, %)	83.9	83.8	83.8	83.9	83.3	83.4	83.4		83.7	83.6	83.2	81.7
Job Openings (Thous.)	6,922	6,887	7,585	7,537	7,182	7,271	–		7,107	7,547	8,812	6,360
Hires Rate (%)	3.1	3.5	3.3	3.3	3.4	3.2	–		3.3	3.4	3.7	3.8
Quits Rate (%)	1.9	2.0	1.9	2.0	2.0	1.9	–		2.0	2.1	2.3	2.2
Layoffs Rate (%)	1.1	1.2	1.0	1.1	1.1	1.0	–		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. Employment increased by an estimated 162,000 jobs in August. Combined with upward revisions of 11,000 for June and 44,000 for July, this report is a major reversal from the sluggish growth reported earlier in the summer and late spring.

   Employment growth was broad-based across industries, with declines only in the financial activities and information sectors. Leisure and hospitality had the largest growth of 62,000 jobs, bouncing back from declines in June and July. Government, health care, construction, and manufacturing also added substantial employment in August.

2. Average weekly hours ticked up in August along with employment. This led to a strong month for overall payroll growth despite hourly wage growth coming in at just 3.1% year over year, much closer to pre-pandemic norms than the elevated hourly growth seen in the last few years.

3. Employment growth in August came primarily from increased labor force participation rather than a decline in unemployment. The unemployment rate held steady at 4.1% as the labor force participation rate increased by 0.2 percentage points. Both rates are still slightly lower than they had been earlier in 2026.

Big Picture: The strong August employment numbers offset the relatively weak numbers from earlier in the summer. Employment growth averaged 71,000 jobs (or 75,000 private jobs) from June through August combined, very close to the three-year average. We view this report as a strong sign of a stabilizing labor market rather than as an acceleration.