

**UNDER EMBARGO UNTIL:
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National Employment Report

U.S. PRIVATE-SECTOR EMPLOYMENT INCREASED BY 38,000 JOBS IN MAY, ACCORDING TO ADP NATIONAL EMPLOYMENT REPORT

ROSELAND, N.J. – June 1, 2011 – Private-sector employment increased by 38,000 from April to May on a seasonally adjusted basis, according to the latest [ADP National Employment Report](#)[®] released today. The *ADP National Employment Report*, created by [Automatic Data Processing, Inc. \(ADP\)](#)[®], in partnership with [Macroeconomic Advisers, LLC](#), is derived from actual payroll data and measures the change in total nonfarm private employment each month.

Nonfarm Private Employment Highlights – May Report:

- Total employment: +38,000
- Small businesses:*** +27,000
- Medium businesses:** +30,000
- Large businesses:* -19,000
- Goods-producing sector: -10,000
- Service-providing sector: +48,000

Addendum:

- Manufacturing industry: -9,000

* *Small businesses represent payrolls with 1-49 employees*

** *Medium businesses represent payrolls with 50-499 employees*

*** *Large businesses represent payrolls with more than 499 employees*

Note: All data included in the ADP National Employment Report is based on size of payroll. In some cases, small and medium-size payrolls belong to businesses employing more workers than indicated by the size grouping.

According to the *ADP Report*, employment in the service-providing sector rose by 48,000 in May, marking 17 consecutive months of employment gains. Employment in the goods-producing sector fell 10,000 following six months of increases. Manufacturing employment fell 9,000 in May following seven consecutive monthly gains.

“Although we continue to see jobs being added to the economy, this month’s job figures show that employers believe we are not out of the woods yet when it comes to decisions on hiring,” said Gary C. Butler, President and Chief Executive Officer of ADP.

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “Today’s ADP National Employment Report suggests that employment growth slowed sharply in May. Employment in the nonfarm private-business sector rose 38,000 from April to May on a seasonally adjusted basis.”

Prakken added, “A deceleration in employment, while disappointing, is not entirely surprising. In the first quarter, GDP grew at only a 1.8% rate and only about 2¼% over the last four quarters. This is below most economists’ estimate of the economy’s potential growth rate and normally would be associated with very weak growth of employment.”

DERIVED FROM ADP PAYROLL DATA

Table 1. Employees on nonfarm private payrolls by selected industry sector and size*
(In thousands)

Industry / Size of Payroll	Seasonally Adjusted						Change from: Apr.2011 - May 2011p
	Dec. 2010	Jan. 2011	Feb. 2011	Mar. 2011	Apr. 2011p	May 2011p	
Total nonfarm private	107,693	107,883	108,088	108,291	108,468	108,506	38
Small (1-49).....	48,722	48,824	48,920	49,017	49,101	49,128	27
Medium (50-499).....	41,552	41,634	41,734	41,819	41,902	41,932	30
Large (> 499).....	17,419	17,425	17,434	17,455	17,465	17,446	-19
Goods-producing	17,688	17,718	17,738	17,776	17,812	17,802	-10
Small (1-49).....	6,594	6,604	6,609	6,620	6,631	6,633	2
Medium (50-499).....	7,666	7,683	7,703	7,724	7,751	7,758	7
Large (> 499).....	3,428	3,431	3,426	3,432	3,430	3,411	-19
Service-providing	90,005	90,165	90,350	90,515	90,656	90,704	48
Small (1-49).....	42,128	42,220	42,311	42,397	42,470	42,495	25
Medium (50-499).....	33,886	33,951	34,031	34,095	34,151	34,174	23
Large (> 499).....	13,991	13,994	14,008	14,023	14,035	14,035	0
Addendum:							
Manufacturing.....	11,561	11,587	11,605	11,641	11,661	11,652	-9

p = preliminary; subject to revision

* All size data included in the ADP National Employment Report is based on size of payroll. In some cases, small and medium-size payrolls belong to businesses employing more workers than indicated by the size grouping.

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which, during the twelve-month period through June 2010, averaged over 340,000 U.S. business clients and represented over 21 million U.S. employees. This approximately represents the size of the matched sample used this month.

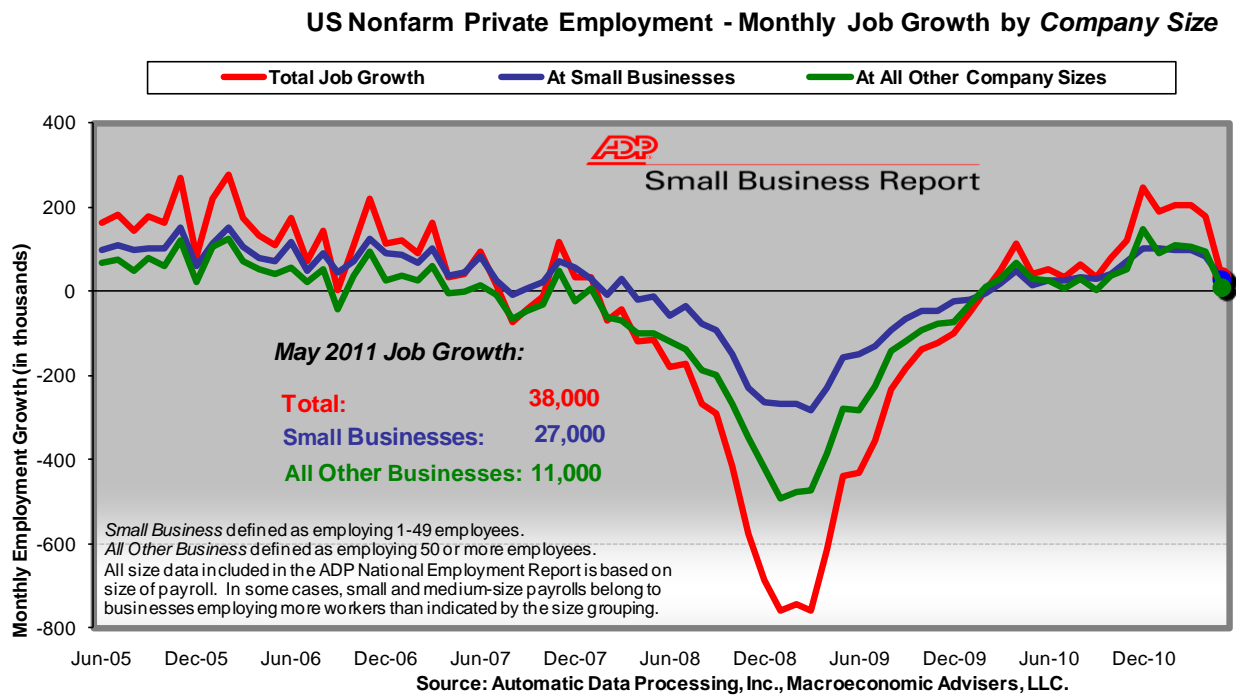
Small Business Highlights – May Report:

Due to the important contribution small businesses make to economic growth, employment data that is specific to businesses with fewer than 50 employees is reported in the [ADP Small Business Report](#)[®] each month. The *ADP Small Business Report* is a subset of the *ADP National Employment Report*.*

- Total nonfarm private small business employment: +27,000
 - Goods-producing sector: +2,000 small business jobs
 - Service-providing sector: +25,000 small business jobs

*All size data included in the ADP National Employment Report is based on size of payroll. In some cases, small and medium-size payrolls belong to businesses employing more workers than indicated by the size grouping.

“Employment among small businesses, defined as those with fewer than 50 workers, rose 27,000 in May,” commented Prakken. “Employment gains in the small business service-providing sector have increased in each of the past 18 months,” Prakken added. Additional information about [small businesses](http://www.smallbusinessreport.adp.com) employment, including charts on monthly job growth and employment levels, along with historical data, is available at <http://www.smallbusinessreport.adp.com>.



To obtain additional information about the *ADP National Employment Report*, including additional charts, supporting data and the schedule of future release dates, or to subscribe to the monthly email alerts and RSS feeds, please visit www.ADPemploymentreport.com. The June 2011 *ADP National Employment Report* will be released July 7, 2011, at 8:15 AM ET.

About the *ADP National Employment Report*[®]

The *ADP National Employment Report*[®], sponsored by ADP[®], was developed and is maintained by Macroeconomic Advisers, LLC. It is a measure of employment derived from an anonymous subset of roughly 500,000 U.S. business clients. During the twelve month period through June 2010, this subset averaged over 340,000 U.S. business clients and over 21 million U.S. employees working in all private industrial sectors. The *ADP Small Business Report* is a monthly estimate of private nonfarm employment among companies in the United States with 1-49 employees and is a subset of the *ADP National Employment Report*. The data for both reports is collected for pay periods that can be

interpolated to include the week of the 12th of each month, and processed with statistical methodologies similar to those used by the U.S. Bureau of Labor Statistics to compute employment from its monthly survey of establishments. Due to this processing, this subset is modified to make it indicative of national employment levels; therefore, the resulting employment changes computed for the *ADP National Employment Report* are not representative of changes in ADP's total base of U.S. business clients.

For a description of the underlying data and the statistical properties of the series, please see “*ADP National Employment Report: Development Methodology*” at <http://ADPEmploymentreport.com/methodology.aspx>.

About ADP

Automatic Data Processing, Inc. (NASDAQ: ADP), with nearly \$9 billion in revenues and about 550,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging over 60 years of experience, ADP offers a wide range of HR, payroll, tax and benefits administration solutions from a single source. ADP's easy-to-use solutions for employers provide superior value to companies of all types and sizes. ADP is also a leading provider of integrated computing solutions to auto, truck, motorcycle, marine and recreational vehicle dealers throughout the world. For more information about ADP or to contact a local ADP sales office, reach us at 1 (800) 225-5237 or visit the company's website at www.ADP.com.

About Macroeconomic Advisers, LLC

Macroeconomic Advisers, LLC (MA) has been the most trusted source for U.S. macroeconomic forecasts and commentary, monetary and fiscal policy analysis, and econometric modeling for 25 years. MA's clients include leading financial service firms, nonfinancial corporations, key policymaking agencies of the U.S. government, as well as State and Foreign Government agencies. Additional information on Macroeconomic Advisers, LLC is available on the company's website, www.MacroAdvisers.com.

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