



National Employment Report

ADP NATIONAL EMPLOYMENT REPORT SHOWS U.S. EMPLOYMENT DECREASED BY 203,000 PRIVATE SECTOR JOBS IN OCTOBER

ROSELAND, N.J. – November 4, 2009 – According to today’s [ADP National Employment Report](#)[®], private sector employment decreased by 203,000 in October. 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 – October Report:

- Total employment: -203,000
- Small businesses* -75,000
- Medium businesses** -75,000
- Large businesses*** -53,000

- Goods-producing sector: -117,000
- Service-providing sector: -86,000

Addendum:

- Manufacturing industry: -65,000

* *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*

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “Nonfarm private employment decreased 203,000 from September to October 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*. October was the seventh consecutive month during which the decline in employment was less than in the previous month. Nevertheless, despite recent indications that overall economic activity is stabilizing, employment, which usually trails overall economic activity, is likely to decline for at least a few more months.”

Prakken added, “October’s *ADP Report* estimates nonfarm private employment in the service-providing sector fell by 86,000. Employment in the goods-producing sector declined 117,000, with employment in the manufacturing sector dropping 65,000.”

“Large businesses, defined as those with 500 or more workers, saw employment decline by 53,000, while medium-size businesses with between 50 and 499 workers declined 75,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 75,000,” said Prakken.

Prakken went on to say, “In October, construction employment dropped 51,000. This was its thirty-third consecutive monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 1,675,000. Employment in the financial services sector dropped 18,000, the twenty-third consecutive monthly decline.”

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: Sep.2009 - Oct.2009p
	May 2009	Jun. 2009	Jul. 2009	Aug. 2009	Sep. 2009p	Oct. 2009p	
Total nonfarm private.....	109,787	109,354	109,007	108,740	108,513	108,310	-203
Small (1-49).....	48,664	48,504	48,373	48,263	48,173	48,098	-75
Medium (50-499).....	42,906	42,720	42,574	42,473	42,392	42,317	-75
Large (> 499).....	18,217	18,130	18,060	18,004	17,948	17,895	-53
Goods-producing.....	19,090	18,853	18,684	18,543	18,397	18,280	-117
Small (1-49).....	6,931	6,846	6,786	6,727	6,669	6,628	-41
Medium (50-499).....	8,390	8,288	8,217	8,164	8,110	8,065	-45
Large (> 499).....	3,769	3,719	3,681	3,652	3,618	3,587	-31
Service-providing.....	90,697	90,501	90,323	90,197	90,116	90,030	-86
Small (1-49).....	41,733	41,658	41,587	41,536	41,504	41,470	-34
Medium (50-499).....	34,516	34,432	34,357	34,309	34,282	34,252	-30
Large (> 499).....	14,448	14,411	14,379	14,352	14,330	14,308	-22
Addendum:							
Manufacturing.....	11,970	11,836	11,740	11,671	11,599	11,534	-65

p = preliminary

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through June 2009, averaged approximately 400,000 U.S. business clients and represented over 23 million U.S. employees. This approximately represents the size of the matched sample used this month.

Small Business Highlights – October Report:

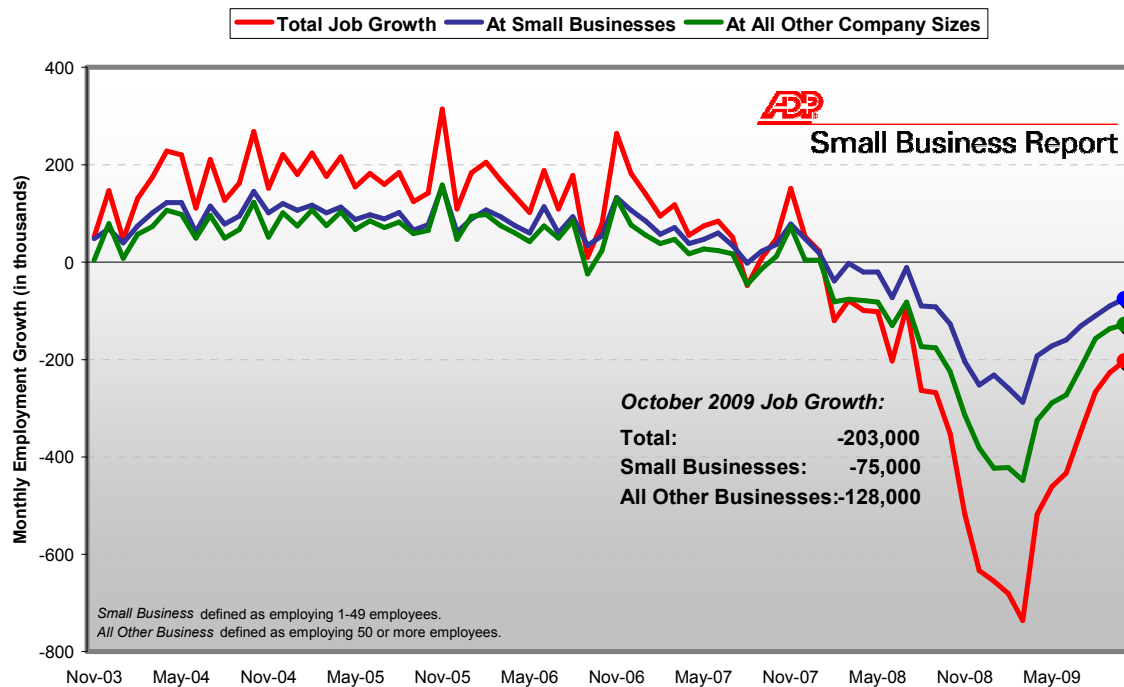
Due to the important contribution small businesses make to economic growth, employment data that is specific to businesses with fewer than 50 employees will be reported in the [ADP Small Business Report](#)® each month. The *ADP Small Business Report* is a subset of the *ADP National Employment Report*.

- Total small business employment: -75,000
- Goods-producing sector: -41,000 small business jobs
- Service-providing sector: -34,000 small business jobs

Private employment among [small businesses](#) decreased by 75,000 in October, according to the *ADP Small Business Report* released today. Additional information about small business employment, including charts on monthly job growth and employment levels, along with historical data, is available at <http://www.smallbusinessreport.adp.com>.

“Employment among small-size businesses, defined as those with fewer than 50 workers, declined 75,000 in October. October’s employment decline was the smallest since July of 2008. Employment usually trails overall economic activity, so losses are likely to continue for at least a few more months, but at a diminishing rate,” said Joel Prakken.

US Nonfarm Private Employment - Monthly Job Growth by Company Size



Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC.

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 e-mail alerts and RSS feeds, please visit

www.ADPemploymentreport.com. The November 2009 *ADP National Employment Report* will be released on Wednesday, December 2, 2009 at 8:15 a.m. 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 2009, this subset averaged approximately 400,000 U.S. business clients and over 23 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 570,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging 60 years of experience, ADP offers the widest 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 Web site 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 Web site, www.MacroAdvisers.com.

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