



National Employment Report

ADP NATIONAL EMPLOYMENT REPORT SHOWS U.S. EMPLOYMENT DECREASED BY 23,000 PRIVATE SECTOR JOBS IN MARCH

ROSELAND, N.J. – March 31, 2010 – According to today’s [ADP National Employment Report](#)[®], private sector employment decreased by 23,000 from February to March on a seasonally adjusted basis. 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 – March Report:

- Total employment: -23,000
- Small businesses* -12,000
- Medium businesses** -4,000
- Large businesses*** -7,000
- Goods-producing sector: -51,000
- Service-providing sector: +28,000

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.

Gary Butler, President & CEO, ADP, Inc., said, “American businesses are on the cusp of recovery yet this report shows that they remain hesitant to increase their payrolls. The federal HIRE Act offers businesses straightforward, immediate incentives that are available for each job they create. The HIRE Act and similar incentives are necessary to expand payrolls and reverse the trend in private sector employment.”

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “The March employment decline was the smallest since employment began falling in February of 2008. Yet, the lack of improvement in employment from February to March is consistent with the pause in the decline of initial unemployment claims that occurred during the winter.”

Prakken added, “Since employment as measured by the *ADP Report* was not restrained in February by the effects of inclement weather, today’s figure does not incorporate a weather-related rebound that could be present in this month’s BLS data. In addition, today’s figure does not include any federal hiring in March for the 2010 Census. For both these reasons, it is reasonable to expect that Friday’s employment figure from the BLS will be stronger than today’s estimate in the *ADP National Employment Report*.”

“March’s *ADP Report* estimates nonfarm private employment in the service-providing sector rose by 28,000, the second consecutive monthly increase and the highest job growth since March of 2008. However, this employment growth was not enough to offset continued losses in both the manufacturing and construction sectors. Employment in the goods-producing sector declined 51,000 during March, while manufacturing employment fell 9,000,” said Prakken.

Prakken went on to say, “Large businesses, defined as those with 500 or more workers, saw employment decline by 7,000 while small-size businesses with fewer than 50 workers, declined 12,000. Employment among medium-size businesses, defined as those with between 50 and 499 workers, declined by 4,000.”

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: Feb.2010 - Mar.2010p
	Oct. 2009	Nov. 2009	Dec. 2009	Jan. 2010	Feb. 2010p	Mar. 2010p	
Total nonfarm private	107,103	106,978	106,829	106,747	106,723	106,700	-23
Small (1-49).....	48,328	48,287	48,236	48,201	48,182	48,170	-12
Medium (50-499).....	41,179	41,137	41,081	41,061	41,067	41,063	-4
Large (> 499).....	17,596	17,554	17,512	17,485	17,474	17,467	-7
Goods-producing	17,911	17,818	17,730	17,653	17,605	17,554	-51
Small (1-49).....	6,621	6,583	6,549	6,511	6,481	6,454	-27
Medium (50-499).....	7,758	7,728	7,697	7,677	7,667	7,653	-14
Large (> 499).....	3,532	3,507	3,484	3,465	3,457	3,447	-10
Service-providing	89,192	89,160	89,099	89,094	89,118	89,146	28
Small (1-49).....	41,707	41,704	41,687	41,690	41,701	41,716	15
Medium (50-499).....	33,421	33,409	33,384	33,384	33,400	33,410	10
Large (> 499).....	14,064	14,047	14,028	14,020	14,017	14,020	3
Addendum:							
Manufacturing.....	11,529	11,486	11,449	11,429	11,425	11,416	-9

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 December 2009, averaged

over 360,000 U.S. business clients and represented over 22 million U.S. employees. This approximately represents the size of the matched sample used this month.

Small Business Highlights – March 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*.*

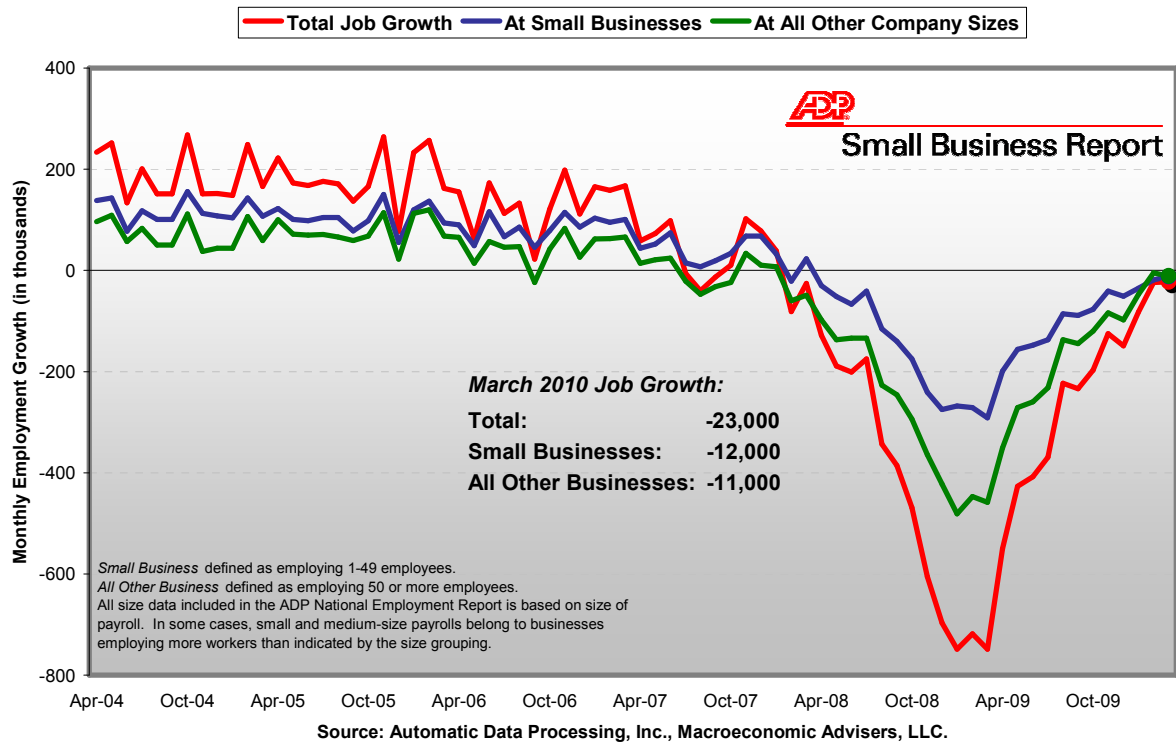
- Total small business employment: -12,000
- Goods-producing sector: -27,000 small business jobs
- Service-providing sector: +15,000 small business jobs

**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.*

Private employment among [small businesses](#) decreased by 12,000 in March, 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 12,000 in March. Small business employment in the service-providing sector increased by 15,000, the third consecutive monthly increase and the highest job growth since March of 2008,” said Joel Prakken.

US Nonfarm Private Employment - Monthly Job Growth by Company Size



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 April 2010 *ADP National Employment Report* will be released May 5, 2010 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 December 2009, this subset averaged over 360,000 U.S. business clients and over 22 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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