



**Thursday, July 5, 2007, 8:15 A.M. EDT**

Nonfarm private employment grew 150,000 from May to June of 2007 on a seasonally adjusted basis, according to the *ADP National Employment Report*<sup>TM</sup>.

This month's *ADP National Employment Report* suggests an acceleration of employment. The three-month average change in nonfarm private employment has increased from 75,000 in April, to 86,000 in May, to 103,000 in June, according to the *ADP Report*.

In June, employment in the service-providing sector of the economy grew a robust 163,000, while employment in the goods-producing sector declined 13,000. This marks the seventh consecutive monthly decline in the goods-producing sector, but the smallest since an increase of 18,000 in November of last year. Employment in the manufacturing sector also declined 13,000.

Small- and medium-size businesses more than accounted for the increase in total employment in June. Gains in employment at these businesses were concentrated in the service-providing sector of the economy. However, employment among small-size businesses in the goods-producing sector also rose 7,000, in contrast to an overall decline in employment among goods-producing businesses of all sizes.

For information on the construction and use of the *ADP Report*, please visit the methodology section of the *ADP National Employment Report* website at <http://ADPEmploymentreport.com/methodology.aspx>.



## National Employment Report

### DERIVED FROM ADP PAYROLL DATA

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

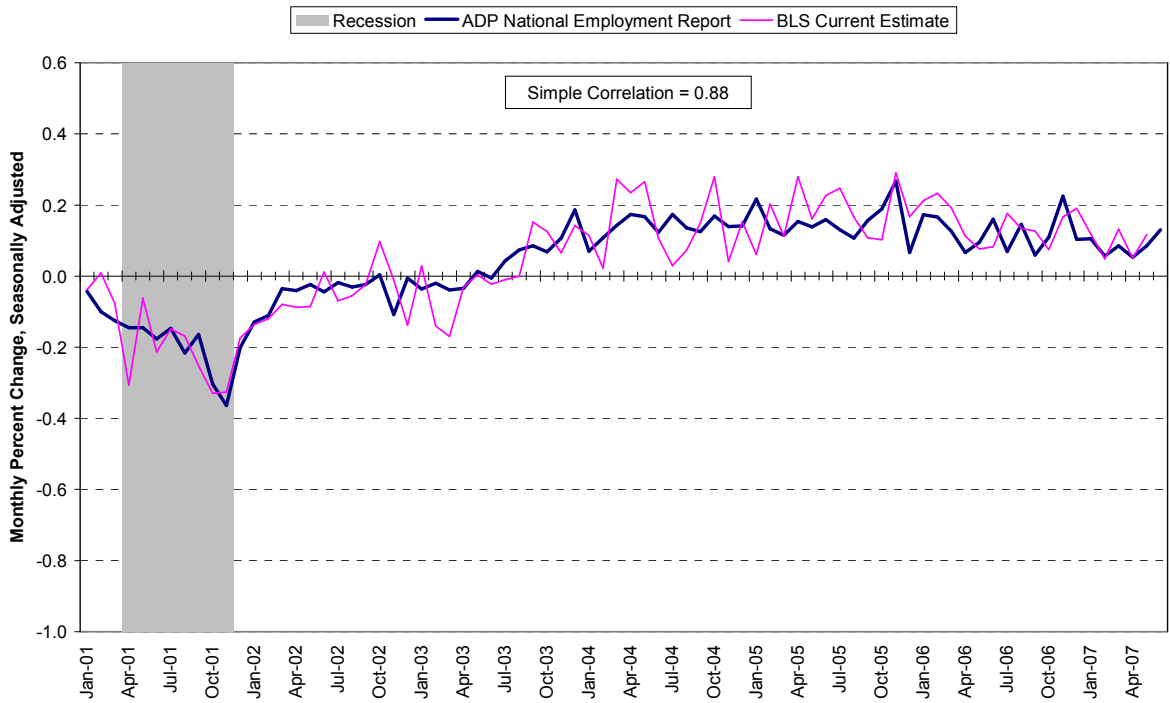
Industry / Size of Payroll	Seasonally Adjusted						Change from: May 2007 - Jun. 2007p
	Jan. 2007	Feb. 2007	Mar. 2007	Apr. 2007	May 2007	Jun. 2007p	
<b>Total nonfarm private</b> .....	115,054	115,119	115,217	115,278	115,376	115,526	150
Small (1-49).....	50,373	50,425	50,500	50,541	50,598	50,689	91
Medium (50-499).....	45,243	45,276	45,314	45,341	45,375	45,438	63
Large (> 499).....	19,438	19,418	19,403	19,396	19,403	19,399	-4
<b>Goods-producing</b> .....	22,457	22,416	22,390	22,347	22,321	22,308	-13
Small (1-49).....	8,121	8,117	8,120	8,108	8,102	8,109	7
Medium (50-499).....	9,917	9,901	9,883	9,865	9,849	9,845	-4
Large (> 499).....	4,419	4,398	4,387	4,374	4,370	4,354	-16
<b>Service-providing</b> .....	92,597	92,703	92,827	92,931	93,055	93,218	163
Small (1-49).....	42,252	42,308	42,380	42,433	42,496	42,580	84
Medium (50-499).....	35,326	35,375	35,431	35,476	35,526	35,593	67
Large (> 499).....	15,019	15,020	15,016	15,022	15,033	15,045	12
<b>Addendum:</b>							
Manufacturing.....	14,072	14,044	14,028	14,009	13,997	13,984	-13

p = preliminary

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the first six months of 2007, averaged approximately 383,000 payrolls representing nearly 23 million U.S. employees. This approximately represents the size of the matched sample used this month.

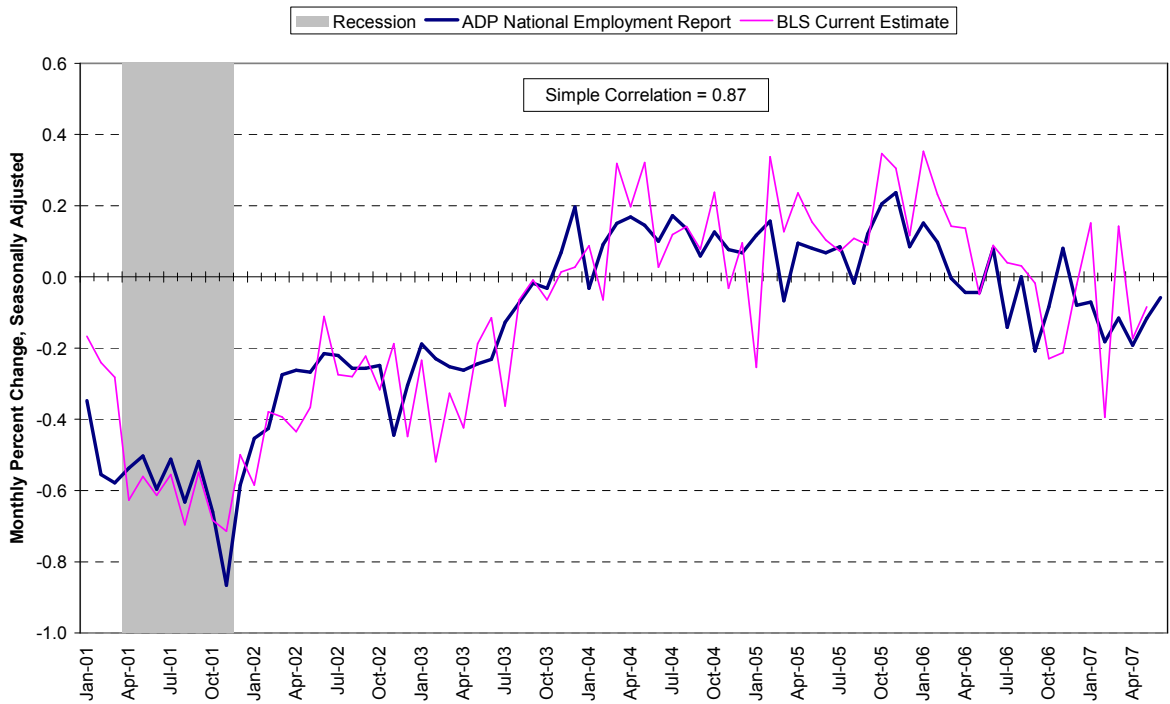


Chart 1. Growth of Nonfarm Private Employment, All Industries



Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

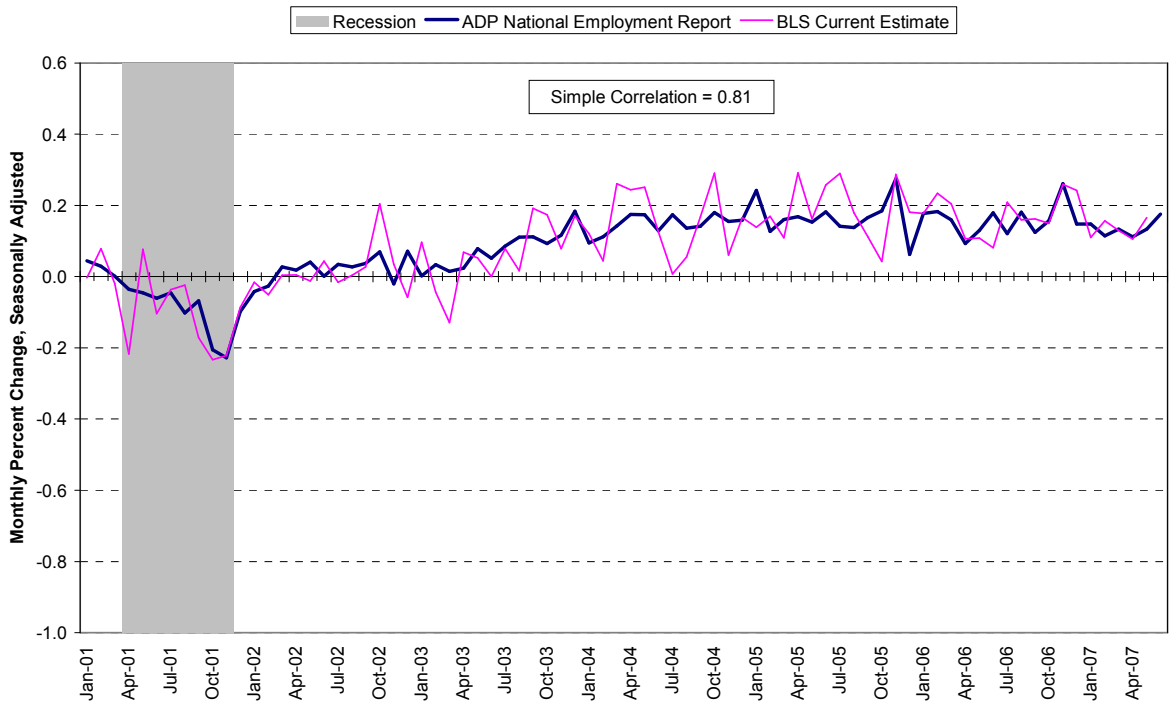
Chart 2. Growth of Nonfarm Private Employment, Goods-Producing Industries



Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

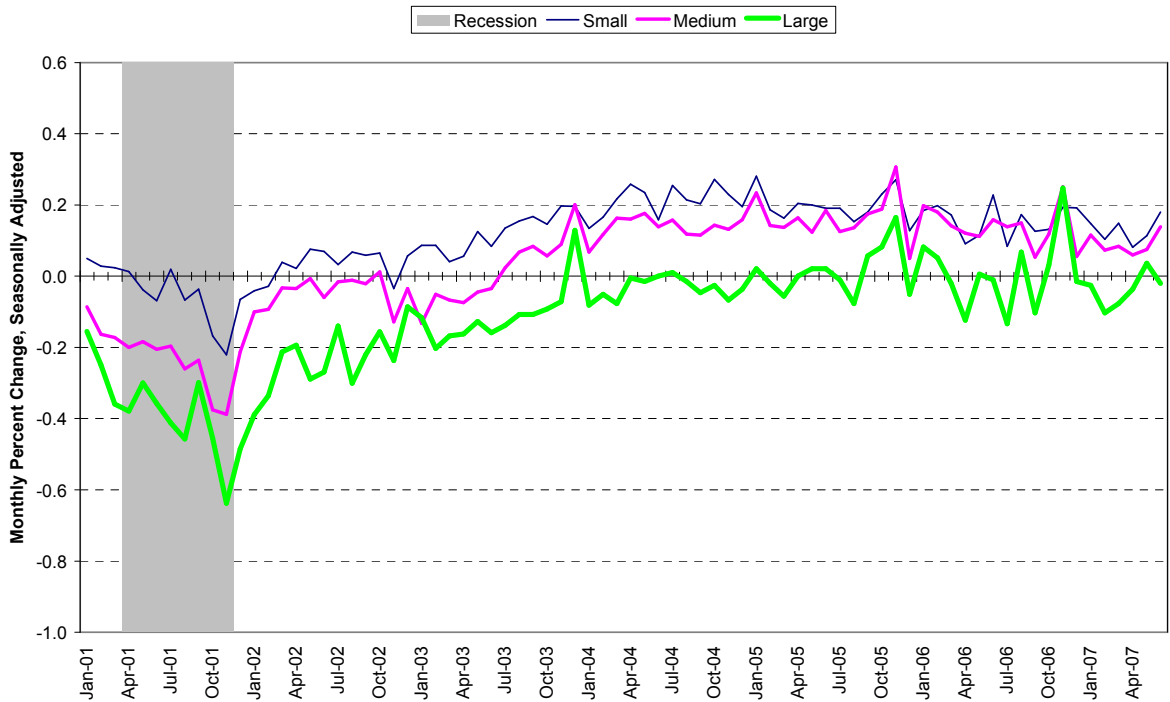


Chart 3. Growth of Nonfarm Private Employment, Service-Providing Industries



Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

Chart 4. Growth of Nonfarm Private Employment, by Size of Payroll



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



**About the *ADP National Employment Report*<sup>SM</sup>**

The *ADP National Employment Report*, sponsored by ADP<sup>®</sup>, 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 first six months of 2007, this subset represented approximately 383,000 U.S. business clients representing nearly 23 million U.S. employees working in all private industrial sectors. The data is collected for pay periods that can be interpolated to include the week of the 12<sup>th</sup> 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.

Empirical analysis performed by Macroeconomic Advisers suggests that the *ADP National Employment Report* can be used to develop a forecast of “true” employment that is superior to those resulting from consensus estimates, survey data, or other models of employment that do not incorporate the results of the *ADP Report*.

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>.

For a full schedule of future releases, please visit: [www.ADPEmploymentreport.com](http://www.ADPEmploymentreport.com)

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