



**Wednesday, April 4, 2007, 8:15 A.M. EDT**

Private nonfarm employment grew 106,000 from February to March of 2007 on a seasonally adjusted basis, according to the *ADP National Employment Report*.

This month's *ADP National Employment Report* suggests employment in March grew in line with the recent three month average increase in employment of 101,000, as estimated by the *ADP National Employment Report*.

Continuing recent trends, employment in the service-providing sector of the economy advanced 128,000, while employment in the goods-producing sector, which includes the construction industry, declined by 22,000. Employment in manufacturing industries fell by 15,000.

Other detail in The *ADP National Employment Report* shows that employment at small- and medium-size businesses employing less than 500 workers grew 124,000, while employment at larger businesses declined 18,000. Over the last six months, small- and medium-size businesses accounted for most of the growth in private nonfarm employment.

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>.



## 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. 2007 - Mar. 2007p
	Oct. 2006	Nov. 2006	Dec. 2006	Jan. 2007	Feb. 2007	Mar. 2007p	
<b>Total nonfarm private</b> .....	114,557	114,815	114,933	115,054	115,119	115,225	106
Small (1-49).....	50,106	50,203	50,299	50,373	50,425	50,506	81
Medium (50-499).....	45,053	45,166	45,191	45,243	45,276	45,319	43
Large (> 499).....	19,398	19,446	19,443	19,438	19,418	19,400	-18
<b>Goods-producing</b> .....	22,473	22,491	22,473	22,457	22,416	22,394	-22
Small (1-49).....	8,087	8,102	8,115	8,121	8,117	8,123	6
Medium (50-499).....	9,933	9,943	9,926	9,917	9,901	9,884	-17
Large (> 499).....	4,453	4,446	4,432	4,419	4,398	4,387	-11
<b>Service-providing</b> .....	92,084	92,324	92,460	92,597	92,703	92,831	128
Small (1-49).....	42,019	42,101	42,184	42,252	42,308	42,383	75
Medium (50-499).....	35,120	35,223	35,265	35,326	35,375	35,435	60
Large (> 499).....	14,945	15,000	15,011	15,019	15,020	15,013	-7
<b>Addendum:</b>							
Manufacturing.....	14,118	14,117	14,095	14,072	14,044	14,029	-15

p = preliminary

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the last six months of 2006, averaged 364,000 payrolls representing 22 million U.S. employees. This approximately represents the size of the matched sample used this month.



Chart 1. Growth of Private Nonfarm Employment, All Industries

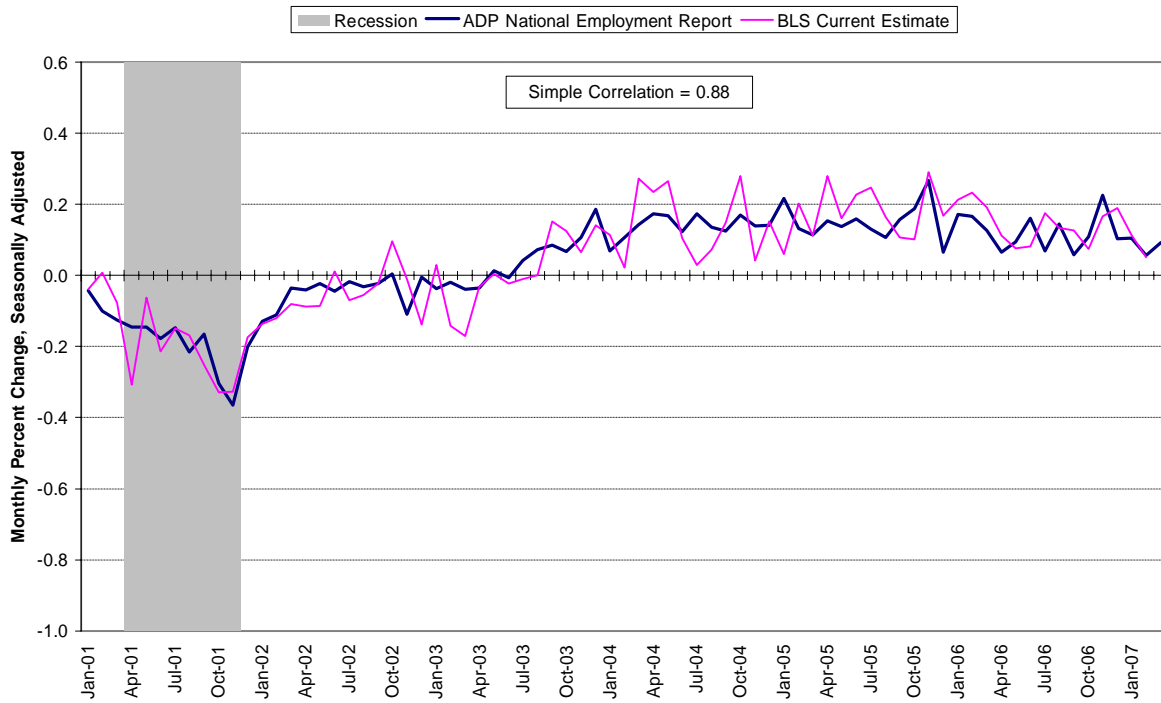


Chart 2. Growth of Private Nonfarm Employment, Goods-Producing Industries

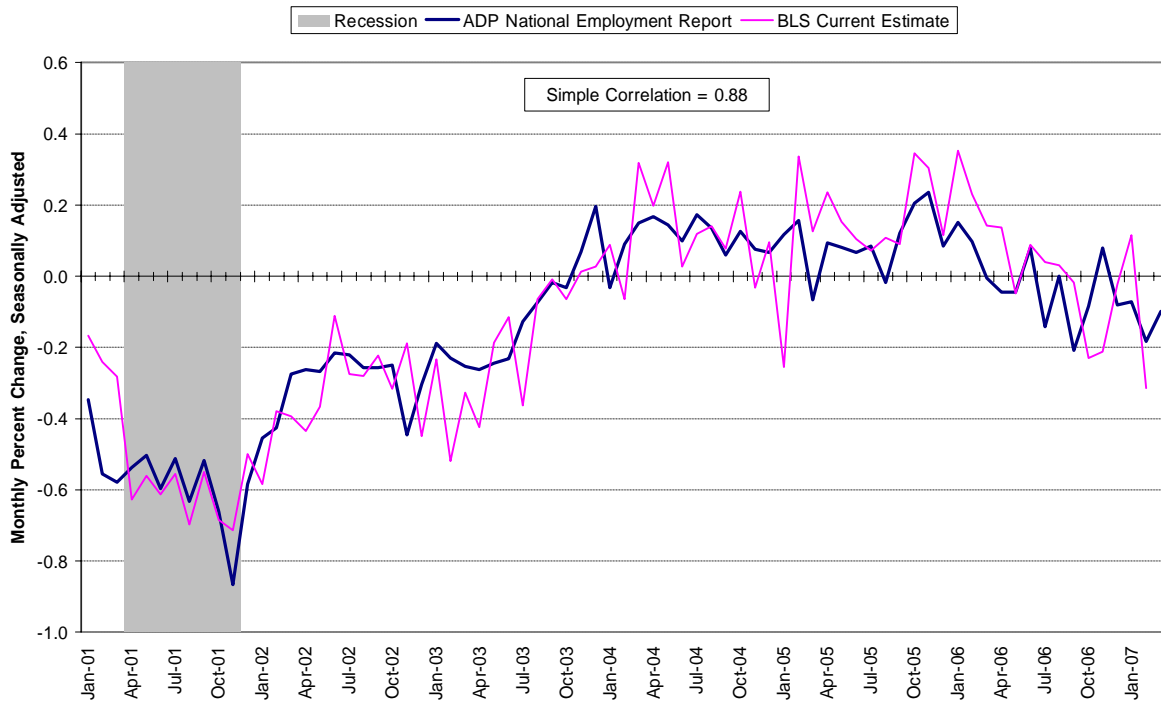
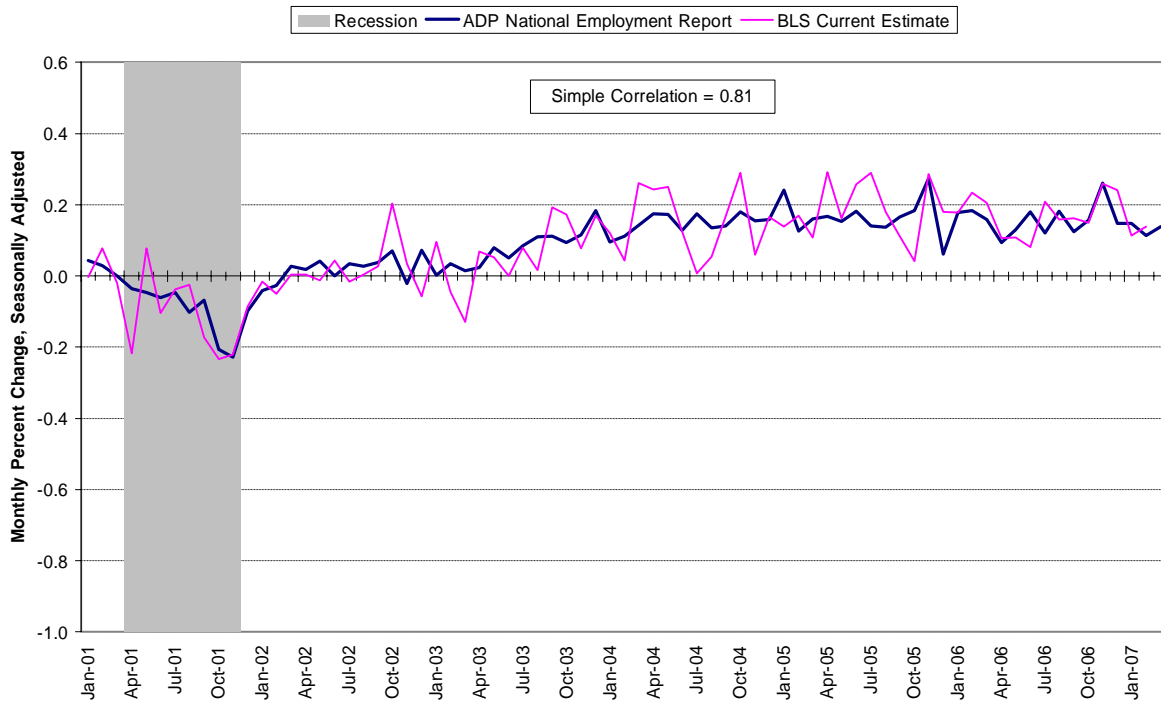


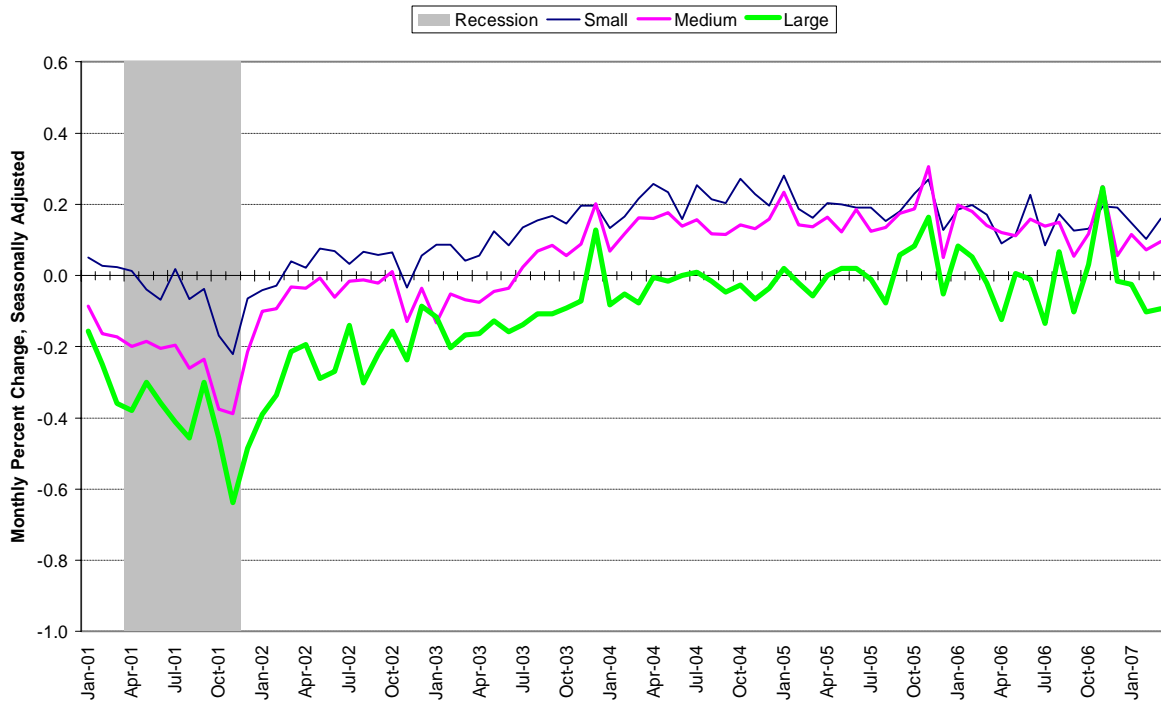


Chart 3. Growth of Private Nonfarm Employment, Service-Providing Industries



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

Chart 4. Growth of Private Nonfarm 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 last six months of 2006, this subset represented approximately 364,000 U.S. business clients and approximately 22 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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