



## National Employment Report

### ADP NATIONAL EMPLOYMENT REPORT SHOWS U.S. EMPLOYMENT DECREASED BY 298,000 PRIVATE SECTOR JOBS IN AUGUST

ROSELAND, N.J. – September 2, 2009 – According to today’s [ADP National Employment Report](#)<sup>®</sup>, private sector employment decreased by 298,000 in August. The *ADP National Employment Report*, created by ADP<sup>®</sup> Employer Services, a division of [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 – August Report:

- Total employment: -298,000
- Small businesses\* -122,000
- Medium businesses\*\* -116,000
- Large businesses\*\*\* -60,000
- Goods-producing sector: -152,000
- Service-providing sector: -146,000

#### Addendum:

- Manufacturing industry: -74,000

\* *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 298,000 from July to August 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*. August’s employment decline was the smallest since September of 2008. Employment losses are clearly diminishing. Despite recent indications that overall economic activity is stabilizing, employment, which usually trails overall economic activity, is still likely to decline for at least several more months, albeit at a diminishing rate.”

Prakken added, “August’s *ADP Report* estimates nonfarm private employment in the service-providing sector fell by 146,000. Employment in the goods-producing sector

declined 152,000, with employment in the manufacturing sector dropping 74,000, its smallest monthly decline since July of 2008.”

“Large businesses, defined as those with 500 or more workers, saw employment decline by 60,000, while medium-size businesses with between 50 and 499 workers declined 116,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 122,000,” said Prakken.

Prakken went on to say, “In August, construction employment dropped 73,000. This was its thirty-first consecutive monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 1,562,000. Employment in the financial services sector dropped 19,000, the twenty-first 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: Jul. 2009 - Aug. 2009p
	Mar. 2009	Apr. 2009	May. 2009	Jun. 2009	Jul. 2009p	Aug. 2009p	
<b>Total nonfarm private</b> .....	110,766	110,248	109,787	109,354	108,994	108,696	-298
Small (1-49).....	49,029	48,836	48,664	48,504	48,369	48,247	-122
Medium (50-499).....	43,342	43,104	42,906	42,720	42,567	42,451	-116
Large (> 499).....	18,395	18,308	18,217	18,130	18,058	17,998	-60
<b>Goods-producing</b> .....	19,609	19,343	19,090	18,853	18,681	18,529	-152
Small (1-49).....	7,114	7,020	6,931	6,846	6,785	6,722	-63
Medium (50-499).....	8,625	8,500	8,390	8,288	8,215	8,157	-58
Large (> 499).....	3,870	3,823	3,769	3,719	3,681	3,650	-31
<b>Service-providing</b> .....	91,157	90,905	90,697	90,501	90,313	90,167	-146
Small (1-49).....	41,915	41,816	41,733	41,658	41,584	41,525	-59
Medium (50-499).....	34,717	34,604	34,516	34,432	34,352	34,294	-58
Large (> 499).....	14,525	14,485	14,448	14,411	14,377	14,348	-29
<b>Addendum:</b>							
Manufacturing.....	12,278	12,119	11,970	11,836	11,737	11,663	-74

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.

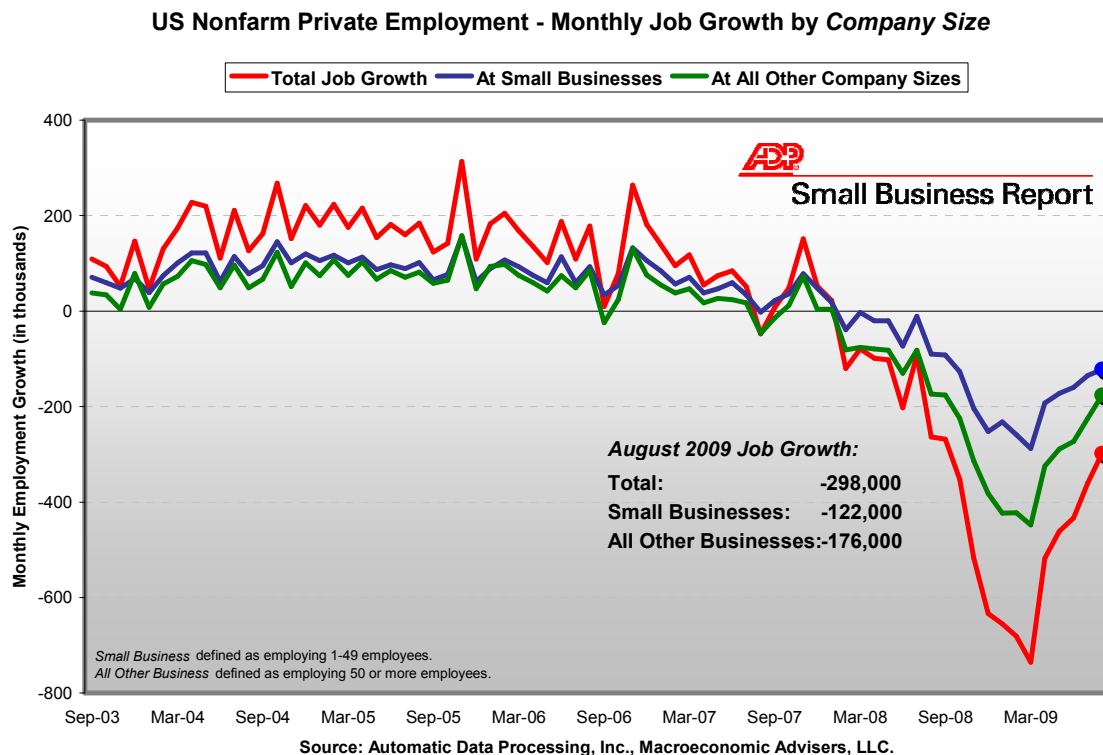
### Small Business Highlights – August Report:

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: -122,000
- Goods-producing sector: -63,000 small business jobs
- Service-providing sector: -59,000 small business jobs

Private employment among [small businesses](#) decreased by 122,000 in August, 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 122,000 in August. This month’s employment decline was the smallest since September of 2008. Employment among small-size businesses is likely to decline for at least several more months, albeit at a diminishing rate. Since reaching peak employment in January 2008, small-size businesses have shed 2.5 million jobs,” said Joel Prakken.



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](http://www.ADPemploymentreport.com). The September 2009 *ADP National Employment Report* will be released on Wednesday, September 30, 2009 at 8:15 a.m. ET.

### **About the *ADP National Employment Report*<sup>®</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 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*<sup>®</sup> 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](http://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](http://www.MacroAdvisers.com).

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