



National Employment Report

**U.S. PRIVATE SECTOR EMPLOYMENT INCREASED BY 42,000 JOBS IN JULY,
ACCORDING TO ADP NATIONAL EMPLOYMENT REPORT**
*Small and medium-size businesses drive employment increase; large business
employment remains flat*

ROSELAND, N.J. – August 4, 2010 – Private sector employment increased by 42,000 from June to July on a seasonally adjusted basis, according to the latest [ADP National Employment Report](#)[®] released today. 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 – July Report:

- Total employment: +42,000
- Small businesses* +21,000
- Medium businesses** +21,000
- Large businesses*** 0
- Goods-producing sector: -21,000
- Service-providing sector: +63,000

Addendum:

- Manufacturing industry: -6,000

* *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.

“Today’s *ADP National Employment Report* shows continued weakness in the jobs market, which is in part caused by the uncertainty in the economy and general business climate,” said Gary Butler, CEO of ADP. “American businesses are on the cusp of recovery, but more effective incentives are needed to encourage business investment resulting in the creation of more jobs.”

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “July’s rise in private employment was the sixth consecutive monthly gain. However, over those six months increases have averaged a modest 37,000, with no evidence of acceleration.”

Prakken added, “Unlike the estimate of total establishment employment to be released on Friday by the Bureau of Labor Statistics (BLS), today’s figure does not include the effects of federal hiring — and now firing — for the 2010 Census. Hiring for the census peaked in May. For this reason, Friday’s figure for the change in nonfarm total employment reported by the BLS might be weaker than today’s estimate for nonfarm private employment in the *ADP Report*.”

“July’s *ADP Report* estimates nonfarm private employment in the service-providing sector rose by 63,000. Employment in the goods-producing sector declined 21,000 during July. Manufacturing employment declined by 6,000, the first decrease in six months. Construction employment dropped 17,000, the smallest decline since November 2007,” said Prakken.

Prakken went on to say, “Large businesses, defined as those with 500 or more workers, saw employment remain flat and employment among medium-size businesses, defined as those with between 50 and 499 workers increased by 21,000. Employment among small-size businesses, defined as those with fewer than 50 workers, increased by 21,000 in July.”

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: Jun.2010 - Jul.2010p
	Feb. 2010	Mar. 2010	Apr. 2010	May 2010	Jun. 2010p	Jul. 2010p	
Total nonfarm private	106,750	106,782	106,847	106,910	106,929	106,971	42
Small (1-49).....	48,191	48,199	48,216	48,231	48,234	48,255	21
Medium (50-499).....	41,078	41,097	41,128	41,174	41,190	41,211	21
Large (> 499).....	17,481	17,486	17,503	17,505	17,505	17,505	0
Goods-producing	17,618	17,590	17,584	17,563	17,541	17,520	-21
Small (1-49).....	6,485	6,465	6,446	6,423	6,402	6,394	-8
Medium (50-499).....	7,672	7,666	7,668	7,673	7,669	7,666	-3
Large (> 499).....	3,461	3,459	3,470	3,467	3,470	3,460	-10
Service-providing	89,132	89,192	89,263	89,347	89,388	89,451	63
Small (1-49).....	41,706	41,734	41,770	41,808	41,832	41,861	29
Medium (50-499).....	33,406	33,431	33,460	33,501	33,521	33,545	24
Large (> 499).....	14,020	14,027	14,033	14,038	14,035	14,045	10
Addendum:							
Manufacturing.....	11,434	11,441	11,475	11,491	11,503	11,497	-6

p = preliminary

* 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.

The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through June 2010, averaged over

340,000 U.S. business clients and represented over 21 million U.S. employees. This approximately represents the size of the matched sample used this month.

Small Business Highlights – July 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*.*

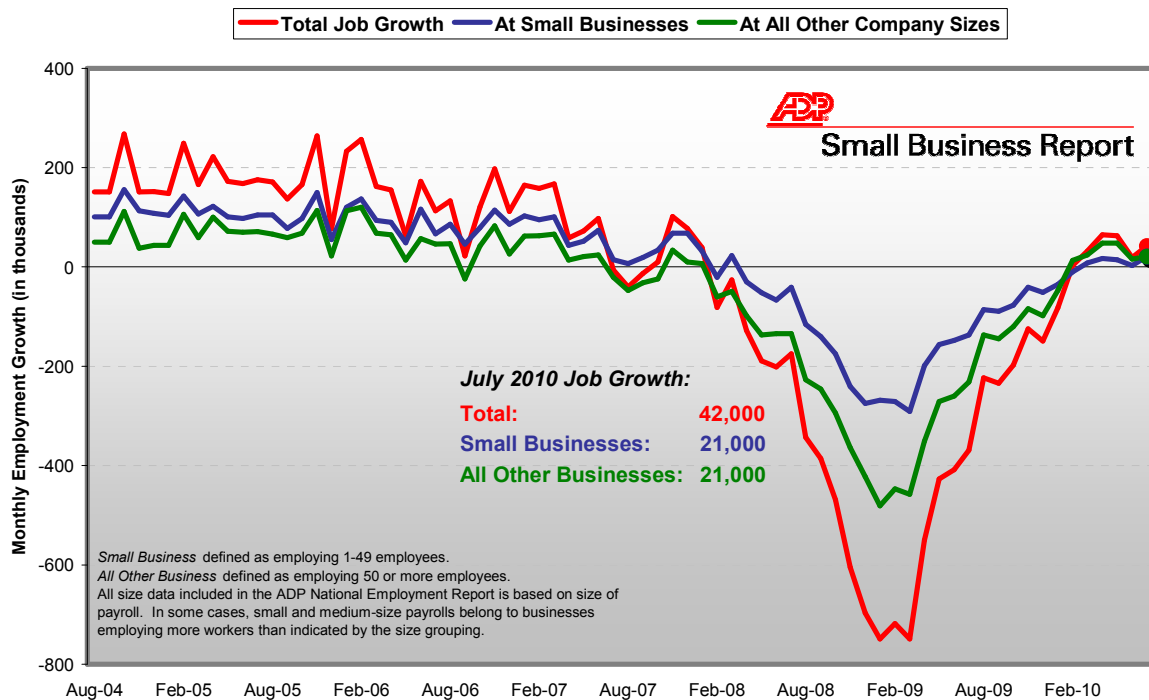
- Total small business employment: +21,000
- Goods-producing sector: -8,000 small business jobs
- Service-providing sector: +29,000 small business jobs

*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](#) increased by 21,000 in July, 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>.

“Small businesses, defined as those with fewer than 50 workers, saw employment increase by 21,000 during July. Small business employment in the service-providing sector increased by 29,000, the seventh consecutive monthly increase,” 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 August 2010 *ADP National Employment Report* will be released September 1, 2010 at 8:15 AM 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 2010, this subset averaged over 340,000 U.S. business clients and over 21 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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