



**Wednesday, January 6, 2010, 8:15 A.M. ET**

Nonfarm private employment decreased 84,000 from November to December 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*<sup>®</sup>. The estimated change of employment from October to November was revised by 24,000, from a decline of 169,000 to a decline of 145,000.

The decline in December was the smallest since March of 2008. Employment losses are now rapidly diminishing and, if recent trends continue, private employment will begin rising within the next few months.

December's *ADP Report* estimates nonfarm private employment in the service-providing sector increased by 12,000, the first increase since March of 2008. However, this employment growth was not enough to offset continued losses in the goods-producing sector. Employment in the goods-producing sector declined 96,000, with employment in the manufacturing sector dropping 43,000.

Large businesses, defined as those with 500 or more workers, saw employment decline by 34,000 while medium-size businesses with between 50 and 499 workers declined 25,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 25,000. However, small business employment within the service-providing sector increased by 11,000 during December.

In December, construction employment dropped 52,000. This was its thirty-fifth consecutive monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 1,777,000. Employment in the financial services sector dropped 12,000.

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**

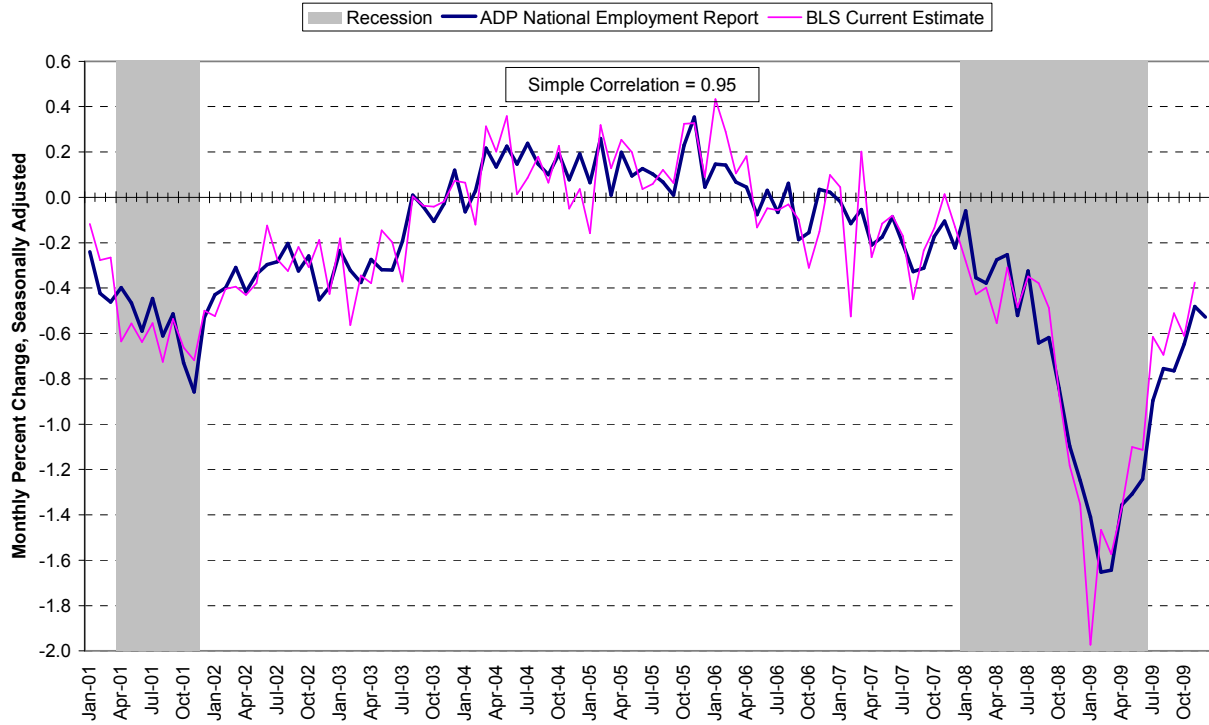
**Table 1. Employees on nonfarm private payrolls by selected industry sector and size**  
(In thousands)

Industry / Size of Payroll	Seasonally Adjusted						Change from: Nov.2009 - Dec.2009p
	Jul. 2009	Aug. 2009	Sep. 2009	Oct. 2009	Nov. 2009p	Dec. 2009p	
<b>Total nonfarm private</b> .....	109,007	108,740	108,520	108,342	108,197	108,113	-84
Small (1-49).....	48,373	48,263	48,175	48,106	48,047	48,022	-25
Medium (50-499).....	42,574	42,473	42,395	42,330	42,286	42,261	-25
Large (> 499).....	18,060	18,004	17,950	17,906	17,864	17,830	-34
<b>Goods-producing</b> .....	18,684	18,543	18,401	18,282	18,194	18,098	-96
Small (1-49).....	6,786	6,727	6,669	6,624	6,587	6,551	-36
Medium (50-499).....	8,217	8,164	8,113	8,068	8,042	8,007	-35
Large (> 499).....	3,681	3,652	3,619	3,590	3,565	3,540	-25
<b>Service-providing</b> .....	90,323	90,197	90,119	90,060	90,003	90,015	12
Small (1-49).....	41,587	41,536	41,506	41,482	41,460	41,471	11
Medium (50-499).....	34,357	34,309	34,282	34,262	34,244	34,254	10
Large (> 499).....	14,379	14,352	14,331	14,316	14,299	14,290	-9
<b>Addendum:</b>							
Manufacturing.....	11,740	11,671	11,605	11,544	11,502	11,459	-43

p = preliminary

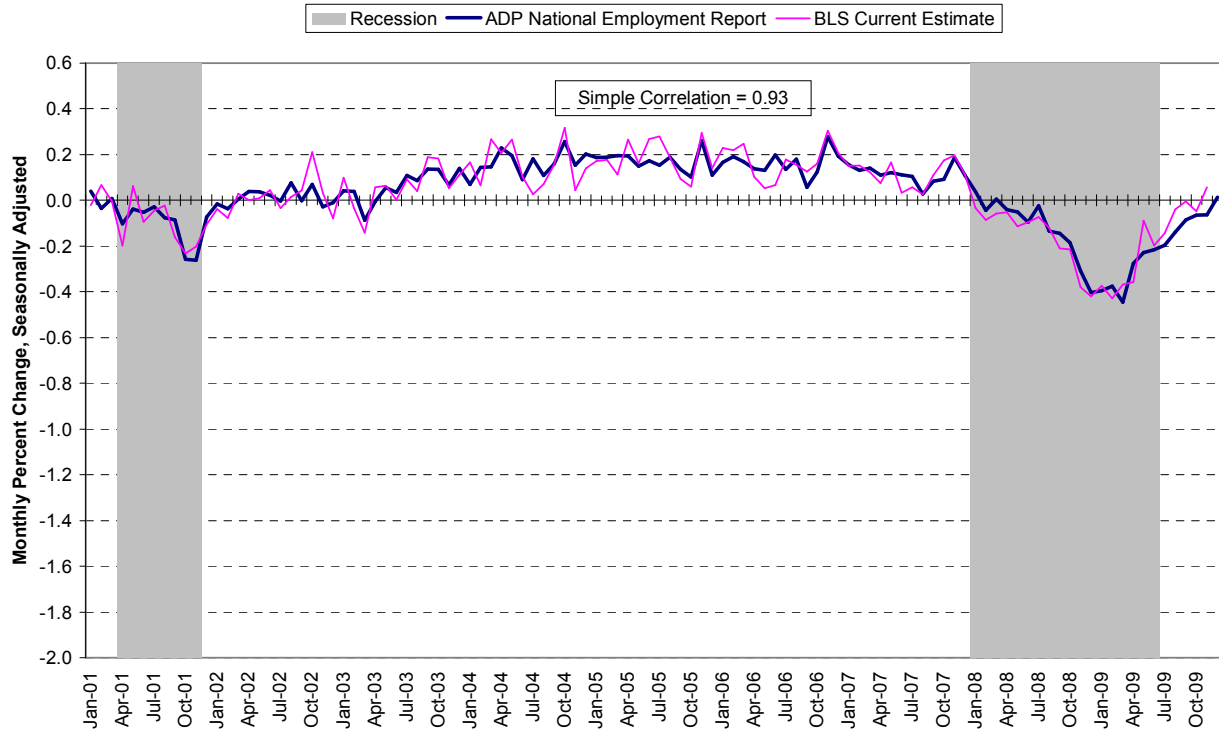
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through December 2009, averaged over 360,000 U.S. business clients and represented over 22 million U.S. employees. This approximately represents the size of the matched sample used this month.

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



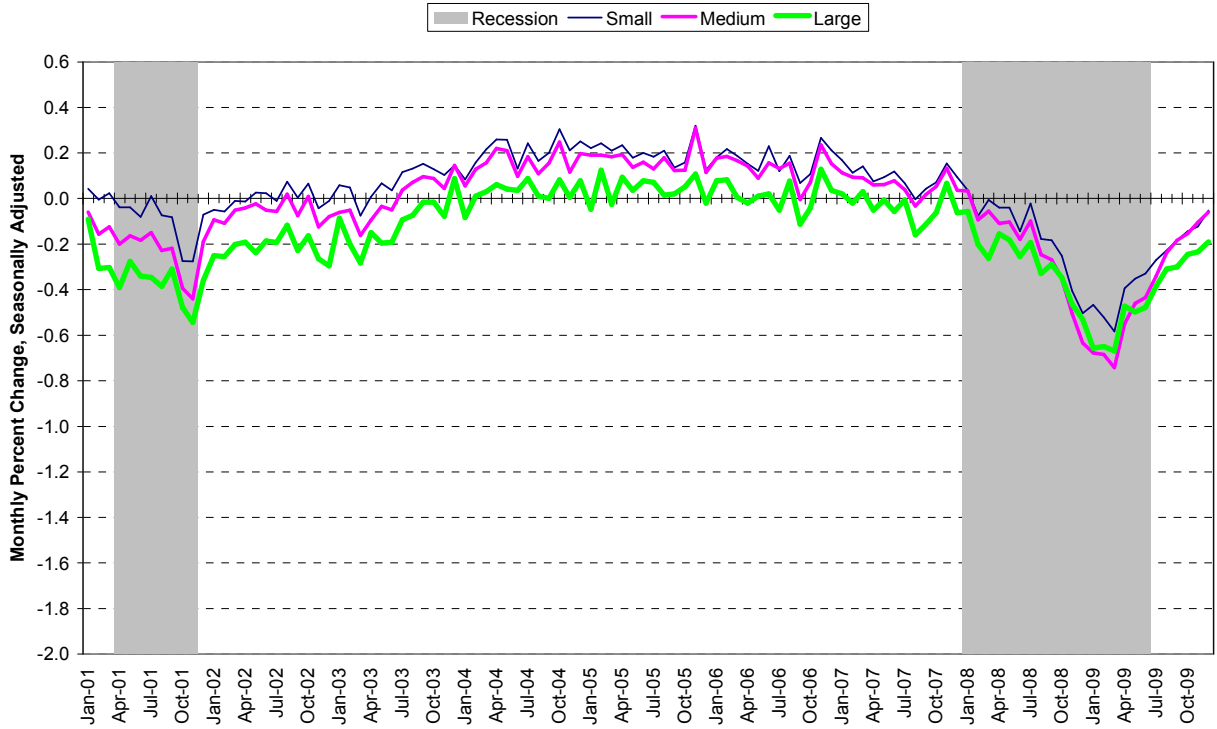
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



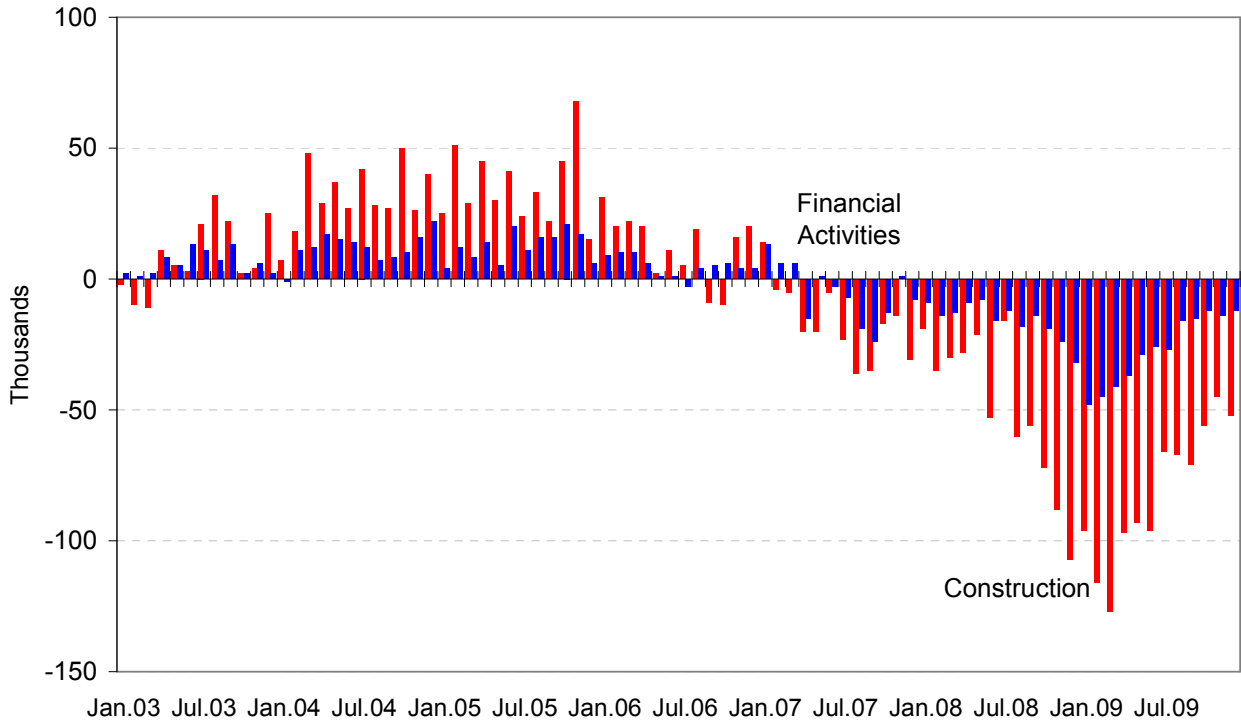
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



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

**Monthly Changes of Employment in Construction and Financial Activities**



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

**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 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*<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>.

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

Media contacts: ADP Public Relations: 973-974-7612  
Macroeconomic Advisers: 314-721-4747

Technical information: 314-721-4747  
[www.ADPEmploymentreport.com](http://www.ADPEmploymentreport.com)

*The ADP National Employment Report is a registered trademark of ADP, Inc.*