

**UNDER EMBARGO UNTIL:
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National Employment Report

U.S. PRIVATE-SECTOR EMPLOYMENT INCREASED BY 325,000 JOBS IN DECEMBER, ACCORDING TO ADP NATIONAL EMPLOYMENT REPORT

ROSELAND, N.J. – January 5, 2012 – Private-sector employment increased by 325,000 from November to December 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. The estimated gain in employment from October to November was revised down slightly to 204,000 from the initially reported 206,000.

U.S. Nonfarm Private Employment Highlights – December 2011 Report:

- Total employment: +325,000

- Small businesses:* +148,000
- Medium businesses:** +140,000
- Large businesses:*** + 37,000

- Goods-producing sector: + 52,000

- Service-providing sector: +273,000

Addendum:

- Manufacturing industry: + 22,000

* *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.

According to today's *ADP National Employment Report*, employment in the nonfarm private business sector rose 325,000 from November to December on a seasonally adjusted basis. Employment in the private, service-providing sector increased 273,000 in December, after rising 176,000 in November. Employment in the private, goods-producing sector rose 52,000 in December. Manufacturing employment increased 22,000, tripling the previous month's increase of 7,000, while construction employment grew 26,000 during that period.

“December’s advance was the largest monthly gain since December 2010, reflecting strong job creation across most industries,” said Carlos Rodriguez, President and Chief Executive Officer of ADP. “Small and medium-sized businesses were hiring at a similar pace. Job creation among large employers was also encouraging.”

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “The estimate for December suggests that employment accelerated for the fourth consecutive month, consistent with the year-end pick-up in economic growth. Today’s report, which is notably above the consensus forecasts both for today’s number and for Friday’s jobs estimate from the Bureau of Labor Statistics (BLS), points towards a strengthening labor market.”

Prakken continued: “Today’s report also suggests that November’s somewhat surprising decline in the unemployment rate might stick and, indeed, that the unemployment rate could fall further in December. Other indicators also signal some firming of labor market conditions, including the downward trend in unemployment claims, upturns in consumer sentiment and confidence influenced by perceptions about the availability of jobs, along with a rising trend in employees voluntarily quitting their positions.

“Employment on medium payrolls—those with 50 to 499 workers—rose 140,000 in December. Employment on large payrolls—those with 500 or more workers—increased 37,000 during that same period,” Prakken noted.

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.2011 - Dec.2011p
	Jul. 2011	Aug. 2011	Sep. 2011	Oct. 2011	Nov. 2011p	Dec. 2011p	
Total nonfarm private	108,756	108,841	108,971	109,117	109,321	109,646	325
Small (1-49).....	49,264	49,320	49,391	49,461	49,570	49,718	148
Medium (50-499).....	42,032	42,060	42,111	42,179	42,263	42,403	140
Large (> 499).....	17,460	17,461	17,469	17,477	17,488	17,525	37
Goods-producing	17,828	17,833	17,827	17,834	17,862	17,914	52
Small (1-49).....	6,645	6,651	6,652	6,654	6,670	6,688	18
Medium (50-499).....	7,766	7,769	7,772	7,784	7,800	7,832	32
Large (> 499).....	3,417	3,413	3,403	3,396	3,392	3,394	2
Service-providing	90,928	91,008	91,144	91,283	91,459	91,732	273
Small (1-49).....	42,619	42,669	42,739	42,807	42,900	43,030	130
Medium (50-499).....	34,266	34,291	34,339	34,395	34,463	34,571	108
Large (> 499).....	14,043	14,048	14,066	14,081	14,096	14,131	35
Addendum:							
Manufacturing.....	11,675	11,667	11,660	11,657	11,663	11,685	22

p = preliminary; subject to revision
** 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 2010, averaged about 337,000 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 – December Report:

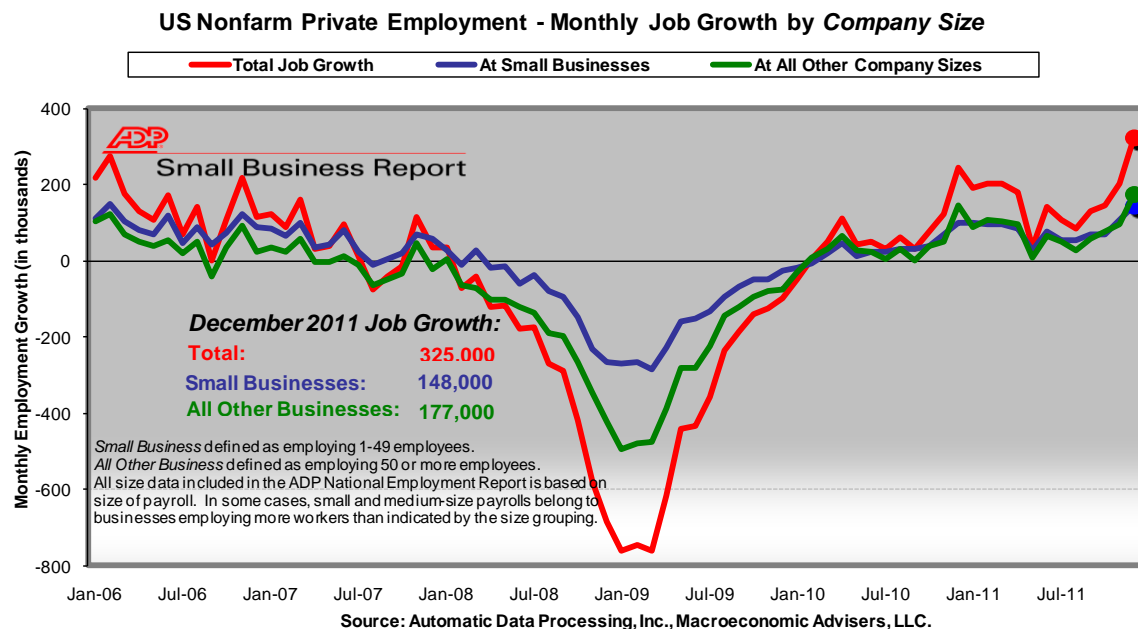
Due to the important contribution small businesses make to economic growth, employment data that is specific to businesses with fewer than 50 employees is reported in the [ADP Small Business Report](#)[®] each month. The *ADP Small Business Report* is a subset of the *ADP National Employment Report*.*

Prakken said: “Employment on small payrolls—those with up to 49 workers—rose 148,000 in December, up from the 109,000 jobs created among small businesses last month.”

- Total nonfarm private small business employment: 148,000 jobs created
 - Goods-producing sector: 18,000 small business jobs created
 - Service-providing sector: 130,000 small business jobs created

* 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.

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>.



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 email alerts and RSS feeds, please visit www.ADPemploymentreport.com. The January 2012 *ADP National Employment Report* will be released February 1, 2012 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 2010, this subset averaged about 337,000 U.S. business clients and represented 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](http://www.adp.com), Inc. (NASDAQ: ADP), with about \$10 billion in revenues and approximately 570,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging over 60 years of experience, ADP offers a wide range of [human resource](#), [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, [recreational vehicle](#), and heavy equipment 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 policy making 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 website, www.MacroAdvisers.com.

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