



National Employment Report

U.S. PRIVATE-SECTOR EMPLOYMENT INCREASED BY 217,000 JOBS IN FEBRUARY, ACCORDING TO ADP NATIONAL EMPLOYMENT REPORT

Small-business employment has increased by at least 100,000 in each of the last three months

ROSELAND, N.J. – March 2, 2011 – Private-sector employment increased by 217,000 from January to February 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 – February Report:

- Total employment: +217,000
- Small businesses* +100,000
- Medium businesses** +104,000
- Large businesses*** +13,000
- Goods-producing sector: +15,000
- Service-providing sector: +202,000

Addendum:

- Manufacturing industry: +20,000

* *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 the *ADP Report*, employment in the service-providing sector rose by 202,000 in February, marking thirteen consecutive months of employment gains. Employment in the goods-producing sector rose 15,000, the fourth consecutive monthly gain. Manufacturing employment rose 20,000, the fifth consecutive monthly gain.

“Today’s *ADP National Employment Report* shows another solid increase in U.S. private sector employment, with gains across all size businesses and in both the goods-producing and service-providing sectors,” said Gary C. Butler, President and Chief Executive Officer of ADP. “Employment gains in the small-business sector have been positive for twelve consecutive months, an encouraging sign for the job market. ADP’s key business metrics for its small-business segment through December 2010 also reflected a strengthening labor market, as well as robust demand for payroll and human resource services.”

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “This month’s *ADP National Employment Report* suggests continued solid growth of nonfarm private employment early in 2011. The recent pattern of rising employment gains since the middle of last year was reinforced by today’s report, as the average gain from December through February (217,000) is well above the average gain over the prior six months (63,000).”

Prakken added, “Furthermore, it is generally expected that weather-related factors will boost the jobs number from the Bureau of Labor Statistics; estimates based on ADP data, however, are not much influenced by weather.

“Employment among large businesses, defined as those with 500 or more workers, increased by 13,000 while employment among medium-size businesses, defined as those with between 50 and 499 workers, increased by 104,000. Employment among small-size businesses, defined as those with fewer than 50 workers, increased by 100,000,” said Prakken.

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: Jan.2011 - Feb.2011p
	Sep. 2010	Oct. 2010	Nov. 2010	Dec. 2010	Jan. 2011p	Feb. 2011p	
Total nonfarm private	107,246	107,325	107,447	107,693	107,882	108,099	217
Small (1-49).....	48,509	48,550	48,621	48,722	48,823	48,923	100
Medium (50-499).....	41,327	41,368	41,425	41,552	41,637	41,741	104
Large (> 499).....	17,410	17,407	17,401	17,419	17,422	17,435	13
Goods-producing	17,652	17,641	17,662	17,688	17,711	17,726	15
Small (1-49).....	6,596	6,589	6,596	6,594	6,601	6,604	3
Medium (50-499).....	7,622	7,626	7,643	7,666	7,681	7,698	17
Large (> 499).....	3,434	3,426	3,423	3,428	3,429	3,424	-5
Service-providing	89,594	89,684	89,785	90,005	90,171	90,373	202
Small (1-49).....	41,913	41,961	42,025	42,128	42,222	42,319	97
Medium (50-499).....	33,705	33,742	33,782	33,886	33,956	34,043	87
Large (> 499).....	13,976	13,981	13,978	13,991	13,993	14,011	18
Addendum:							
Manufacturing.....	11,511	11,513	11,532	11,561	11,585	11,605	20

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.

Notice of Annual Revisions to the *ADP National Employment Report*[®]

Automatic Data Processing, Inc., in conjunction with *Macroeconomic Advisers, LLC*, has published the scheduled annual revisions to the estimates of employment shown in the *ADP National Employment Report*. This month's *ADP Report* incorporates revised historical estimates based on the 2010 benchmark revisions to establishment employment published by the Bureau of Labor Statistics on February 4, 2011. The main sources of revision to the *ADP National Employment Report* are:

- Updated regression estimates used to adjust for historical differences in the variances of the monthly growth rates of employment reported by the Bureau of Labor Statistics and computed from ADP data.
- Updated estimates of the differences in the historical averages of the growth rates of employment reported by the Bureau of Labor Statistics and computed from ADP data.
- Updated estimates of historical seasonal factors.
- The reference month for establishing the levels of employment shown in the *ADP National Employment Report* will be advanced from March 2009 to March 2010.
- There are no revisions to the methodology of computing the estimates of employment shown in the *ADP National Employment Report*.

Visit www.adpemploymentreport.com for details.

Small Business Highlights – February Report:

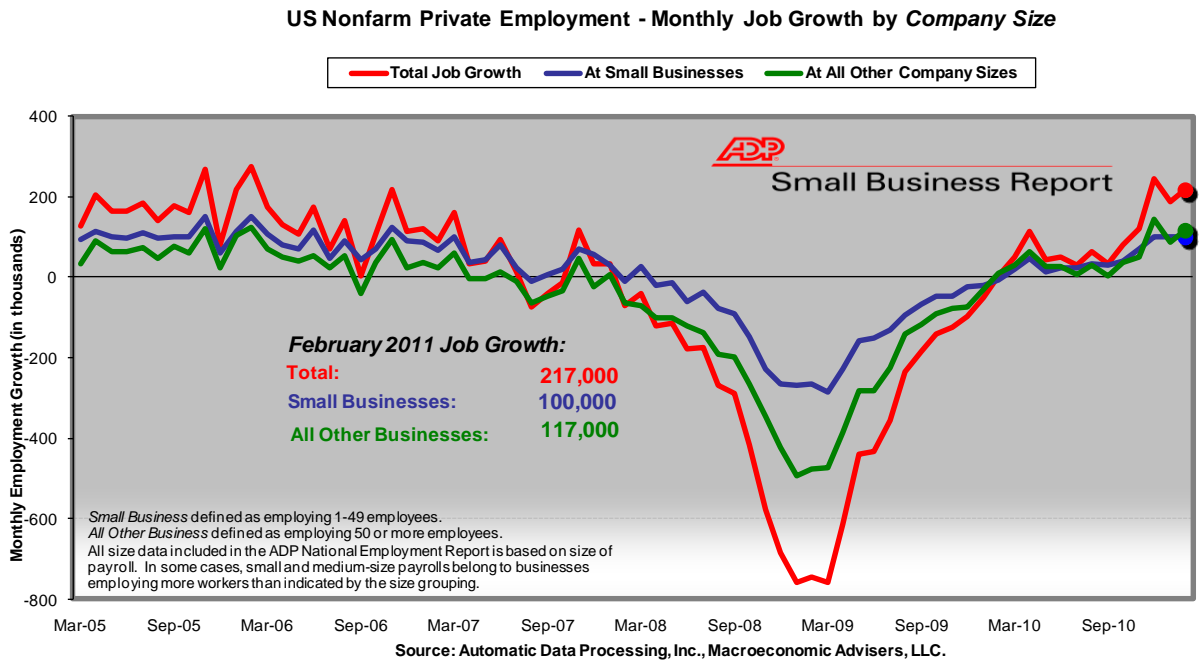
Due to the important contribution small businesses make to economic growth, employment data that is specific to businesses with fewer than 50 employees will be reported in the [ADP Small Business Report](#)[®] each month. The *ADP Small Business Report* is a subset of the *ADP National Employment Report*.*

- Total small business employment: +100,000
- Goods-producing sector: +3,000 small business jobs
- Service-providing sector: +97,000 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 100,000 in February, 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 businesses, defined as those with fewer than 50 workers, increased by 100,000 during February. Employment in the small-business sector has increased by at least 100,000 in each of the last three months,” 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 email alerts and RSS feeds, please visit www.ADPemploymentreport.com. The March 2011 *ADP National Employment Report* will be released March 30, 2011, 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 550,000 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 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 website 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 website, www.MacroAdvisers.com.

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