



National Employment Report

ADP NATIONAL EMPLOYMENT REPORT SHOWS U.S. EMPLOYMENT DECREASED BY 473,000 PRIVATE SECTOR JOBS IN JUNE

ROSELAND, N.J. – July 1, 2009 – According to today’s [ADP National Employment Report](#)[®], private sector employment decreased by 473,000 in June. The *ADP National Employment Report*, created by ADP[®] 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 – June Report:

- Total employment: -473,000
- Small businesses* -177,000
- Medium businesses** -205,000
- Large businesses*** -91,000
- Goods-producing sector: -250,000
- Service-providing sector: -223,000

Addendum:

- Manufacturing industry: -146,000

* *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 473,000 from May to June 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*. Monthly employment losses in April, May, and June averaged 492,000. This is a notable improvement over the first three months of the year, when monthly losses averaged 691,000. Nevertheless, despite some recent indications that economic activity is stabilizing, employment, which usually trails overall economic activity, is likely to decline for at least several more months, although perhaps not as rapidly as during the last six months.”

Prakken added, “June’s *ADP Report* estimates nonfarm private employment in the service-providing sector fell by 223,000. Employment in the goods-producing sector

declined 250,000, with employment in the manufacturing sector dropping 146,000, its fortieth consecutive monthly decline.”

“Large businesses, defined as those with 500 or more workers, saw employment decline by 91,000, while medium-size businesses with between 50 and 499 workers declined 205,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 177,000,” said Prakken.

Prakken went on to say, “In June, construction employment dropped 97,000. This was its twenty-ninth consecutive monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 1,428,000. Employment in the financial services sector dropped 29,000, the nineteenth 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: May. 2009 - Jun. 2009p
	Jan. 2009	Feb. 2009	Mar. 2009	Apr. 2009	May. 2009p	Jun. 2009p	
Total nonfarm private.....	112,183	111,502	110,766	110,248	109,763	109,290	-473
Small (1-49).....	49,576	49,317	49,029	48,836	48,652	48,475	-177
Medium (50-499).....	43,967	43,666	43,342	43,104	42,898	42,693	-205
Large (> 499).....	18,640	18,519	18,395	18,308	18,213	18,122	-91
Goods-producing.....	20,272	19,937	19,609	19,343	19,082	18,832	-250
Small (1-49).....	7,347	7,230	7,114	7,020	6,927	6,837	-90
Medium (50-499).....	8,927	8,776	8,625	8,500	8,387	8,279	-108
Large (> 499).....	3,998	3,931	3,870	3,823	3,768	3,716	-52
Service-providing.....	91,911	91,565	91,157	90,905	90,681	90,458	-223
Small (1-49).....	42,229	42,087	41,915	41,816	41,725	41,638	-87
Medium (50-499).....	35,040	34,890	34,717	34,604	34,511	34,414	-97
Large (> 499).....	14,642	14,588	14,525	14,485	14,445	14,406	-39
Addendum:							
Manufacturing.....	12,686	12,473	12,278	12,119	11,968	11,822	-146

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 – June Report:

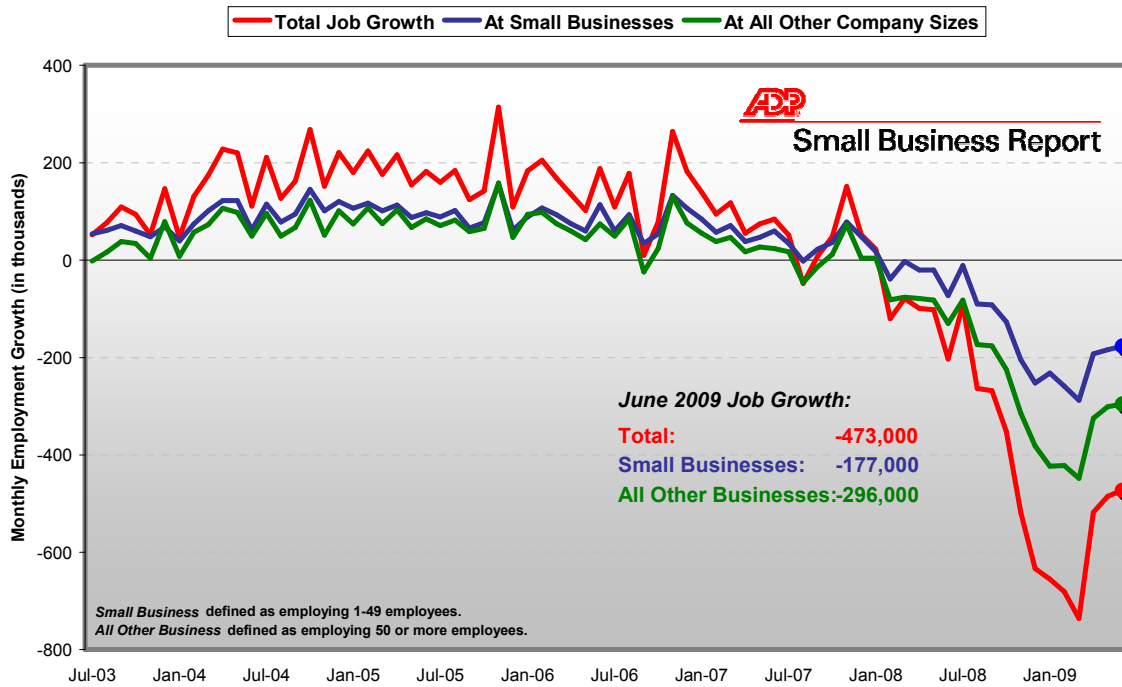
Due to the important contribution small businesses make to economic growth, employment data that is specific to businesses with fewer than 50 employees will be reported in the *ADP Small Business Report*[®] each month. The *ADP Small Business Report* is a subset of the *ADP National Employment Report*.

- Total small business employment: -177,000
- Goods-producing sector: -90,000 small business jobs
- Service-providing sector: -87,000 small business jobs

Private employment among [small businesses](http://www.smallbusinessreport.adp.com) decreased by 177,000 in June, 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 177,000 in June. Monthly employment losses in April, May, and June averaged 185,000. Despite a notable improvement over the first three months of the year, when monthly losses averaged 260,000, employment among small-size businesses is likely to decline for at least several more months. Since reaching peak employment in January 2008, small-size businesses have shed nearly 2.3 million jobs,” said Joel Prakken.

US Nonfarm Private Employment - Monthly Job Growth by Company Size



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 July 2009 *ADP National Employment Report* will be released on Wednesday, August 5, 2009 at 8:15 a.m. 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 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*[®] 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 over 585,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging nearly 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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Media Contacts:

ADP Public Relations

ADP

(973) 974-7612

Public_Relations@adp.com

Zach Siegel

Cohn & Wolfe for ADP

(212) 537-8102

Zach_Siegel@CohnWolfe.com

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