



**Wednesday, September 2, 2009, 8:15 A.M. ET**

Nonfarm private employment decreased 298,000 from July to August 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*<sup>®</sup>. The estimated change of employment from June to July was revised by 11,000, from a decline of 371,000 to a decline of 360,000.

August's employment decline was the smallest since September of 2008. Employment losses are clearly diminishing. Despite recent indications that overall economic activity is stabilizing, employment, which usually trails overall economic activity, is still likely to decline for at least several more months, albeit at a diminishing rate.

August's *ADP Report* estimates nonfarm private employment in the service-providing sector fell by 146,000. Employment in the goods-producing sector declined 152,000, with employment in the manufacturing sector dropping 74,000, its smallest monthly decline since July of 2008.

Large businesses, defined as those with 500 or more workers, saw employment decline by 60,000, while medium-size businesses with between 50 and 499 workers declined 116,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 122,000. Since reaching peak employment in January 2008, small-size businesses have shed nearly 2.5 million jobs.

In August, construction employment dropped 73,000. This was its thirty-first consecutive monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 1,562,000. Employment in the financial services sector dropped 19,000, the twenty-first consecutive monthly decline.

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**

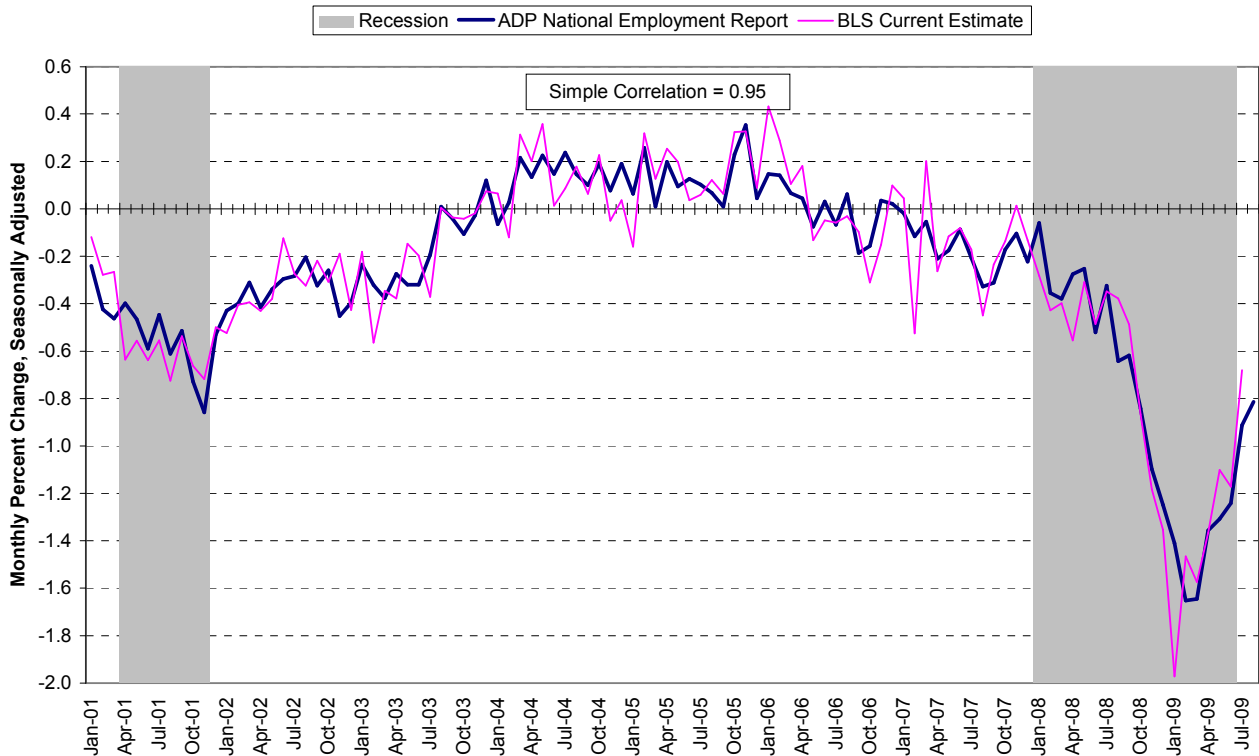
**Table 1. Employees on nonfarm private payrolls by selected industry sector and size**  
(In thousands)

Industry / Size of Payroll	Seasonally Adjusted						Change from: Jul. 2009 - Aug. 2009p
	Mar. 2009	Apr. 2009	May. 2009	Jun. 2009	Jul. 2009p	Aug. 2009p	
<b>Total nonfarm private</b> .....	110,766	110,248	109,787	109,354	108,994	108,696	-298
Small (1-49).....	49,029	48,836	48,664	48,504	48,369	48,247	-122
Medium (50-499).....	43,342	43,104	42,906	42,720	42,567	42,451	-116
Large (> 499).....	18,395	18,308	18,217	18,130	18,058	17,998	-60
<b>Goods-producing</b> .....	19,609	19,343	19,090	18,853	18,681	18,529	-152
Small (1-49).....	7,114	7,020	6,931	6,846	6,785	6,722	-63
Medium (50-499).....	8,625	8,500	8,390	8,288	8,215	8,157	-58
Large (> 499).....	3,870	3,823	3,769	3,719	3,681	3,650	-31
<b>Service-providing</b> .....	91,157	90,905	90,697	90,501	90,313	90,167	-146
Small (1-49).....	41,915	41,816	41,733	41,658	41,584	41,525	-59
Medium (50-499).....	34,717	34,604	34,516	34,432	34,352	34,294	-58
Large (> 499).....	14,525	14,485	14,448	14,411	14,377	14,348	-29
<b>Addendum:</b>							
Manufacturing.....	12,278	12,119	11,970	11,836	11,737	11,663	-74

p = preliminary

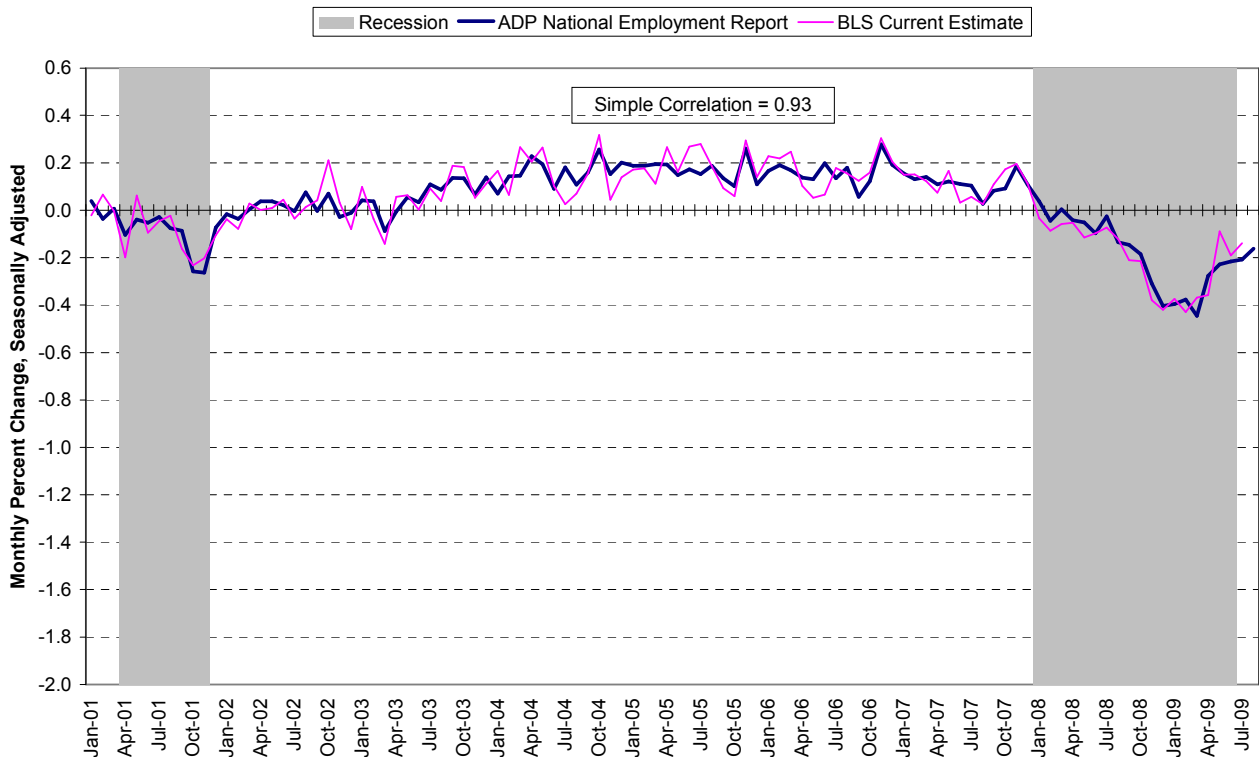
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through June 2009, averaged approximately 400,000 U.S. business clients and represented over 23 million U.S. employees. This approximately represents the size of the matched sample used this month.

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



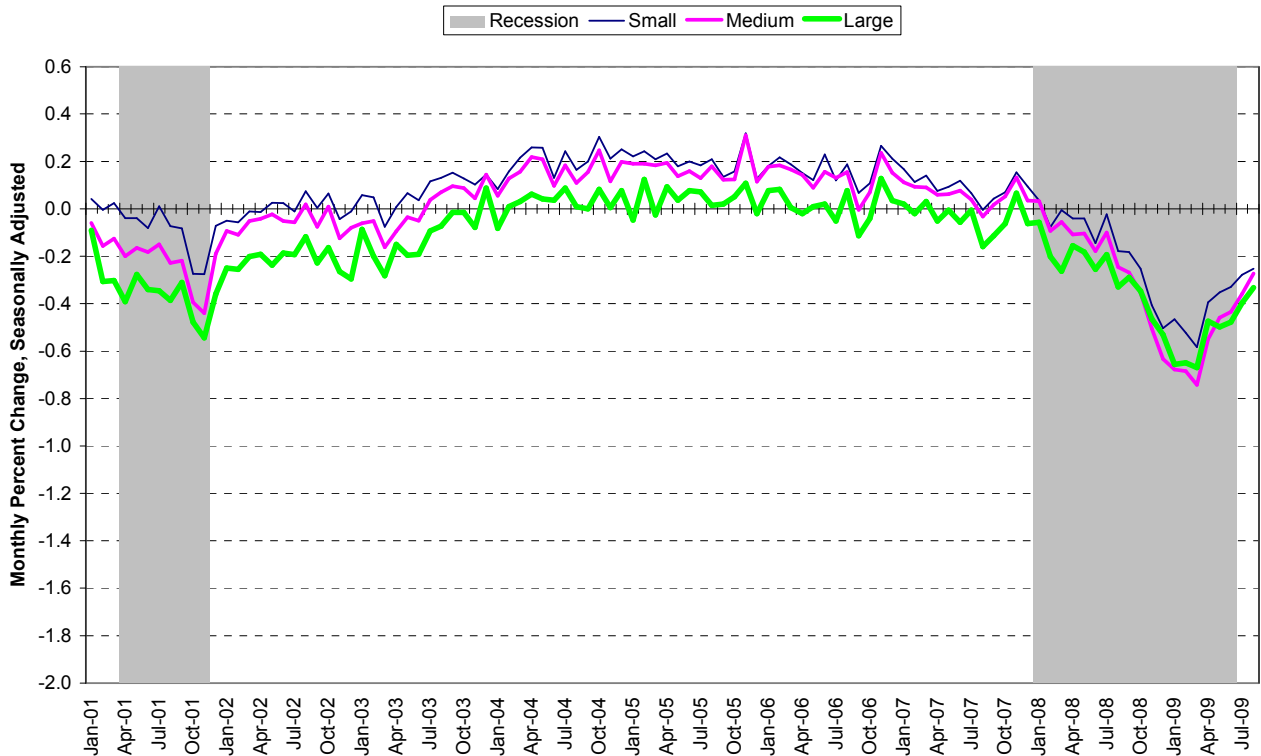
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



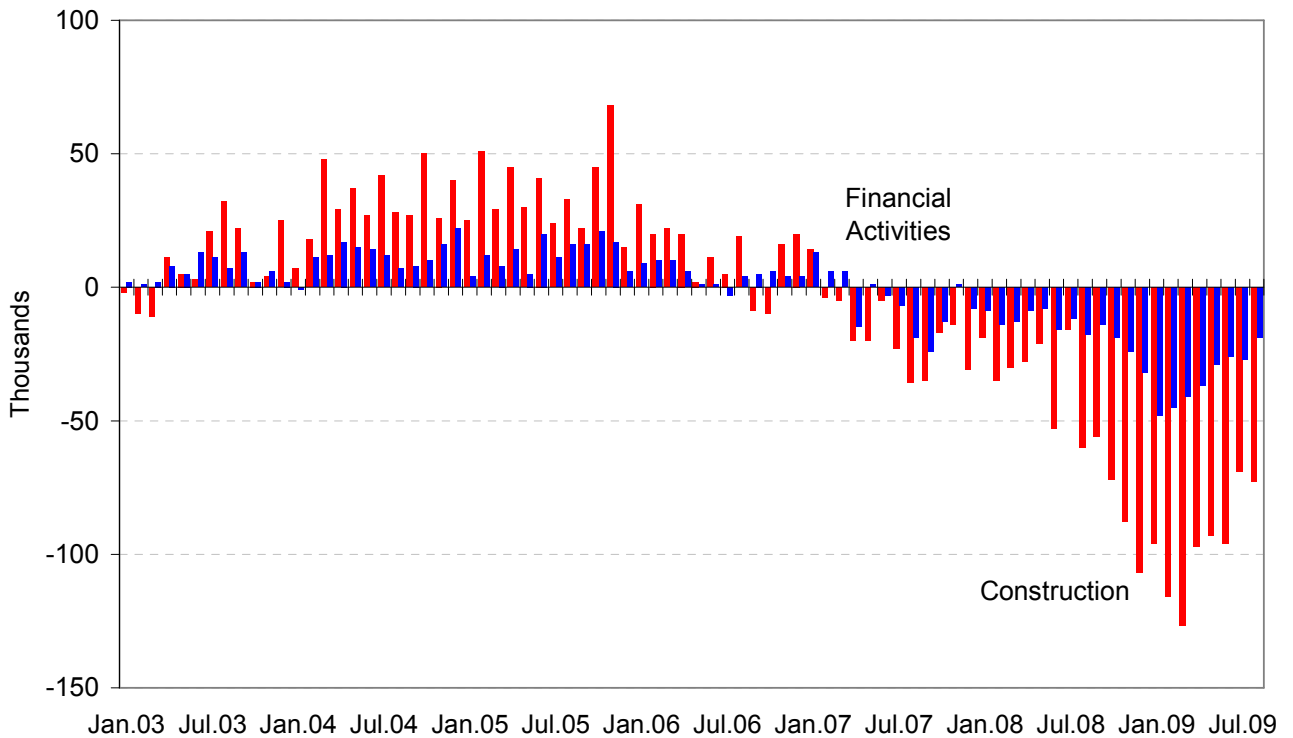
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

**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 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 data is collected for pay periods that can be interpolated to include the week of the 12<sup>th</sup> 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>.

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