



Wednesday, July 1, 2009, 8:15 A.M. ET

Nonfarm private employment decreased 473,000 from May to June 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*[®]. The estimated change of employment from April to May was revised by 47,000, from a decline of 532,000 to a decline of 485,000.

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.

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. Since reaching peak employment in January 2008, small-size businesses have shed nearly 2.3 million jobs.

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.

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

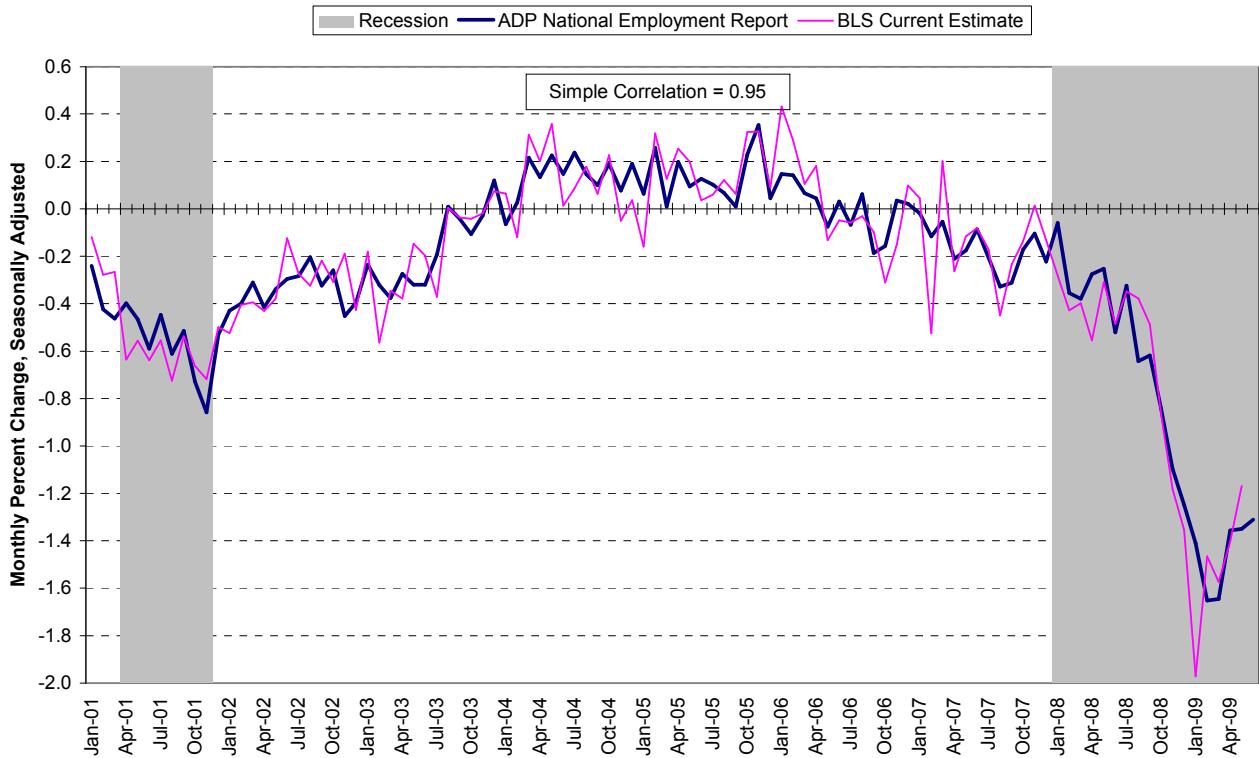
Table 1. Employees on nonfarm private payrolls by selected industry sector and size
(In thousands)

| Industry / Size of Payroll | Seasonally Adjusted | | | | | | Change from: 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

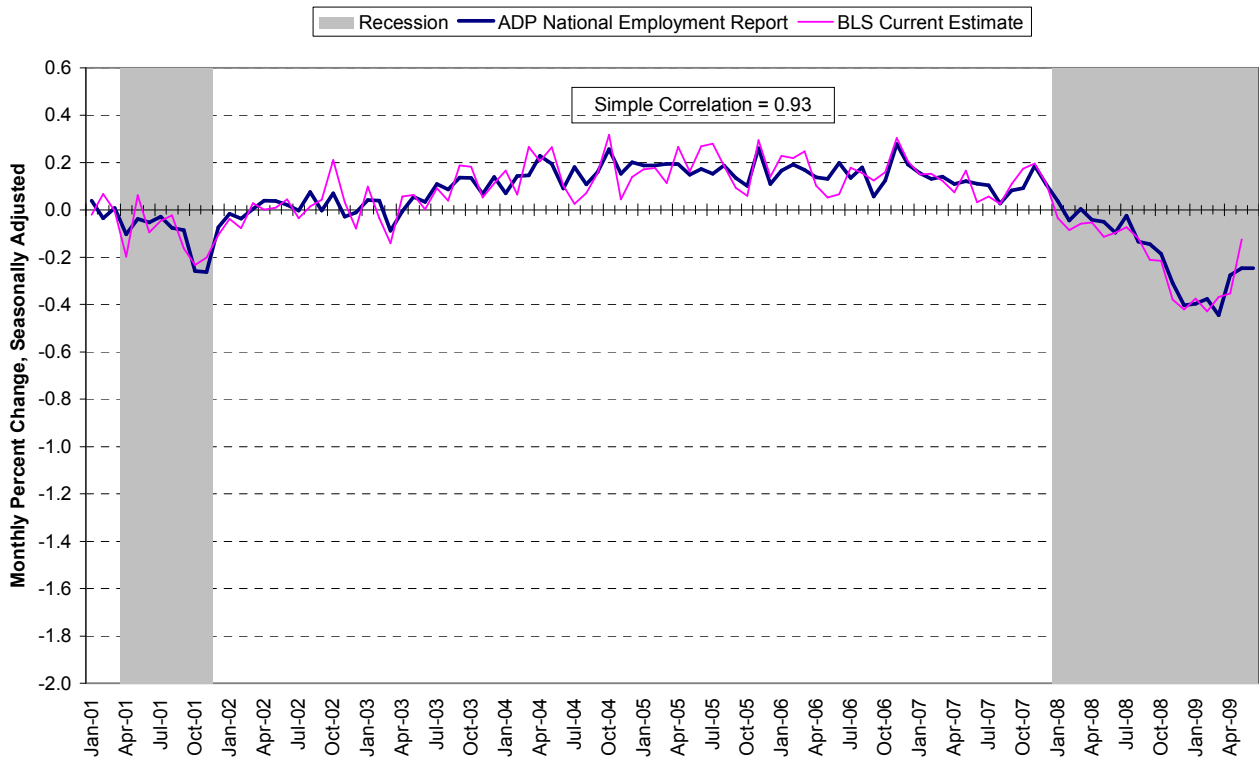
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through June 2009, averaged approximately 400,000 U.S. business clients and represented over 23 million U.S. employees. This approximately represents the size of the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

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



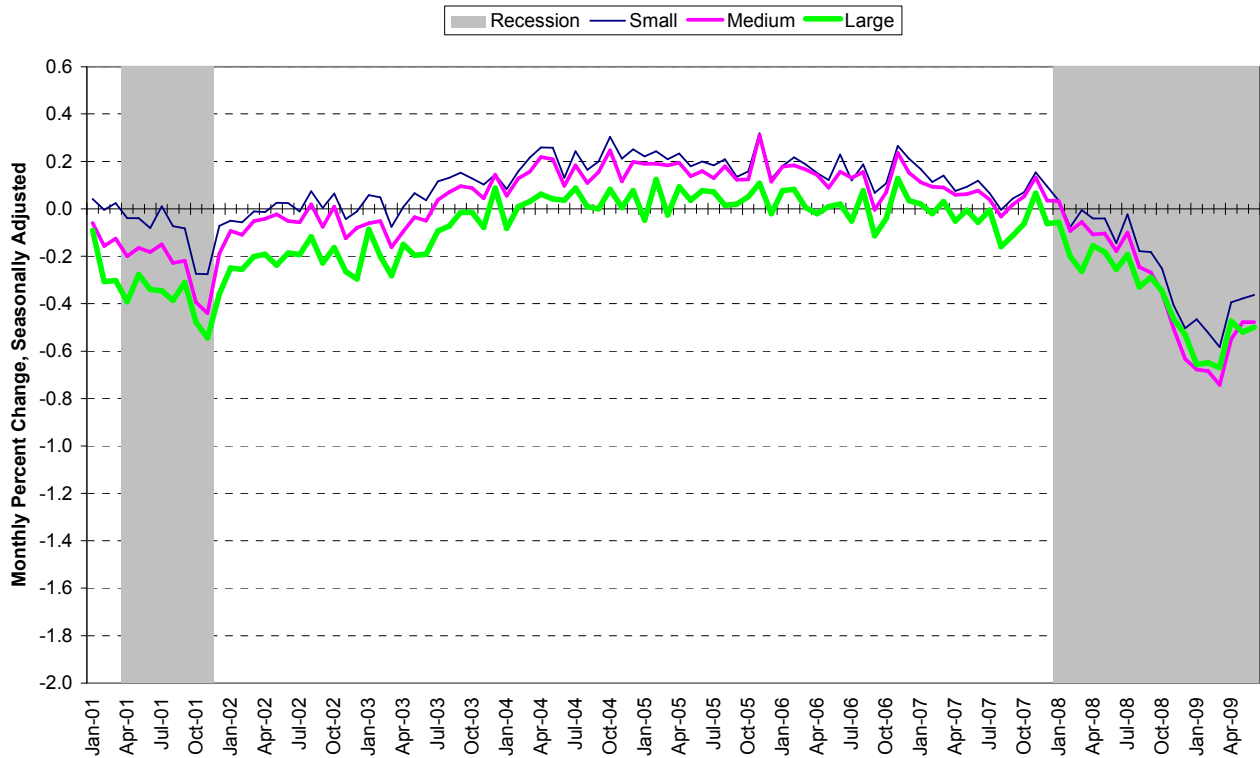
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



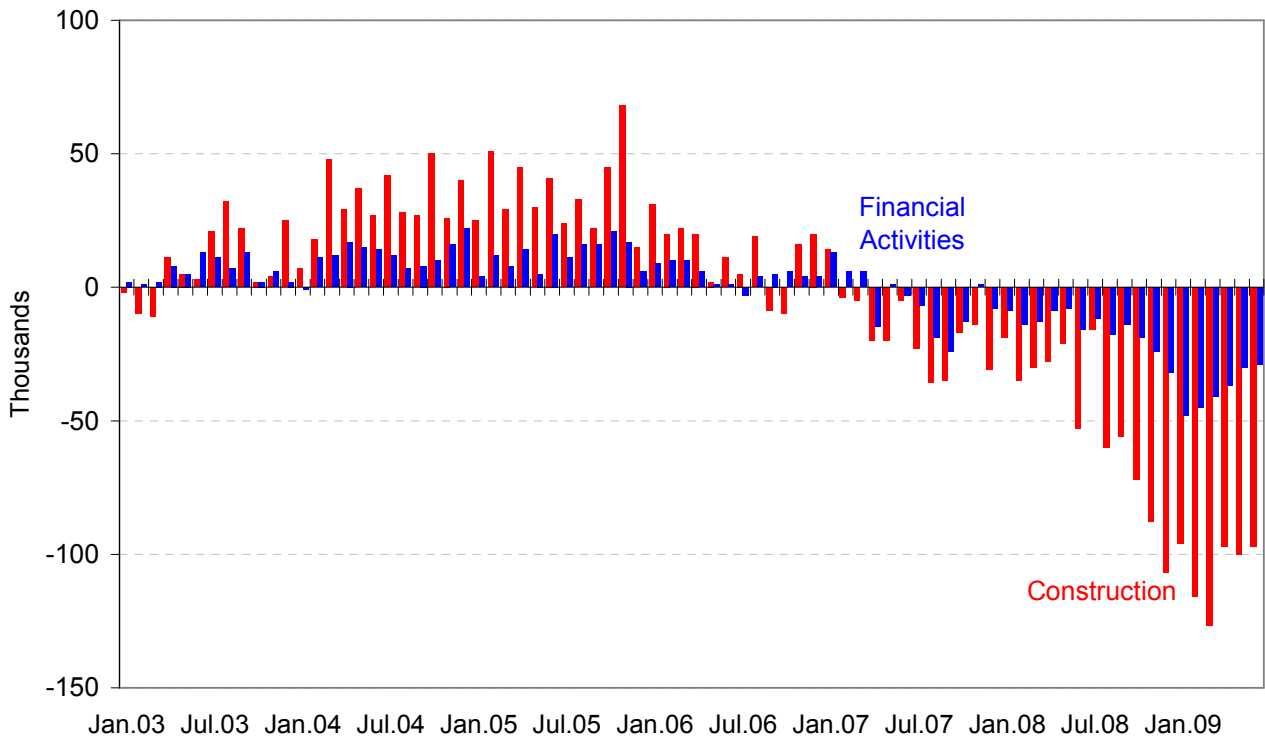
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



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

Chart 5. Monthly Changes of Employment in Construction and Financial Activities



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

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 data 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

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