



**Wednesday, December 3, 2008, 8:15 A.M. ET**

Nonfarm private employment decreased 250,000 from October to November 2008 on a seasonally adjusted basis, according to the *ADP National Employment Report*<sup>®</sup>. The estimated change in employment from September to October was revised down from a decrease of 157,000 to a decrease of 179,000. Note that the November *ADP Report* does not reflect the strike of some 27,000 machinists who returned to work following the resolution in late October of a strike in the aerospace industry.

November's *ADP National Employment Report* offers evidence of a labor market that continues to weaken. This month's employment loss was again driven by the goods-producing sector which declined 158,000 during November, its twenty-fourth consecutive monthly decline. The manufacturing sector marked its twenty-seventh consecutive monthly decline, losing 118,000 jobs. These losses were compounded by an employment decline in the service-providing sector of the economy which fell by 92,000, the second monthly loss in the service-providing sector recorded by the *ADP Report* since November of 2002.

Large businesses, defined as those with 500 or more workers, saw employment decline 41,000, while medium-size companies with between 50 and 499 workers declined 130,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 79,000. This is the second consecutive monthly decline in small business employment reported by the *ADP Report* since November of 2002. Falling employment at medium and small firms clearly indicates that the recession has now spread well beyond manufacturing and housing-related activities.

In November, construction employment dropped 44,000. This was its twenty-fourth consecutive monthly decline, and brings the total decline in construction jobs since the peak in August of 2006 to 521,000.

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)

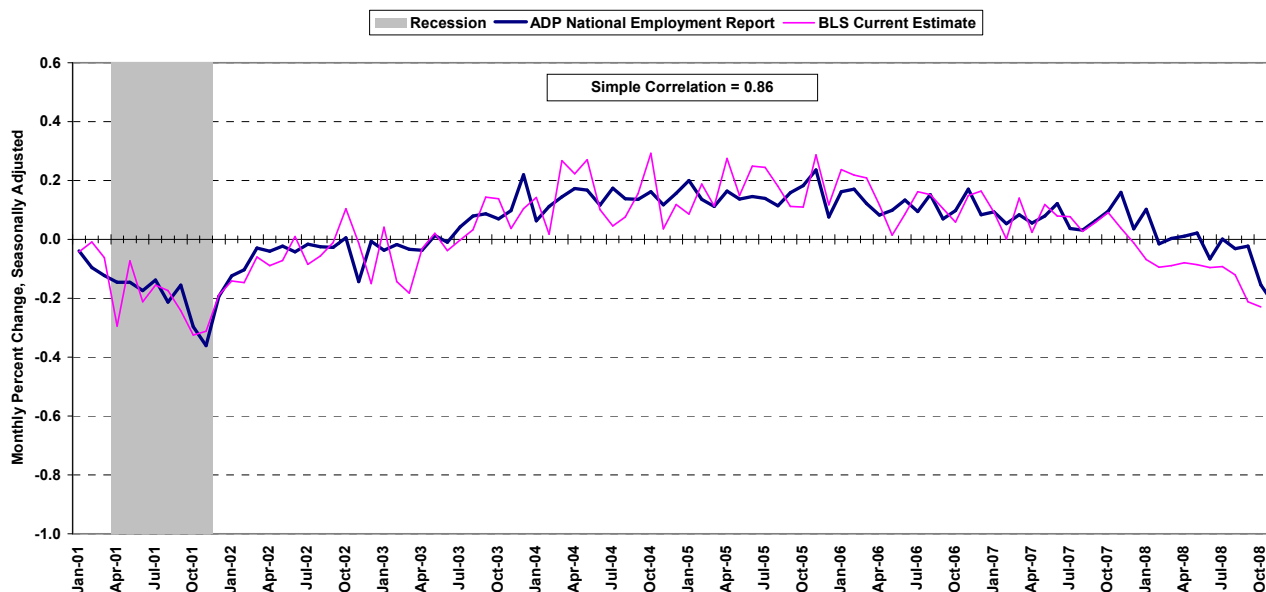
Industry / Size of Payroll	Seasonally Adjusted						Change from: Oct. 2008 - Nov. 2008p
	Jun. 2008	Jul. 2008	Aug. 2008	Sep. 2008	Oct. 2008	Nov. 2008p	
<b>Total nonfarm private.....</b>	116,017	116,018	115,981	115,955	115,776	115,526	-250
Small (1-49).....	51,256	51,302	51,319	51,337	51,298	51,219	-79
Medium (50-499).....	45,552	45,542	45,512	45,476	45,381	45,251	-130
Large (> 499).....	19,209	19,174	19,150	19,142	19,097	19,056	-41
<b>Goods-producing.....</b>	21,748	21,679	21,598	21,518	21,386	21,228	-158
Small (1-49).....	7,949	7,942	7,923	7,903	7,863	7,816	-47
Medium (50-499).....	9,586	9,556	9,521	9,478	9,413	9,334	-79
Large (> 499).....	4,213	4,181	4,154	4,137	4,110	4,078	-32
<b>Service-providing.....</b>	94,269	94,339	94,383	94,437	94,390	94,298	-92
Small (1-49).....	43,307	43,360	43,396	43,434	43,435	43,403	-32
Medium (50-499).....	35,966	35,986	35,991	35,998	35,968	35,917	-51
Large (> 499).....	14,996	14,993	14,996	15,005	14,987	14,978	-9
<b>Addendum:</b>							
Manufacturing.....	13,591	13,540	13,484	13,431	13,344	13,226	-118

p = preliminary

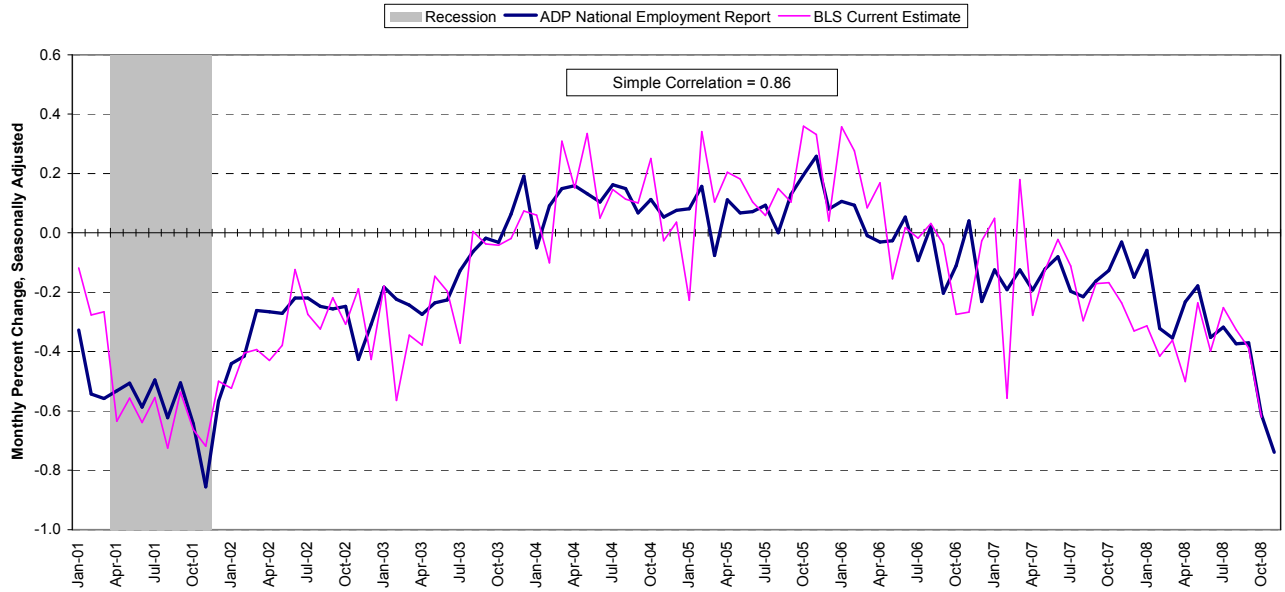
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the first six months of 2008, averaged approximately 399,000 payrolls representing nearly 24 million U.S. employees. This approximately represents the size of the matched sample used this month.

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>

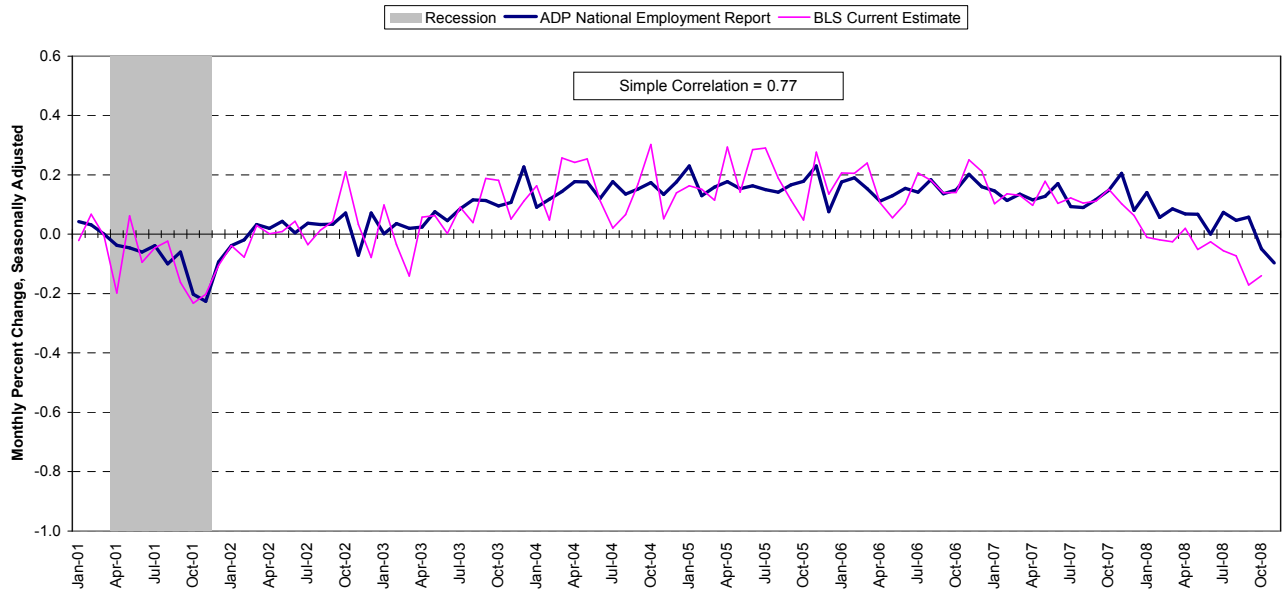
**Chart 1. Growth of Nonfarm Private Employment, All Industries**



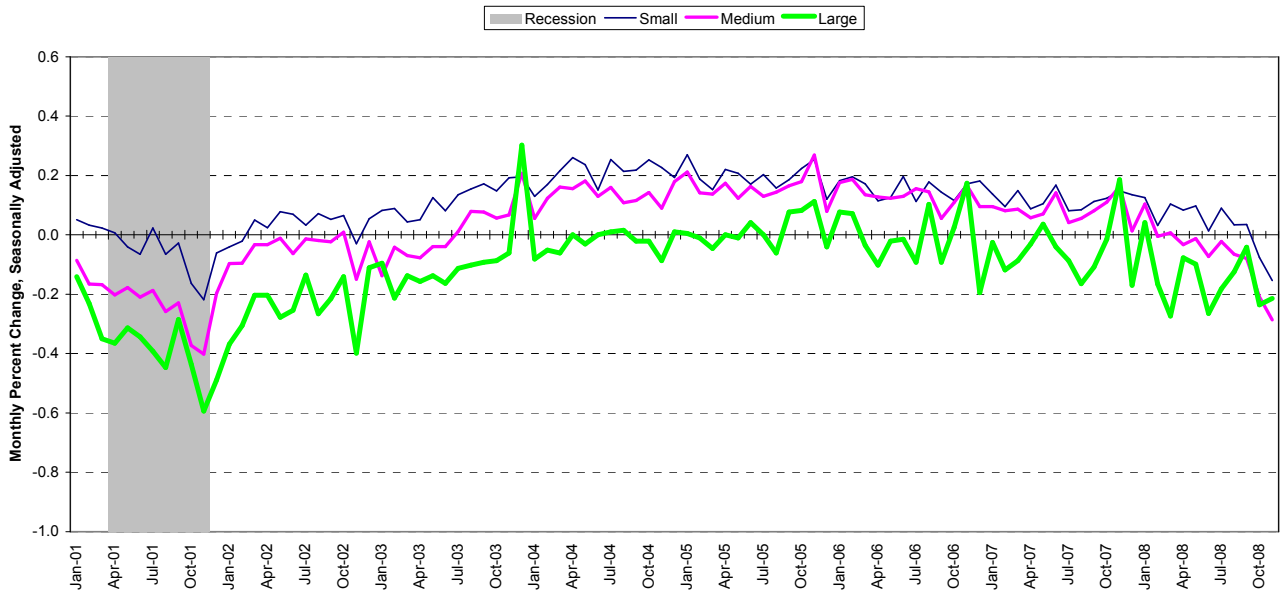
**Chart 2. Growth of Nonfarm Private Employment, Goods-Producing Industries**



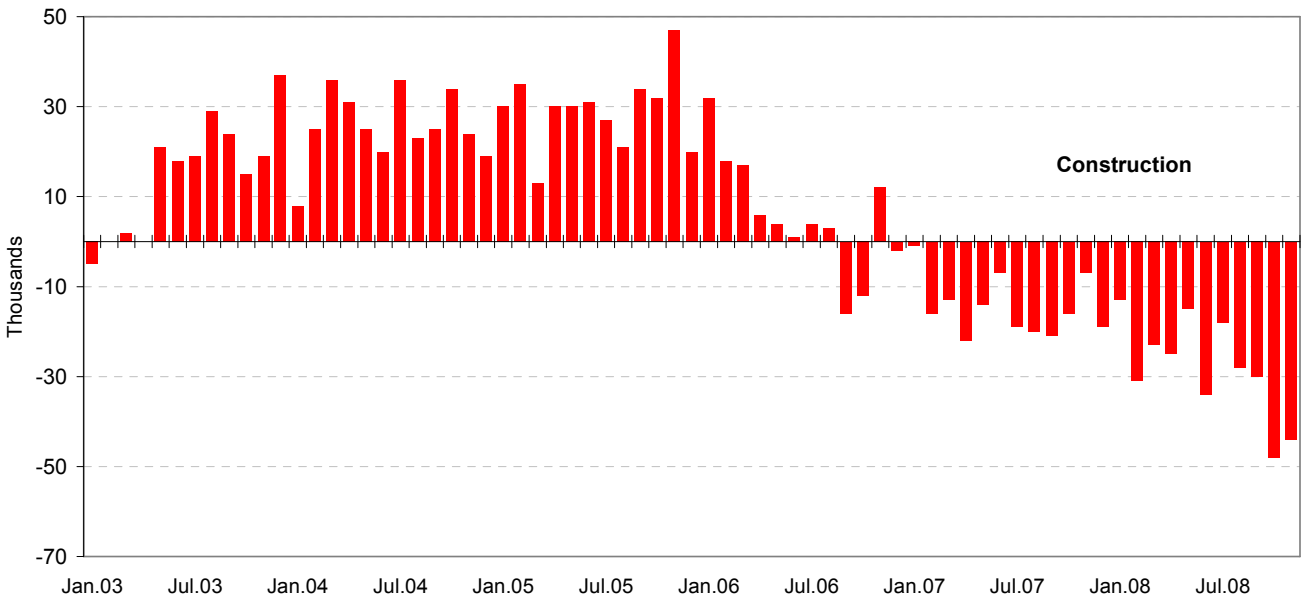
**Chart 3. Growth of Nonfarm Private Employment, Service-Providing Industries**



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



**Chart 5. Monthly Changes of Employment in Construction**



**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 first six months of 2008, this subset represented approximately 399,000 U.S. business clients representing nearly 24 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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