



Wednesday, November 4, 2009, 8:15 A.M. ET

Nonfarm private employment decreased 203,000 from September to October 2009 on a seasonally adjusted basis, according to the *ADP National Employment Report*[®]. The estimated change of employment from August to September was revised by 27,000, from a decline of 254,000 to a decline of 227,000.

October was the seventh consecutive month during which the decline in employment was less than in the previous month. Nevertheless, despite recent indications that overall economic activity is stabilizing, employment, which usually trails overall economic activity, is likely to decline for at least a few more months.

October's *ADP Report* estimates nonfarm private employment in the service-providing sector fell by 86,000. Employment in the goods-producing sector declined 117,000, with employment in the manufacturing sector dropping 65,000.

Large businesses, defined as those with 500 or more workers, saw employment decline by 53,000, while medium-size businesses with between 50 and 499 workers declined 75,000. Employment among small-size businesses, defined as those with fewer than 50 workers, declined 75,000. Employment losses among small-size businesses were the smallest since July of 2008.

In October, construction employment dropped 51,000. This was its thirty-third consecutive monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 1,675,000. Employment in the financial services sector dropped 18,000, the twenty-third 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

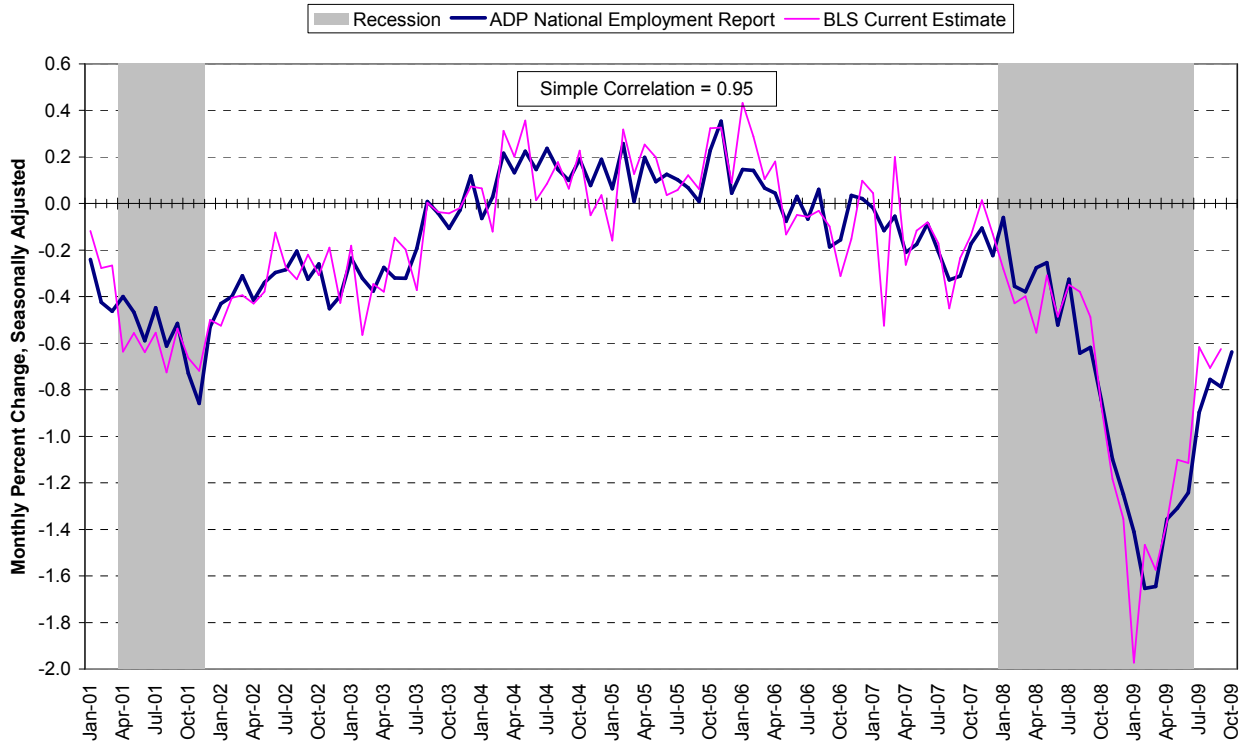
Table 1. Employees on nonfarm private payrolls by selected industry sector and size
(In thousands)

Industry / Size of Payroll	Seasonally Adjusted						Change from: Sep.2009 - Oct.2009p
	May 2009	Jun. 2009	Jul. 2009	Aug. 2009	Sep. 2009p	Oct. 2009p	
Total nonfarm private	109,787	109,354	109,007	108,740	108,513	108,310	-203
Small (1-49).....	48,664	48,504	48,373	48,263	48,173	48,098	-75
Medium (50-499).....	42,906	42,720	42,574	42,473	42,392	42,317	-75
Large (> 499).....	18,217	18,130	18,060	18,004	17,948	17,895	-53
Goods-producing	19,090	18,853	18,684	18,543	18,397	18,280	-117
Small (1-49).....	6,931	6,846	6,786	6,727	6,669	6,628	-41
Medium (50-499).....	8,390	8,288	8,217	8,164	8,110	8,065	-45
Large (> 499).....	3,769	3,719	3,681	3,652	3,618	3,587	-31
Service-providing	90,697	90,501	90,323	90,197	90,116	90,030	-86
Small (1-49).....	41,733	41,658	41,587	41,536	41,504	41,470	-34
Medium (50-499).....	34,516	34,432	34,357	34,309	34,282	34,252	-30
Large (> 499).....	14,448	14,411	14,379	14,352	14,330	14,308	-22
Addendum:							
Manufacturing.....	11,970	11,836	11,740	11,671	11,599	11,534	-65

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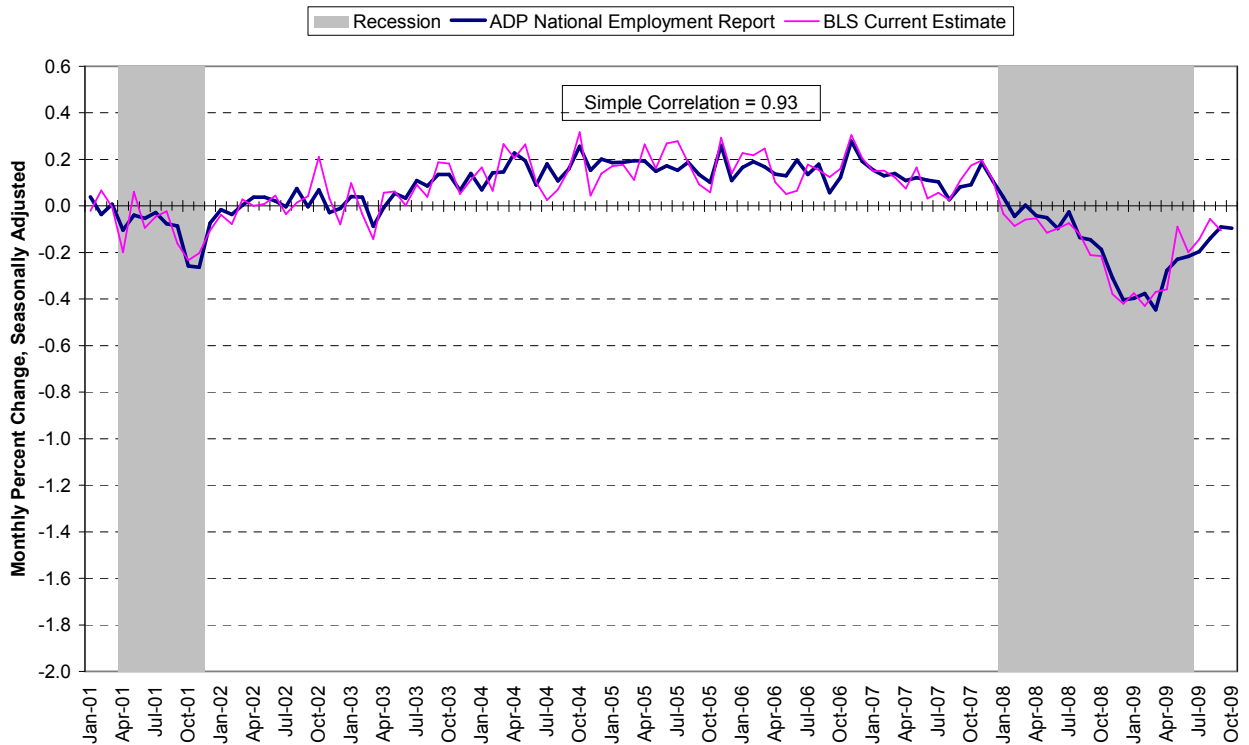
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through June 2009, averaged approximately 400,000 U.S. business clients and represented over 23 million U.S. employees. This approximately represents the size of the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

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



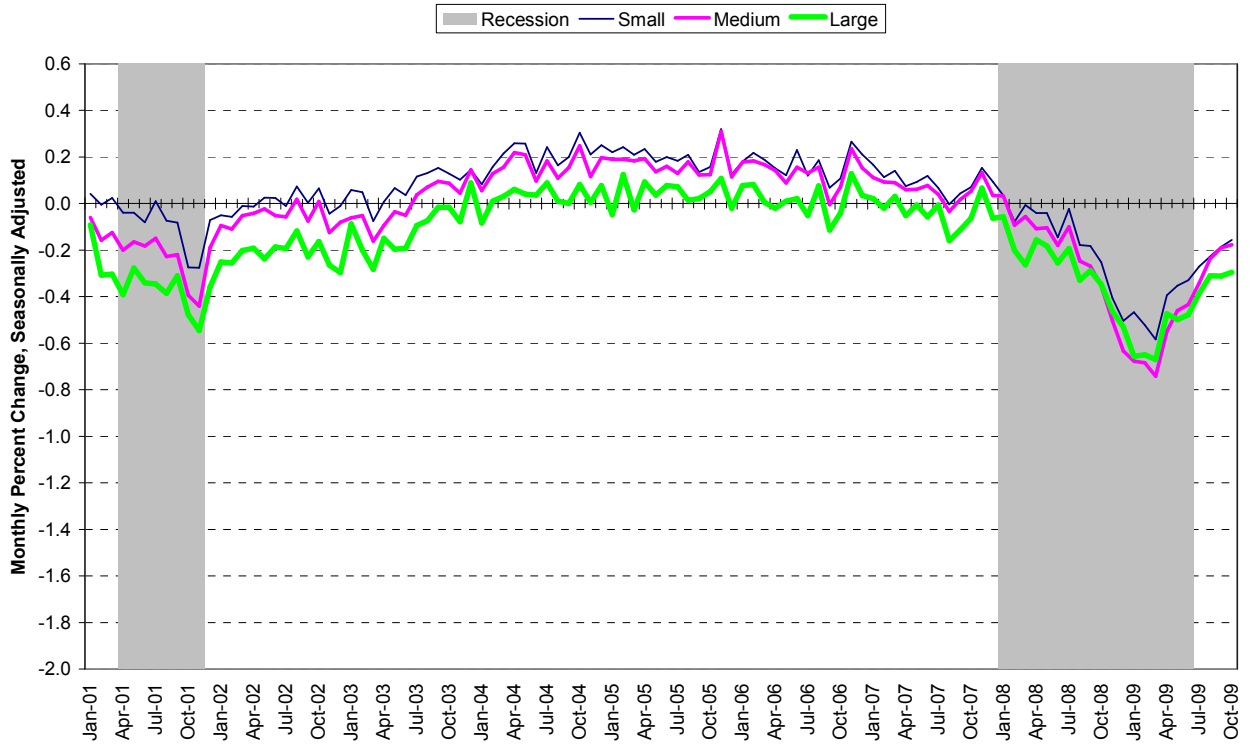
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



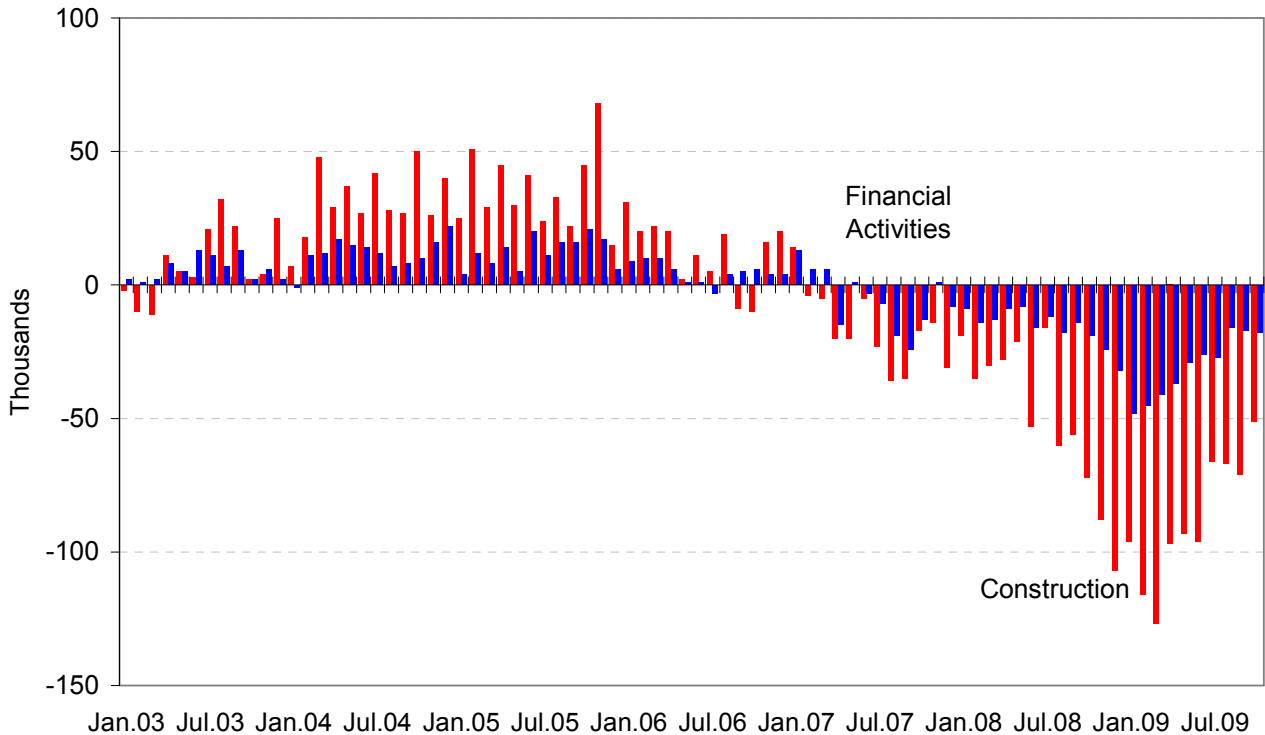
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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*[®]

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>.

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