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ADP National Employment Report: Private Sector Employment Increased by 153,000 Jobs in December

ROSELAND, N.J. – January 5, 2017 – Private sector employment increased by 153,000 jobs from November to December according to the December [ADP National Employment Report](#)[®]. Broadly distributed to the public each month, free of charge, the *ADP National Employment Report* is produced by the ADP Research Institute[®] in collaboration with Moody's Analytics. The report, which is derived from ADP's actual payroll data, measures the change in total nonfarm private employment each month on a seasonally-adjusted basis.

December 2016 Report Highlights*

View the *ADP National Employment Report* Infographic at www.adpemploymentreport.com.

Total U.S. Nonfarm Private Employment: 153,000

By Company Size

- **Small businesses: 18,000**
 - 1-19 employees -3,000
 - 20-49 employees 21,000
- **Medium businesses: 71,000**
 - 50-499 employees 71,000
- **Large businesses: 63,000**
 - 500-999 employees 8,000
 - 1,000+ employees 56,000

By Sector

- **Goods-producing: -16,000**
 - Natural resources/mining -5,000
 - Construction -2,000
 - Manufacturing -9,000
- **Service-providing: 169,000**
 - Trade/transportation/utilities 82,000
 - Information -6,000
 - Financial activities 10,000
 - Professional/business services 24,000
 - Professional/technical services 18,000
 - Management of companies/enterprises 2,000
 - Administrative/support services 3,000
 - Education/health services 29,000
 - Health care/social assistance 26,000
 - Education 2,000
 - Leisure/hospitality 18,000
 - Other services 11,000

* Sum of components may not equal total, due to rounding.

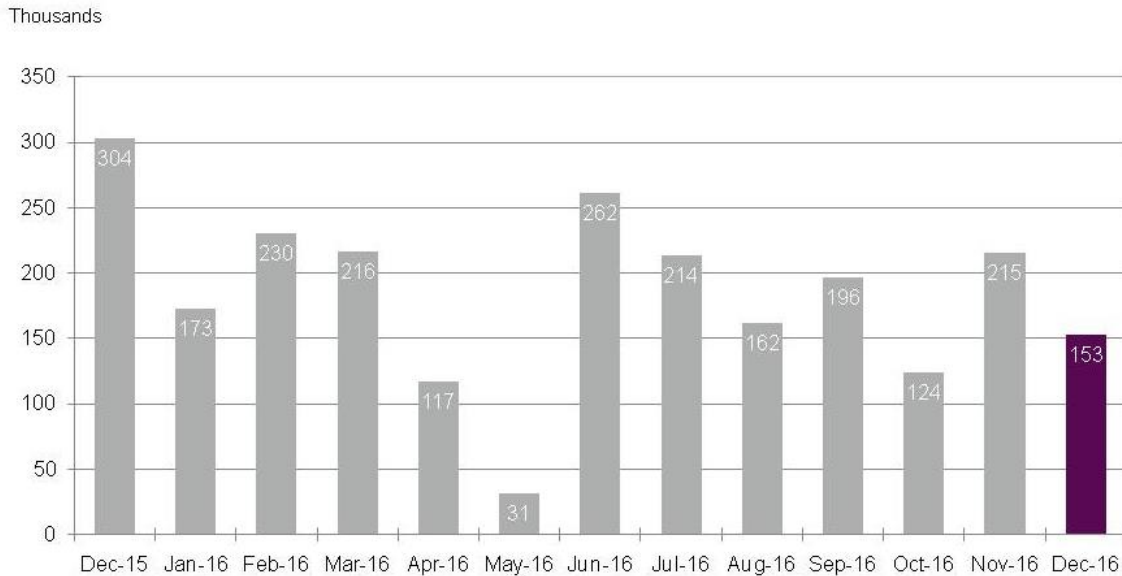
- **Franchise Employment****
 - Franchise jobs 23,300

**Complete details on franchise employment can be found [here](#).

“As we exit 2016, it’s interesting to note that the private sector generated an average of 174,000 jobs per month, down from 209,000 in 2015,” said Ahu Yildirmaz, vice president and head of the ADP Research Institute. “And while job gains in December were slightly below our monthly average, the U.S. labor market has experienced unprecedented seven years of growth that has brought us to near full employment. As we enter 2017, the tightening labor market will likely slow the growth.”

Mark Zandi, chief economist of Moody’s Analytics, said, “Job growth remains strong but is slowing. The gap between employment growth in the service economy and losses on the goods side persists. Smaller companies are struggling to maintain payrolls while large companies are expanding at a healthy pace.”

Chart 1. Change in Total Nonfarm Private Employment



Sources: ADP, LLC; Moody's Analytics

Chart 2. Historical Trend – Change in Total Nonfarm Private Employment

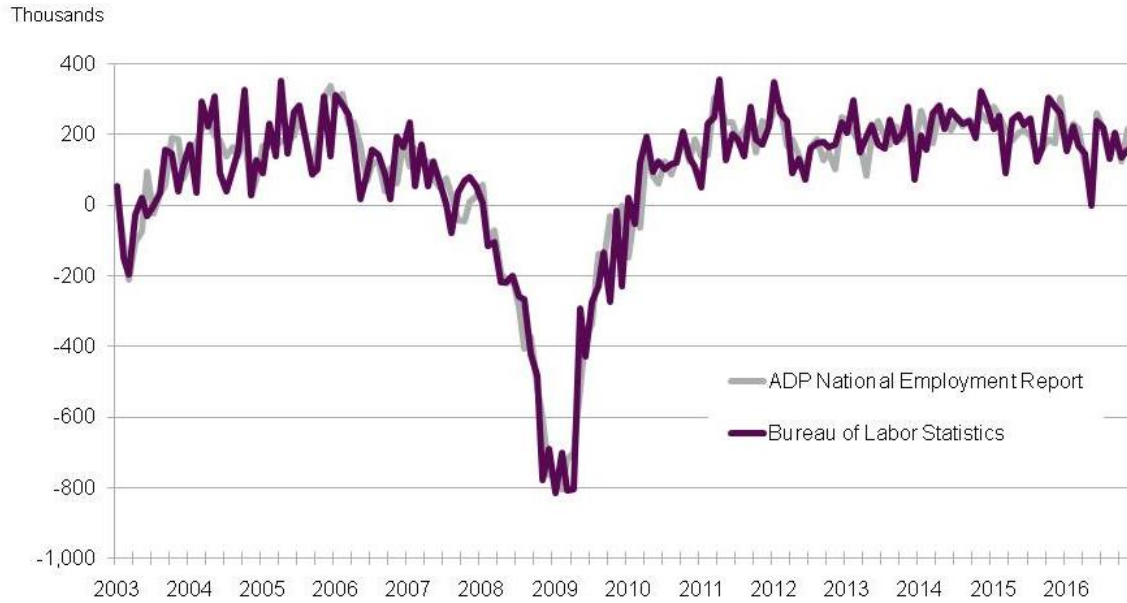


Chart 3. Change in Nonfarm Private Employment by Selected Industry

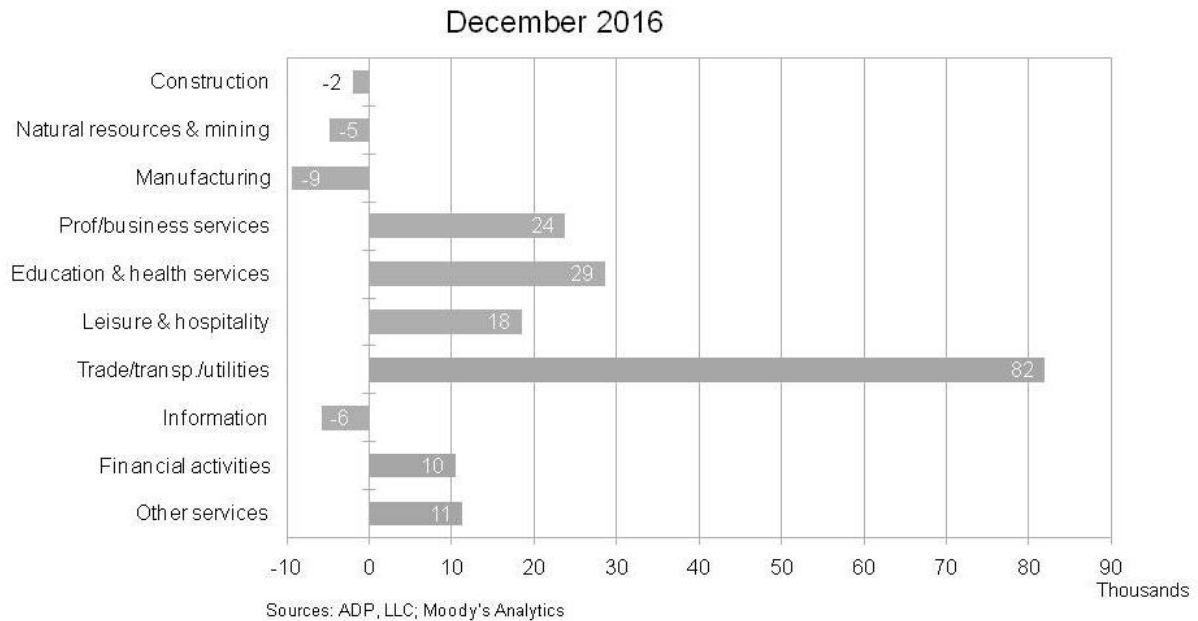
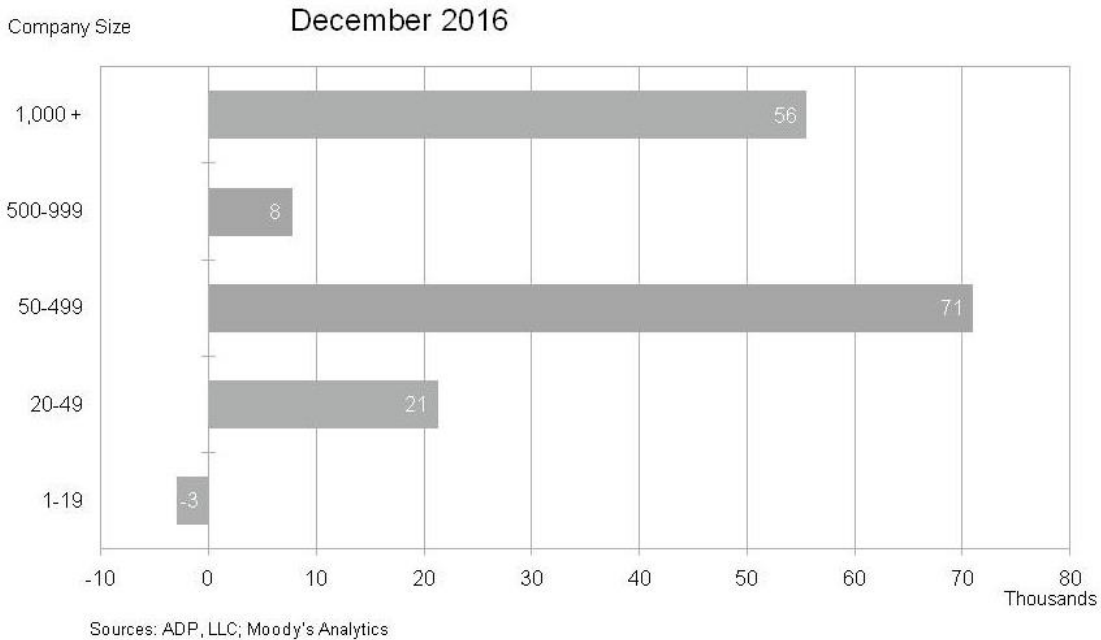


Chart 4. Change in Nonfarm Private Employment by Company Size



Note: All size data included in the ADP National Employment Report is based on size of business, defined as an entity with a unique Employer Identification Number, which may include multiple establishments. Sum of components may not equal total due to rounding.

The matched sample used to develop the *ADP National Employment Report* was derived from ADP payroll data, which represents 411,000 U.S. clients employing nearly 24 million workers in the U.S. The November total of jobs added was revised down from 216,000 to 215,000.

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 email alerts and RSS feeds, please visit www.adpemploymentreport.com.

The January 2017 *ADP National Employment Report* will be released at 8:15 a.m. ET on February 1, 2017.

About the *ADP National Employment Report*[®]

The *ADP National Employment Report*[®] is a monthly measure of the change in total U.S. nonfarm private employment derived from actual, anonymous payroll data of client companies served by ADP[®], a leading provider of human capital management solutions. The report, which measures nearly 24 million U.S. workers, is produced by the ADP Research Institute[®], a specialized group within the company that provides insights around employment trends and workforce strategy, in collaboration with Moody's Analytics, Inc.

Each month, ADP issues the *ADP National Employment Report* as part of the company's commitment to adding deeper insights into the U.S. labor market and providing businesses, governments and others with a source of credible and valuable information. The *ADP National Employment Report* is broadly distributed to the public each month, free of charge.

The data for this report 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 model used to create this report, please see the [ADP National Employment Report: Development Methodology](#).

About Moody's Analytics

Moody's Analytics helps capital markets and risk management professionals worldwide respond to an evolving marketplace with confidence. The company offers unique tools and best practices for measuring and managing risk through expertise and experience in credit analysis, economic research and financial risk management. By providing leading-edge software, advisory services, and research, including the proprietary analysis of Moody's Investors Service, Moody's Analytics integrates and customizes its offerings to address specific business challenges. Moody's Analytics is a subsidiary of Moody's Corporation (NYSE: MCO), which reported revenue of \$3.5 billion in 2015, employs approximately 10,800 people worldwide and maintains a presence in 36 countries. Further information is available at www.moodysanalytics.com.

About ADP (NASDAQ: ADP)

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ADP-Media

Media Contact:

Allyce Hackmann

ADP, LLC

(201) 400-4583

allyce.hackmann@adp.com