



National Employment Report

ADP NATIONAL EMPLOYMENT REPORT SHOWS U.S. EMPLOYMENT DECREASED BY 250,000 PRIVATE SECTOR JOBS IN NOVEMBER

Largest decrease in private sector employment since November of 2002

ROSELAND, N.J. – December 3, 2008 – According to today’s [ADP National Employment Report](#)[®], private sector employment decreased by 250,000 in November. The *ADP National Employment Report*, created by ADP[®] Employer Services, a division of [Automatic Data Processing, Inc. \(ADP\)](#), in partnership with [Macroeconomic Advisers, LLC](#), is based on actual payroll data and measures the change in total nonfarm private employment each month.

Nonfarm Private Employment Highlights – November Report:

- Total employment: -250,000
- Small businesses* -79,000
- Medium businesses** -130,000
- Large businesses*** -41,000
- Goods-producing sector: -158,000
- Service-providing sector: -92,000

Addendum:

- Manufacturing industry: -118,000

* *Small businesses represent payrolls with 1-49 employees*

** *Medium businesses represent payrolls with 50-499 employees*

*** *Large businesses represent payrolls with more than 499 employees*

According to Joel Prakken, Chairman of Macroeconomic Advisers, LLC, “Nonfarm private employment decreased 250,000 from October to November 2008 on a seasonally adjusted basis, according to the *ADP National Employment Report*[®]. The estimated change in employment from September to October was revised down from a decrease of 157,000 to a decrease of 179,000. November’s *ADP National Employment Report* offers evidence of a labor market that continues to weaken. 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.”

Prakken added, “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,” said Prakken.

Prakken went on to say, “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.”

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	
Total nonfarm private	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
Goods-producing	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
Service-providing	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
Addendum:							
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.

Chart 1. Growth of Nonfarm Private Employment, All Industries

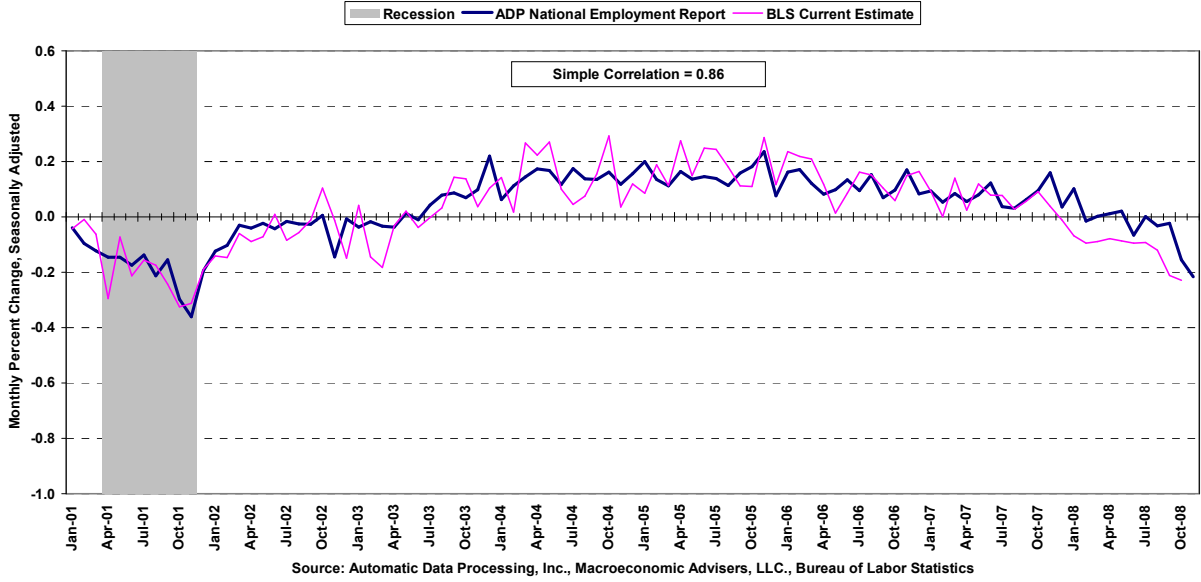
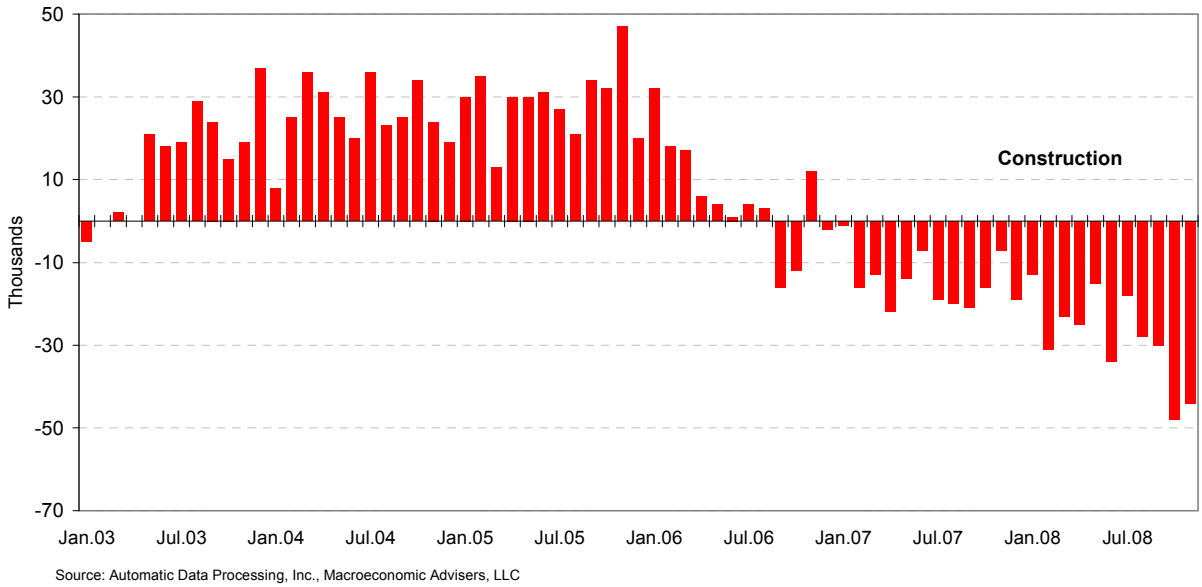


Chart 2. Monthly Changes of Employment in Construction



Small Business Highlights – November Report:

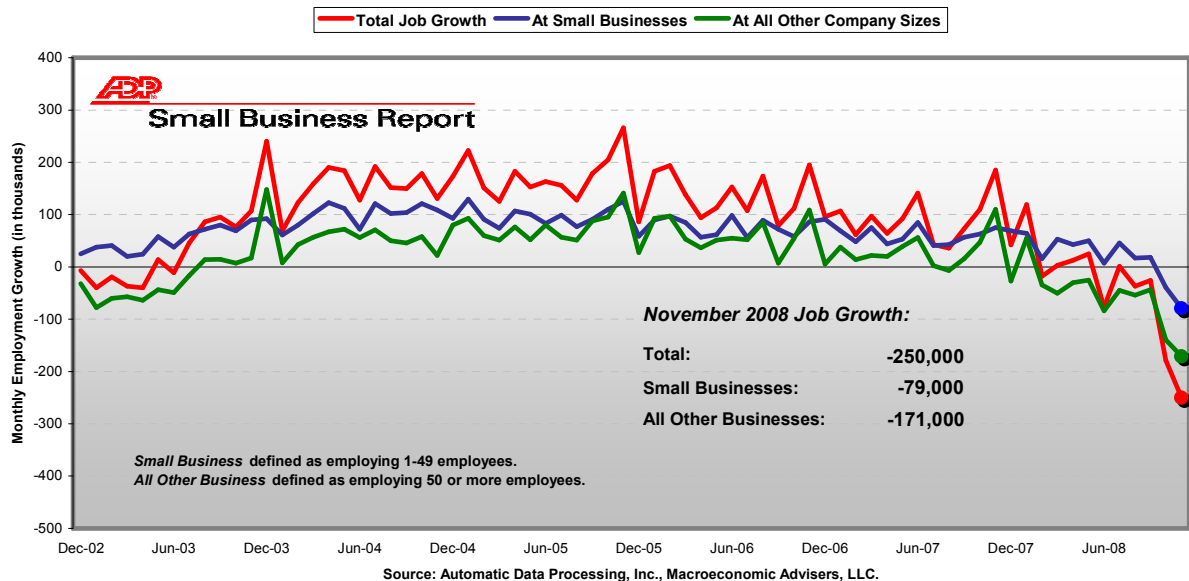
Due to the important contribution small businesses make to economic growth, employment data that is specific to businesses with fewer than 50 employees will be reported in the [ADP Small Business Report](#)[®] each month. The *ADP Small Business Report* is a subset of the *ADP National Employment Report*.

- Total small business employment: -79,000
- Goods-producing sector: -47,000 small business jobs
- Service-providing sector: -32,000 small business jobs

Private employment among [small businesses](#) decreased by 79,000 in November, according to the *ADP Small Business Report* released today. Additional information about small business employment, including charts on monthly job growth and employment levels, along with historical data, is available at <http://www.smallbusinessreport.adp.com>.

“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. Until recently, these small businesses were impacted less than larger ones, but today’s employment decline clearly indicates that the recession has now widened to include businesses of all sizes,” said Joel Prakken.

Chart 3. US Nonfarm Private Employment - Monthly Job Growth by Company Size



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 e-mail alerts and RSS feeds, please visit www.ADPemploymentreport.com. The December 2008 *ADP National Employment Report* will be released on Wednesday, January 7, 2009 at 8:15 a.m. ET.

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 and nearly 24 million U.S. employees working in all private industrial sectors. The *ADP Small Business Report*[®] is a monthly estimate of private nonfarm employment among companies in the United States with 1-49 employees and is a subset of the *ADP National Employment Report*. The data for both reports 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>.

About ADP

Automatic Data Processing, Inc. (Nasdaq: ADP), with nearly \$9 billion in revenues and over 585,000 clients, is one of the world's largest providers of business outsourcing solutions. Leveraging nearly 60 years of experience, ADP offers the widest range of HR, payroll, tax and benefits administration solutions from a single source. ADP's easy-to-use solutions for employers provide superior value to companies of all types and sizes. ADP is also a leading provider of integrated computing solutions to auto, truck, motorcycle, marine and recreational vehicle dealers throughout the world. For more information about ADP or to contact a local ADP sales office, reach us at 1.800.225.5237 or visit the company's Web site at www.ADP.com.

About Macroeconomic Advisers, LLC

Macroeconomic Advisers, LLC (MA) has been the most trusted source for U.S. macroeconomic forecasts and commentary, monetary and fiscal policy analysis, and econometric modeling for 25 years. MA's clients include leading financial service firms, nonfinancial corporations, key policymaking agencies of the U.S. government, as well as State and Foreign Government agencies. Additional information on Macroeconomic Advisers, LLC is available on the company's Web site, www.MacroAdvisers.com.

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Media Contacts:

ADP Public Relations

Zach Siegel

ADP
(973) 974-7612
Public_Relations@adp.com

Cohn & Wolfe for ADP
(212) 537-8102
Zach_Siegel@CohnWolfe.com

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