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## June 2010 National Employment Report

Nonfarm private employment increased 13,000 from May to June 2010 on a seasonally adjusted basis, according to the *ADP National Employment Report*<sup>®</sup>. The estimated change in employment from April to May 2010 was revised up slightly, from the previously reported increase of 55,000 to an increase of 57,000.

June's rise in private employment was the fifth consecutive monthly gain. However, over these five months the increases have averaged a modest 34,000. Recent *ADP Report* data suggest that, following steady improvement through April, private employment may have decelerated heading into the summer. The slow pace of improvement from February through June is consistent with other publicly available data, including a pause in the decline of initial unemployment claims that occurred during the winter months.

Unlike the estimate of total establishment employment to be released on Friday by the Bureau of Labor Statistics (BLS), today's *ADP Report* does not include the effects of federal hiring for the 2010 Census. Hiring for the census may have peaked in May. For this reason, Friday's figure for the change in nonfarm total employment reported by the BLS might be weaker than today's estimate for nonfarm private employment in the *ADP Report*.

June's *ADP Report* estimates nonfarm private employment in the service-providing sector rose by 30,000. Employment in the goods-producing sector declined 17,000 during June while employment in the manufacturing sector increased 16,000, the fifth consecutive monthly increase.

Large businesses, defined as those with 500 or more workers, saw employment increase by 3,000 and employment among medium-size businesses, defined as those with between 50 and 499 workers increased by 11,000. Employment among small-size businesses, defined as those with fewer than 50 workers, decreased by 1,000 in June.\*

In June, construction employment dropped 35,000. This was the smallest decline since July, 2008. This drop marks 3 years of monthly decline, and brings the total decline in construction jobs since the peak in January 2007 to 2,226,000. Employment in the financial services sector dropped 10,000, resulting in over three years of consecutive monthly decline.

For information on the construction sector and use of the *ADP Report*, please visit the methodology section of the *ADP National Employment Report* website at <http://ADPEmploymentreport.com/methodology.aspx>.

\*All data included in the *ADP National Employment Report* is based on size of payroll. In some cases, small and medium-size payrolls belong to businesses employing more workers than indicated by the size grouping.

DERIVED FROM ADP PAYROLL DATA

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

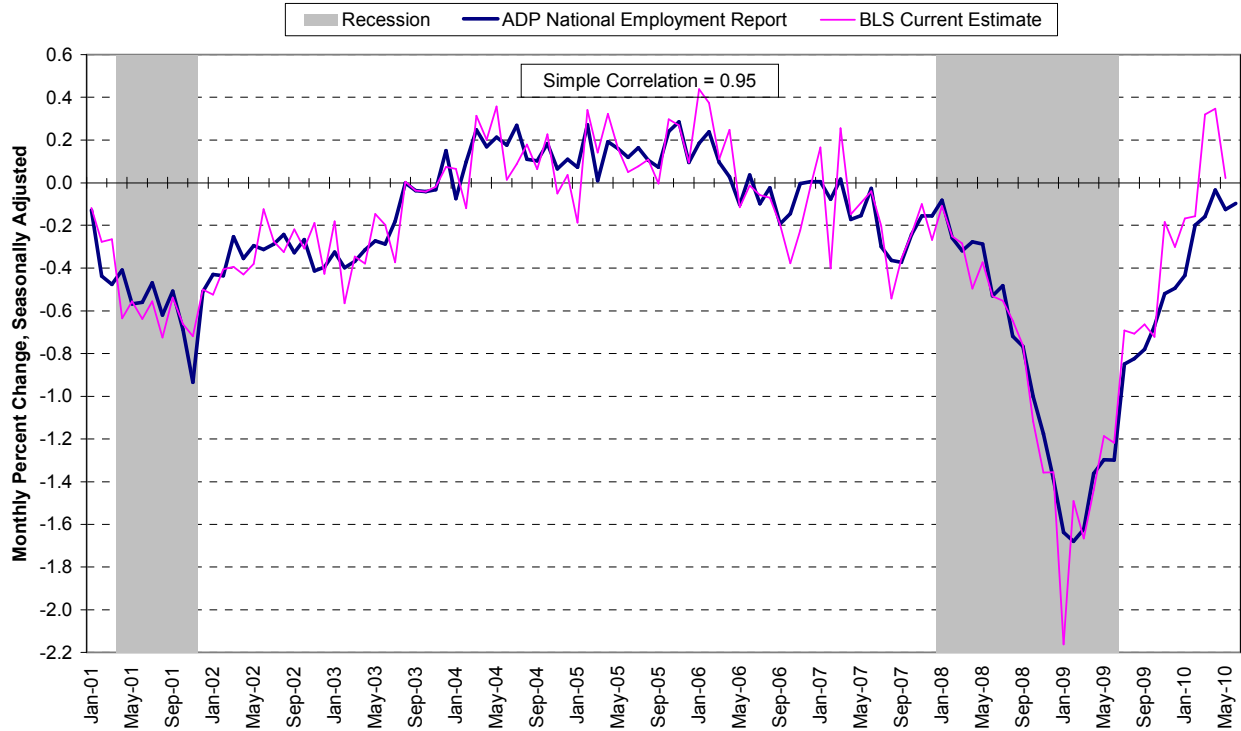
Industry / Size of Payroll	Seasonally Adjusted						Change from: May 2010 - Jun.2010p
	Jan. 2010	Feb. 2010	Mar. 2010	Apr. 2010	May 2010p	Jun. 2010p	
<b>Total nonfarm private.....</b>	106,747	106,750	106,782	106,847	106,904	106,917	13
Small (1-49).....	48,201	48,191	48,199	48,216	48,229	48,228	-1
Medium (50-499).....	41,061	41,078	41,097	41,128	41,170	41,181	11
Large (> 499).....	17,485	17,481	17,486	17,503	17,505	17,508	3
<b>Goods-producing.....</b>	17,653	17,618	17,590	17,584	17,562	17,545	-17
Small (1-49).....	6,511	6,485	6,465	6,446	6,421	6,400	-21
Medium (50-499).....	7,677	7,672	7,666	7,668	7,672	7,670	-2
Large (> 499).....	3,465	3,461	3,459	3,470	3,469	3,475	6
<b>Service-providing.....</b>	89,094	89,132	89,192	89,263	89,342	89,372	30
Small (1-49).....	41,690	41,706	41,734	41,770	41,808	41,828	20
Medium (50-499).....	33,384	33,406	33,431	33,460	33,498	33,511	13
Large (> 499).....	14,020	14,020	14,027	14,033	14,036	14,033	-3
<b>Addendum:</b>							
Manufacturing.....	11,429	11,434	11,441	11,475	11,493	11,509	16

p = preliminary

\* All size data included in the ADP National Employment Report is based on size of payroll. In some cases, small and medium-size payrolls belong to businesses employing more workers than indicated

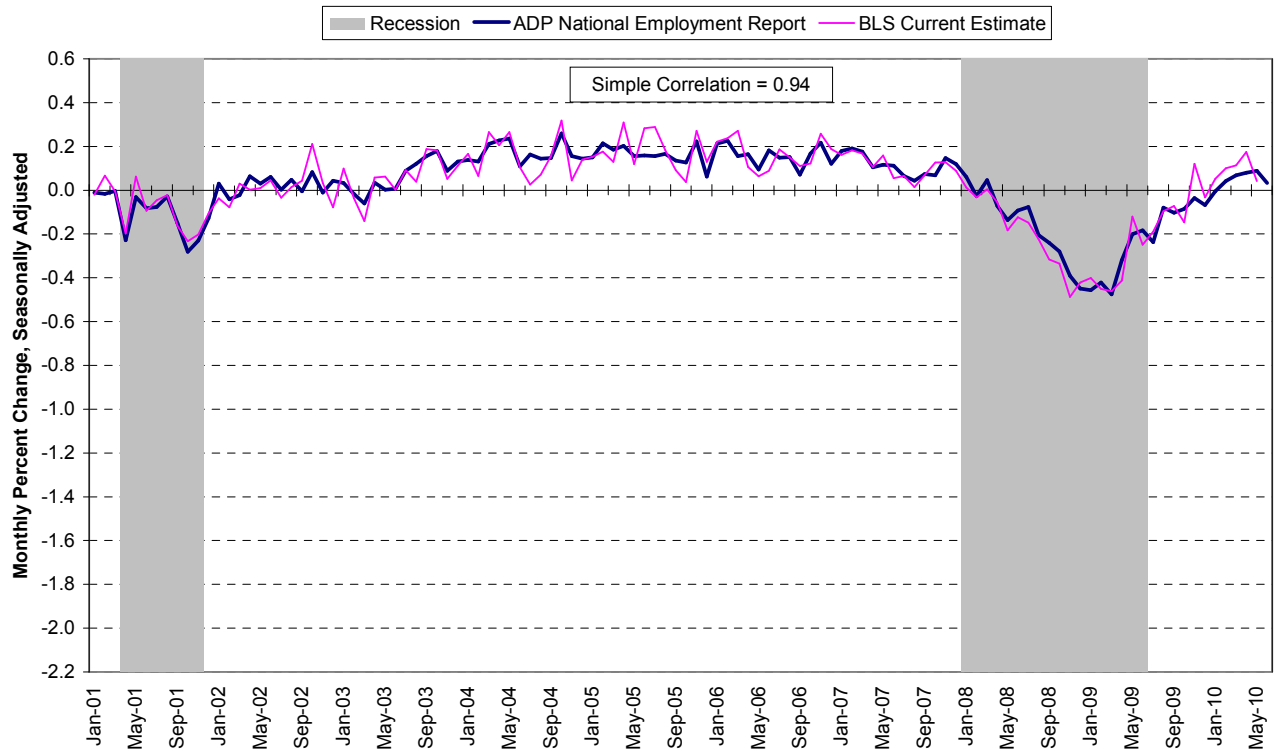
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data, which during the twelve month period through June 2010, averaged over 340,000 U.S. business clients and represented over 21 million U.S. employees. This approximately represents the size of the matched sample used this month.

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



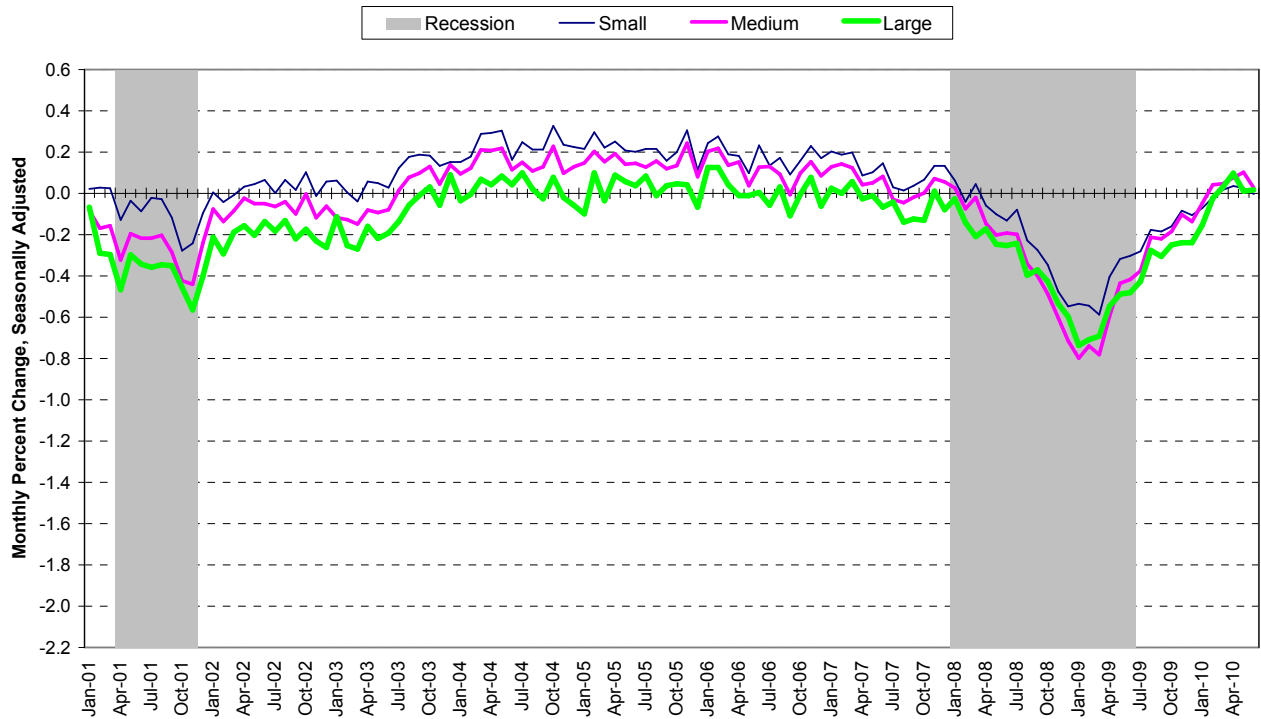
Source: Automatic Data Processing, Inc., Macroeconomic Advisers, LLC., Bureau of Labor Statistics

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



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

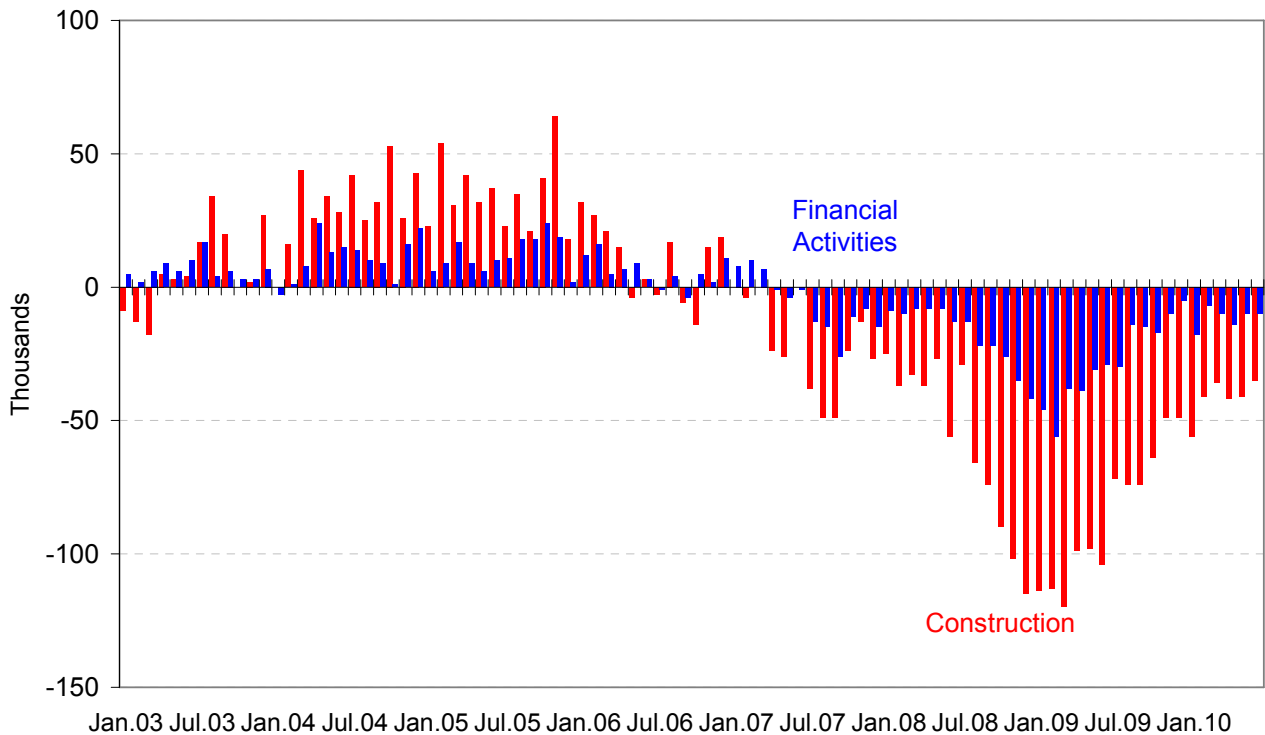
**Chart 4. Growth of Private Nonfarm Employment, by Size of Payroll\***



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

\* All size data included in the ADP National Employment Report is based on size of payroll. In some cases, small and medium-size payrolls belong to businesses employing more workers than indicated by the size grouping.

**Monthly Changes of Employment in Construction and Financial Activities**



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

### **About the *ADP National Employment Report*<sup>®</sup>**

The *ADP National Employment Report*, sponsored by ADP<sup>®</sup>, 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 2010, this subset averaged over 340,000 U.S. business clients and over 21 million U.S. employees working in all private industrial sectors. The *ADP Small Business Report*<sup>®</sup> 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>.

The July 2010 *ADP National Employment Report* will be released August 4, 2010 at 8:15 AM ET.

For a full schedule of future releases, please visit: [www.ADPEmploymentreport.com](http://www.ADPEmploymentreport.com)

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