



National Employment Report

ADP NATIONAL EMPLOYMENT REPORT: PRIVATE SECTOR EMPLOYMENT INCREASED BY 238,000 JOBS IN DECEMBER

ROSELAND, N.J. – January 8, 2014 – Private sector employment increased by 238,000 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 ADP[®], a leading global provider of Human Capital Management (HCM) solutions, 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 2013 Report Highlights*

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

Total U.S. Nonfarm Private Employment: 238,000

- **By Company Size**
 - **Small businesses:** **108,000**
 - 1-19 employees 55,000
 - 20-49 employees 53,000
 - **Medium businesses:** **59,000**
 - 50-499 employees 59,000
 - **Large businesses:** **71,000**
 - 500-999 employees -3,000
 - 1,000+ employees 74,000
- **By Sector**
 - Goods-producing 69,000
 - Service-providing 170,000
- **Industry Snapshot**
 - Construction 48,000
 - Manufacturing 19,000
 - Trade/transportation/utilities 47,000
 - Financial activities 10,000
 - Professional/business services 53,000

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

Goods-producing employment rose by 69,000 jobs in December, up from an upwardly revised figure of 46,000 in November. Construction had its best month since 2006, adding 48,000 to payrolls. Manufacturing was strong as well, but growth slowed slightly to 19,000 in December. Over the course of 2013, goods-producers added 286,000 jobs. Nearly 75 percent of these gains came from construction as the housing recovery accelerated throughout 2013.

Service-providing industries added 170,000 jobs in December, down slightly from an upwardly revised November figure of 182,000. The *ADP National Employment Report* indicates that professional/ business services contributed the most to growth in service-providing industries, adding 53,000 jobs. This was the largest gain in the industry in a year. Expansion in trade/transportation/utilities slowed slightly, adding 47,000 jobs in December. Private payrolls increased by nearly 1.9 million jobs in the service-providing industries in 2013. The bulk of this increase was split evenly between transportation/trade/utilities and professional/business services. Finance brought up the rear gaining just 59,000 in the last twelve months.

"The U.S. private sector added 238,000 jobs in December, surpassing November as the strongest month for job growth in 2013," said Carlos Rodriguez, president and chief executive officer of ADP. "It's encouraging news that hopefully bodes well for 2014."

Mark Zandi, chief economist of Moody's Analytics, said, "The job market ended 2013 on a high note. Job growth meaningfully accelerated and is now over 200,000 per month. Job gains are broad-based across industries, most notably in construction and manufacturing. It appears that businesses are growing more confident and increasing their hiring."

Chart 1. Change in Total Nonfarm Private Employment

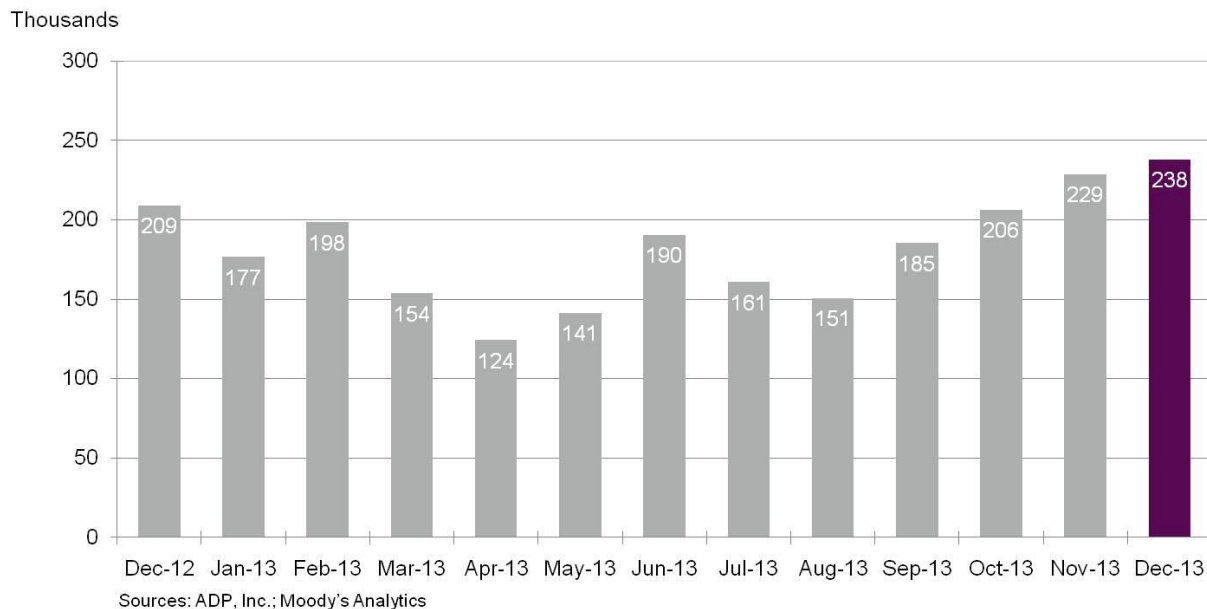


Chart 2. Historical Trend – Change in Total Nonfarm Private Employment

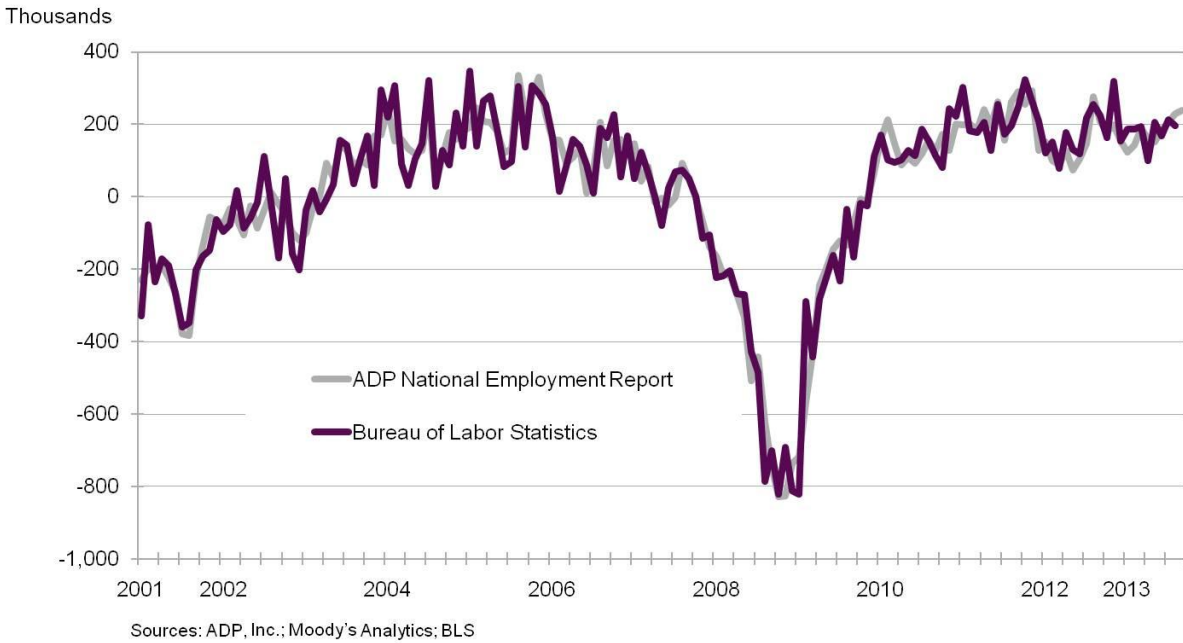


Chart 3. Change in Nonfarm Private Employment by Selected Industry

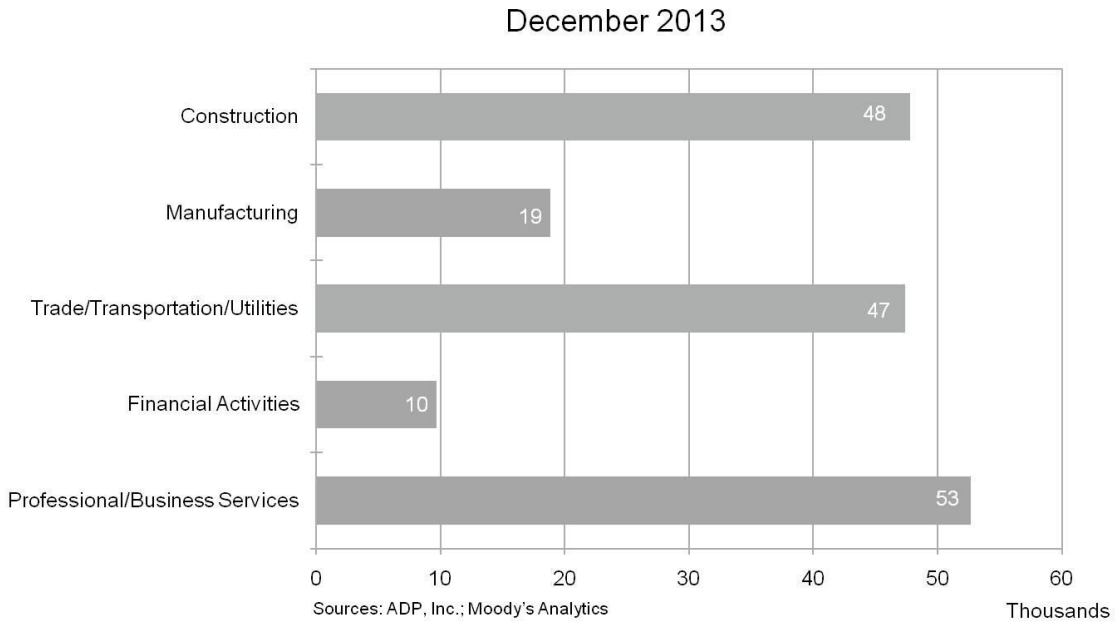
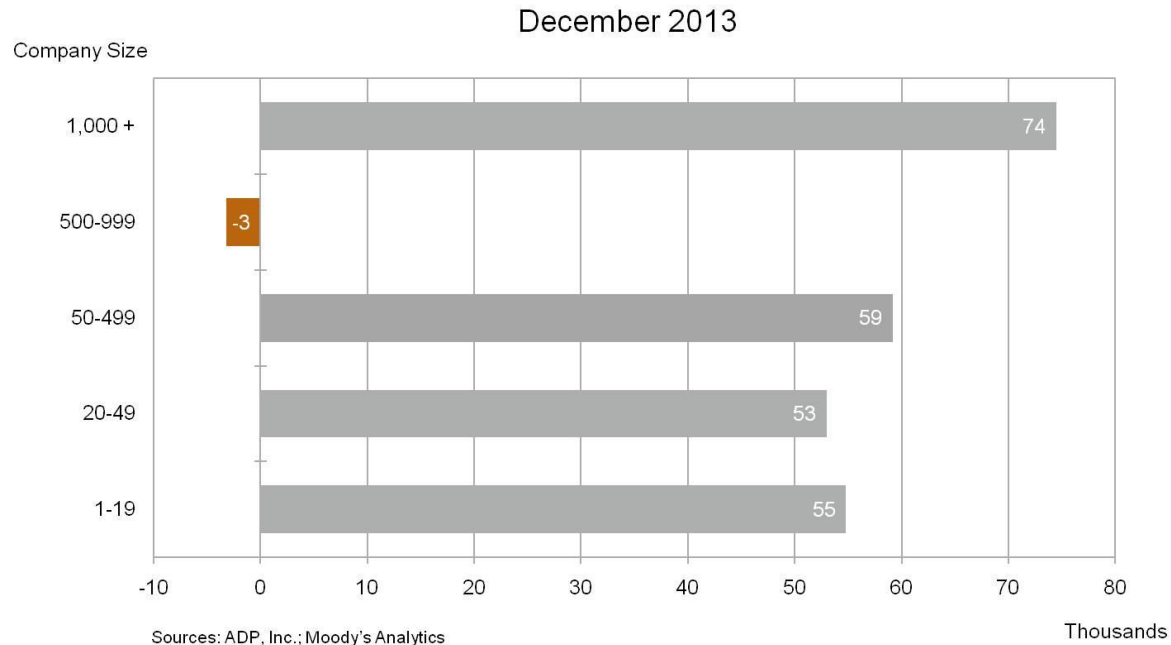


Chart 4. Change in Nonfarm Private Employment by Company Size



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.

Payroll growth for businesses with 49 or fewer employees accelerated in December, adding 108,000 jobs. This is the fastest that small businesses have grown since the beginning of 2012. Employment levels among medium-sized companies with 50-499 employees rose by 59,000 and employment at large companies – those with 500 or more employees – increased by 71,000. Both of these figures are relatively unchanged from last month.

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.

***ADP Small Business Report*[®]:**

Due to the important contribution that small businesses make to economic growth, employment data that are specific to businesses with 49 or fewer employees is reported each month in the *ADP Small Business Report*[®], a subset of the *ADP National Employment Report*.

December 2013 Small Business Report Highlights*

Total Small Business Employment: 108,000

- **By size:**
 - 1-19 employees 55,000
 - 20-49 employees 53,000

- **By sector for 1-49 employees:**
 - Goods producing 28,000
 - Service providing 79,000
- **By sector for 1-19 employees:**
 - Goods producing 15,000
 - Service providing 40,000
- **By sector for 20-49 employees:**
 - Goods producing 14,000
 - Service providing 39,000

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

Additional information about small business employment, including charts on monthly job growth and employment levels along with historical data, is available at www.adpemploymentreport.com.

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 2014 *ADP National Employment Report* will be released at 8:15 a.m. ET on February 5, 2014.

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 ADP Small Business Report is a monthly estimate of private nonfarm employment among companies in the U.S. 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 model used to create this report, please see “*ADP National Employment Report: Development Methodology*” at www.adpemploymentreport.com/docs/ADP-NER-Methodology-Full-Detail.pdf.

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 proprietary analyses from 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 \$2.7 billion in 2012, employs approximately 6,800 people worldwide and has a presence in 28 countries. Further information is available at www.moodyanalytics.com.

About ADP

With more than \$11 billion in revenues and more than 60 years of experience, ADP® (NASDAQ: ADP) serves approximately 620,000 clients in more than 125 countries. As one of the world's largest providers of business outsourcing and Human Capital Management solutions, ADP offers a wide range of human resource, payroll, talent management, tax and benefits administration solutions from a single source, and helps clients comply with regulatory and legislative changes, such as the Affordable Care Act (ACA). 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, recreational vehicle, and heavy equipment dealers throughout the world. For more information about ADP, visit the company's Web site at www.adp.com.

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