



Wednesday, June 4, 2008, 8:15 A.M. ET

Nonfarm private employment increased 40,000 from April to May 2008 on a seasonally adjusted basis, according to the *ADP National Employment Report*[™]. The estimated change in employment from March to April was revised up from an increase of 10,000 to an increase of 13,000.

Though May's estimate for a moderate increase in employment is above consensus forecasts of an outright decline, it nevertheless suggests continued weakness in employment.

Employment in the service-providing sector of the economy grew 77,000, while employment in the goods-producing sector declined 37,000, the eighteenth consecutive monthly decline. Manufacturing employment fell 26,000 in May and marked the twenty-first consecutive monthly decline.

Large businesses, defined as those with 500 or more workers, saw employment decline 18,000, while medium-size companies with between 50 and 499 workers declined by 3,000. Conversely, employment among small-size businesses, defined as those with fewer than 50 workers, advanced 61,000 during the month.

Two sectors of the economy hit hardest by recent problems in mortgage markets have been residential construction and financial activities related to home sales and mortgage lending. In May, construction employment dropped 13,000. This was the eighteenth consecutive monthly decline, and brings the total decline in construction jobs since the peak in August of 2006 to 298,000. However, May's decline was the smallest since January. In addition, employment in financial activities advanced 5,000 during May, the third consecutive monthly gain.

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>.



National Employment Report

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: Apr. 2008 - May. 2008p
	Dec. 2007	Jan. 2008	Feb. 2008	Mar. 2008	Apr. 2008	May. 2008p	
Total nonfarm private	115,952	116,071	116,053	116,056	116,069	116,109	40
Small (1-49).....	51,023	51,087	51,103	51,156	51,199	51,260	61
Medium (50-499).....	45,558	45,605	45,603	45,606	45,591	45,588	-3
Large (> 499).....	19,371	19,379	19,347	19,294	19,279	19,261	-18
Goods-producing	22,077	22,064	21,993	21,915	21,864	21,827	-37
Small (1-49).....	8,024	8,020	7,999	7,990	7,978	7,977	-1
Medium (50-499).....	9,725	9,716	9,688	9,663	9,635	9,614	-21
Large (> 499).....	4,328	4,328	4,306	4,262	4,251	4,236	-15
Service-providing	93,875	94,007	94,060	94,141	94,205	94,282	77
Small (1-49).....	42,999	43,067	43,104	43,166	43,221	43,283	62
Medium (50-499).....	35,833	35,889	35,915	35,943	35,956	35,974	18
Large (> 499).....	15,043	15,051	15,041	15,032	15,028	15,025	-3
Addendum:							
Manufacturing.....	13,792	13,789	13,748	13,690	13,663	13,637	-26

p = preliminary

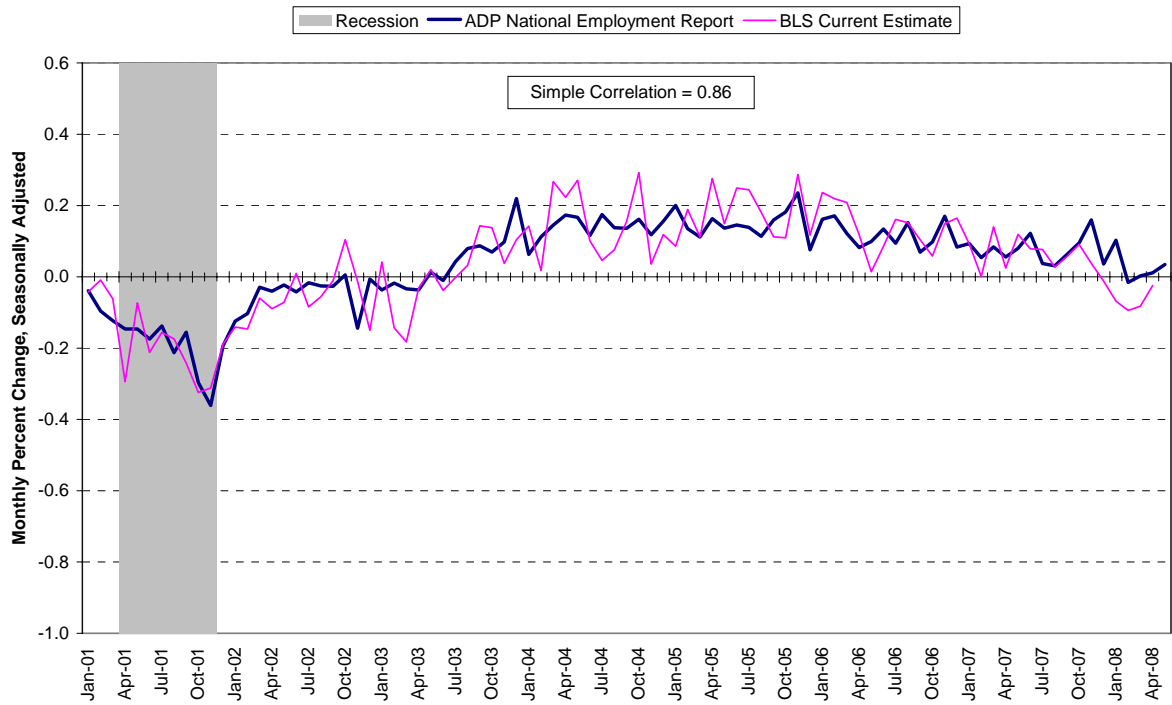
The matched sample used to develop the *ADP National Employment Report* was derived from ADP data which, during the last six months of 2007, averaged approximately 392,000 payrolls representing nearly 24 million U.S. employees. This approximately represents the size of the matched sample used this month.

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>



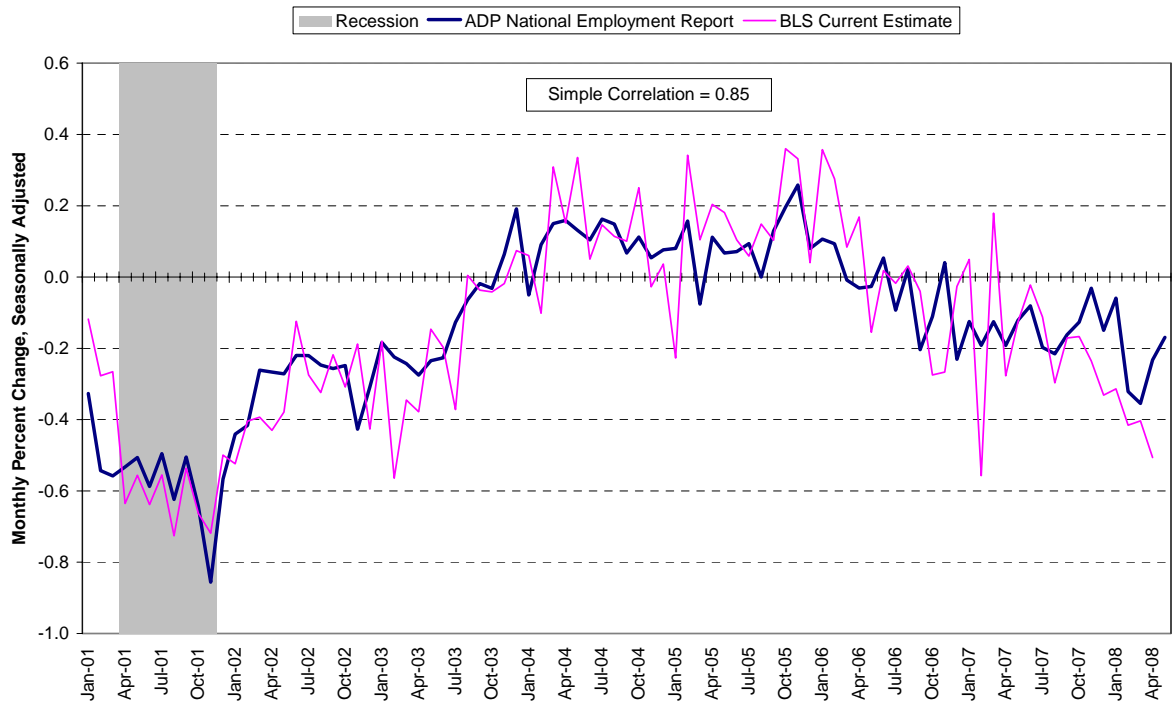
National Employment Report

Chart 1. Growth of Nonfarm Private Employment, All Industries



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

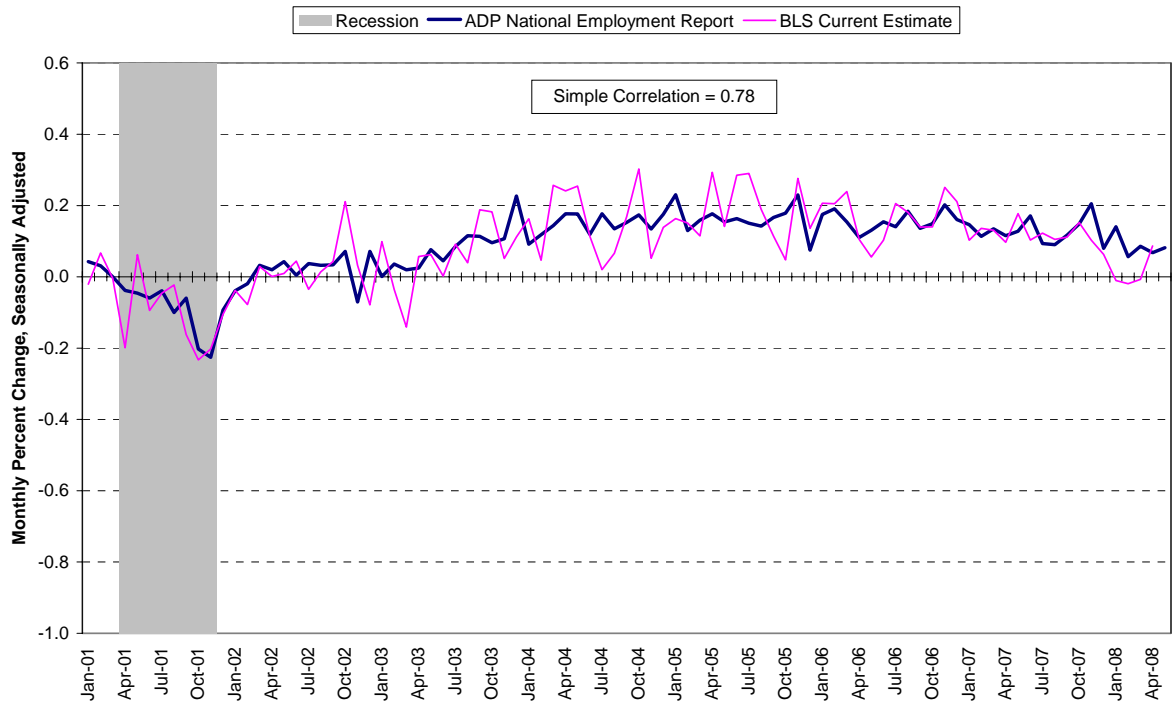
Chart 2. Growth of Nonfarm Private Employment, Goods-Producing Industries



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

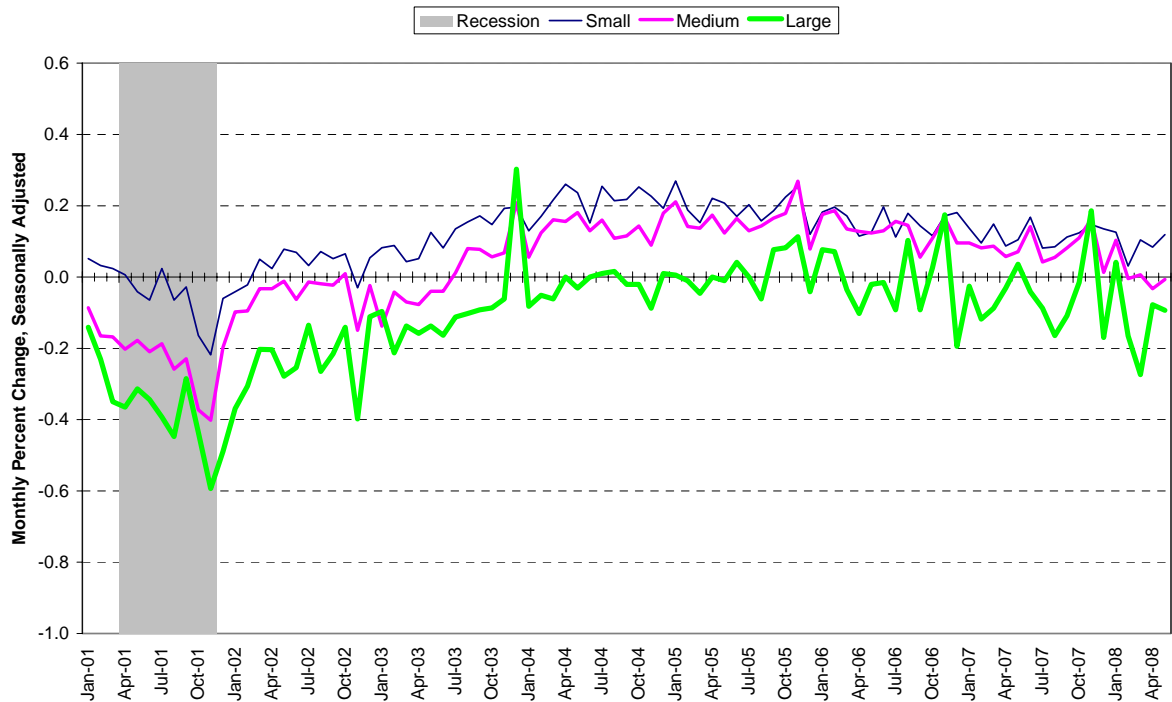


Chart 3. Growth of Nonfarm Private Employment, Service-Providing Industries



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

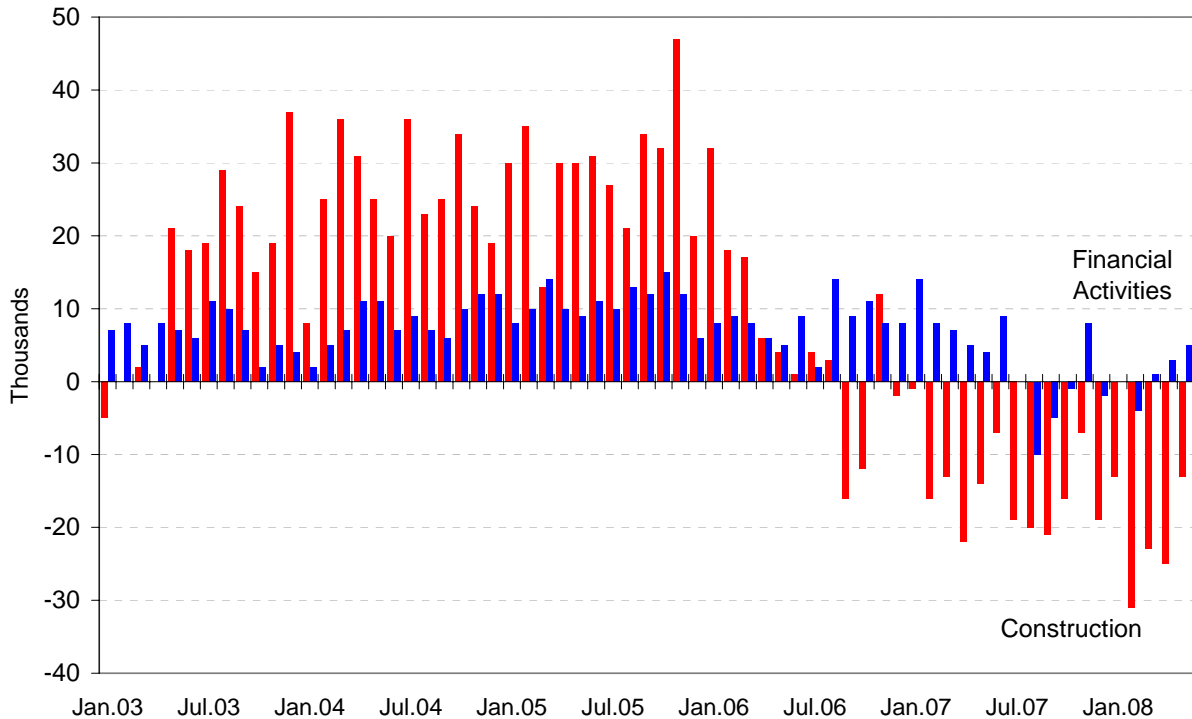
Chart 4. Growth of Nonfarm Private Employment, by Size of Payroll



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



Chart 5. Monthly Changes of Employment in Construction and Financial Activities



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

About the ADP National Employment Report SM

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 last six months of 2007, this subset represented approximately 392,000 U.S. business clients representing nearly 24 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.

Empirical analysis performed by Macroeconomic Advisers suggests that the ADP National Employment Report can be used to develop a forecast of “true” employment that is superior to those resulting from consensus estimates, survey data, or other models of employment that do not incorporate the results of the ADP Report.

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>.



For a full schedule of future releases, please visit: www.ADPemploymentreport.com

Media contacts: ADP Public Relations: 973-974-7612

Macroeconomic Advisers: 314-721-4747

Technical information: 314-721-4747

www.ADPemploymentreport.com

The ADP National Employment Report is a trademark and service mark of ADP of North America, Inc.