

U.S. PRIVATE JOB SECTOR INCREASED BY 110,000 JOBS IN OCTOBER



The U.S. private job sector, after accounting for seasonal adjustment, increased by 110,000 jobs from September to October, according to a National Employment Report released by ADP on November 2nd. The ADP National Employment Report is created by a company named Automatic Data Processing, Inc. ADP works together, as a partner, with Macroeconomic Advisers, LLC. The report is gathered by taking data from actual payrolls, which the data then measures the total amount issued to private employees, every month. Initially, the estimate of increase stood at 91,000, but was later adjusted to 111,000 between September and October. It is important to note what constitutes the size of a business before breaking down the numbers. Small business are defined as businesses with 1 to 49 employees, medium business have 50 to 499 employees and large business have more than 499 employees on their payroll. Here is a look at how some of the numbers in the ADP monthly report break down: Total Employment + 110,000 Small Businesses + 58,000 Medium Businesses + 53,000 Large Businesses - 1,000 Production of Goods - 4,000 Production of Services + 114,000 Manufacturing Industry - 8,000

The overall employment numbers associated with the production of services rose by 114,000 in October, which is down a bit from the 122,000 new jobs added in September. Both the manufacturing and production of goods saw a decline of employees on their payrolls from September to October. Manufacturing saw a payroll decline of - 8,000 and the production of goods sector experienced a drop of - 4,000 workers. Clearly, the sector with the most gain was the service production area, according to Gary C. Butler, Chief Executive Officer of ADP. Butler goes on to explain that the numbers show why growth has been seen in business and services while heads of manufacturing businesses are hesitant to add more workers, at the present time. He said that the area that has seen the most balance, more so in previous months, is the business sector where small, medium and large businesses equal out to each other. Joel Prakken, Chairman of Macroeconomic Advisers, LLC says that the trend they are seeing from October is that employment grew at a moderate rate during the month of October. Even with the growth, however, Prakket goes on to say the growth is still below what is considered by most as a stable employment rate. Prakket also made note of the fact that the construction industry experienced the loss of 1,000 employees who were on a payroll during the month of September. It is important to note that all data included in the National Employment Report is measured by the size of the each sectors actual payroll size. The size of the payroll can vary, in the data collected, as a result of small and medium businesses that have more workers on payroll than is indicated by the sizing chart used by the ADP.