

THE PRIVATE EMPLOYMENT SECTOR INCREASED JOBS IN OCTOBER OVER WHAT WAS EXPECTED



The private employment sector added more jobs than what was initially predicted and the number of layoffs decreased sharply during the same month which added more weight to the belief that the job market is headed for a slow growth. The ADP National Employment Report, released on Wednesday November 2nd, stated that the private sector job arena saw an increase of 110,000 new workers as compared to what they initially predicted. Economists previously reported that October would see a gain of 101,000 new workers. September saw a job growth of 116,000 new workers over the 91,000 new jobs that they initially thought would be created. Economist warned that even though the report indicated positive changes were ahead, that the nation would still experience a slow road to recovery. The report provided by ADP is prepared by Macroeconomics Advisers and then sponsored through the Automatic Data Processing, Inc Company. David H. Resler, chief economist at Nomura Securities in New York explains why the report indicates that slow job growth still looms ahead in this statement, "It portrays a job market that's improved a bit since earlier in the summer. But we're still not generating the kind of job growth that's going to be enough to bring down the unemployment rate quickly." This information is on the heels of a report released on Friday, November 4th, by the U.S. government. The report covers much more in depth information than what can be found in the pages of information provided on a monthly basis by the ADP. The report released by the government has facts covering both public and private employment information. According to the report, non-farm payroll jobs saw 95,000 jobs during the month of October while private payroll saw an increase of 120,000 new workers. These figures are based off a poll conducted by Reuters who sought facts from analyst around the country. The report also predicts that the unemployment rate will stay right around 9.1 percent. Economists around the country use the report to gather information that cements their monthly payroll analysis every month. They do recognize, however, that the ADP does not always have their numbers exactly right, when they make their monthly predictions. The good news is that while the economy remains sluggish, especially where job market growth is concerned, Americans are quelling their fear regarding the emergence of a new recession. The job growth seen in recent months took place after a weak first half of the year. Small and medium-sized business added the most jobs during the month of October, according to the ADP report. Small business added 58,000 new jobs and medium-sized businesses saw an extra 53,000 on their payroll during October. Some unemployment numbers have dipped since preliminary statistics have been released about the month of October but not enough to soften fears of those without jobs.