
ADP LAYOFF DATA IN DISPUTE



In the world of layoffs we are always in search of good news to report, and usually it is a rarity. Often, that good news comes tempered with bad news. That is the case today. ADP, one of the largest payroll providers in the United States, has shown that USA non-farm private payrolls grew 91,000 in September of this year. This is good news because it is not a loss in jobs, but it is also bad news because it is not a gain either, when compared to the numbers from August of this year. The numbers stayed pretty much the same. To be honest, most of the analysts were expecting the news to be much worse this quarter, with real losses on the horizon. Though the dire predictions are still there, just with a little delay many of the analysts seem to be selectively choosing how to apply their data in order to create their numbers. Challenger, Gray & Christmas, Inc., a prominent outplacement agency, has reported that September had such a high number of layoffs that they predict that the third quarter of 2011 will be one of the worst quarters for layoffs since the third quarter of 2009. The total number of expected layoffs is estimated to be roughly 115,000 jobs lost. Though many reports on this news are blowing it to epic proportions and showing this information with misleading statistics. For example, in the number in question includes a military force reduction of 50,000 which will occur over four years time as service contracts end and service men and women make their way back into the civilian job population. Given that this number is spread is over four years adding it all into quarter three of 2011 seems to be a bit alarmist, at best. Since military service layoffs do not count towards traditional layoff figures they really should not be included in the figures at all. These reports also fail to note that 76,551 jobs have been added to the economy since October of 2010, and this September is responsible for some of those gains. It is important to note that these gains are the third largest job gains since the official end of the recession. That is not to say that there is not still cause for concerns. The ADP data does say that several areas that traditionally growth employers are not growing. For example manufacturing / goods employment has failed to grow in the last month. There are however two sectors that have shown growth in the latest reports. The first of those sectors is retail, which is no surprise considering that the pre-holiday hiring that usually occurs in this industry. The second group that is showing job growth is small and medium size businesses. Since this sector is usually a growth leader in bad economic times the growth in this sector is a good indication for growth in the future. The moral of the story here is not rely too heavily on any one analysis to understand the situation at hand.

<https://blog.granted.com/>