**ADP National Employment Report**: Private Sector Employment Increased by 132,000 Jobs in August; Annual Pay was Up 7.6%

ROSELAND, N.J. – August 31, 2022 – Private sector employment increased by 132,000 jobs in August and annual pay was up 7.6% according to the August ADP® National Employment Report™ produced by the ADP Research Institute® in collaboration with the Stanford Digital Economy Lab (“Stanford Lab”).

The jobs report and pay insights use ADP’s fine-grained anonymized and aggregated payroll data of over 25 million U.S. employees to provide a representative picture of the labor market. The report details the current month’s total private employment change, and weekly job data from the previous month. ADP’s pay measure uniquely captures the earnings of a cohort of almost 10 million employees over a 12-month period.

“Our data suggests a shift toward a more conservative pace of hiring, possibly as companies try to decipher the economy’s conflicting signals,” said Nela Richardson, chief economist, ADP. “We could be at an inflection point, from super-charged job gains to something more normal.”

**August 2022 Report Highlights**


**JOBS REPORT**

**Job growth slowed for second-straight month in August**

Private employers created 132,000 jobs in August, a step down from the month before, when the economy created nearly 270,000 jobs. Payroll growth also slowed in July when compared to June of this year.

**Change in U.S. Private Employment:** 132,000

**Change by Industry Sector**

- **Goods-producing:** 23,000
  - Natural resources/mining 2,000
  - Construction 21,000
  - Manufacturing 0

- **Service-providing:** 110,000
  - Trade/transportation/utilities 54,000
  - Information -1,000
  - Financial activities -20,000
  - Professional/business services -14,000
  - Education/health services -15,000
  - Leisure/hospitality 96,000
  - Other services 10,000
Change by U.S. Regions

- **Northeast:** 23,000
  - New England: 4,000
  - Middle Atlantic: 19,000

- **Midwest:** -7,000
  - East North Central: 24,000
  - West North Central: -31,000

- **South:** 76,000
  - South Atlantic: 33,000
  - East South Central: 24,000
  - West South Central: 19,000

- **West:** 40,000
  - Mountain: 37,000
  - Pacific: 3,000

Change by Establishment Size

- **Small establishments:** 25,000
  - 1-19 employees: -47,000
  - 20-49 employees: 72,000

- **Medium establishments:** 53,000
  - 50-249 employees: 74,000
  - 250-499 employees: -21,000

- **Large establishments:** 54,000
  - 500+ employees: 54,000

**PAY INSIGHTS**

Pay Growth has Stabilized at Elevated Levels

Year-over-year change in annual pay was 7.6 percent in August, in line with monthly readings since Spring 2022. In early 2021, annual pay increases were running at about 2 percent. While the pace of pay increases is elevated, its growth has flattened.

**Median Change in Annual Pay (ADP matched person sample)**

- Job-Stayers: 7.6%
- Job-Changers: 16.1%

Median Change in Annual Pay for Job-Stayers by Industry Sector

- **Goods-producing:**
  - Natural resources/mining: 8%
  - Construction: 6.7%
  - Manufacturing: 7.6%

- **Service-providing:**
  - Trade/transportation/utilities: 8.4%
  - Information: 7.4%
  - Financial activities: 7.4%
  - Professional/business services: 6.8%
  - Education/health services: 6.8%
  - Leisure/hospitality: 12.1%
  - Other services: 6.8%
Median Change in Annual Pay for Job-Stayers by Firm Size

- **Small firms:**
  - 1-19 employees: 5.4%
  - 20-49 employees: 7.2%

- **Medium firms:**
  - 50-249 employees: 7.9%
  - 250-499 employees: 7.8%

- **Large firms:**
  - 500+ employees: 8.3%

To see Pay Insights by U.S. State, Gender, and Age for Job-Stayers, visit [here](https://adpemploymentreport.com/):

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

The historical data file, and weekly data for the previous month, is available at [https://adpemploymentreport.com/](https://adpemploymentreport.com/).

To subscribe to monthly email alerts or obtain additional information about the ADP National Employment Report, including employment and pay data, interactive charts, methodology, and a calendar of release dates, please visit [https://adpemploymentreport.com/](https://adpemploymentreport.com/).

The September 2022 *ADP National Employment Report* will be released at 8:15 a.m. ET on October 5, 2022.

**About the ADP® National Employment Report™**

The ADP National Employment Report is an independent estimate of the change in U.S. private employment and pay derived from actual, anonymized payroll data of client companies served by ADP, a leading provider of human capital management solutions. The report is produced by ADP Research Institute in collaboration with the Stanford Digital Economy Lab.

The ADP National Employment Report is broadly distributed to the public each month, free of charge, as part of the company’s commitment to offering deeper insights of the U.S. labor market and providing businesses and governments with a source of credible and valuable information.

**About the ADP Research Institute®**

The ADP Research Institute delivers data-driven discoveries about the world of work and derives reliable economic indicators from these insights. We offer these findings as a unique contribution to making the world of work better and more productive by delivering actionable insights to the economy at large.

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Media Contact:
Joanna DiNizio
ADP, Inc.
(973) 369-8167
joanna.dinizio@adp.com