



ADP National Employment Report: Private Sector Employment Increased by 89,000 Jobs in September; Annual Pay was Up 5.9%

ROSELAND, N.J. – October 4, 2023 – Private sector employment increased by 89,000 jobs in September and annual pay was up 5.9 percent year-over-year, according to the September [ADP® National Employment Report™](#) produced by the ADP Research Institute® in collaboration with the Stanford Digital Economy Lab (“Stanford Lab”). The ADP National Employment Report is an independent measure and high-frequency view of the private-sector labor market based on actual, anonymized payroll data of more than 25 million U.S. employees.

The jobs report and pay insights use ADP’s fine-grained anonymized and aggregated payroll data to provide a representative picture of the private-sector labor market. The report details the current month’s total private employment change, and weekly job data from the previous month. Because the underlying ADP payroll databases are continuously updated, the report provides a high-frequency, near real-time measure of U.S. employment. This measure reflects the number of employees on ADP client payrolls (Payroll Employment) to provide a richer understanding of the labor market. ADP’s pay measure uniquely captures the earnings of a cohort of almost 10 million employees over a 12-month period.

“We are seeing a steepening decline in jobs this month,” said Nela Richardson, chief economist ADP. “Additionally, we are seeing a steady decline in wages in the past 12 months.”

September 2023 Report Highlights*

View the *ADP National Employment Report* and interactive charts at www.adpemploymentreport.com.

JOBS REPORT

Private employers added 89,000 jobs in September

September showed the slowest pace of growth since January 2021, when private employers shed jobs. Large establishments drove the slowdown, losing 83,000 jobs and wiping out gains they made in August.

Change in U.S. Private Employment: **89,000**

Change by Industry Sector

- **Goods-producing:** **8,000**
 - Natural resources/mining 4,000
 - Construction 16,000
 - Manufacturing -12,000
- **Service-providing:** **81,000**
 - Trade/transportation/utilities -13,000
 - Information 1,000
 - Financial activities 17,000
 - Professional/business services -32,000
 - Education/health services 10,000

○ Leisure/hospitality	92,000
○ Other services	6,000

Change by U.S. Regions

• Northeast:	34,000
○ New England	-1,000
○ Middle Atlantic	35,000
• Midwest:	2,000
○ East North Central	0
○ West North Central	2,000
• South:	-16,000
○ South Atlantic	43,000
○ East South Central	15,000
○ West South Central	-74,000
• West:	66,000
○ Mountain	9,000
○ Pacific	57,000

Change by Establishment Size

• Small establishments:	95,000
○ 1-19 employees	67,000
○ 20-49 employees	28,000
• Medium establishments:	72,000
○ 50-249 employees	55,000
○ 250-499 employees	17,000
• Large establishments:	-83,000
○ 500+ employees	-83,000

PAY INSIGHTS

Pay growth slowed again in September

Job stayers saw a 5.9 percent year-over-year pay increase in September, marking the 12th straight month of slowing growth. Pay gains also shrank for job changers, to 9 percent, down from 9.7 percent in August.

Median Change in Annual Pay (ADP matched person sample)

• Job-Stayers	5.9%
• Job-Changers	9.0%

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

• Goods-producing:	
○ Natural resources/mining	5.5%
○ Construction	6.0%
○ Manufacturing	5.4%
• Service-providing:	
○ Trade/transportation/utilities	5.7%
○ Information	5.5%
○ Financial activities	6.2%
○ Professional/business services	5.8%
○ Education/health services	6.4%

- Leisure/hospitality 6.7%
- Other services 5.9%

Median Change in Annual Pay for Job-Stayers by Firm Size

- **Small firms:**
 - 1-19 employees 5.0%
 - 20-49 employees 5.9%
- **Medium firms:**
 - 50-249 employees 6.1%
 - 250-499 employees 6.0%
- **Large firms:**
 - 500+ employees 6.0%

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

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

The August total of jobs added was revised from 177,000 to 180,000. The historical data file, and weekly data for the previous month, is available at <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/>.

The October 2023 *ADP National Employment Report* will be released at 8:15 a.m. ET on November 1, 2023.

About the ADP® National Employment Report™

The ADP National Employment Report is an independent measure 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.

About ADP (NASDAQ – ADP)

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