



ADP National Employment Report: Private Sector Employment Increased by 140,000 Jobs in February; Annual Pay was Up 5.1%

ROSELAND, N.J. – March 6, 2024 – Private sector employment increased by 140,000 jobs in February and annual pay was up 5.1 percent year-over-year, according to the February [*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.

“Job gains remain solid. Pay gains are trending lower but are still above inflation,” said Nela Richardson, chief economist, ADP. “In short, the labor market is dynamic, but doesn’t tip the scales in terms of a Fed rate decision this year.”

February 2024 Report Highlights*

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

JOBS REPORT

Private employers added 140,000 jobs in February

While employment growth remained steady, pay gains for job-changers accelerated for the first time in more than a year, rising to 7.6 percent from 7.2 percent.

Change in U.S. Private Employment: **140,000**

Change by Industry Sector

- | | |
|----------------------------------|----------------|
| • Goods-producing: | 30,000 |
| ○ Natural resources/mining | -4,000 |
| ○ Construction | 28,000 |
| ○ Manufacturing | 6,000 |
| • Service-providing: | 110,000 |
| ○ Trade/transportation/utilities | 24,000 |
| ○ Information | -2,000 |
| ○ Financial activities | 17,000 |
| ○ Professional/business services | 5,000 |

○ Education/health services	11,000
○ Leisure/hospitality	41,000
○ Other services	14,000

Change by U.S. Regions

• Northeast:	20,000
○ New England	6,000
○ Middle Atlantic	14,000
• Midwest:	39,000
○ East North Central	32,000
○ West North Central	7,000
• South:	37,000
○ South Atlantic	35,000
○ East South Central	-13,000
○ West South Central	15,000
• West:	42,000
○ Mountain	7,000
○ Pacific	35,000

Change by Establishment Size

• Small establishments:	13,000
○ 1-19 employees	11,000
○ 20-49 employees	2,000
• Medium establishments:	69,000
○ 50-249 employees	53,000
○ 250-499 employees	16,000
• Large establishments:	61,000
○ 500+ employees	61,000

PAY INSIGHTS

Pay gains for job-changers rose in February

For job-changers, year-over-year pay gains were 7.6 percent, up from the prior month and the first increase since November 2022. Pay gains for job-stayers continued to decelerate, reaching 5.1 percent, the smallest gain since August 2021.

Median Change in Annual Pay (ADP matched person sample)

• Job-Stayers	5.1%
• Job-Changers	7.6%

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

• Goods-producing:	
○ Natural resources/mining	4.5%
○ Construction	5.5%
○ Manufacturing	4.8%
• Service-providing:	
○ Trade/transportation/utilities	4.6%
○ Information	4.8%
○ Financial activities	5.5%
○ Professional/business services	5.1%

○ Education/health services	5.7%
○ Leisure/hospitality	5.9%
○ Other services	5.5%

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

- **Small firms:**
 - 1-19 employees 4.4%
 - 20-49 employees 5.2%
- **Medium firms:**
 - 50-249 employees 5.4%
 - 250-499 employees 5.3%
- **Large firms:**
 - 500+ employees 5.1%

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 January total of jobs added was revised from 107,000 to 111,000. 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 March 2024 *ADP National Employment Report* will be released at 8:15 a.m. ET on April 3, 2024.

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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