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Quarterly ADP® Workforce Vitality Report Shows Faster Growth for Both the Youngest and Oldest Workers in Q2 2015

ROSELAND, NJ -- (Marketwired) -- 07/15/15 -- The *ADP® Workforce Vitality Index (WVI)*, which measures the total wages paid to the U.S. private sector workforce, is 108 in the second quarter of 2015 (3Q2013=100, Not Seasonally Adjusted). The index grew by 4.1% from a year ago. The movement in the index depends on the contributions of wages and hours of workers who have remained in the same jobs from the previous quarter, the wages and hours of workers who switched jobs during the quarter, and employment changes. See Table1 below.

TABLE 1: ADP WORKFORCE VITALITY INDEX AND ITS COMPONENTS

Quarter	Year Over Year Growth				
	WVI	Holders' Hourly Wages	Holders' Hours	Switchers' Hourly Wages	Employment
Q2 2015	4.1%	2.5%	0.0%	6.6%	2.5%
Q1 2015	3.7%	1.9%	-0.2%	8.0%	2.6%

As illustrated in Chart 1 below, ADP WVI growth across age groups varies quite a bit, but is similar at the two ends of the age range. The reasons for these increases differ between the groups. For younger workers, the growth in WVI can be attributed mostly to strong growth in wages. For older workers, it is due to increased employment. The increase in employment in the older age group may be a result of more and more workers staying in the job beyond the conventional retirement age while others are crossing the 55 age threshold. Younger workers are also working longer hours whereas older workers are working less.

To see Chart 1: ADP WVI Yearly Growth by Age, please click [here](http://media.marketwire.com/attachments/201507/MOD-88840_chart1.jpg): http://media.marketwire.com/attachments/201507/MOD-88840_chart1.jpg

"This quarter's *Workforce Vitality Index* gives us an interesting look at how labor market forces are affecting workers at the extreme ends of the age spectrum," said Ahu Yildirmaz, VP and head of the ADP Research Institute®. "Both the youngest and oldest workers are experiencing solid growth as measured by the Index, but for very different reasons. For one it's better wages. For the other it's delaying their exit from the workforce."

Smaller firms experienced the strongest growth in workforce vitality primarily because of employment growth. As illustrated by the monthly *ADP National Employment Report®*, small businesses, firms with fewer than 50 employees, have been leading employment growth for some time. Wage growth has been fairly consistent across firm sizes, ranging generally between 2 and 3 percent.

To see Chart 2: ADP WVI Yearly Growth by Size of Firm, please click [here](http://media.marketwire.com/attachments/201507/MOD-88842_chart2.jpg): http://media.marketwire.com/attachments/201507/MOD-88842_chart2.jpg

The 3rd Quarter 2015 *ADP Workforce Vitality Report* will be released on October 21, 2015.

About the ADP Workforce Vitality Report

The *ADP Workforce Vitality Report* was developed by the ADP Research Institute in collaboration with Moody's Analytics. It is an unprecedented, in-depth quarterly analysis of the overall vitality of the U.S. labor market based on actual data that identifies labor market trends and dynamics across multiple dimensions. These dimensions include employment growth, job turnover, wage growth and hours worked. In addition to the macro data presented in the report, there are also segment-specific findings by industry, state, gender, age, experience, and pay level. For more information about the report, please visit <http://workforcereport.adp.com/>.

About Moody's Analytics

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services, and research, including the proprietary analysis of Moody's Investors Service, Moody's Analytics integrates and customizes its offerings to address specific business challenges. Moody's Analytics is a subsidiary of Moody's Corporation (NYSE: MCO), which reported revenue of \$3.3 billion in 2014, employs approximately 10,000 people worldwide and maintains a presence in 33 countries. Further information is available at www.moodysanalytics.com.

About ADP

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