

ADP National Employment Report: Private Sector Employment Increased by 497,000 Jobs in June; Annual Pay was Up 6.4%

ROSELAND, N.J., July 6, 2023 /[PRNewswire](#)/ -- Private sector employment increased by 497,000 jobs in June and annual pay was up 6.4 percent year-over-year, according to the June [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.

"Consumer-facing service industries had a strong June, aligning to push job creation higher than expected," said Nela Richardson, chief economist, ADP. "But wage growth continues to ebb in these same industries, and hiring likely is cresting after a late-cycle surge."

June 2023 Report Highlights*

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

Jobs Report

Private employers added 497,000 jobs in June

Job creation surged in June, led by consumer-facing services. Leisure and hospitality, trade and transportation, and education and health services showed strong gains. Still, the market was fragmented, with manufacturing, information, and finance showing declines.

Change in U.S. Private Employment: 497,000

Change by Industry Sector

- Goods-producing: 124,000

- Natural resources/mining 69,000
- Construction 97,000
- Manufacturing -42,000

- Service-providing: 373,000

- Trade/transportation/utilities 90,000
- Information -30,000
- Financial activities -16,000
- Professional/business services -5,000
- Education/health services 74,000
- Leisure/hospitality 232,000
- Other services 28,000

Change by U.S. Regions

- Northeast: 250,000

- New England 77,000
- Middle Atlantic 173,000

- Midwest: 162,000

- East North Central 83,000
- West North Central 79,000

- South: -10,000

- South Atlantic 10,000

- East South Central -12,000
- West South Central -8,000

- **West: 83,000**

- Mountain 3,000
- Pacific 80,000

Change by Establishment Size

- **Small establishments: 299,000**

- 1-19 employees 162,000
- 20-49 employees 137,000

- **Medium establishments: 183,000**

- 50-249 employees 171,000
- 250-499 employees 12,000

- **Large establishments: -8,000**

- 500+ employees -8,000

Pay Insights

Pay gains slowed again in June

Job stayers saw a year-over-year pay increase of 6.4 percent, down from 6.6 percent in May. For job changers, pay gains slowed for the 12th straight month, to 11.2 percent, the slowest pace of growth since October 2021.

Median Change in Annual Pay (ADP matched person sample)

- **Job-Stayers 6.4%**

- **Job-Changers 11.2%**

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

- **Goods-producing:**

- Natural resources/mining 6.4%
- Construction 6.7%
- Manufacturing 5.9%

- **Service-providing:**

- Trade/transportation/utilities 6.3%
- Information 5.9%
- Financial activities 6.7%
- Professional/business services 6.2%
- Education/health services 6.9%
- Leisure/hospitality 7.9%
- Other services 6.3%

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

- **Small firms:**

- 1-19 employees 5.4%
- 20-49 employees 6.5%

- **Medium firms:**

- 50-249 employees 6.7%
- 250-499 employees 6.6%

- **Large firms:**

- 500+ employees 6.5%

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 May total of jobs added was revised from 278,000 to 267,000. 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 July 2023 *ADP National Employment Report* will be released at 8:15 a.m. ET on August 2, 2023.

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.

About ADP (NASDAQ - ADP)

Designing better ways to work through cutting-edge products, premium services and exceptional experiences that enable people to reach their full potential. HR, Talent, Time Management, Benefits and Payroll. Informed by data and designed for people. Learn more at [ADP.com](https://adp.com)

ADP, the ADP logo, and Always Designing for People, ADP National Employment Report, and ADP Research Institute are registered trademarks of ADP, Inc. All other marks are the property of their respective owners.

Copyright © 2023 ADP, Inc. All rights reserved.

ADP-Media

SOURCE ADP, Inc.

For further information: Joanna DiNizio, ADP, Inc., (973) 369-8167, joanna.dinizio@adp.com

<https://mediacenter.adp.com/2023-07-06-ADP-National-Employment-Report-Private-Sector-Employment-Increased-by-497,000-Jobs-in-June-Annual-Pay-was-Up-6-4>