

ADP National Employment Report: Private Sector Employment Increased by 324,000 Jobs in July; Annual Pay was Up 6.2%

ROSELAND, N.J., Aug. 2, 2023 /PRNewswire/ -- Private sector employment increased by 324,000 jobs in July and annual pay was up 6.2 percent year-over-year, according to the July [*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.

"The economy is doing better than expected and a healthy labor market continues to support household spending," said Nela Richardson, chief economist, ADP. "We continue to see a slowdown in pay growth without broad-based job loss."

July 2023 Report Highlights*

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

JOBS REPORT

Private employers added 324,000 jobs in July

Job creation remained robust in July, with leisure and hospitality again driving growth. One weakness was manufacturing, an interest rate-sensitive industry that shed jobs for the fifth straight month.

Change in U.S. Private Employment: 324,000

Change by Industry Sector

- Goods-producing: 21,000

- Natural resources/mining 48,000
- Construction 9,000
- Manufacturing -36,000

- Service-providing: 303,000

- Trade/transportation/utilities 30,000
- Information 36,000
- Financial activities -5,000
- Professional/business services 5,000
- Education/health services 12,000
- Leisure/hospitality 201,000
- Other services 24,000

Change by U.S. Regions

- Northeast: 276,000

- New England 114,000
- Middle Atlantic 162,000

- Midwest: 129,000

- East North Central 68,000
- West North Central 61,000

- South: -144,000

- South Atlantic -87,000
- East South Central -34,000
- West South Central -23,000

- West: 55,000

- Mountain 8,000
- Pacific 47,000

Change by Establishment Size

- Small establishments: 237,000

- 1-19 employees 114,000
- 20-49 employees 123,000

- Medium establishments: 138,000

- 50-249 employees 152,000
- 250-499 employees -14,000

- Large establishments: -67,000

- 500+ employees -67,000

PAY INSIGHTS

Pay growth continued downward trend in July

Job stayers saw a year-over-year pay increase of 6.2 percent, the slowest pace of gains since November 2021. For job changers, pay growth slowed to 10.2 percent.

Median Change in Annual Pay (ADP matched person sample)

- Job-Stayers 6.2%

- Job-Changers 10.2%

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

- Goods-producing:

- Natural resources/mining 6.2%
- Construction 6.4%
- Manufacturing 5.7%

- Service-providing:

- Trade/transportation/utilities 6.0%
- Information 5.5%
- Financial activities 6.4%
- Professional/business services 6.0%
- Education/health services 6.7%
- Leisure/hospitality 7.2%
- Other services 6.1%

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

- Small firms:

- 1-19 employees 5.2%
- 20-49 employees 6.2%

- Medium firms:

- 50-249 employees 6.4%
- 250-499 employees 6.2%

- Large firms:

- 500+ employees 6.2%

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 June total of jobs added was revised from 497,000 to 455,000. The historical data file, and weekly data for the previous month, is available at <https://adpemploymentreport.com/>.

With each January release, the ADP National Employment Report is benchmarked with employment counts from the March Quarterly Census of Employment and Wages (QCEW). In addition to the annual benchmark, the forthcoming ADP National Employment Report release on August 30, 2023 will provide a preliminary benchmark revision based on the fourth-quarter 2022 data from the QCEW, as released June 7, 2023. The comprehensive benchmark revision will be issued with the publication of the January 2024 ADP National Employment Report news release in February 2024.

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 August 2023 *ADP National Employment Report* will be released at 8:15 a.m. ET on August 30, 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.

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