



Wednesday's ADP Jobs Report Misleading: Job Loss in March Much Worse

The country's largest payroll processing company, ADP, [reported on Wednesday](#) that private-sector employment in the United States dropped in March by just 27,000 jobs — 9,000 in the goods-producing sector and 18,000 in the service sector. Although this number is far below the monthly average of 178,000 new jobs created over the previous four months, most were expecting larger drop.



ADP's press release explains why: "The report utilizes data through the 12th of [March] ... as such the March [report] does not reflect the full impact of COVID-19 on the overall employment situation." In other words, watch out below: April's report from ADP is likely to be much closer to the present reality. Economists were expecting ADP to report a job loss in March of 180,000.

That present reality is better reflected by recent reports from the Institute of Supply Management: Its manufacturing index fell below 50 in March, indicating a contraction in the economy. IHS Markit said that its purchasing managers' index also fell below 50 in March.

A record 3.3 million workers lost their jobs in March, according to a report released by the Labor Department last week. Economists surveyed by Dow Jones expect another 2.6 million to join them this month.

These reports came on the heels of an estimate from the St. Louis Federal Reserve, which projected that the COVID-19 shutdown could ultimately cost the U.S. economy 47 million jobs, pushing the unemployment rate to 32 percent.

St. Louis Fed President James Bullard tried to soften the blow. In an interview at CNBC he said that jobless numbers "will be unparalleled, but don't get discouraged. This is a special quarter, and once the virus goes away, and if we play our cards right and keep everything intact, then everyone will go back to work and everything will be fine."

Bullard's words sounded borderline Pollyanna-ish, and yet Melissa Francis, co-host of Fox Business Network's *After the Bell*, reported that, even during the shutdown, a million jobs are going wanting. She said that grocery chain Kroger, Papa John's, and 7-Eleven are looking for 20,000 workers. CVS needs 50,000, she said, while Walgreens is looking to hire 100,000 and Walmart 150,000. Said Francis, "This side of the economy, these are the essential places that we're all going right now — they are desperate for workers." The demand reflects the shift in the economy that was already well underway toward online shopping. "This virus has forced [it to happen] faster. I think it was all happening anyway; it just made it happen overnight."

Other companies that are hiring right now, reported Francis, include Instacart, Amazon, Pepsico, Domino's, Dollar General, Dollar Tree, Aldi, Costco, Albertsons, H-E-B, Army National Guard, KPMG,



Written by [Bob Adelman](#) on April 1, 2020

Genentech, Lowe's, HCA Healthcare, Intuit, Nepris, and Whole Foods.

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