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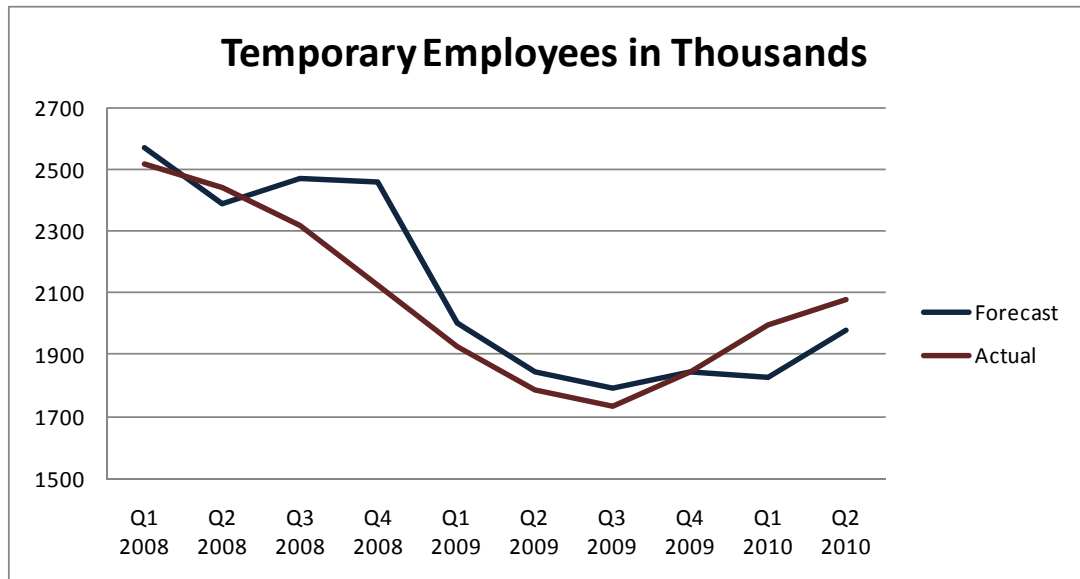
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Labor Forecast Predicts 20.3% Increase in Demand for Temporary Workers In 2010 Third Quarter

*- - Industry Consulting Firm G. Palmer & Associates' Quarterly Forecast
Assists in Previewing Near-Term Hiring Patterns - -*

Newport Beach, Calif., July 12, 2010 — Demand for temporary workers in the United States is expected to increase 20.3% on a seasonally adjusted basis for the 2010 third quarter when compared with the same period in 2009, according to the Palmer Forecast™, released today.

The Palmer Forecast™ indicated a 10.8% increase in temporary help for the just-ended 2010 second quarter, which actually came in at a 16.5% increase— better than anticipated. The larger than anticipated increase was due primarily to stronger than expected GDP growth and slightly larger gains in labor productivity.



(more)

“Following recent trends, our 2010 third-quarter forecast shows continued steady improvement and indicates another increase in demand for temporary workers, marking the third-consecutive quarter of year-over-year increases,” said Greg Palmer, founder and chief executive officer of G. Palmer & Associates, an Orange County, Calif.-based staffing industry consulting firm. “It is clear that the flexible labor markets are showing signs of improvement, especially when compared with temp labor declines as high as 27.2 % in the second quarter of 2009.

“Nevertheless, it is important to be cognizant that consumer spending is still sluggish, the real estate and construction sector is still depressed in many markets, and many state and local governments soon may be forced to make additional job cuts. This all adds up to measured optimism,” Palmer added.

The Bureau of Labor Statistics (BLS) reported that seasonally adjusted temp jobs grew 19.6% year-over-year in June. Temp jobs, seasonally adjusted, were up 1.0% sequentially from May. Palmer said “this trend is an encouraging sign of a rebound in the flexible labor markets, since June was the ninth consecutive month of positive sequential gains, and the fifth consecutive year-over-year gains.” June’s increase added to the creation of 85,000 temp jobs to the economy in the quarter.

The unemployment rate declined slightly to 9.5% from 9.7% in May. The Labor Department report also indicated that 125,000 non-farm jobs were lost in June, of which 225,000 were temp government census jobs, not counted in the Temp help numbers for the same period. It was also reported that 83,000 private sector jobs were created. Palmer added “it is somewhat misleading to read too much into the unemployment rate decrease since it was primarily attributed to workers discontinuing their search verses more jobs being created.”

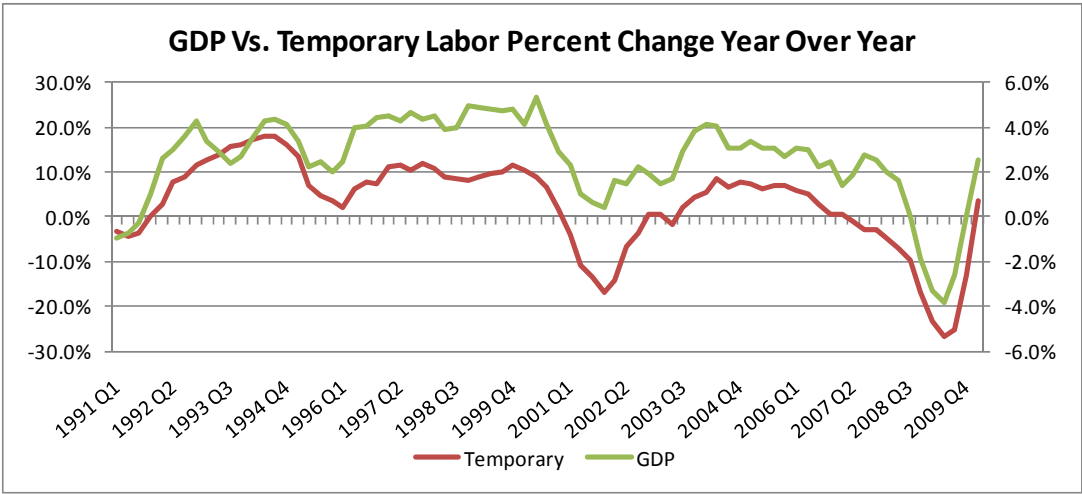
“The positive direction of sequential increases in temporary help, were offset by June’s negative overall non-farm numbers,” Palmer said. “Temporary help, which historically is the first job category to improve at the beginning of an economic expansion, continues to see improvement, however the non-farm jobs are seeing less-than-anticipated positive movement verses previous recoveries. We are also expecting certain categories, such as Industrial Staffing, to demonstrate strong year-over-year gains in the 2010 third quarter, while Professional Staffing and Direct Hire, which historically lags, will remain somewhat softer in the quarter.”

Palmer said the high unemployment rates during this recession have had far-reaching effects across a broad spectrum of workers. As reported by the BLS, workers with college degrees experienced a slight decrease in their unemployment rate in June to 4.5 % vs. 5.0% in May. The unemployment rate for workers with less than high school degrees during the same period decreased slightly to 14.1% in June from 14.5% in May. The U6 unemployment rate, which tracks those who are unemployed, as well as those who are underemployed and are working part time for economic reasons, was down slightly at 16.5%. The U6 rate is considered the rate that most broadly depicts those most affected by the downturn, and measures the rate of discouraged workers.

The next few quarters...

“We still expect the unemployment rate to remain high for the foreseeable future,” Palmer said. “At the same time, we believe that Temp help job losses reached the bottom in the third quarter of 2009, as evidenced by the gains in the 2009 fourth and 2010 first and second quarters. We expect the trend will continue to improve from this point forward, but with the recent reported

revisions in GDP growth, and unemployment staying stubbornly high, the future rate of growth could be slowed for the balance of the year,” Palmer added.



The Palmer Forecast™ is based, in part, on BLS and other key indicators. The model was initially developed by The A. Gary Anderson Center for Economic Research at Chapman University and serves as an indicator of economic activity. Companies that employ temporary staff use the forecast as a guide to navigate through fluctuating economic conditions in managing their workforce to meet business demands.

About G. Palmer & Associates

G. Palmer & Associates, founded in 2006, advises companies in the human capital sector with sales, operations and margin enhancement, and to explore strategic alternatives for increasing shareholder value. Founder Greg Palmer has served on the board of the American Staffing Association and was president and chief executive officer of RemedyTemp, Inc., one of the nation’s largest temporary staffing companies, prior to its sale in June 2006. For more information, visit www.GPalmerandAssociates.com.