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## NEWS RELEASE

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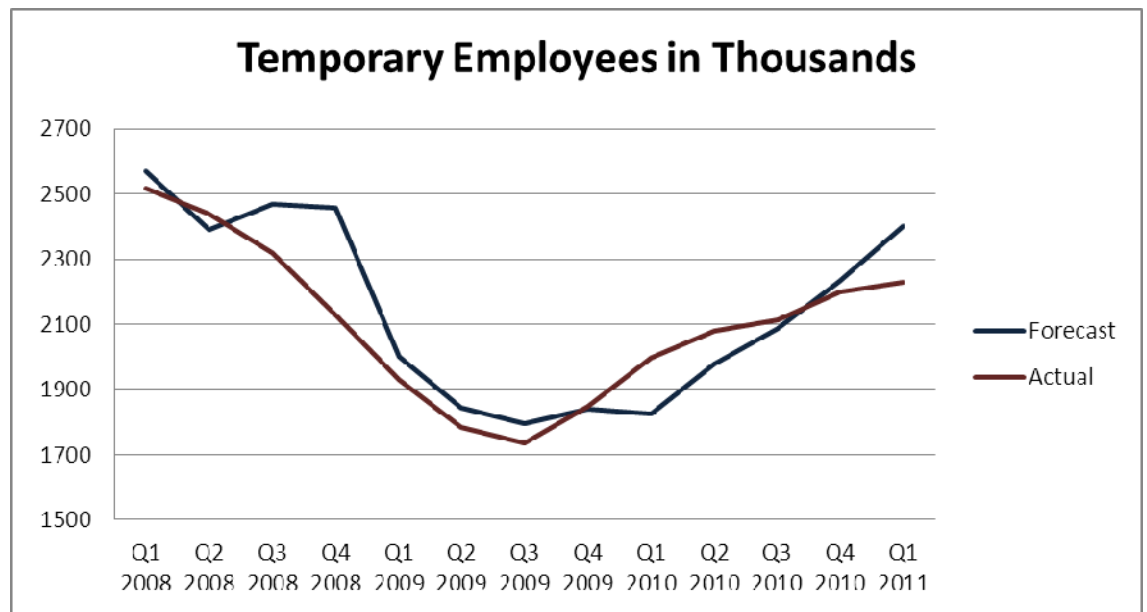
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### Labor Forecast Predicts 12.4% Increase in Demand for Temporary Workers In 2011 Second Quarter

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

**Newport Beach, Calif., April 8, 2011** — Demand for temporary workers in the United States is expected to increase 12.4% on a seasonally adjusted basis for the 2011 second quarter, when compared with the same period in 2010, according to the Palmer Forecast™, released today.

The Palmer Forecast™ indicated a 20.9% increase in temporary help for the just-ended 2011 first quarter, which actually came in lower than anticipated, at a 12.4% increase, reflecting the likelihood of a downward revision in the next GDP announcement, as well as suggesting likely BLS data revisions in future reporting periods.



“Following recent trends, our 2011 second-quarter forecast shows continued steady growth and indicates another increase in demand for temporary workers, marking the sixth-consecutive quarter of year-over-year increases,” said Greg Palmer, founder and chief executive officer of G. Palmer & Associates, an Orange County, California-based staffing industry consulting firm. “It is clear that the flexible labor markets are showing signs of continued improvement, when compared with both historical sequential and year-over-year trends. As we move further into 2011, we anticipate that growth will be at steady, mid-teen double digit rates, but not at the same 20%+ rates we had in 2010, primarily due to the year-over-year comparisons being more difficult to surpass.

"At the same time, it is important to be cognizant that although consumer spending is improving, it remains relatively soft. As well, the real estate and construction sectors are still depressed in many markets, and many state and local governments continue to make additional job cuts. This all adds up to measured optimism and an uneven distribution as it relates to new job growth." Palmer added.

The Bureau of Labor Statistics (BLS) reported that seasonally adjusted temp jobs grew 12.5% year-over-year in March, while creating nearly 28,000 new jobs. Temp job growth, seasonally adjusted, was up 1.3% sequentially from February. “This trend is an encouraging sign of a rebound in the flexible labor markets, since historically, the February to March increase has been lower, at 0.2%, and March was the 16th out of the last 17 months of consecutive positive seasonally gains,” said Palmer. March’s increase added to the creation of 310,000 temp jobs in 2010 and more than 50,000 so far in 2011.

The commonly referred to unemployment rate (U3) decreased to 8.8% in March from 8.9% in February, primarily reflecting that fewer people were looking for work, rather than seeing a large number of new jobs created.

The Labor Department report also indicated that 216,000 non-farm jobs were added in March, of which 119,000 were service related and 31,000 were goods-producing jobs. The largest employment headwind continues to remain in the government sector, which reported more than 14,000 jobs cuts.

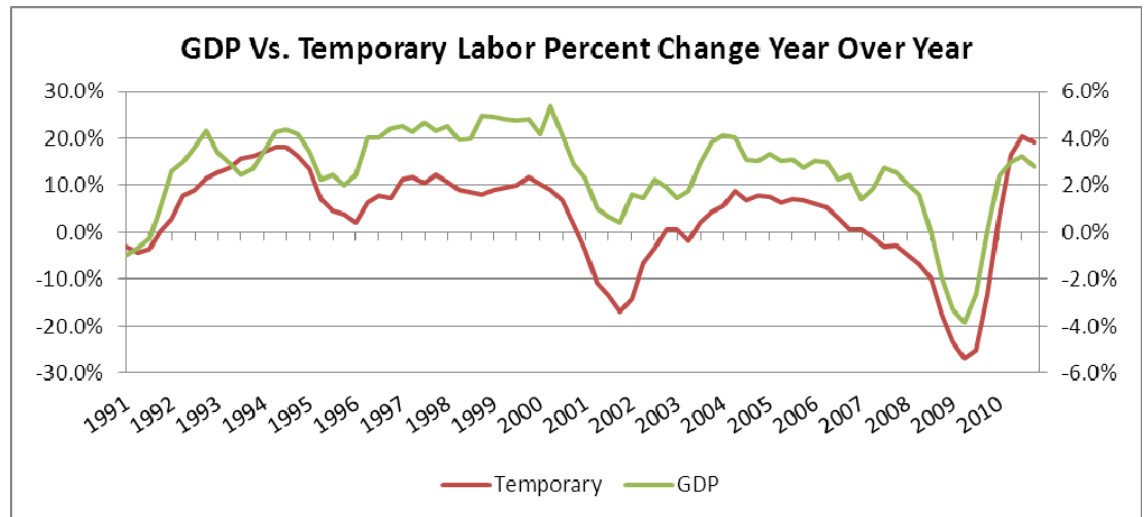
“The positive direction of sequential increases in temporary help was supported by March’s solid gain in overall non-farm numbers,” Palmer said. “Temporary help, which typically is the first job category to improve at the beginning of an economic expansion, continues to experience gains. However, the non-farm jobs are now finally beginning to see the anticipated positive movement, as compared with previous recoveries. Continued unevenness is being experienced in certain temp labor categories, such as industrial staffing, which has been a strong segment and is expected to continue its growth. Other sectors within healthcare and IT are also expected to continue to demonstrate strong year-over-year gains in the 2011 second quarter. Professional staffing and direct hire, both of which historically lag, are also seeing signs of renewed growth, which is typical and encouraging for this point in a recovery.”

Palmer said the persistently high unemployment rates continue to have far-reaching effects across a broad spectrum of workers, with those at the lower end of the job market in terms of skills and education experiencing the greatest challenges. As reported by the BLS, workers with college degrees experienced a slight decrease in their unemployment rates in March to 4.3% from 4.40% in February. The unemployment rate for workers with less than high school degrees during the same period decreased to 13.7% in March from 13.9% in February, an encouraging 160-bps drop since December 2010. 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 15.7%. The U6 rate is considered the rate

that most broadly depicts those most affected by the downturn and measures the rate of discouraged workers. Palmer added, “The breakdown of the stubbornly high unemployment rate continues to reflect the much talked about skills gap found in available workers and their current skills, versus the required skills necessary for today’s increasing technical and skills-based positions.”

**The next few quarters...**

“We still expect the unemployment rate to remain stubbornly high for the foreseeable future,” Palmer said. “At the same time, it’s now clear that temp help job losses reached bottom in the third quarter of 2009, as evidenced by the consistent, sequential gains since then. We expect the positive trend will continue, and also expect to see the non-farm employment numbers to continue to catch up. At the same time, there continues to be uncertainty in private sector hiring decisions, and this typically bodes well for temp staffing, as evidenced with 13% of jobs created in December (28,000) being temp positions—an especially eye-opening statistic when considering the temp sector only accounts for only about 2% of the average daily workforce.”



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](http://www.GPalmerandAssociates.com).