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## NEWS RELEASE

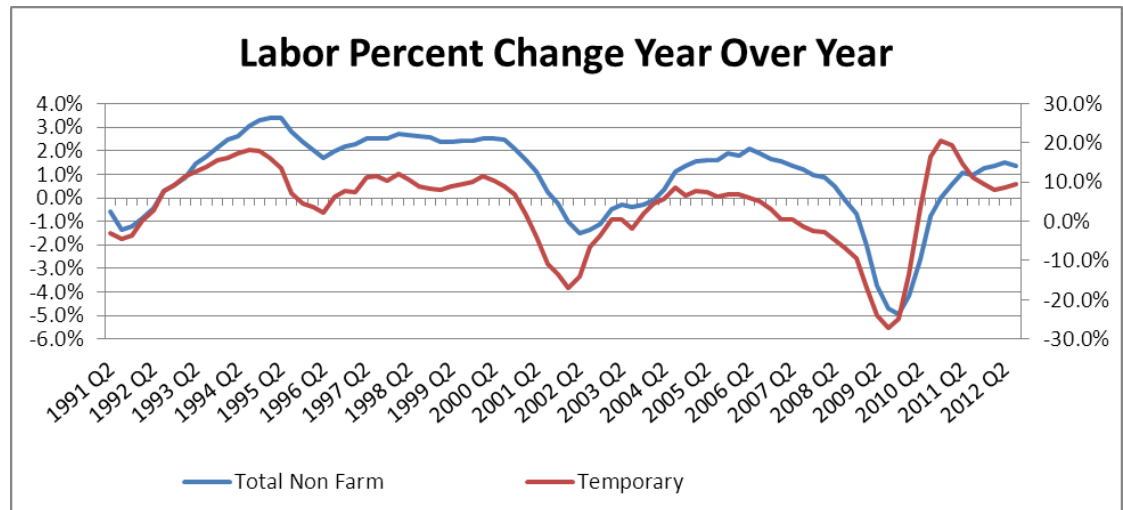
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### Labor Forecast Predicts 9.6% Increase in Demand for Temporary Workers In 2012 Third Quarter

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

**Newport Beach, Calif. July 13, 2012** — Demand for temporary workers in the United States is expected to increase 9.6% on a seasonally adjusted basis for the 2012 third quarter, when compared with the same period in 2011, according to the Palmer Forecast™, released today.

The Palmer Forecast™ indicated an 8.2% increase in temporary help for the just-ended 2012-second quarter. Actual results came in slightly higher than anticipated, at a 9.5% increase. Results, in part, reflected an increasing uncertainty in the economy, where temp help created 31% of new jobs reported and represented about 2% of the total labor market.



“Our forecast for the 2012 third quarter follows recent trends showing growth and indicating another increase in demand for temporary workers, marking the eleventh-consecutive quarter

of year-over-year increases,” said Greg Palmer, founder and managing director of G. Palmer & Associates, an Orange County, California-based staffing industry consulting firm.

“There were 167,000 additional temp jobs added in 2011 over 2010, following an increase of 339,000 temp jobs in 2010 over 2009. So far this year, the BLS has reported an average of 22,900 temp jobs created per month. Most of the trends remain relatively positive for continued high single digit temp help growth,” Palmer said.

The Labor Department reported that a net of 80,000 non-farm jobs were added in June 2012, including 71,000 service-related and 13,000 goods-producing jobs, offset by the loss of 4,000 jobs in the government sector.

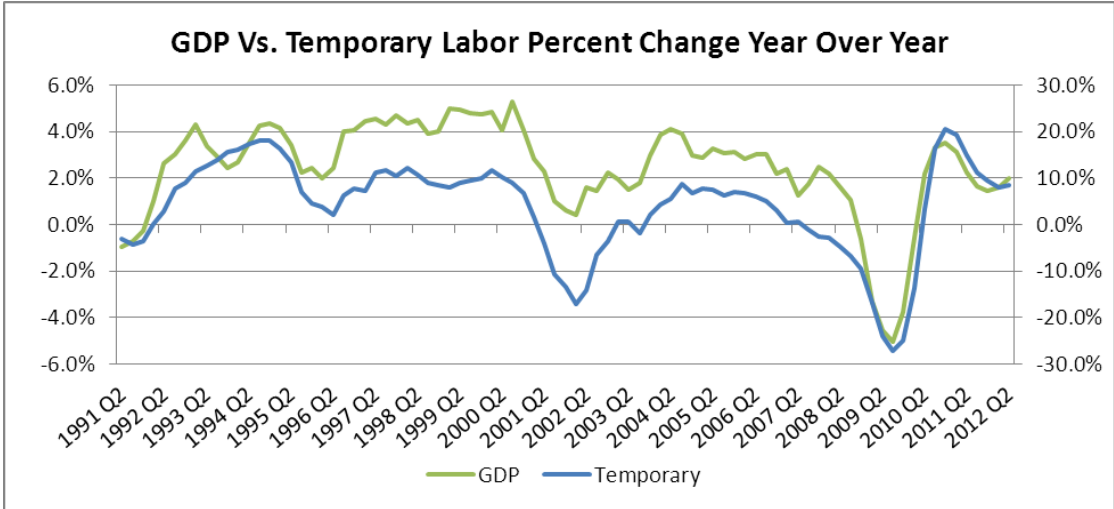
“While these trends show improvement, it must be kept in perspective that between 2008 and 2009, 8.7 million jobs were shed from the economy. These latest statistics all point to a modestly improving labor market, but with an uneven distribution as it relates to new job growth,” Palmer said. “The persistently high unemployment rates continue to have far-reaching effects across a broad spectrum of workers. Those at the lower end of the job market in terms of skills and education, along with workers in the government, real estate and construction sectors, are experiencing the greatest challenges. The unemployment rates have slowly trended down, but discouraged workers opting out of the ranks of seeking jobs have boosted the rates of improvement.”

The commonly referred to unemployment rate, U3, stayed flat at 8.2% in June. As reported by the BLS, workers with college degrees experienced a slight increase in their unemployment rate in June to 4.1% from 3.9% in May. The unemployment rate for workers with less than a high school degree during the same period decreased to 12.6% in June from 13.0% 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, advanced 14.9% in June from 14.7% in May. 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...**

“As mentioned in the prior recent quarters, we continue to expect unemployment rates to remain stubbornly high for the foreseeable future,” Palmer said. “The much talked about skills gap found in available workers, namely, the lack of required skills or education needed for today’s increasing technical and skills-based positions, remains a key aspect of the high rate. Health Care, Information Technology, Skilled Trades and those positions that require high degrees of math and science are the most severely impacted sectors. Gaps in these areas are widening, which could cause pressure on future wages.

“The most revealing indicator to watch during this uneven recovery relative to Temp Help growth will likely be the Temp Help penetration rate, which is significant because it measures Temp Help as a percentage of total employment. The penetration rate has continued to steadily improve to 1.90 % of the total labor market from a low of 1.34% in June 2009. The penetration rate peaked in May of 2000 at 1.96 % and hasn’t been this high since April 2007,” 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](http://www.GPalmerandAssociates.com).

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