



NEWS RELEASE

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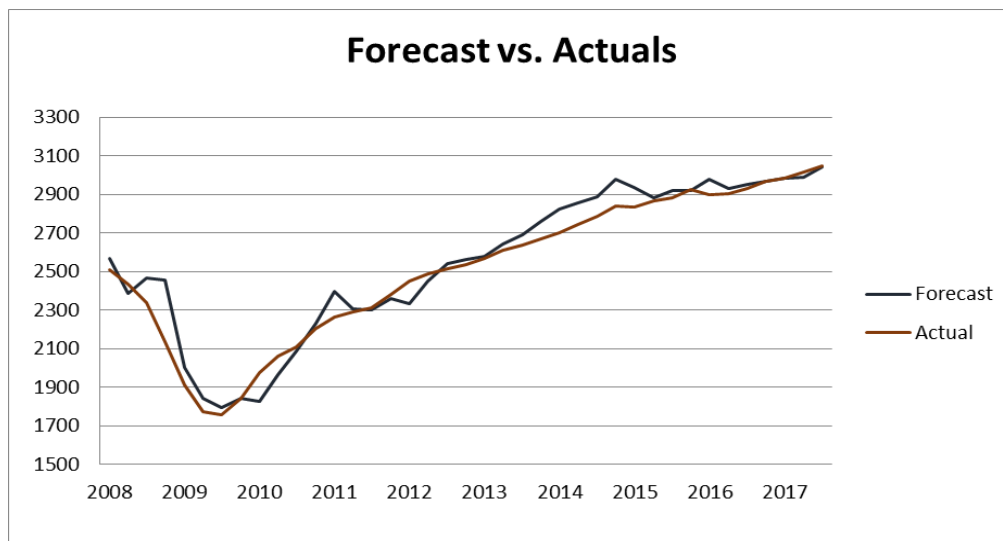
Labor Forecast Predicts 4.3% Increase In Demand for Temporary Workers for 2018 First Quarter

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

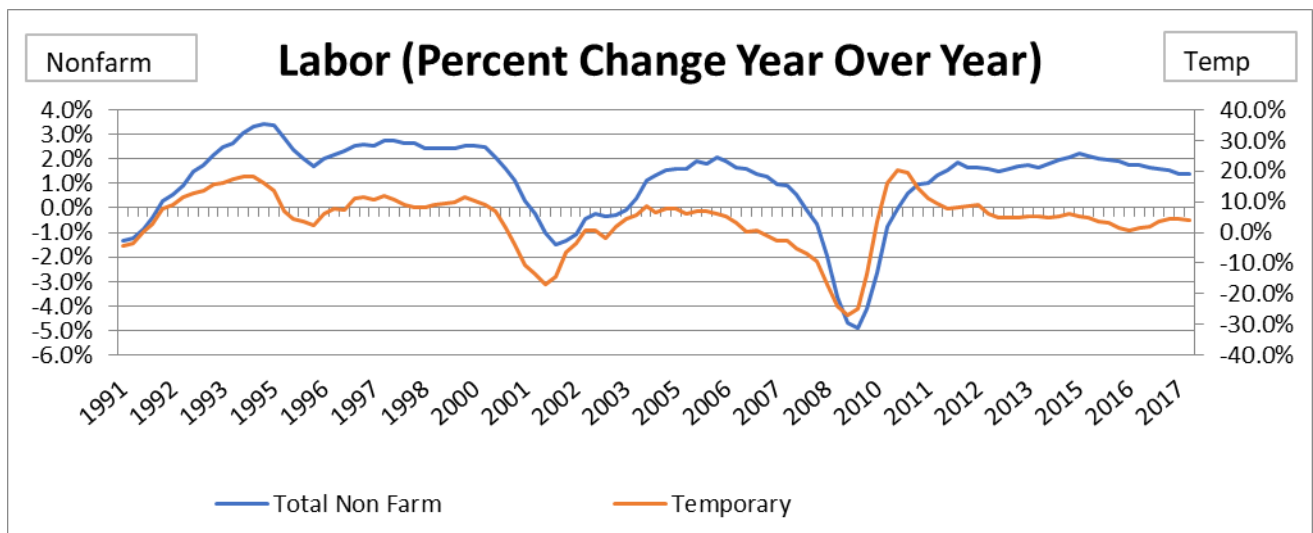
Newport Beach, California, January 12, 2018 — Demand for temporary workers in the United States is expected to increase 4.3% on a seasonally adjusted basis for the 2018 first quarter, when compared with the same period in 2017, according to the Palmer Forecast™, released today.

The Palmer Forecast™ indicated a 3.7% increase in temporary help for the 2017 fourth quarter. Actual results from the Bureau of Labor Statistics (BLS) came in at 4.1%, with 7,000 net new temp help jobs added in December.

“The 2017 fourth quarter marked the 32nd consecutive quarter of year-over-year increases in demand for temporary workers, and our forecast for the 2018 first quarter predicts continued growth,” said Greg Palmer, founder and managing director of G. Palmer & Associates, an Orange County, California-based human capital advisory firm that specializes in workforce solutions.

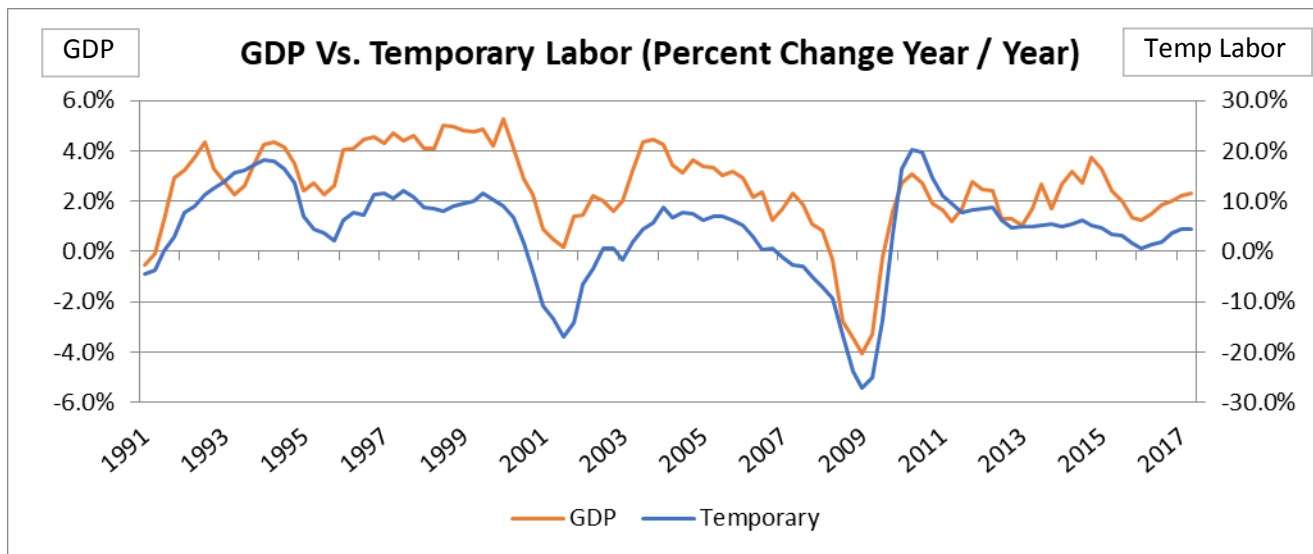


Source: G. Palmer & Associates; Bureau of Labor Statistics (BLS)



Source: Bureau of Labor Statistics (BLS)

According to the BLS, 136,000 temp jobs were added in 2017, an average of 11,300 per month, versus 32,000 temp jobs added in 2016, an average of 2,600 per month. In 2015, the agency reported approximately 97,000 temporary jobs added, compared with 162,000 new temp jobs in 2014, 139,000 in 2013, and 142,000 additional temp jobs in 2012.

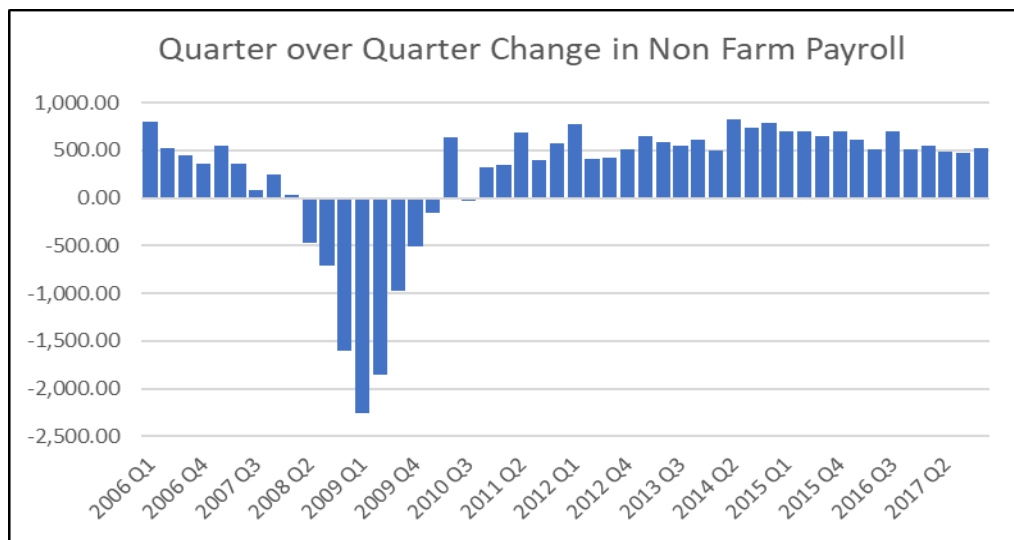


Source: Bureau of Labor Statistics (BLS)

The Labor Department also reported an additional 148,000 seasonally adjusted non-farm jobs in December 2017, which was below consensus expectations of 198,000. For 2017, a total of 2.1 million new jobs were created versus 2.2 million new jobs in 2016. The year-over-year growth rate in December was essentially unchanged at 1.41%, compared with 1.42% in November.

The key job categories of growth and decline are as follows:

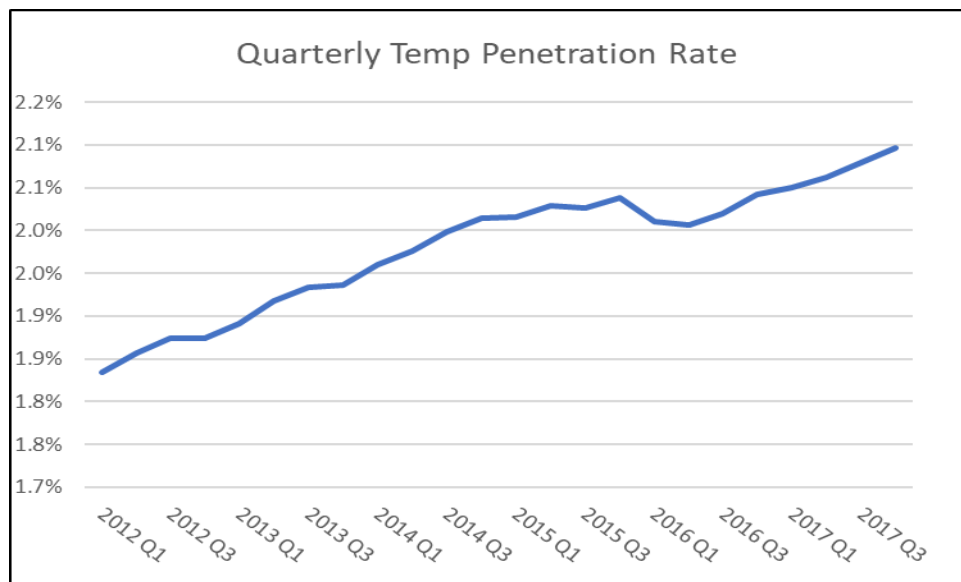
- **Non-farm jobs: +148,000**
- **Private sector: +146,000**
- **Government sector: +2,000**
- **Service providing employment: +91,000**
- **Professional and business services: +19,000**
- **Healthcare and education: +28,000**
- **Goods Producing: +55,000**
- **HealthCare: + 31,000**
- **Construction: +30,000**
- **Manufacturing: +25,000**
- **Retail: -20,000**



Source: Bureau of Labor Statistics (BLS)

U.S. employment trends are underpinned by near all-time lows in the labor participation rate. In December 2017, the participation rate held steady at 62.7% but remained near all-time lows. The U3 unemployment rate, generally reported as the official unemployment rate, was at 4.1% for both November and December 2017. As reported by the BLS, the rate of unemployment for workers with college degrees was also unchanged from November to December at 2.1%, and the unemployment rate for workers with less than a high school education ticked up 110bs to 6.3%. 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, remained flat at 8.1% from November to December. The U6 rate is considered the rate that most broadly depicts those most affected by the downturn, and measures the rate of discouraged workers.

“One of the most revealing indicators to watch is the temp help penetration rate, which is significant because it measures temp help as a percentage of total employment. In December 2017, the penetration rate remained high at 2.1% of the total labor market versus a low of 1.3% in June 2009,” Palmer said.



Source: Bureau of Labor Statistics (BLS)

The next few quarters...

The momentum in the temp help employment market continues to be positive due to GDP growth and the expected effects around lower corporate tax rates and less government regulation. With GDP forecasts in Q1 and Q2 2018 expected around 2.5%, growth is anticipated to continue at least through the first half of the new year.

However, employers still are reporting difficulty in filling vacancies, with nearly 6 million jobs remaining unfilled monthly. The key skill areas most severely impacted are those in health care, information technology, skilled trades and those positions that require high degrees of math and science. As of Q3 2017, the 10 most difficult positions to fill as reported by the American Staffing Association include:

1. Heavy and tractor-trailer truck drivers
2. Audiologists
3. Podiatrists
4. Psychiatrists
5. Internists, General
6. Obstetricians and Gynecologists
7. Computer and Information Research Scientists
8. Nurse Practitioners
9. Occupational Therapists
10. Physical Therapists

Healthcare continues to dominate the list with eight of the 10 most difficult-to-fill occupations falling within that sector. The rankings are based on CareerBuilder and Emsi data. The next index update will be available February 18, 2018.

About the Palmer Forecast™

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, provides advisory services in the human capital sector. 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.

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