

TEMPORARY STAFFING REMAINS STRONG

Once again, the Bureau of Labor Statistics (BLS) reported a tempered pace in employment gains (+88,000) for March. This growth was mostly driven by new job creation in the professional and business services sector with 51,000 jobs added, as well as further growth in the healthcare industry with 23,000 jobs added.

It's important to take note of the continued growth in temporary sector as well. This month's BLS data shows that approximately 40 percent of the employment growth in professional and business services stems from new jobs created in the temporary help industry.

In fact, the temporary penetration rate (the percentage of temporary workers as a percentage of the total workforce) increased in March to 1.941 percent (the highest point in this cycle). Additionally, year-over-year figures for temporary jobs rose to 6.4 percent in March, accelerating from February's 5.3 percent year-over-year growth.

While many reports out there may touch on the sluggish growth of employment, it's important to note that the BLS data is reflective of the labor market as a whole and not that of highly skilled niches, such as technology and finance and accounting. We've continued to watch the unprecedented level of demand for top talent, leading to increased competition among employers to quickly attract, acquire and retain highly skilled workers. Overall, the flexible staffing market continues to provide positive indicators and continued strength.

CURRENT LABOR INDICATORS

- Total Unemployment: 7.6%
- College Educated Unemployment: 3.8%
- Total Job Loss/Gain: +88,000
- Temporary Penetration Rate: 1.9%

ABOUT THE AUTHOR

As Chief Corporate Development Officer at Kforce, Michael Blackman, a twenty year Kforce veteran, is the primary focal point for the Firm with the Wall Street investment and financial communities. He is regularly sought out by leading economists for his perspectives on the economy and labor markets, and contributes to a number of key proprietary economic publications.



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THE UPWARD TREND: TEMPORARY HELP SERVICES

Temporary Help Services Jobs (000s), seasonally adjusted

SOURCE:
Staffing Industry Analysts

