

Employment Report



CALIFORNIA

December 2005

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Employee Confidence Index ↑

Macroeconomic Confidence Index ↑

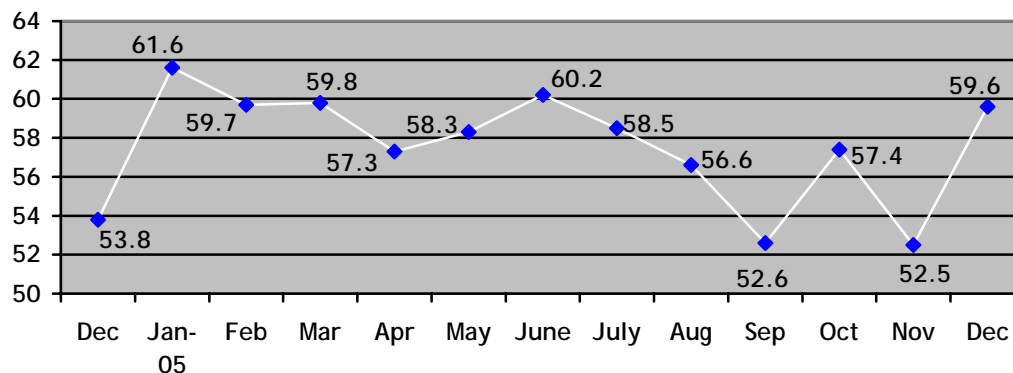
Personal Confidence Index ↑

Job Security ↔

Job Transition ↓

Employee Confidence Index: The overall California Employee Confidence Index was 59.6 in December, an increase of 7.1 points from the previous month and 5.8 points from December 2004. The Index, which measures adult workers' confidence in their personal employment situation and the macroeconomic environment, increased because more workers were optimistic about the economy and their personal employment situation.

Employee Confidence Index



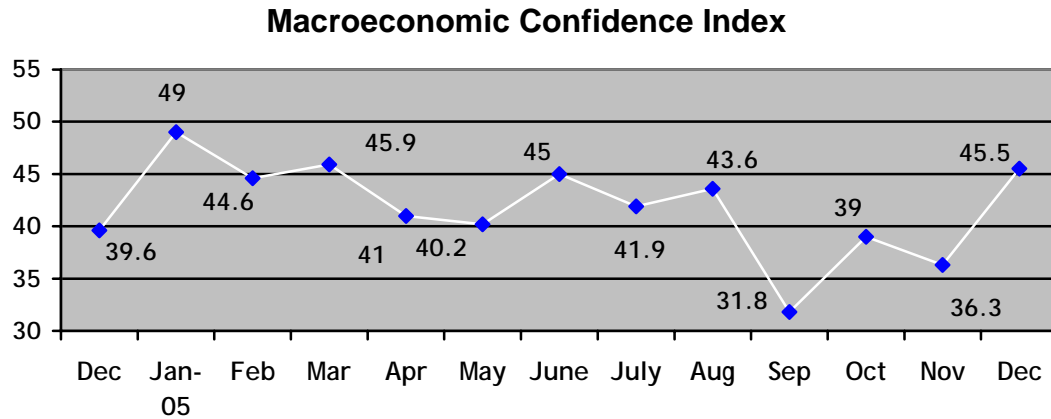
The Employee Confidence Index is derived from the results of a continuing set of questions about the strength of the economy, availability of jobs, confidence in their ability to find a new job and confidence in the future of their current employer. To provide a more complete picture on employee attitudes, the Employee Confidence Index has been subdivided into two additional indices:

- *Macroeconomic Confidence Index*
This measurement reflects workers' views on the overall economy, its relative strength or weakness, as well as their opinion about the availability of jobs in the marketplace.
- *Personal Confidence Index*
This index measures workers' opinions of their own personal employment situation, their confidence in their own ability to find a job, as well as their confidence levels in their current employer.

For more information on the calculation of the Employee Confidence Index, please see the "About the Spherion Employment Report" section on page 5.

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Macroeconomic Confidence Index: Macroeconomic confidence was 45.5 in December, up 9.2 points from November. The increase is a result of a higher percentage of workers who believe that more jobs are available and the economy is strengthening. The Index is 5.9 points higher than in December 2004.



Note: The data below was used to calculate the Macroeconomic Confidence Index. For the following, respondents were asked to select a point on a scale of 1 to 5 (where a "1" indicates a weak economy or fewer jobs available while a "5" indicates a stronger economy or more jobs available) that best represents their opinions.

- **More Workers Believe More Jobs Are Available:** 30% of adult workers in California believe that more jobs are available, a 13 percentage point increase from November.

Job Availability

<u>December 2005</u>		<u>November 2005</u>	
More Jobs:	30%	More Jobs:	17%
Neutral:	35%	Neutral:	39%
Fewer Jobs:	34%	Fewer Jobs:	44%

- **Percentage of Workers That Believe the Economy is Weaker Decreases:** 37% of adult California workers believe the economy is getting weaker, down 12 percentage points from the previous month. In addition, 23 percent of workers believe the economy is strengthening, an increase of two percentage points from November.

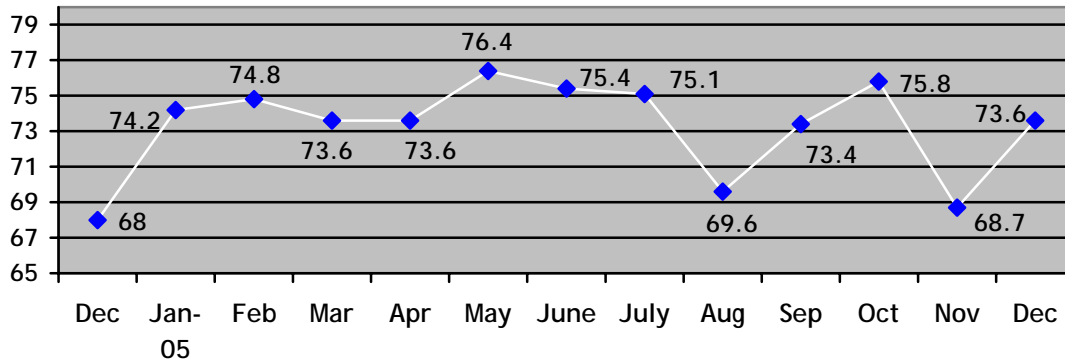
Strength of Economy

<u>December 2005</u>		<u>November 2005</u>	
Getting stronger:	23%	Getting stronger:	21%
Staying the same:	40%	Staying the same:	30%
Getting weaker:	37%	Getting weaker:	49%

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Personal Confidence Index: The California Personal Confidence Index was 73.6 in December, increasing 4.9 points from the prior month, as more workers reported confidence in the future of their employer and in their ability to find a new job. The Index is up .7 points from a year ago.

Personal Confidence Index



Note: The data below was used to calculate the Personal Confidence Index. For the following, respondents were asked to select a point on a scale of 1 to 5 (where a "1" indicates no confidence in either one's ability to find a job or no confidence in the future of one's employer, while a "5" indicates a lot of confidence in one's ability to find a job or the future of one's employer) that best represents their opinions.

- **More Workers Confident in the Future of Their Employer:** 63% of adult workers in California are confident in the future of their employer, up six percentage points from the previous month.

Confidence in Future of Current Employer

<u>December 2005</u>		<u>November 2005</u>	
Confident:	63%	Confident:	57%
Neutral:	22%	Neutral:	26%
Not Confident:	15%	Not Confident:	17%

- **Percentage of Workers Confident in Their Ability to Find New Job Increases:** 58% of adult workers in California have confidence in their own ability to find a new job, an increase of four percentage points from November.

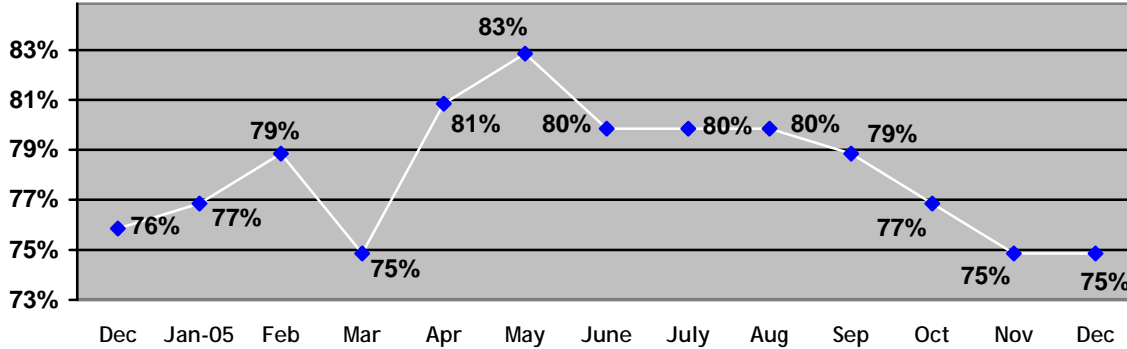
Own Ability to Find New Job

<u>December 2005</u>		<u>November 2005</u>	
Confident:	58%	Confident:	54%
Neutral:	30%	Neutral:	27%
Not Confident:	12%	Not Confident:	19%

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Job Security Index: 75% of California adult workers report it is unlikely that they will lose their job in the next year, unchanged from the previous month. The Index is one point lower than last year.

Job Security Index

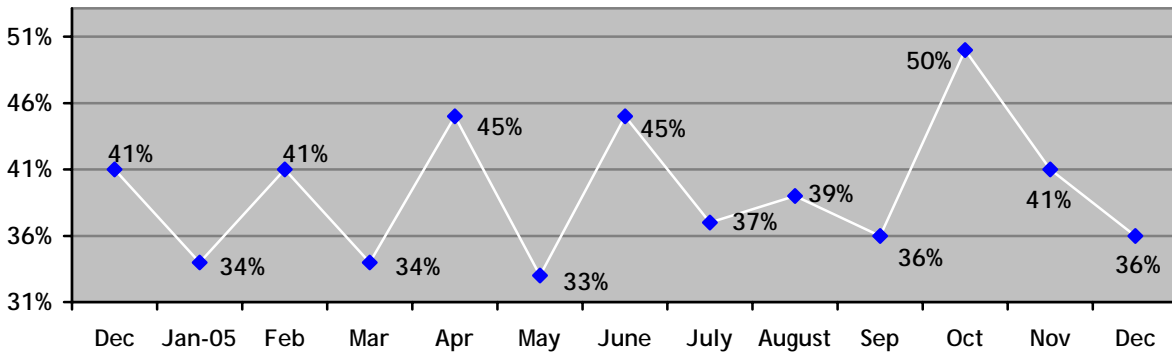


Likelihood of losing job or job elimination in next 12 months

December 2005		November 2005	
Likely:	14%	Likely:	18%
Neither unlikely nor likely:	12%	Neither unlikely nor likely:	6%
Unlikely:	75%	Unlikely:	75%

Job Transition Index: 36% of California adult workers are likely to look for a new job in the next year, down five percentage point from the previous month. The Index is five percentage points lower than one year ago.

Job Transition Index



Likelihood of looking for new job in next 12 months

December 2005		November 2005	
Likely:	36%	Likely:	41%
Neither unlikely nor likely:	15%	Neither unlikely nor likely:	8%
Unlikely:	48%	Unlikely:	51%

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About the Spherion Employment Report

As part of the Spherion® Emerging Workforce® Series of employment surveys, the monthly Spherion Employment Report provides a snapshot of the latest workforce trends across the country and is issued in conjunction with state and national labor market releases. Three key indices are measured: the Spherion Job Security Index, which captures how likely respondents think it is that they will lose their job or that their job will be eliminated in the next 12 months; the Spherion Job Transition Index, which captures how likely respondents are to look for a new job in the next 12 months and the Employee Confidence Index that measures employees' overall confidence in the economy, their employer and their ability to find other employment. The Employee Confidence Index is calculated from the results of four components that reflect these aspects of employee confidence. For each component item a 'score' is calculated by taking the difference of the percentage of positive responses and the percentage of negative responses. These four scores are then averaged to indicate an overall level of employee confidence and is scaled from 0 (no confidence) to 100 (complete confidence). A reading above 50 indicates a positive confidence level.

Methodology

The December 2005 Spherion Employment Report is based on data from a Harris Interactive® online survey conducted on behalf of Spherion Corporation. A U.S. sample of 2,848 employed adults, aged 18 years and older, of whom 282 are employed in California (for November 2005 n=325), was interviewed in a series of two polls conducted between December 5-7 and December 12-14, 2005. Figures for age, sex, race/ethnicity, income, education and region were weighted where necessary to bring them into line with their actual proportions in the population. Propensity score weighting adjusted for respondents' propensity to be online. In theory, with probability samples of this size, one could say with 95 percent certainty that the results for the overall sample have a sampling error of plus or minus 2 percentage points. Sampling error for the California sample results is plus or minus 6 percentage points of what they would be if the entire California employed adult population had been polled with complete accuracy. This online sample is not a probability sample.

About Spherion

Spherion Corporation is a leader in the staffing industry in North America, providing value-added staffing, recruiting and workforce solutions. Spherion has helped companies improve their bottom line by efficiently planning, acquiring and optimizing talent since 1946. To learn more, visit www.spherion.com.

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EOE M/F/D/V

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