

Job Growth Reaches 138,000 in May Unemployment Continues to Drop

JOB GROWTH: May saw the addition of 138,000 new jobs, which, while positive, represents slower growth than the (revised) gain of 174,000 in April but still ahead of the three-month average monthly job growth figure of 121,000.

TOP INDUSTRIES: In May, solid gains were recorded in healthcare, professional and business services and leisure and hospitality.

UNEMPLOYMENT: The unemployment rate continued its steady decline, dropping in May to 4.3 percent, its lowest point in 16 years, likely attributable to a shrinking labor force.

WAGES: Wages rose slightly in May, representing an annual average hourly increase of 2.5 percent.

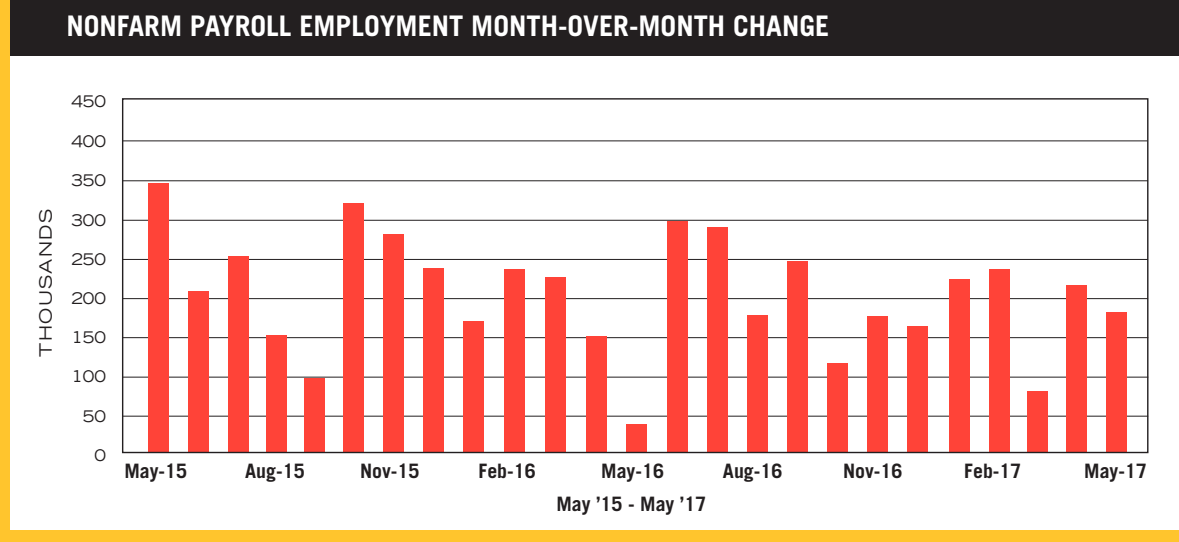
WORK WEEK: The average work week remains unchanged at 34.4 hours.

TEMPORARY JOB TRENDS: Temporary job growth accelerated in May with the addition of 12,900 new jobs. For the second month in a row, temporary job penetration exceeded three million jobs.

WHAT DOES IT ALL MEAN? While job growth in the past month was positive, it did not meet expectations. Some attribute this to a market that has reached full employment, while others point to continuing high numbers of unemployed workers who are not actively seeking employment. Employers continue to struggle filling jobs, with many concerned that candidates do not possess the skills they need. Whether there is a need to offer higher salaries or more lucrative benefits packages or to reconfigure training programs, employers face continuing challenges to meet their talent needs.

Sources: U.S. Bureau of Labor Statistics (BLS), Steinberg Employment Research, 24/7 Wall Street, Market Watch, USA Today, The New York Times, CNN Money, NPR

CHART 1: EMPLOYMENT NUMBERS / SOURCE: BLS



Job growth continued in May, with a gain of 138,000 new jobs.



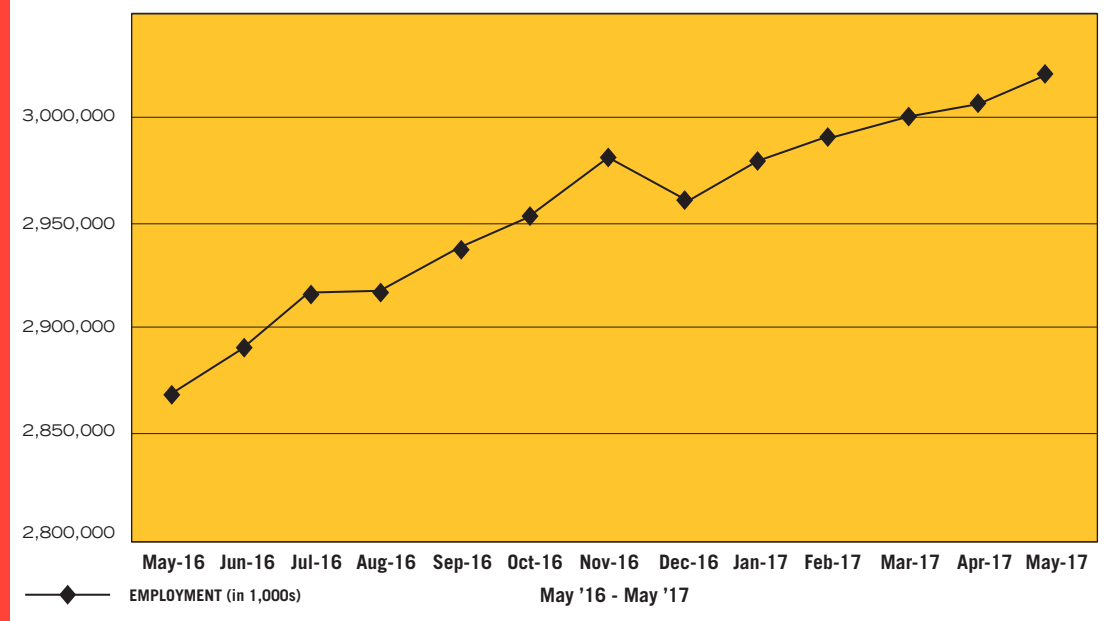
CHART 2: TOP INDUSTRIES / SOURCE: BLS

Total nonfarms jobs increased by 138,000 in May 2017, with moderate gains across most sectors.



SECTOR GAINS	JOB INCREASE
Professional & Business Services	+38,000
Healthcare & Social Assistance	+32,300
Leisure & Hospitality	+31,000
Financial Activities	+11,000
Transportation & Warehousing	+3,600
SECTOR LOSSES	JOB DECLINE
Manufacturing	-1,000
Retail Trade	-6,100

CHART 3: TEMPORARY WORKFORCE / SOURCE: BLS & STEINBERG EMPLOYMENT RESEARCH



Temporary help services gained 12,900 jobs in May, representing year-over-year growth of 4.9 percent.



The Limits of Unlimited Vacation Time

If you work for companies like Twitter, Netflix or LinkedIn, with their essentially unlimited vacation policies, or for Cisco, Protiviti or the Mayo Clinic, with generous time off policies, you've snagged a great benefit. Unlimited vacation policies are based on trust and designed to promote an entrepreneurial mindset, so that employees will consider the needs of the organization and the needs of their colleagues when planning to take time off. The concept of unlimited vacation is a great recruiting and retention tool. Who wouldn't want all that freedom and flexibility? The reality, however, rarely matches the hype.

According to Project: Time Off, Americans chose work instead of play, skipping 662 million vacation days owed to them in 2016. This year is the first in nearly two decades that the tide may be turning, with people taking a bit more time off.

Time off from work to decompress and pursue other interests is important to employees. It is highly beneficial to employers as well who expect workers to come back to the job refreshed and energized. The benefit may fall short of expectations, however, as recent Spherion research indicates.

For example, more than one-third of workers overall would give up their paid time off for a pay raise. This number skyrockets to 69 percent for Gen Z and more than half of Millennials. Meanwhile, nearly one-third of workers feel guilty requesting their vacation time—and nearly half of Millennials and 54 percent of Gen Z feel the same.

While unlimited vacation is a great lure for employers, the reality must be closely managed to ensure employees and employers truly benefit from the policy.

CHART 4: PAY VS. PTO / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY

What do workers value more: pay or paid time off?

41% would rather have more PTO than pay, but nearly as many (36%) would sacrifice PTO for higher pay.

Who would forgo PTO for a pay raise?

36%

Employees Overall

69%

Gen Z

53%

Millennials

CHART 5: VACATION GUILT / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY

Why do Americans skip vacation?

30%

feel guilty requesting paid vacation time (younger workers feel even guiltier)

42%

fear disrupting their team's workflow

CHART 6: MIXED FEELINGS / SOURCE: 2017 SPHERION EMERGING WORKFORCE STUDY



	ALL EMPLOYEES	GEN Z	MILLENNIALS
Paid vacation is a right more than a benefit	70%	68%	79%
Our vacation policy is inferior to competitors	39%	55%	52%
My employer expects me to work on vacation	28%	38%	39%