

LEE HECHT
HARRISON

2008 Job Market Report

Key events impacting the U.S. workforce and outlook for 2008



After a volatile year, what can we look forward to?

2007 left us with a lot of unanswered questions around the current and future state of the U.S. economy and workforce. The stock market was hit hard last summer with the mortgage crisis at home and abroad. Oil prices continued to soar, breaking \$100 a barrel. Nancy Pelosi became the first woman Speaker of the House, and universal healthcare entered onto the political agenda once again. All the while, the U.S. job market held steady with unemployment remaining under 5 percent — that is until it finally hit that mark in December for the first time in over two years.

In our 2008 Job Market Report, we will explore our labor market beyond the unemployment numbers, review some of the key issues on the political agenda that will impact the workforce in a presidential election year and provide an analysis of the labor market by demographic, sector and region.



Warning signs for the labor market

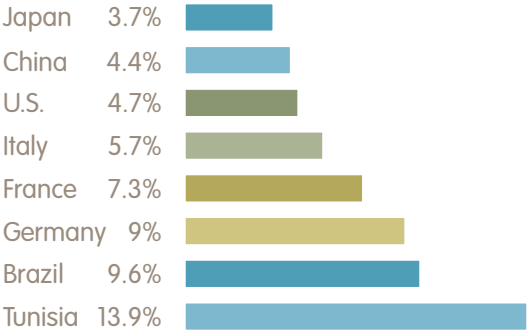
Last December's Jobs Report sent shockwaves through the broader media, financial and investment communities, and raised red flags for employers and employees across the country. With unemployment jumping to 5 percent and increases to payrolls totaling only 18,000 for the month, concerns about the strength of the labor market and the notion of an impending recession heightened toward the end of 2007. But what do these numbers mean in the broader lens of the global employment situation?



Don't lose sight of our place in the global picture.

The unemployment rate in Germany is 9 percent; in Italy it is 5.7 percent. With that in mind, the U.S. unemployment rate — which has held steady near 5 percent for well over two years — is still relatively low when compared to our global neighbors. Japan and China are some of the only countries that are lower, with a record low of 3.7 percent reached in Japan in July and China staying close to 4.4 percent this past year.

Global unemployment rates



Putting things in perspective domestically.

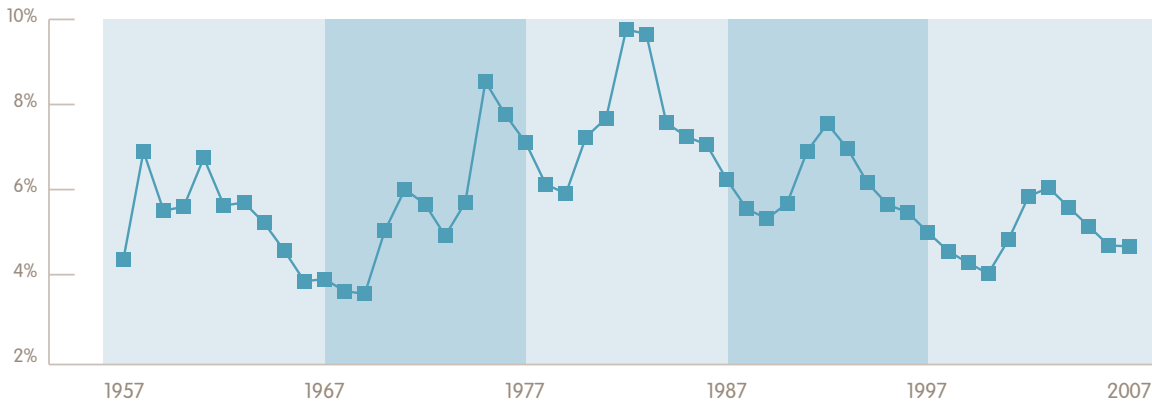
Wall Street has a saying, “When the markets are bullish, people tend to be overly exuberant. When markets are bearish, people tend to be overly cautious.” So goes the sentiment of employers and the workforce when it comes to the unemployment rate.

Everyone gets jittery when the unemployment rate reaches 5 percent, but since 1960 unemployment in the U.S. has fluctuated between a low of 4 percent and a high of nearly 10 percent.

In the mid-1960s, rates as low as 5 percent implied consistent, stable unemployment. By the early 1980s, it seemed that the government was risking accelerating inflation if it let the unemployment rate drop below 7 percent. By the late 1990s, the “natural rate” of unemployment had fallen back to around 5 percent again.

Taking this historical view into account, the U.S. labor market has remained relatively strong despite recent housing and stock market volatility.

U.S. unemployment rates, 1957-2007



Source: Bureau of Labor Statistics



In many industries, people are continuing to find job opportunities.

The decrease in job creation may be an indication of a short-term uneasiness in some select industries such as financial services — specifically the mortgage sector — real estate and construction. However, we are still seeing strong demand for talent in healthcare, technology, and accounting.

Consider this: the Bureau of Labor Statistics originally published a loss of 4,000 jobs in its August Jobs Report. However, in September, the revised report for August reflected a gain of 90,000 jobs. The losses of manufacturing jobs in 2007 have been offset by an increase in professional and service jobs. This shift in the labor market shows us that we are moving from a manufacturing economy to a knowledge-based economy — workers must evolve their skills or a large segment of our workforce may be left behind.

In certain industries and markets, the talent war is still alive and well, driven by our need to increase productivity and decrease costs with fewer resources. Healthcare, public accounting and IT are prime examples of industries where the struggle to find the right talent quickly, efficiently and effectively remains. Our clients continue to feel the pinch in certain divisions or for certain positions — not because there aren't enough people across the U.S. to fill them, but because finding the right level of talent and the right fit is so critical for success today.

This condition is also driven by the fact that the demographic reality of 75 million Baby Boomers reaching retirement age continues to draw near.

In addition to the strength of the labor market, we anticipate many workforce issues — including immigration reform, education and training, and healthcare — will be at the forefront of the political agenda in 2008 as we gear up for the 55th U.S. presidential election.

Key workforce issues on the political agenda

Immigration reform

At the heart of the immigration debate for employers is worker verification. Across the country, more than 22,000 companies participate in E-Verify (formerly known as the Basic Pilot/ Employment Eligibility Verification Program), an Internet-based system operated by the Department of Homeland Security in partnership with the Social Security Administration that allows participating employers to electronically verify the employment eligibility of their newly-hired employees.

As of October 1, 2007 all federal agencies must use the program to verify the legal status of new hires and the Department of Homeland Security hopes to continue expanding the program. Additionally, a recent Senate bill would require employers to electronically verify new hires within 18 months and all existing employees within three years.

Another critical immigration reform issue, especially for IT companies, is the issuance of H-1B visas. In April, the U.S. Citizenship and Immigration Services (USCIS) received enough H-1B petitions to meet the congressionally mandated cap of 65,000 for fiscal year 2008 just one day after starting the receipt of applications. This marks the fifth year in a row that the cap has been reached before the start of the fiscal year.

In June, the Senate ruled to extend deliberations of the Comprehensive Immigration Reform Act of 2007. If passed, these bills would raise the H-1B foreign skilled worker visa cap from 65,000 to 115,000, and raise the limit on employment-based visas from 140,000 to 290,000 per year.

Other elements of immigration reform under discussion include a guest worker program, which would allow foreigners outside the United States to apply for temporary work visas, or a system to provide the millions of undocumented immigrants already in the country the right to stay legally.

Illegal immigrants currently living in the U.S.: 11-12 million

Number of illegal immigrants that enter the U.S. each year: 1.1 million

Annual H-1B visas issued: 65,000

Number of people who lived outside their country of birth in 2005: 190 million

Number of U.S. farm workers that are illegal immigrants: approximately 70 million (Includes migrant workers.)

Fine for knowingly hiring illegal immigrants: up to \$10,000

Sources: NewsHour with Jim Lehrer on PBS; The New York Times Magazine; Senate staff documents

Education & training

As we move from a manufacturing economy to a knowledge-based economy, Americans are experiencing a seismic shift in the way we work and the skills required to succeed in the job market. Questions are being raised about whether our current education strategies are preparing a strong workforce or if we're losing our competitive foothold globally. Businesses are making up some of the gap through career development and training initiatives. However, is it enough to keep American businesses at the top of their game?

In the classroom.

The College Board reports that a person with a Bachelor of Arts degree can expect to earn more than \$1 million more over a lifetime than a person with a high school diploma. So, despite the fact that the Consumer Price Index for tuition plus fees increased 355 percent between 1990 and 2000, the total number of college graduates in the U.S. rose to 40,621,000 in 2003 — an increase of 40 percent in the decade between 1993 and 2003.

Source: National Science Foundation, December 2005

Although our universities and our college graduates are some of the best in the world, there is a lot we need to do in order for the U.S. to continue to compete, innovate and adjust effectively to global economic changes. One long-term strategy is to encourage learning at every stage of one's career — from new entrants to the workforce to mature workers looking to impart intellectual capital to future leaders of their organizations.

Workforce preparedness isn't only about securing a college education, it's also imperative to establish a culture of lifelong learning and investment in the workforce. In recent years,



- In the U.S., 70 percent of public school students graduate on time, and less than half of these students are qualified to attend four-year colleges or universities.
- Only 26 percent of Americans have a bachelor's or higher degree.
- Women earn the majority of associate, bachelor's, and master's degrees and almost half of professional and doctorate degrees.
- More than half (56 percent) of U.S. adult workers believe America is unprepared to compete in a global economy.
- Three-quarters of employed adults (76 percent) agree that today's U.S. employers do not invest enough in training and development to keep the U.S. workforce competitive with those in other countries.

Source: Adecco USA Workplace Insights Survey, Education and Training, March 2007

we have seen more and more evidence of this taking hold and providing a return on investment for organizations from the Department of Labor to the Fortune 500.

In the workplace.

According to the World Economic Forum's Global Competitiveness Report '06-'07, which ranks the world's most competitive economies, the U.S. has fallen from first to sixth place.

A lack of trained talent in the U.S. is causing businesses to seek resources from overseas. In 2007, the allotted employer requests for H-1B visas for skilled foreign laborers were exhausted in the first few hours. As competition from these emerging markets increases, education and training is becoming more important than ever for working adults in the U.S.

Job skills training and education in China and India aren't optional or substandard — in fact, they are well developed. In 1993 it became required for local Chinese governments to invest in vocational education, and in 1995 a "Vocational Education Law" was passed. In India, training is imparted in 32 engineering and 22 non-engineering trades to those ages 15 to 25. If training and education doesn't become a priority in the U.S. as it has in other countries, it will only weaken our workforce and competitiveness.

It is important for businesses to recognize the value of investing in training — it is now a business standard and job seekers pursue organizations with solid career-development strategies. Well-trained workers will choose companies that make professional growth a priority — and they will leave organizations that don't provide such opportunities.

Healthcare

Healthcare costs — like education costs — continue to soar, heavily impacting employers and employees alike. In fact, healthcare will be the greatest source of cost pressure on companies for the first half of 2008, say more than half of the CEOs polled in the Business Roundtable's latest Economic Outlook Survey.

The Center for Medicare and Medicaid Services estimates that healthcare spending represents 16 percent of total U.S. economic output. In addition, healthcare cost increases for U.S. employers are climbing twice as fast as inflation and wage growth, reports the Henry J. Kaiser Family Foundation.

Nearly 46 million Americans live without health insurance — a fact that has vast social and financial implications for us all. Those with insurance have seen their premiums rise more than 60 percent over the last five years and can expect a similar increase in the coming year. As if these issues alone are not enough, impending Baby Boomer retirements will put an even greater strain on our current healthcare system. Can the country afford to put 78 million Boomers on Medicare — even if it does happen over an 18-year period?

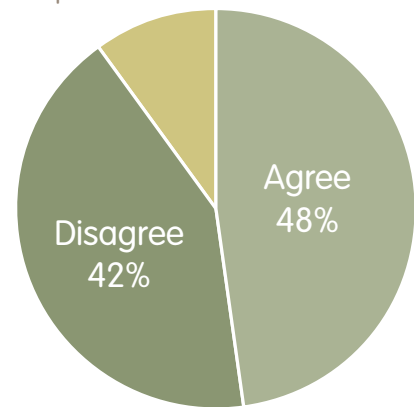
Employers are not the only group that should be accountable for healthcare. Employees have a responsibility to take care of their health and to help manage future healthcare costs for society as a whole. We see an increasing trend in employers instituting penalties for unhealthy behaviors, such as smoking.

Paying for unhealthy behavior.

Percentage of employers who believe employees exhibiting unhealthy behaviors (e.g., smoking, obesity) should pay a larger portion of their health benefit costs.

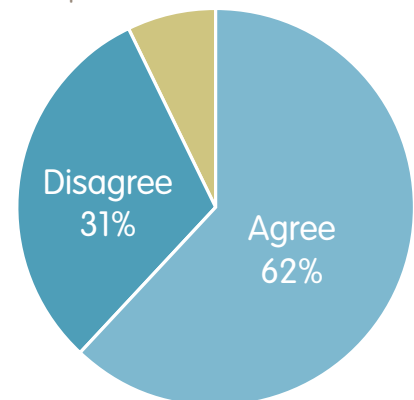
2005

No response 10%

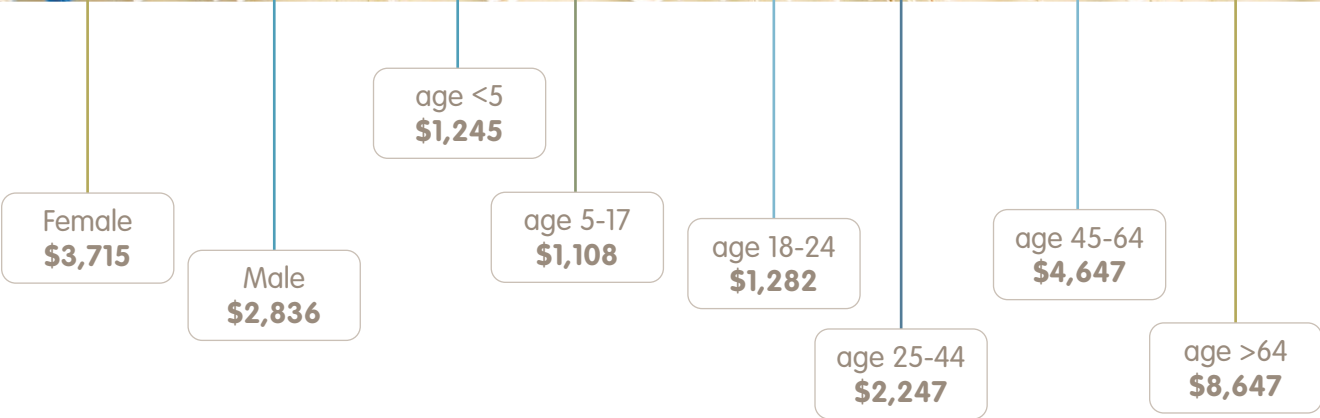


2007

No response 7%



Survey of more than 100 top executives at large U.S.-based multinationals.
Source: PricewaterhouseCoopers (www.pwc.org)



Healthcare spending.

Average annual healthcare spending per person by gender and age, 2004.

The competition for talent in 2008

Where the jobs are, by demographic

Baby Boomers.

Baby Boomers work predominantly in educational services, transportation, health services, and public administration.

The occupations most impacted by the Boomer generation are:

- Administrative assistants
- Elementary school teachers
- Secondary school teachers
- Registered nurses
- Bookkeeping, accounting, and auditing clerks
- College and university teachers
- Educational and other administrators
- Farmers

Source: AARP

MBAs: top five careers.

- Finance
 - Marketing
 - IT/MIS
 - Consulting
 - Sales
- In a recent survey of recruiters, 52 percent say graduates are seeking MBAs for finance careers, followed by marketing (31 percent), IT/MIS (25 percent) and consulting (24 percent).
 - Who hires MBAs? The traditional employers of MBA graduates — consulting, financial services, and consumer goods — are still at the top of the list, but recruiters for marketing, healthcare, and biotech companies also are hiring. Real estate and investment banking are also up and coming, while on the west coast, technology is a growing sector for MBAs.

Sources: Vault.com, CFO.com, MBASchools.com



Temporary/contingent workforce.

- Over the next decade, demand for temporary labor will exceed the growth of employment overall.
- The top five occupations expected to experience the largest annual growth in temporary employment are all in the IT sector.
- Office and administrative support, transportation and material moving, and production workers are predicted to account for 75 percent of the demand for all temporary workers.
- Due to a continuing shortage of healthcare workers, registered nurses are the most commonly placed skilled temporary professionals.
- Civil engineers are the most sought-after occupation (0.3 percent unemployment). Occupational therapists, pharmacists, respiratory therapists, physical therapists, meter readers, lawyers, procurement clerks and financial analysts are also in high demand.

Source: Staffing Industry Analysts, Inc. 2007 Temporary Jobs Guide Book

College grads: ten fastest growing occupations.

Numbers of grads entering each occupation (in thousands)

	2004	2014	% change
Network systems and data communications analysts	231	357	55
Physician assistants	62	93	50
Computer software engineers, applications	460	682	48
Physical therapist assistants	59	85	44
Dental hygienists	158	226	43
Computer software engineers, systems software	340	486	43
Network and computer systems administrators	278	385	38
Database administrators	104	144	38
Physical therapists	155	211	36
Forensic science technicians	10	13	30

Source: Bureau of Labor Statistics

Where the jobs are, by occupational sector

EMPLOYMENT

Account Executive

A successful applicant will be responsible for outside sales and customer contact in territory, as well as, anticipating and meeting customer needs and fully satisfying customer requirements. The Account Executive would also be responsible for developing a company sales plan through salesmanship, for developing new accounts, and servicing and maintaining existing accounts within the specified territory.

Technical Director

Technical Director provides technical and leadership, maintains a teamwork of

Press Foreman

Assist the production manager and assist managers/supervisors in developing and implementing new, higher quality, more efficient customer oriented production systems.

Press Operator

Produces all printed products in a quality (conformance to requirements), efficient manner. Maintains a safe, clean work area and follows all safety procedure (including lockout/tagout). Assures personal conformance to safety policies/procedures. Handles and stores newsprint in a quality (conformance to requirements) fashion, removes newsprint from storage and prepares for press usage, loads quality (conformance to requirements) newsprint rolls into reels and makes pasters. Performs preventative maintenance

Financial Analyst

Coordinate, plan and execute financial statements, all monthly reports, labor, advertising, expenses and reports to investigate and outflow items.

Consumer Marketing

The Consumer Marketing is responsible for targeted marketing, continued growth, local entertainment, Marketing Manager services and





Administrative

Administrative professionals are in demand.

More than 255,000 administrative assistant positions will be added in the U.S. between 2004 and 2014, representing growth of 6.2 percent. More than 438,000 office supervisor positions will be added.

The responsibility placed on administrative professionals is also increasing. The administrative professional's job today requires skills in management functions and technology, including project management, integrated computer software applications, organization and scheduling, Internet/intranet communications and research, document preparation, storage, and retrieval, with emphasis on electronic recordkeeping and customer service.

Increasing office automation, new technology and organizational restructuring will continue to make office support professionals more productive in coming years.

Sources: International Association of Administrative Professionals (IAAP) and Bureau of Labor Statistics



Engineering

An increasingly important segment of the U.S. economy.

While debates about a shortage of U.S. engineers and the future of the profession continue, engineers can finally focus on some good news: both engineering salaries and graduation rates are still on the rise. According to recent data from The Engineering Income & Salary Survey, median salaries for engineers are up over 10 percent from 2006, and up more than 19 percent from 2005. Additional statistics show the number of engineering graduates is also increasing, with almost 75,000 new engineering bachelor's degrees awarded in the 2005-06 academic year.

As of 2004, about 555,000 engineering jobs were found in manufacturing industries, and another 378,000 jobs were in the professional, scientific, and technical services sector, primarily in architectural engineering and related services and in scientific research and development services. Many engineers also worked in the construction and transportation, telecommunications, and utilities industries.

Federal, state, and local governments employed about 194,000 engineers. Approximately 91,000 of these were in the Federal Government, mainly in the U.S. Departments of Defense, Transportation, Agriculture, Interior, and Energy and in the National Aeronautics and Space Administration. Most engineers in state and local government agencies worked in highway and public works departments. About 41,000 engineers were self-employed, many as consultants.

Sources: National Society of Professional Engineers (NSPE) and Bureau of Labor Statistics

Finance

In the finance sector, it is truly a candidate's market.

With the impending talent shortage and continued economic growth, the job market for accounting and finance professionals is as strong as ever.

According to the Bureau of Labor Statistics, the demand for these professionals is expected to grow faster than the average for all industries, with an anticipated 18 to 26 percent growth rate through 2014. An increase in the number of businesses, changing financial laws and regulations, and greater scrutiny of company finances will drive growth.

The Baby Boomer population is having a strong impact as well. The AICPA reports that by 2020, three-quarters of its membership will reach retirement age. This generation makes up the highest portion of the accounting profession, so as they begin to plan their retirement, their departure will leave a very large skill, experience and talent gap.

In addition, overall employment of financial analysts and personal financial advisors is expected to rise thanks to increased investment by businesses and individuals. Personal financial advisors will benefit even more than financial analysts as Baby Boomers save for retirement and as a generally better-educated, longer-living and wealthier population requires investment advice.

Sources: Ajilon Finance Desperately Seeking a Few Good Accountants white paper, Bureau of Labor Statistics, and American Institute of Certified Public Accountants (AICPA)

Healthcare

The healthcare job market is booming.

The healthcare industry continues to sustain the nation's labor market, creating 1.7 million new jobs in the last five years. In fact, it is the fastest-growing services employment sector today — ahead of professional and business services and leisure and hospitality. Most new jobs — about 19 percent, or 3.6 million — created between 2004 and 2014 will be in healthcare.

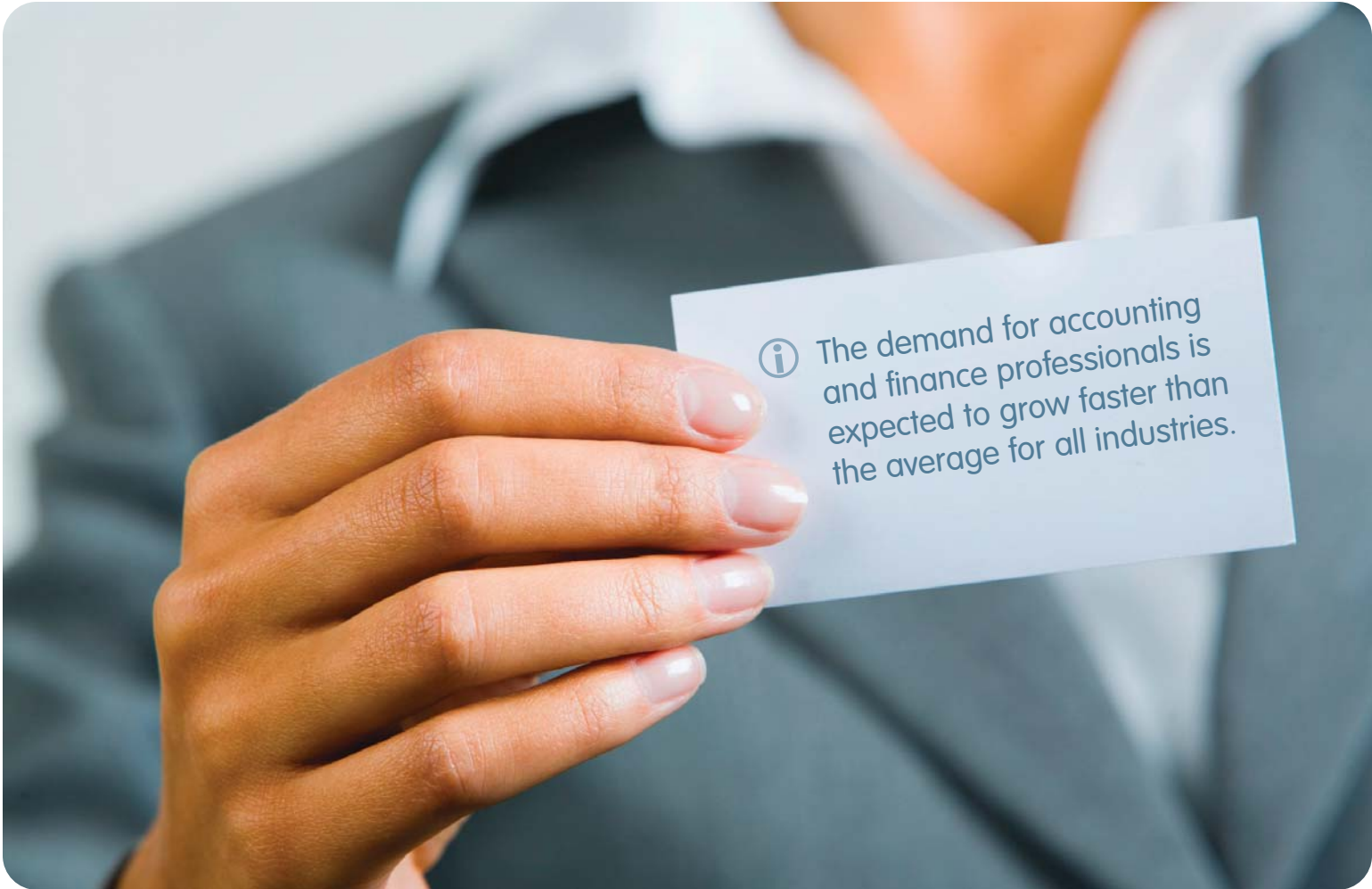
The increased demand for healthcare services, fed by the growing proportion of elderly in the population, is expected to continue for a full 50 years.

Healthcare jobs are found throughout the country, but they are concentrated in the largest states such as California, New York, Florida, Texas, and Pennsylvania.


Job opportunities should be excellent in all employment settings because of high job turnover — particularly from the large number of expected retirements — and tougher immigration rules that are slowing the number of foreign healthcare workers entering the U.S.

Employment in the healthcare industry is projected to increase 27 percent through 2014, compared with 14 percent for all industries combined. Projected rates of employment growth for the various segments of the industry range from 13 percent in hospitals — the largest and slowest growing industry segment — to 69 percent in the much smaller home healthcare services.

Sources: BusinessWeek Online and Bureau of Labor Statistics

A close-up photograph of a person's hand holding a white card. The person is wearing a grey suit jacket over a white collared shirt. The card is held in the palm of the hand, and the text on it is clearly visible. The background is slightly blurred, focusing attention on the card and the hand.

① The demand for accounting and finance professionals is expected to grow faster than the average for all industries.

A close-up photograph of a person's hand holding a white card. The person is wearing a white lab coat over a light-colored shirt, and a blue stethoscope is visible around their neck. The card is held in the palm of the hand, and the text on it is clearly visible. The background is slightly blurred, focusing attention on the card and the hand.

① The increased demand for healthcare services is expected to continue for a full 50 years.



Legal

Heightened regulatory environment contributes to the growth in legal employment.

Sarbanes-Oxley, stock options back dating, immigration reform, intellectual property (IP) rights, privacy, and healthcare regulations have all contributed to the growth of the legal profession. In the past decade, the employment market for new law graduates has remained relatively strong and remarkably stable, standing close to or above an 89 percent employment rate since 1997.

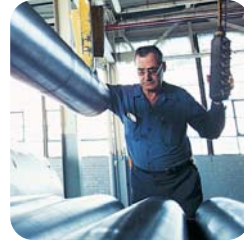
The vast majority of legal employment (84 percent) is in just two industries: legal services and public administration. The next largest employers of legal talent are the finance and insurance sectors.

One in every six legal professionals works in the New York or Washington, DC metro area. State capitals (and Washington, DC) are notable for legal employment, presumably because of government work and contracts.

Some practice areas have declined in recent years: personal-injury and medical-malpractice cases have been undercut by state laws limiting class-action suits, out-of-state plaintiffs and payouts on damages.

On the supply end, more lawyers are entering the workforce, thanks in part to the accreditation of new law schools and an influx of applicants after the dot-com implosion earlier this decade. In the 2005-06 academic year, 43,883 Juris Doctor degrees were awarded, up from 37,909 for 2001-02, according to the American Bar Association.

Sources: Staffing Industry Analysts, Inc.: Legal Staffing Growth Assessment Report, The Wall Street Journal, and the National Association of Legal Professionals (NALP)



Manufacturing

A cloudy picture for manufacturing.

The manufacturing industry hit a rough patch in 2007, coming in at year-end with a loss of some 212,000 jobs. Much of this job loss is contained to the auto parts and home-goods manufacturing industries. Despite continued downsizing in these areas, smaller, highly-specialized manufacturing businesses are providing a positive boost to this segment of the market. In addition, several larger industries — such as defense and aerospace production — continue to experience strong growth.

Standing by itself, U.S. manufacturing would be the eighth largest economy in the world.

California and Texas are still the number one and two largest manufacturing economies in the nation, respectively. Employees who are skilled in today's advanced manufacturing technology are always in high demand in these two states.

However, major cities that rely heavily on the auto manufacturing industry have had a tough time over the past decade. In fact, major job losses in Detroit resulted in the highest metropolitan area unemployment rate in the nation in December 2007.

Source: National Association of Manufacturers



Technology

The IT job market is global.

Between 2000 and 2005, IT employment opportunities in the U.S. grew by about 332,000 jobs. However, during the same time period, the U.S. also imported about 330,000 H1-B workers to fill many of those jobs. IT professionals in the U.S. today are competing with a global talent pool, not just the IT pro next door.

While the IT market is tightening, the situation is nothing at all like the dot-com boom from a decade ago. Data gathered from a survey conducted by Gartner shows a slow, steady recovery in IT, as gauged by average salary budget increases. In this year's survey, the median expected increase in IT salaries was between 3 percent and 4 percent.

The average IT salary rose 4.74 percent to \$80,006 between 2005 and 2006, the third highest in the nation, while unemployment remains low at 4 percent.

To maintain a competitive edge and operate more efficiently, firms will continue to seek computer specialists who are knowledgeable about the latest technologies and are able to apply them to meet the needs of businesses. Increasingly, more sophisticated and complex technology is being implemented across all organizations, fueling demand for computer scientists and database administrators.

The spread of such new technologies translates into a need for IT professionals who can help organizations use technology to communicate with employees, clients and consumers.

Sources: Gartner: 2007 IT Market Compensation Study, Dice.com, and the Bureau of Labor Statistics



Transportation & Warehousing

Keeping the country's goods moving — the lifeblood of our economy.

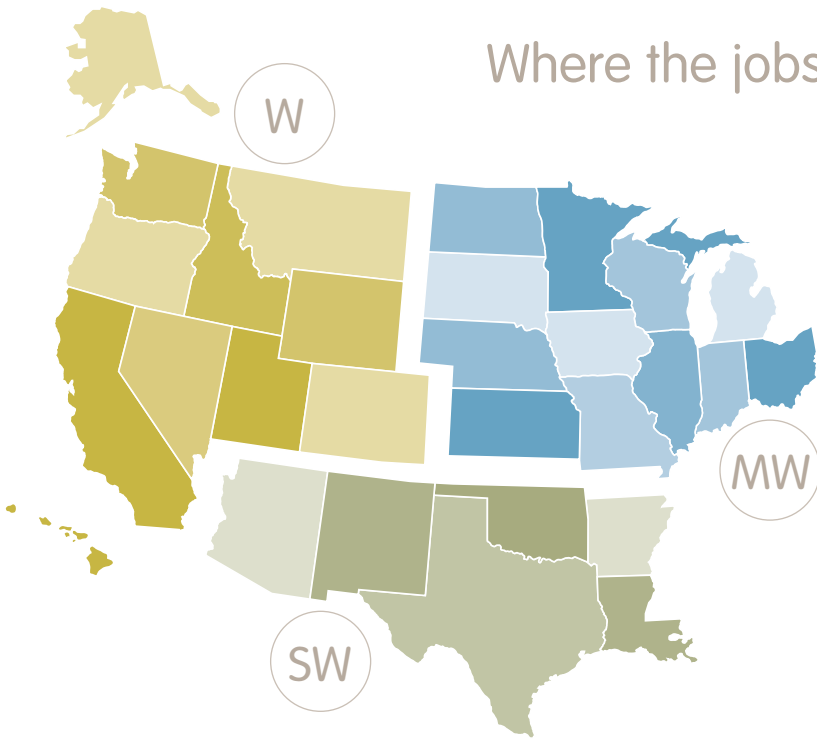
As long as the national economy is strong, so is the demand to move more goods. What's more, companies that focus on increased or more efficient production will often outsource their transportation needs to trucking companies, which, in turn, will need drivers.

Growth in the truck transportation and warehousing industry should prompt an increase in office and administrative support employment. More dispatchers, stock clerks, and shipping, receiving and traffic clerks will be needed to support expanded logistical services across the country. However, fewer administrative assistants, bookkeepers, and file clerks will be needed, because computers and other automated equipment will make workers in these occupations more efficient and productive. Opportunities in the industry for those with IT skills will be excellent.

Sources: US News & World Report and the Bureau of Labor Statistics

Where the jobs are,
by occupational sector

Where the jobs are, by region



West

Best for jobs in: IT/Technology, Construction

- The West Coast boasts the top number of IT employees in the U.S. with San Francisco and Los Angeles leading the way.
- Silicon Valley and the Bay Area are outperforming the state and nation in terms of job growth, according to the Center for Continuing Study of the California Economy.
- The growth of newer Internet industries and the potential for growth in green technology are fortifying the Silicon Valley/ Bay Area economic base.
- Construction is growing 15 percent annually in Salt Lake City, and contractors have to delay expansion projects for Wells Fargo, Zions Bank, and other companies because they can't find enough workers to keep pace. The two banks alone are expected to add 1,200 jobs.
- Las Vegas continues to attract back-office operations from California's high-tech regions.
- According to Salary.com, workers in the Los Angeles and San Francisco metro areas can expect larger-than-average salary increases (4.2 percent) in 2008.
- Unemployment on the West Coast edged up slightly October 2006 vs. October 2007 from 4.5 percent to 4.8 percent.



Southwest

Best for jobs in:

Technology, Engineering, Healthcare

- For the past three years, the Phoenix area has created about 95,000 new jobs, many of them fueled by an unprecedented construction boom.
- The largest state employment increase from November to December was recorded in Texas (+18,600) — equivalent to the national increase in unemployment. Statewide, Texas added 218,600 jobs in 2007, with the largest gains in the professional and business services sector.
- New patents issued to Austin firms rose by 20 percent in the past year, while venture capital investment jumped by 50 percent.
- Adding muscle to the Southwest labor market are Dell and the University of Texas.
- Three bio-defense research labs are already headquartered in San Antonio and the city hopes to win a \$450 million federal vaccine lab in 2008.

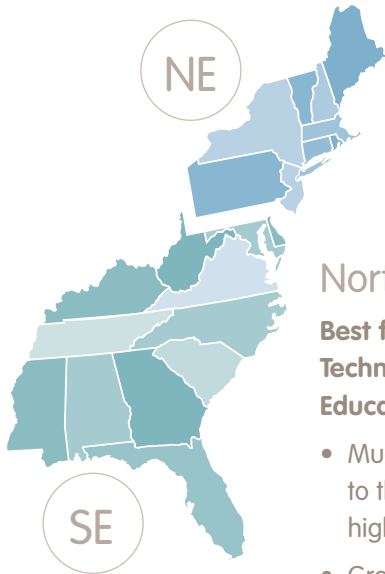
Midwest

Best for jobs in:

Technology, Finance, Construction

- The Midwest is home to the state with the highest unemployment rate: Michigan came in at 7.6 percent in December.
- In Michigan, service sector jobs, especially in education and healthcare, will begin to replace manufacturing job losses, and the state stands to gain an additional 24,000 jobs by 2009. Oakland County and Ann Arbor will drive the recovery.
- In Kansas, employment in professional and business services is forecasted to increase 3.3 percent. Jobs such as those in public accounting will be difficult to fill.
- Over the past three years, Illinois has added 206,000 jobs, which are more new jobs than any Midwest state. The best opportunities in the Chicago metro area are in professional and business services and educational and health services.

Where the jobs are, by region



Northeast

Best for jobs in:
Technology, Healthcare/Science, Education, Biomedical, Construction

- Much of the stability in this region is due to the concentration of service-providing, highly-skilled labor opportunities.
- Growing industries such as professional services, education and healthcare all have large hubs in the Northeast.
- New Jersey marked the start of construction of a research tower in New Brunswick as part of a \$720 million stem-cell initiative. Rutgers University experts calculated that New Jersey could reap total economic benefits of \$2.2 billion from the initiative, gain jobs and generate more than \$115 million in state revenues.
- Massachusetts' Governor Patrick's life-sciences initiative could spur construction spending and construction employment, new jobs for researchers and stem-cell bank workers.
- The New England Economic Project predicted job growth in New England from this year to next will average about 0.7 percent.
- The financial services sector has been one of the hardest hit portions of the economy, in and outside of the mortgage space — particularly in the New York area.

Southeast

Best for jobs in:
Engineering, Construction, Technology, Finance, Healthcare

- Raleigh-Durham remains one of America's top regions for tech workers and is expected to keep expanding as rapidly as other tech hubs such as Boston, San Francisco, and Seattle.
- The \$2.1 trillion in assets that local financial services giants Bank of America and Wachovia pulled in last year made Charlotte a close second to New York City as America's financial capital.
- Thanks in part to its big banks, the region's total business investment — a powerful driver of jobs — nearly tripled in 2006, hitting \$4.1 billion and adding 12,000 jobs in Charlotte and 20,000 in the region overall.
- In Tampa, Verizon, financial-services heavy-weight Raymond James, and a cluster of medical-device manufacturers like Medline are helping to expand the job pool.
- Jacksonville benefits from affordable housing and plenty of jobs in transportation, distribution, and wholesale, luring new families to the city to work.
- Port Everglades, in Florida, is also part of the equation, as it continues to grow in importance, attracting even more lucrative cruise ship traffic to the area.
- The DC metro area unemployment rate is at a low 3 percent. IT professionals are in high demand — unemployment for these workers is estimated at below 2 percent thanks to the growth in government contracts.

Looking ahead with cautious optimism

Although 2007 was a relatively unstable year for the job market and the economy, many segments are experiencing major growth. In the coming months, the presidential election, continued globalization, healthcare concerns and the evolution of education will significantly impact the way we work and live. We see many reasons to be optimistic that the ideas and innovations of the U.S. workforce will provide the foundation for economic recovery and help us enter a new phase of growth.

We hope that the insights in this Job Market Report help you develop your short- and long-term workforce strategies. For more perspectives on the economy and labor market and how emerging trends will affect your business, contact your local Lee Hecht Harrison office at **800.611.4LHH** or visit **LHH.com**.



Lee Hecht Harrison

Established in 1974, Lee Hecht Harrison is a global leader in creating and delivering customized and fully integrated human capital solutions. With over 240 offices worldwide, Lee Hecht Harrison is dedicated to partnering with organizations and individuals, enabling them to maximize their performance and achieve success.

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