



CONTACTS

James K. Pedderson, Director of Public Relations

Office: 312-422-5078

Mobile: 847-567-1463

jamespedderson@challengergray.com

Colleen Madden, Media Relations Manager

Office: 312-422-5074

colleenmadden@challengergray.com

FOR IMMEDIATE RELEASE

Annual Holiday Hiring Forecast

HOLIDAY HIRING EXPECTED TO OUTPACE 2013 THANKS TO CONTINUED EMPLOYMENT AND SPENDING GAINS

CHICAGO, September 17, 2014 – Continued employment gains across all industries and increased consumer spending are expected to boost demand for seasonal workers this year, according to global outplacement consultancy Challenger, Gray & Christmas, Inc. The positive outlook was bolstered by the news that UPS plans to add 95,000 seasonal workers this year, nearly doubling last year's level.

In its annual holiday hiring forecast, Challenger expects seasonal employment gains in the retail sector to significantly outpace 2013, when 786,200 workers were added to retail payrolls during the final three months of the year.

"We could see retailers add more than 800,000 seasonal workers for the first time since 1999. The UPS hiring plans, which, technically, would not be counted among retail employment gains, certainly represent a strong indication of holiday spending expectations. That announcement alone could cause some retailers to reassess their hiring projections and add more workers than they originally intended," said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

In 1999, retail employment grew by 849,500 in October, November and December. The 786,200 workers added to retail payrolls during the 2013 holiday season was the most since 2000, when 788,200 seasonal workers were hired.

Holiday hiring has improved each year since 2008, when the recession led to a 55 percent decline in holiday hiring. Only 324,900 seasonal workers were added to retail payrolls in 2008, making it the worst holiday hiring year on record.

“The last two years saw holiday hiring return to pre-recession levels. This year, we could see hiring return to levels not seen since the height of the dot.com boom. Holiday spending will undoubtedly benefit from the fact that payrolls are increasing by an average of 215,000 new workers per month, so far this year. That translates into more people with jobs, which means more holiday spending money,” said Challenger.

Challenger also pointed to last week’s report from the Commerce Department showing that retail sales rose 0.6 percent in August. It was the biggest increase in four months, driven largely consumer spending on furniture, electronics, sporting goods and clothing.

“Despite the positive indicators, an increase in holiday hiring is by no means guaranteed, particularly among traditional, brick-and-mortar retailers. One of the prime motivators behind the substantial UPS hiring strategy is the shift toward online purchases,” noted Challenger.

“As more people do their holiday shopping over the internet, the need for extra workers on the sales floors at the malls and in department stores may decline. Last year, Target cut seasonal hiring by 20 percent to 70,000, due in part to more online shopping, as well as the fact that technological improvements make it possible for the store to handle increased holiday traffic without adding as many extra workers. Reports have the company keeping this year’s holiday hiring at the same level,” he added.

The shift toward online shopping does not necessarily mean fewer jobs. After all, Amazon added 70,000 extra holiday workers in 2013. Macy’s and Walmart, both of which have a strong online presence in addition to their brick-and-mortar stores, hired 83,000 and 55,000 seasonal workers, respectively.

“Job seekers hoping to take advantage of seasonal hiring should be prepared to look beyond the traditional retail store fronts. Some of the best opportunities could be in the backroom, handling incoming and outgoing shipments. Job seekers should also look for positions at warehouses and shipping facilities associated with retailers and/or transportation companies.

“There are also many seasonal job opportunities that are unrelated to holiday shopping. Restaurants, caterers, movie theaters, and other entertainment and leisure venues tend to see increased business during the holidays. These establishments are also need extra help to handle that increase,” Challenger advised.

###

JOBS ADDED IN RETAIL TRADE

October, November, December 1999-2013

	Oct	Nov	Dec	TOTAL	% Change
1999	172,200	369,100	308,200	849,500	8.0%
2000	143,600	393,800	250,800	788,200	-7.2%
2001	95,700	352,100	137,500	585,300	-25.7%
2002	125,800	350,500	193,200	669,500	14.4%
2003	145,000	305,100	189,800	639,900	-4.4%
2004	158,000	371,800	180,700	710,500	11.0%
2005	122,300	392,700	196,600	711,600	0.2%
2006	150,600	427,300	169,000	746,900	5.0%
2007	87,900	465,400	167,600	720,900	-3.5%
2008	38,600	213,600	72,700	324,900	-54.9%
2009	45,100	317,100	133,600	495,800	52.6%
2010	149,800	339,200	158,600	647,600	30.6%
2011	134,200	390,600	154,500	679,300	4.9%
2012	138,700	485,400	99,600	723,700	6.5%
2013	160,000	442,900	183,300	786,200	8.6%
AVERAGE	124,500	374,440	173,047	671,987	

Source: Challenger, Gray & Christmas, Inc., with non-seasonally adjusted data provided by the U.S. Bureau of Labor Statistics