



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

2013 Holiday Retail Hiring Highest Since 1999 **DECEMBER HIRING SURGE LIFTS HOLIDAY HIRING TO 14-YEAR HIGH**

CHICAGO, January 14, 2014 – Despite tepid sales gains and lower store traffic this holiday season, retail employment grew by a better-than-expected 801,100 jobs over the final three months of the year, making it the strongest holiday hiring period since 1999, according to an analysis of government employment data by global outplacement consultancy Challenger, Gray & Christmas, Inc.

Overall, the three-month hiring total was up 6.6 percent from the previous year, when retail employment expanded by 751,800 from October through December. The increase was due primarily to strong hiring in October and December. November employment gains were actually down 6 percent from a year earlier.

Retailers added 176,500 workers in December, which is a 63 percent increase from the 108,000 workers hired in December 2012. It was the largest December employment gain for the retail sector since 2005, when these employers added 196,600 in the final month of the year.

“Heading into the holiday season, we anticipated hiring to be flat or come in lower than the previous year. There were many factors contributing to this view, including the fact that consumer confidence was shaken by the recent government shutdown, wages for the majority of Americans remain flat, and millions remain unemployed or underemployed as the economy struggles to recover,” said John A. Challenger, chief executive officer of Challenger, Gray & Christmas.

“Moreover, forecasts from leading retail analysts were less than optimistic. Retail research firm ShopperTrak predicted in September that sales at U.S. stores would climb just 2.4 percent in November and December. It also estimated that store visits would fall 1.4 percent during those months. Meanwhile, an outlook released by the National Retail Federation last October expected holiday sales to ‘marginally increase’ 3.9 percent, compared to the 3.5 percent increase recorded in 2012,” said Challenger.

Surprisingly, while forecasts for marginal sales gains and fewer shoppers proved to be accurate, these trends did not appear to slow down hiring activity. Last week, ShopperTrak reported that holiday season sales increased 2.7 percent while in-store traffic decreased nearly 15 percent.

Meanwhile, post-holiday workforce adjustments may prove painful. Retailers that struggled over the holidays may not only let go of the seasonal workers they hired, but they may include some permanent full-time workers. Macy’s recently announced it would lay off 2,500 workers, close stores, and leave some open positions unfilled. The decision comes after the major retailer revised their second-half same-store sales estimate for 2013 to 2.8 or 2.9 percent increase in sales, not the 4 percent previously expected.

“If other retailers’ sales numbers do not meet expectations, we may see similar staffing decisions elsewhere. Macy’s hired 83,000 workers for the holidays, and Walmart and Target announced comparable hiring figures. Although hiring was better than expected, those employers may adjust staffing back to previous levels, or worse, cut even deeper to eliminate costs,” said Challenger.

###

The widely-reported seasonally-adjusted data, which is intended to “smooth out” volatile fluctuations in seasonal hiring, showed a net gain of 22,300 new retail jobs in November. Challenger uses the non-seasonally adjusted data to capture the actual holiday hiring activity.

January 14, 2014

JOBS ADDED IN RETAIL TRADE
October, November, December, 1999-2013

	Oct	Nov	Dec	TOTAL	Job Growth Compared to Previous Year
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	149,400	494,400	108,000	751,800	10.7%
2013	159,200	465,400	176,500	801,100	6.6%
AVERAGE	125,160	376,540	173,153	674,853	

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