

***For Immediate Release***

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**U.S. Worker Confidence Unaffected by  
Mideast Turmoil, Stock Performance, and Gas Prices  
*Hudson Employment Index<sup>SM</sup> Falls Half Point in July***

NEW YORK, August 2, 2006 – The *Hudson Employment Index<sup>SM</sup>* held steady at 101.9 in July, marking the third consecutive month that the measure of worker confidence has remained unchanged. The current reading is the lowest of 2006 and nearly two points lower than last July, when the *Index* stood at 103.7.

“The overall sense of stability we found this month is quite surprising,” said Steve Wolfe, executive vice president, Hudson, North America. “It comes at a time when so many factors such as high energy prices, poor stock performance and escalating fighting overseas contribute to a sense of instability and a perceived softening of the economy. Yet, worker confidence does not appear to be affected by this.”

**Fairly Quiet on All Fronts**

Many of the factors contributing to the *Index*, including personal finances and job satisfaction, were unchanged in July. However, there was marginal movement for a few elements. Expected layoffs fell, as the number of employees who believed their company had plans to cut staff in the coming months fell one point to 16 percent. There was also a one-point increase to 74 percent among employees not concerned about job security.

**Looking Back One Year Ago**

As mentioned previously, the latest *Index* is 1.8 points lower than last July’s reading of 103.7. The main reason for the year-over-year decline is workers’ perceptions of their financial situations. This July, only 38 percent believed their finances were improving, while 43 percent indicated they were getting worse. Those figures were 42 percent and 38 percent, respectively, at this time last year. Tempering that pessimism was a five-point jump to 74 percent in the number of employees not concerned about job loss.

**Managers, a Mixed Bag**

Despite the overall stability, managers as a whole were less optimistic in July than the previous month due to less expected hiring activity and weakened confidence in finances. However, confidence rose among managers in the private sector, who reported significantly heightened levels of job satisfaction.

	All Workers July	All Workers June	All Managers July	Private Sector Managers July
<i>Hudson Employment Index</i>	101.9	102.4	109.2	119.7
Expected Layoffs	16%	17%	17%	19%
Happy at Work	74%	74%	78%	82%
Finances Getting Better	38%	38%	44%	45%

\*A more detailed data report is available at [www.hudson-index.com](http://www.hudson-index.com).

Hudson, one of the world's leading professional staffing, outsourcing and talent management solutions providers, publishes the *Hudson Employment Index*, a monthly measure of U.S. worker confidence in the employment market. Results are not seasonally adjusted. Next month's *Hudson Employment Index* will be released on August 30.

### **The Hudson Employment Index**

The *Hudson Employment Index* (Hudson-Index.com) is based on monthly telephone surveys with approximately 9,000 U.S. workers. The *Index* tracks aggregate employment trends regarding career opportunities, hiring intentions, job satisfaction and retention. The data is compiled each month by Rasmussen Reports, LLC, an independent research firm ([www.RasmussenReports.com](http://www.RasmussenReports.com)).

Survey results are segmented by 11 cities: Atlanta, Boston, Chicago, Dallas, Los Angeles, Minneapolis-St. Paul, New York, Philadelphia, San Francisco, Tampa, and Washington, D.C. The *Index* surveys five occupational sectors: accounting and finance, health care, information technology, manufacturing and legal. The *Hudson Employment Index* also measures employee confidence by age, gender, race and compensation.

Data reported in this release is based on a national telephone survey of 8,997 working Americans during the month of July. The margin of sampling error for a survey based on this number of interviews is approximately +/-1 percent with a 95 percent level of confidence. The data is not seasonally adjusted. It will be reviewed at year-end to determine if seasonal adjustments are appropriate. The *Hudson Employment Index* is a service mark owned by Hudson Highland Group, Inc.

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Hudson is a division of Hudson Highland Group, Inc. one of leading professional staffing, retained executive search and talent management solutions providers. The company employs more than 3,800 professionals serving

clients and candidates in more than 20 countries through its Hudson and Highland Partners businesses. More information is available at [www.hudson.com](http://www.hudson.com).

**Special Note:** Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995: Except for historical information contained herein, the statements made in this release constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements involve certain risks and uncertainties, including statements regarding the company's strategic direction, prospects and future results. Certain factors, including factors outside of our control, may cause actual results to differ materially from those contained in the forward-looking statements, including economic and other conditions in the markets in which we operate, risks associated with acquisitions, competition, seasonality and the other risks discussed in our Form 10-K and our other filings made with the Securities and Exchange Commission, which discussions are incorporated in this release by reference.

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