UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13
OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 1997

Commission File No. 0-21886

BARRETT BUSINESS SERVICES, INC.
(Exact name of registrant as specified in its charter)

Maryland	52-0812977
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
4724 SW Macadam Avenue Portland, Oregon	97201
(Address of principal executive offices)	(Zip Code)

(503) 220-0988

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such report), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X]   No [   ]

Number of shares of Common Stock, $.01 par value, outstanding at April 30, 1997 was 6,667,423 shares.

BARRETT BUSINESS SERVICES, INC.

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PART I - Financial Information

Item 1. Financial Statements

BARRETT BUSINESS SERVICES, INC.
Balance Sheets
(Unaudited)
(In thousands)

<TABLE>
<CAPTION>

	March 31, 1997	December 31, 1996
Assets		
Current assets:		
<S>	<C>	<C>
Cash and cash equivalents	$ 1,615	$ 1,901
Trade accounts receivable, net	21,337	19,057
Note receivable	-	324
Prepaid expenses and other	1,379	914
Deferred tax assets (Note 3)	1,363	1,279
Total current assets	25,694	23,475
Intangibles, net	12,894	10,226
Property and equipment, net	3,203	3,111
Restricted marketable securities and workers' compensation deposits	5,699	5,707
Other assets	145	127
	$47,635	$42,646
Liabilities, Redeemable Common Stock and Nonredeemable Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ 65	$ 36
Income taxes payable (Note 3)	515	-
Accounts payable	705	667
Accrued payroll, payroll taxes and related benefits	9,307	7,354
Accrued workers' compensation claim liabilities	2,423	2,240
Customer safety incentives payable	1,029	1,015
Other accrued liabilities	516	606
Total current liabilities	14,560	11,918
Long-term debt, net of current portion	849	838
Customer deposits	888	890
Long-term workers' compensation liabilities	611	613
Other long-term liabilities	1,005	-
	17,913	14,259
Commitments and contingencies		
Redeemable common stock, $.01 par value; 159 shares issued and outstanding	2,825	2,825
Nonredeemable stockholders' equity:		
Common stock, $.01 par value; 20,500 shares authorized, 6,668 and 6,625 shares issued and outstanding, respectively	67	66
Additional paid-in capital	11,433	10,929
Retained earnings	15,397	14,567
	26,897	25,562
	$47,635	$42,646

</TABLE>

The accompanying notes are an integral part of these financial statements.

BARRETT BUSINESS SERVICES, INC.

Statements of Operations
(Unaudited)
(In thousands, except per share amounts)

	Three Months Ended March 31, 1997	Three Months Ended March 31, 1996
Revenues:		
Staffing services	$32,731	$22,629
Professional employer services	30,049	20,556
	62,780	43,185
Cost of revenues:		
Direct payroll costs	48,039	32,718
Payroll taxes and benefits	6,459	4,334
Workers' compensation	1,855	770
Safety incentives	323	347
	56,676	38,169
Gross margin	6,104	5,016
Selling, general and administrative expenses	4,515	3,626
Amortization of intangibles	317	160
Income from operations	1,272	1,230
Other income (expense):		
Interest expense	(25)	(21)
Interest income	103	125
Other, net	-	(1)
	78	103
Income before provision for income taxes	1,350	1,333
Provision for income taxes	520	506
Net income	$ 830	$ 827
Primary earnings per share (Note 5)	$ .12	$ .12
Primary weighted average number of common stock equivalent shares outstanding	6,800	6,787

The accompanying notes are an integral part of these financial statements.

BARRETT BUSINESS SERVICES, INC.

Statements of Cash Flows
(Unaudited)
(In thousands)

	Three Months Ended March 31, 1997	Three Months Ended March 31, 1996
Cash flows from operating activities:		
Net income	$ 830	$ 827
Reconciliation of net income to cash from operations:		
Depreciation and amortization	404	228
Changes in certain assets and liabilities, net of acquisition:		
Trade accounts receivable, net	(1,734)	274
Note receivable	324	-
Prepaid expenses and other	(385)	(474)
Deferred tax asset	(84)	297
Accounts payable	29	231
Accrued payroll, payroll taxes and related benefits	1,946	1,394
Accrued workers' compensation claims liabilities	183	(746)
Customer safety incentives payable	14	86
Income taxes payable	504	184
Other accrued liabilities	(214)	(16)
Customer deposits and long-term workers' compensation liabilities	(4)	40
Other long-term liabilities	5	-
Net cash provided by operating activities	1,818	2,325
Cash flows from investing activities:		
Cash paid for acquisition, including other direct costs	(2,095)	-
Purchases of fixed assets, net of amounts purchased in acquisition	(106)	(54)
Proceeds from sales of marketable securities	1,556	405
Purchases of marketable securities	(1,548)	(1,564)
Net cash used in investing activities	(2,193)	(1,213)
Cash flows from financing activities:		
Payment of credit line assumed in acquisition	(401)	-
Payments on long-term debt	(15)	(8)
Proceeds from exercise of stock options and warrants	505	70
Net cash provided by financing activities	89	62
Net (decrease) increase in cash and cash equivalents	(286)	1,174
Cash and cash equivalents, beginning of period	1,901	3,218
Cash and cash equivalents, end of period	$ 1,615	$ 4,392
Supplemental schedule of noncash activities:		
Acquisition of other business:		
Cost of acquisition in excess of fair market value of net assets acquired	$ 3,030	-
Tangible assets acquired	672	-
Liabilities issued or assumed	1,607	-

The accompanying notes are an integral part of these financial statements.

BARRETT BUSINESS SERVICES, INC.

Notes to Financial Statements

NOTE 1 - BASIS OF PRESENTATION OF INTERIM PERIOD STATEMENTS:

The accompanying financial statements are unaudited and have been prepared by Barrett Business Services, Inc. (the "Company") pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and note disclosures typically included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, the financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the results for the interim periods presented. The financial statements should be read in conjunction with the audited financial statements and notes thereto included in the Company's 1996 Annual Report on Form 10-K at pages 28-51. The results of operations for an interim period are not necessarily indicative of the results of operations for a full year.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 128 "Earnings Per Share". SFAS 128 replaces APB Opinion 15, "Earnings per Share", and simplifies the computation of EPS by replacing the presentation of primary EPS with a presentation of basic EPS. In accordance with this pronouncement, the Company will adopt the new standard for periods ending after December 15, 1997. The impact of the SFAS 128 EPS calculation for the first quarter of 1997 is not material.

Certain prior year amounts have been reclassified to conform with the 1997 presentation. Such reclassifications had no impact on net income or stockholders' equity.

NOTE 2 - ACQUISITION

Effective February 1, 1997, the Company acquired D&L Personnel Department Specialists, Inc., dba HR Only, a staffing services company which specializes in human resource professionals with offices in Los Angeles and Orange County, California. The Company paid $1,800,000 in cash for all of the outstanding common stock of HR Only and $1,200,000 in cash for noncompete agreements with certain individuals, of which $1,000,000 will be deferred for five years and then be paid ratably over the succeeding five-year period. The deferred portion of the noncompete agreement is presented on the balance sheet in other long-term liabilities. HR Only's revenues for the fiscal year ended January 31, 1997 were approximately $4.3 million. The transaction was accounted for under the purchase method of accounting, which resulted in $3,030,000 of intangible assets, including $95,000 for acquisition-related costs, and $65,000 of net tangible assets.

NOTE 3 - PROVISION FOR INCOME TAXES:

Deferred tax assets (liabilities) are comprised of the following components (in thousands):

<TABLE>
<CAPTION>

	March 31, 1997	December 31, 1996
Accrued workers' compensation claims		
<S>	<C>	<C>
liabilities	$1,187	$1,113
Allowance for doubtful accounts	20	10
Tax depreciation in excess of book depreciation	(160)	(154)
Safety incentives	271	281
Book amortization of intangibles in excess of tax amortization	45	29
	$1,363	$1,279

	=====	=====

The provision for income taxes for the three months ended March 31, 1997 and 1996, is as follows (in thousands):

	Three Months Ended March 31, 1997	Three Months Ended March 31, 1996
Current:		
Federal	$ 488	$ 159
State	116	50
	604	209
Deferred:		
Federal	(70)	247
State	(14)	50
	(84)	297
Provision for income taxes	$ 520	$ 506

</TABLE>

NOTE 4 - STOCK INCENTIVE PLAN:

In 1993, the Company adopted a stock incentive plan (the "Plan") which provides for stock-based awards to the Company's employees, directors and outside consultants or advisers. The number of shares of common stock reserved for issuance under the Plan is 800,000.

The following table summarizes options granted under the Plan in 1997:

Outstanding at December 31, 1996	491,998	$ 3.50 to $16.36
Options granted	81,011	$13.38 to $17.94
Options exercised	(42,375)	$ 3.50 to $15.06
Options canceled or expired	(39,375)	$ 3.50 to $15.06
Outstanding at March 31, 1997	491,259	$ 3.50 to $17.94
Exercisable at March 31, 1997	164,583	
Available for grant at March 31, 1997	142,616	

The options listed in the table generally become exercisable in four equal annual installments beginning one year after the date of grant.

NOTE 5 - NET INCOME PER SHARE:

Net income per share for 1997 is computed based on the weighted average number of actual shares of common stock outstanding during the period, without giving effect to securities that would otherwise be considered to be common stock equivalents because such securities aggregate less than 3% of shares outstanding and, thus, are not considered dilutive. Net income per share for 1996 is computed based on the weighted average number of common stock and common stock equivalent shares outstanding during the period; common stock equivalents aggregated more than 3% of shares outstanding for such period.

NOTE 6 - LITIGATION:

A lawsuit was filed in the Circuit Court of the State of Oregon for the County of Multnomah on February 5, 1997 by Javier and Ester Munoz, husband and wife, against Asger M. Nielson, doing business as Nielson and Son ("Nielson"), Rain-Master Roofing, Inc. ("Rain-Master"), and the Company. Mr. Munoz was employed by the Company under a PEO arrangement with Rain-Master, which is in the roofing business. On February 1, 1995, Rain-Master was providing roofing services at a construction site for which Nielson was serving as general contractor. Mr. Munoz fell from the roof at the site in the course of his employment and is now a paraplegic as a result of the injuries he suffered. Until the filing of the lawsuit referred to above, Mr. Munoz's claim was being defended as a workers' compensation claim.

In the lawsuit, the plaintiffs are seeking damages in the amount of $10,000,000 pursuant to claims for relief based on employer liability, intentional injury, product liability, negligence, breach of implied warranty and loss of consortium. Defense of the lawsuit has been tendered to the Company's excess workers' compensation, commercial general liability and umbrella liability insurance carriers; acceptance of the defense to the claim has not yet been received. Management intends to vigorously

defend this action on the basis, among others, that workers' compensation is the exclusive remedy for employees injured in the course of employment. Under appropriate circumstances, the Company also may seek to enforce its contractual right to indemnification from Rain-Master pursuant to its PEO leasing arrangement. Based upon its investigation and analysis to date, management believes that the outcome of this proceeding will not have a material adverse effect on the Company's financial position or results of operations.

On March 11, 1997, a Notice of Intent to Revoke Farm/Forest Labor Contractor License and to Assess Civil Penalties (the "Notice") was served on the Company by the Bureau of Labor and Industries of the State of Oregon (the "Bureau"). The Notice also names Daniel A. Hatfield, an employee of the Company. The Notice proposes to assess civil penalties in the amount of $488,000, based on the numbers of workers allegedly affected, for alleged noncompliance with various duties imposed on farm labor contractors by Oregon law, including licensing violations, failure to comply with wage payment laws, and failure to maintain and to provide workers and the Bureau with required documentation. It is presently anticipated that an administrative hearing on the matter will be held in July 1997. Management intends to vigorously contest the claims asserted in the Notice and is in the process of collecting and analyzing data necessary to defend its position and to evaluate the probable outcome of the proceedings.

NOTE 7 - SUBSEQUENT EVENTS:

Effective April 13, 1997, the Company acquired certain assets of JRL Services, Inc., dba TLC Staffing, a provider of clerical staffing services located in Tucson, Arizona. TLC Staffing had revenues of approximately $800,000 (unaudited) for the year ended December 31, 1996. The Company paid $150,000 in cash for the assets, assumed an $18,000 office lease liability and incurred approximately $2,000 in acquisition related costs. The transaction was accounted for under the purchase method of accounting, which resulted in $150,000 of intangible assets and $2,000 of fixed assets.

On April 11, 1997, pursuant to a Plan and Agreement of Reorganization between StaffAmerica, Inc. and the Company dated April 1, 1996, the Company repurchased from StaffAmerica and its two shareholders all 159,154 shares of common stock previously issued by the Company as consideration for the acquisition, for a total of $2,824,984 or $17.75 per share. Upon completion of the share repurchase, the Company canceled the shares of common stock.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Results of Operations
- ---------------------

The following table sets forth the percentages of total revenues represented by selected items in the Company's Statements of Operations for the three months ended March 31, 1997 and 1996.

<TABLE>
<CAPTION>

	Percentage of Total Revenues Three Months Ended March 31,	
	1997	1996
Revenues:		
<S>	<C>	<C>
Staffing services	52.1%	52.4%
Professional employer services	47.9	47.6

Total revenues	100.0	100.0
Cost of revenues:		
Direct payroll costs	76.5	75.8
Payroll taxes and benefits	10.3	10.0
Workers' compensation	3.0	1.8
Safety incentives	.5	.8
Total cost of revenues	90.3	88.4
Gross margin	9.7	11.6
Selling, general and administrative expenses	7.2	8.3
Amortization of intangibles	.5	.4
Income from operations	2.0	2.9
Other income (expense)	.1	.2
Pretax income	2.1	3.1
Provision for income taxes	.8	1.2
Net income	1.3	1.9

</TABLE>

Three months ended March 31, 1997 and 1996

Net income for the first quarter of 1997 was $830,000, an increase of $3,000 over the same period in 1996. The increase in net income was attributable to higher revenues, offset in part by a lower gross margin due to higher direct payroll costs and workers' compensation expense, expressed as a percentage of revenues. Earnings per share for the first quarter of 1997 were $.12, the same amount as the first quarter of 1996.

Revenues for the first quarter of 1997 totaled approximately $62.8 million, an increase of approximately $19.6 million or 45.4% over the first quarter of 1996. The quarter-over-quarter internal growth rate of revenues was 25.1%. The percentage increase in total revenues exceeded the internal growth rate of revenues primarily due to the acquisition of six staffing and PEO businesses since April 1, 1996.

The higher internal growth rate of revenues of 25.1% for the 1997 first quarter compared to the 1996 first quarter internal growth rate of 5.3% is primarily attributable to the opening of three new branch offices during 1996 in Boise, Idaho, Tucson, Arizona and Ontario, California, coupled with the continued growth in business at existing branch offices, particularly in contract staffing and on-site management arrangements. Professional employer services revenue increased approximately $9.5 million or 46.2%, while staffing services revenue increased approximately $10.1 million or 44.6%, which resulted in a slight increase in the mix of professional employer services to 47.9% of total revenues for the first quarter of 1997, as compared to 47.6% for the first quarter of 1996. The mix of staffing services revenues had a corresponding decline from 52.4% for the first quarter of 1996 to 52.1% for the first quarter of 1997.

Gross margin for the first quarter of 1997 totaled approximately $6.1 million, which represented an increase of $1.1 million or 21.7% over the first quarter of 1996. The gross margin percent decreased to 9.7% of revenues for the first quarter of 1997, as compared to 11.6% for the same period of 1996. The decline in the gross margin percentage was due to higher direct payroll costs and workers' compensation expense both in terms of total dollars and as a percentage of revenues. The increase in the percentage of direct payroll costs from 75.8% for the first quarter of 1996 to 76.5% for the first quarter of 1997 is primarily attributable to increased business activity in contract staffing and on-site management arrangements. The increase in workers' compensation expense to 3.0% of revenues for the 1997 first quarter, up from the 1996 first quarter level of 1.8% of revenues, is due to a higher incidence of injuries during the 1997 period as compared to 1996 and management's decision to continue to build the Company's accrual for future adverse loss development of open claims.

The following table summarizes certain indicators of performance regarding the Company's self-insured workers' compensation program for the first quarters of 1997 and 1996.

Self-Insured Workers' Compensation Profile

<TABLE>
<CAPTION>

No. of Injury	Total Workers' Comp Expense	Total Workers' Comp Expense as a % of

	Claims		(in thousands)		Total Payroll	
	1997	1996	1997	1996	1997	1996
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Q1	321	193	$1,855	$770	3.9%	2.4%

</TABLE>

Selling, general and administrative expenses for the 1997 first quarter amounted to approximately $4.5 million, an increase of $889,000 or 24.5% over the comparable period in 1996. Selling, general and administrative expenses, expressed as a percentage of revenues, decreased from 8.3% for the first quarter of 1996 to 7.2% of revenues for the first quarter of 1997. The increase in total dollars was primarily attributable to additional branch office expenses as a result of the six acquisitions made since April 1, 1996, and the opening of three new offices.

Amortization of intangibles totaled $317,000 or .5% of revenues for the first quarter of 1997, which compares to $160,000 or .4% of revenues for the same period in 1996. The increased amortization expense was primarily due to amortization from the six acquisitions made since April 1, 1996.

The Company offers various employee benefit plans to its employees, including its worksite employees. These employee benefit plans include a savings plan (the "401(k) plan") under Section 401(k) of the Internal Revenue Code (the "Code"), a cafeteria plan under Code Section 125, a group health plan, a group life insurance plan, a group disability insurance plan, and an employee assistance plan. Generally, employee benefit plans are subject to provisions of both the Code and the Employee Retirement Income Security Act ("ERISA"). In order to qualify for favorable tax treatment under the Code, qualified plans must be established and maintained by an employer for the exclusive benefit of its employees. In the event the tax exempt status of the Company's benefit plans were to be discontinued and the benefit plans were to be disqualified, such actions could have a material adverse effect on the Company's business, financial condition, and results of operations. Reference is made to pages 12-14 of the Company's 1996 Annual Report on Form 10-K for a more detailed discussion of this issue.

Fluctuations in Quarterly Operating Results

The Company has historically experienced significant fluctuations in its quarterly operating results and expects such fluctuations to continue in the future. The Company's operating results may fluctuate due to a number of factors such as seasonality, wage limits on payroll taxes, claims expense for workers' compensation, demand and competition for the Company's services, and the effect of acquisitions. The Company's revenue levels fluctuate from quarter to quarter primarily due to the impact of seasonality in its staffing services business and on certain of its PEO clients in the agriculture and forest products related industries. As a result, the Company may have greater revenues and net income in the third and fourth quarters of its fiscal year. Payroll taxes and benefits fluctuate with the level of direct payroll costs but may tend to represent a smaller percentage of revenues later in the Company's fiscal year as federal and state statutory wage limits for unemployment and social security taxes are exceeded by employees. Workers' compensation expense varies with both the frequency and severity of workplace injury claims reported during a quarter, as well as adverse loss development of prior period claims during the current quarter.

Liquidity and Capital Resources

The Company's cash position of $1,615,000 at March 31, 1997 decreased by $286,000 from December 31, 1996. The decrease was primarily due to cash used in investing activities for acquisitions, offset in part by the cash provided by operating activities.

Net cash provided by operating activities for the three months ended March 31, 1997 amounted to $1,818,000, as compared to $2,325,000 for the comparable 1996 period. For the 1997 period, cash flow generated by net income, together with an increase of $1,946,000 in accrued payroll and benefits, was offset in part by a $1,734,000 increase in trade accounts receivable. The $1,005,000 increase in other long-term liabilities represents the $1,000,000 deferred noncompete agreement arising from the acquisition of HR Only and is reflected in the supplemental schedule of noncash activities within the liabilities assumed caption.

Net cash used in investing activities totaled $2,193,000 for the three months ended March 31, 1997, as compared to $1,213,000 for the similar 1996 period. For the 1997 period, the principal use of cash for investing activities was the acquisition of HR Only. The Company presently has no material long-term capital commitments.

Net cash provided by financing activities for the three-month period ended March 31, 1997 was $89,000, which compares to $62,000 for the comparable 1996 period. For the 1997 period, the principal source of cash provided by financing activities arose from the exercise of employee stock options at exercise prices ranging from $3.50 to $15.06 per share, offset in part by payments totaling $401,000 made to liquidate a credit line assumed by the Company in connection with the acquisition of HR Only. As of the date of this filing, an underwriter continues to hold warrants to purchase 90,000 shares of common stock at $4.20 per share issued in connection with the Company's 1993 initial public offering of its common stock.

The Company's business strategy continues to focus on growth through the acquisition of additional personnel-related businesses, both in its existing markets and other strategic geographic areas, together with the expansion of operations at existing offices. As disclosed in Note 2 to the financial statements included herein, the Company purchased, during February 1997, a staffing services company located in the Los Angeles, California area for $2,095,000 in cash, plus an additional $1,000,000 for a noncompete agreement which will be paid ratably over five years beginning after the end of the fifth year following the acquisition. As disclosed in Note 7 herein, the Company purchased in April 1997, certain assets of a staffing services company located in Tucson, Arizona for $152,000 in cash. The Company actively explores proposals for various acquisition opportunities on an ongoing basis, but there can be no assurance that any additional transactions will be consummated.

On April 11, 1997, the Company repurchased 159,154 shares of its common stock at $17.75 per share issued by the Company pursuant to a Plan and Agreement of Reorganization between StaffAmerica, Inc. and the Company dated April 1, 1996 (the "Agreement"). The redemption proceeds totaling $2,824,984 were remitted to the seller and its shareholders as provided by the Agreement.

The Company presently has an unsecured $4.0 million revolving credit facility which expires May 30, 1997. There was no outstanding balance at March 31, 1997. As a consequence of the recent stock redemption, the Company has maintained an average daily outstanding balance against its credit facility of approximately $806,000 from April 11 through May 9. Management expects that the renewal of such credit facility will be in an amount and on such terms and conditions as will be not less favorable than the current credit arrangement. Management also believes the funds anticipated to be generated from operations, together with the renewed credit facility and other potential sources of financing, will be sufficient in the aggregate to fund the Company's working capital needs for the foreseeable future.

Inflation

Inflation generally has not been a significant factor in the Company's operations during the periods discussed above. The Company has taken into account the impact of escalating medical and other costs in establishing reserves for future expenses for self-insured workers' compensation claims.

Forward-Looking Information

Statements in this report which are not historical in nature, including discussion of economic conditions in the Company's market areas, the potential for and effect of future acquisitions, the effect of changes in the Company's mix of services on gross margin, the adequacy of the Company's workers' compensation reserves, the tax-qualified status of the Company's 401(k) savings plan, the outcome of various legal proceedings, and the availability of financing and working capital to meet the Company's funding requirements, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors with respect to the Company include difficulties associated with integrating acquired businesses and clients into the Company's operations, economic trends in the Company's service areas, uncertainties regarding government regulation of PEOs, including the possible adoption by the IRS of an unfavorable position as to the tax-qualified status of employee benefit plans maintained by PEOs, future workers' compensation claims experience, and the availability of and costs associated with potential sources of financing. The Company disclaims any obligation to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future events or developments.

Part II - Other Information

Item 6. Exhibits and Reports on Form 8-K

(a) The exhibits filed herewith are listed in the Exhibit Index following the signature page of this report.

(b) Reports on Form 8-K

Subsequent to quarter end, on April 2, 1997, the Company filed a Current Report on Form 8-K dated March 31, 1997, to report that the Company had received a request for redemption for all 159,154 shares of common stock issued by the Company pursuant to a Plan and Agreement of Reorganization between StaffAmerica, Inc. and the Company dated April 1, 1996.

Subsequent to quarter end, on April 9, 1997, the Company filed a Current Report on Form 8-K dated April 8, 1997, to report that the Company's Farm and Forest Labor Contractor License had been revoked by the State of Oregon through a default judgment received on April 4, 1997.

Subsequent to quarter end, on April 25, 1997, the Company filed a Current Report on Form 8-K dated April 23, 1997, to report that the Company's Farm and Forest Labor Contractor License was reinstated by the State of Oregon. An administrative law judge withdrew the final order on default of April 4, 1997 entered by the Oregon Bureau of Labor and Industries, thereby allowing the Company to present its case at a hearing to evaluate the merits of the State's administrative complaint.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

BARRETT BUSINESS SERVICES, INC.
(Registrant)

Date: May 13, 1997

By: /s/ Michael D. Mulholland
Michael D. Mulholland
Vice President-Finance
(Principal Financial Officer)

EXHIBIT INDEX

Exhibit	
11	Statement of Calculation of Average Common Shares Outstanding
27	Financial Data Schedule

EXHIBIT 11

BARRETT BUSINESS SERVICES, INC.
STATEMENT OF CALCULATION OF AVERAGE
COMMON SHARES OUTSTANDING

<TABLE>
<CAPTION>

	Three Months Ended March 31, 1997
Primary Earnings Per Share:	
<S>	<C>
Weighted average number of shares	6,800,160
Stock option plan shares to be issued at prices ranging from $3.50 to $17.9375 per share	504,141
Warrant issues at a price of $4.20 per share	90,000
Less: Assumed purchase at average market price during the period using proceeds received upon exercise of options and purchase of stock, and using tax benefits of compensation due to premature dispositions	(552,296)
Total Primary Shares	6,842,005
Fully Diluted Earnings Per Share:	
Weighted average number of shares	6,800,160
Stock option plan shares to be issued at prices ranging from $3.50 to $17.9375 per share	504,141
Warrant issues at a price of $4.20 per share	90,000
Less: Assumed purchase at the higher of ending or average market price during the period using proceeds received upon exercise of options and purchase of stock, and using tax benefits of compensation due to premature dispositions	(552,296)
Total Diluted Shares	6,842,005

</TABLE>

Note: The effect of common stock equivalents upon the primary and fully diluted earnings per share calculation is less than 3%; therefore, earnings per share are based on the weighted average number of shares outstanding during the period.

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>

EXHIBIT 27

BARRETT BUSINESS SERVICES, INC.
FINANCIAL DATA SCHEDULE

This schedule contains summary financial information extracted from the Company's balance sheets and related statements of operations for the period ended March 31, 1997 and is qualified in its entirety by reference to such financial statements.
</LEGEND>

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<OTHER-SE>	26,830
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<SALES>	0
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<INCOME-CONTINUING>	830
<DISCONTINUED>	0
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