

PRESS RELEASE Under embargo until 13 March 2018 (00.01 GMT)

Australian job outlook positive despite softening in key sectors

ManpowerGroup Employment Outlook Survey: Quarter 2 2018

AUSTRALIA (13 March 2018) – High demand for labour across the Wholesale & Retail Trade and Finance, Insurance & Real Estate sectors has kept Australia's employment Outlook at one of the strongest levels in over 6 years. When compared to the same period last year, the Outlook remains upbeat despite notable declines in hiring expectations in crucial sectors such as Mining & Construction and Manufacturing.

These are the results from the *ManpowerGroup Employment Outlook Survey* for the second quarter of 2018, which records a Net Employment Outlook (NEO)¹ of +10% for Australia, signaling that more employers plan to increase staffing levels than not heading into the second quarter of this year. The survey collects data from over 59,000 employers in 44 countries, including 1,500 in Australia.

The strong national result is unchanged compared to the same time last year but declines by three percentage points quarter-on-quarter. An increase in staffing levels is anticipated across all industry sectors and seven of eight regions during Q2 2018.

The latest data paints a picture of significant differences in hiring expectations across the country, both on a sector-by-sector basis and when compared regionally. Expectations in the Wholesale & Retail Trade sector have increased by seven percentage points compared to the same period last year, while employers in the Finance, Insurance & Real Estate sector report an increase of four percentage points.

However, these improved Outlooks have been offset by a softening in hiring expectations across a number of other key sectors. Employers in the Mining & Construction sector report a decline of four percentage points year-on-year, as have those in the Manufacturing sector. Similarly, employers in the Services sector report a decline of three percentage points compared to the same period in 2017. Despite the easing in the employment Outlook across these key sectors, all remain in positive territory.

The impact of a softer Outlook in the Mining & Construction sector can be seen in Queensland where hiring expectations are down three percentage points year-on-year as the state deals with an end to the frenetic pace of apartment building in Brisbane over

¹ The Net Employment Outlook is calculated by subtracting the percentage of employers anticipating a decrease in hiring activity from the percentage of employers anticipating an increase in employment. Seasonal adjustment is then applied to the data.

recent years. Yet in Western Australia, where mining and construction are integral parts of the state's economy, the employment Outlook has increased by two percentage points as the state begins to emerge from a housing downturn over the last 18 months.

ManpowerGroup Australia & New Zealand Managing Director Richard Fischer believes the national NEO of +10% is clear evidence of a strong labour market while noting that there are clear differences across the country.

"The employment Outlook in Australia remains at one of the strongest levels in six years", said Mr Fischer. "However, we continue to see variation across sectors and regions. Most notable is the easing employment Outlook for the Mining & Construction sector and the Manufacturing sector, while hiring intentions have picked up in the formerly subdued Wholesale & Retail Trade sector.

"The improved employment Outlook in the Wholesale & Retail Trade sector is encouraging and suggests that businesses are confident consumer demand will hold up in 2018 as wages pressure builds in the economy," Added Mr. Fischer.

Large and medium-size organisations have recorded both year-on-year gains of one and five percentage points, respectively. However, uncertain hiring plans are reported by small and micro-size businesses with employment Outlooks of -1% and -5%. The softer Outlook by small organisations may reflect concern around increasing headcount at a time when there is a growing debate about the need to increase wages across the economy.

Mr. Fischer also said that despite softening in key sectors the Outlook overall is strong and continues to be positive for hopes of wage increases in the coming quarters.

"The strength of the employment Outlook across the country continues to bode well for gains in household income over the coming year. While this may take some time to flow through the economy, there are clearly positive signs."

Across the Asia Pacific region the strongest Outlooks are in Taiwan (+26%), Japan (+24%) and India (+22%).

- END -

For further information please contact Damian Karmelich on 0407 772 548 or Damian.Karmelich@au.manpowergroup.com

About ManpowerGroup

ManpowerGroup (NYSE: MAN), the leading global workforce solutions company, helps organisations transform in a fast-changing world of work by sourcing, assessing, developing and managing the talent that enables them to win. We develop innovative solutions for over 400,000 clients and connect 3+ million people to meaningful, sustainable work across a wide range of industries and skills. Our expert family of brands – Manpower®,



Contact for Media Enquiries:
Damian Karmelich, 0407 772 548
Damian.Karmelich@au.manpowergroup.com

Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for 70 years. In 2018, ManpowerGroup was named one of the World's Most Ethical Companies for the eighth consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup is powering the future of work: www.manpowergroup.com.au