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## Press Release

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### **Manpower Employment Outlook Survey: 12% of German employers plan to hire new staff in fourth quarter**

- Strongest growth expected from utility companies
- Employment Outlook in Frankfurt escalates after the Brexit decision
- Mood on the labor market remains positive

**Eschborn, 13<sup>th</sup> September 2016** – The degree of employer optimism on the German labor market is stronger than it has been at any time in nearly four years. The seasonally adjusted Net Employment Outlook for the fourth quarter of 2016 has reached +8% – the strongest forecast since the beginning of 2013. This is a further four percentage points more than in the strong third quarter. In real terms, this means that more staff will be hired from October: 12% of the 1,000 employers surveyed in Germany plan to strengthen their staffing levels this year, which is 3% more than in the third quarter. The driving forces are mainly companies from the Electricity, Gas and Water industries as well as the Finance sector. From a regional perspective, the cities of Munich and Frankfurt form the centers of employment growth. For Frankfurt, the Brexit decision appears to have positive effects. These are the results of the Manpower Employment Outlook Survey for the fourth quarter of 2016, for which 1,001 employers in Germany were surveyed.

**+++ You can find the results of the study in a compact format as a video and infographics [here](#) +++**

The seasonally-adjusted Net Employment Outlook is positive for the fourth quarter in six of nine surveyed industry sectors. This means that more employers are planning to increase rather than reduce staff levels. The Mining and Agricultural industries are the exceptions here due to their negative results.

“The order books of many companies in Germany are full. For this reason, employers in Germany are reporting positive outlooks in the upcoming months. Overall, 97% of employers plan to maintain or expand their workforces,” says Herwarth Brune, CEO of ManpowerGroup Germany.

### **Utility companies are at the forefront of hiring new staff**

The mood is particularly positive among the utility companies in the Electricity, Gas and Water industries. The seasonally-adjusted Net Employment Outlook rose in this



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industry sector from +6% to its current level of +14%. This is the strongest forecast since 2010. Compared to the fourth quarter of 2015, this sector has grown by 13%. 17% of the companies in this sector plan to hire new staff in the fourth quarter, while none of them expect to make job cuts. The energy transition and the related effects have increased the need for qualified staff. The Finance sector remains optimistic with a slight increase to a Net Employment Outlook of 13%.

The Public sector has made the biggest leap forward. After an extremely cautious third quarter, in which just as many increases as reductions to staff levels were planned, the Employment Outlook is now very positive at +9%. 15% of Public sector employers plan to hire new staff in this year. The Employment Outlook in the Manufacturing sector has now improved for four consecutive quarters and increases from the prior quarter by 3% to a solid +8%.

The trend from the third quarter – that it is mainly employers in large companies who are planning to hire new staff – is set to continue in the fourth quarter. However, employer confidence in small companies is catching up: 17% of them are planning to hire new staff from October – in the previous quarter this figure was just 8%. “While many large companies already began to hire new staff in the third quarter due to the positive economic mood, the reaction of smaller companies was initially cautious. The continuing positive mood indicates they are increasing their efforts to find qualified staff,” says Brune.

### **Munich remains the country’s driving force – but Frankfurt is gaining ground**

From a regional perspective, the Employment Outlook is at its best in Munich (+13%) and Frankfurt (+11%), while it is weakening in Berlin (-1%) and in Eastern Germany (-3%). 18% of employers in Munich and 14% in Frankfurt plan to hire even more new staff in this year. Hardly any of the employers surveyed in these two cities are planning job cuts. Munich can therefore maintain the leadership position for the fourth consecutive quarter. In the second half of the previous year, Berlin still had its nose in front. In this quarter, almost as many employers in the German capital plan to make job cuts (11%) as hire new staff (13%).

Frankfurt am Main, however, is rapidly gaining ground on the leader Munich. In the third quarter, employers in Frankfurt reported a seasonally-adjusted Net Employment Outlook of -1%. This figure has now risen by an impressive 12%. Even in the first two quarters of this year, the figure only stood at 2% and 3% respectively, while it was as low as -5% in the fourth quarter of 2015. “One factor for the boom in Germany’s



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financial capital is the Brexit decision in the UK. Banks and public institutions are now looking at alternatives to London, and Frankfurt is set to benefit from that,” adds Brune.

### **International: EMEA labor markets are all positive – Ireland particularly strong**

The mood in Europe refuses to be influenced by crises. Employers across the board are reporting positive outlooks, indicating plans to hire new staff. In all the other 23 surveyed countries in the region of Europe, Middle East and Africa (EMEA), employers are also planning to hire more staff rather than make redundancies. The most optimistic hiring intentions in Europe are reported by employers in Ireland with a seasonally-adjusted Net Employment Outlook of +12%. Compared to the previous quarter, this is an increase of 3%, while the increase stands at 7% compared to the fourth quarter of 2015. This is the strongest forecast in almost ten years.

You can find more detailed results from the Manpower Employment Outlook Survey for all participating countries including infographics [here](#).

### **About the Survey**

The Manpower Employment Outlook Survey is the longest-running, most extensive, forward-looking employment survey in the world, commencing in 1962 and now polling nearly 59,000 employers in 43 countries and territories to measure their intentions to increase or decrease the number of employees in their workforce during the next quarter. The survey serves as a bellwether of labor market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine the health of labor markets.

### **About ManpowerGroup**

ManpowerGroup™ (NYSE: MAN) has been the world's workforce expert, creating innovative workforce solutions, for nearly 70 years. As workforce experts, we connect more than 600,000 men and women to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands — Manpower®, Experis™, Right Management® and ManpowerGroup™ Solutions— we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's Most Ethical Companies for the sixth 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 makes powering the world of work humanly possible: [www.manpowergroup.com](http://www.manpowergroup.com)