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Press Release

ManpowerGroup Employment Outlook Survey for Q3 2019:

The survey indicates relative stability over the previous quarter and a slight decrease year-over-year.

Tel-Aviv, 11 June 2019 – According to the latest ManpowerGroup Employment Outlook Survey, Israeli employers report modest hiring plans for the July-September 2019 timeframe, with 11% of employers expecting to increase headcount, 2% predicting a decrease, while 84% anticipate no change. Therefore, the Net Employment Outlook stands at +7%, when adjusted for seasonally variations. Relative stability is reported in hiring intentions compared to the previous quarter, however there is a 3 percentage point drop compared to the same quarter last year.

The Manpower Group Employment Outlook Survey for Q3 2019 was conducted by interviewing a representative sample of 750 employers in Israel. The participants in the survey were asked “How do you anticipate general employment in your geography to change in the three months (to the end of *September 2019*) as compared to the current quarter?”

	Net Employment Outlook*	Increase	Decrease	No Change	Don't know
	%	%	%	%	%
Q3 2018	10+	16	3	78	3
Q4 2018	8+	11	4	81	4
Q1 2019	7+	11	6	80	3
Q2 2019	8+	12	3	82	3
Q3 2019	9+	11	2	84	3

* Net Employment Outlook has been seasonally adjusted

Sectorial Employment Outlook

Employers in all ten industry sectors anticipate increased payrolls in Q3 2019. The strongest job market is expected in the Agriculture, Hunting, Forestry & Fishing sector, with a Net Employment Outlook of +18%. Steady employment growth is also anticipated in the Construction sector and the Public-Social sector, with an outlook of +12% and +11%, respectively. Electricity, Gas & Water Supply sector employers are cautiously optimistic in their employment plans, reporting a net increase of +9%, whereas the outlook in the Finance, Insurance, Real Estate & Business Services sector stands at +8%. The weakest hiring intentions – only +4% – were reported in two sectors: the Mining & Quarrying sector and the Transport, Logistics & Communication sector.

Compared to the second quarter of 2019, employers report an uptick in the hiring plans in five of the 10 industry sectors. Employers in the Agriculture, Hunting, Forestry & Fishing sector report the most substantial improvement of 14 percentage points in their outlook, while in the Public-Social sector and the construction sector the outlook strengthens by 7 percentage points and 3 percentage points,



respectively. Hiring plans are weaker in five sectors, including the Manufacturing-Durables sector and the Restaurants and Hotels sector, where employers report a decline of 5 percentage points in their outlooks.

Year-over-year, hiring intentions are weakening in eight out of 10 industry sectors. A considerable decrease of 27 percentage points is reported in the Mining & Quarrying sector, with a decrease of 14 percentage points being reported in the Restaurants and Hotels sector. In the Wholesale & Retail Trade sector and in the Transport, Logistics and communication sector the outlook weakens by 5 percentage points and 4 percentage points, respectively. On the other hand, a considerable uptick is forecast in two sectors - an increase of 11 percentage points in the Electricity, Gas & Water Supply sector and a 10 percentage points increase in the Agriculture, Hunting, Forestry & Fishing sector.

	Employment Outlook Net, Q3, 2019*	Net Employment Outlook, Q2 2019*	Net Employment Outlook, Q3, 2018 *
AGRICULTURE	+18%	+6%	+10%
CONSTRUCTION	+12%	+9%	+15%
ELECTRICITY, GAS & WATER SUPPLY	+9%	+9%	-1%
FINANCE, INSURANCE, REAL ESTATE & BUSINESS SERVICES	+8%	+9%	+11%
MANUFACTURING	+6%	+11%	+12%
PUBLIC & SOCIAL SERVICES	+11%	+4%	+13%
RESTAURANTS & HOTELS	+6%	+11%	+19%
TRANSPORT, LOGISTICS & COMMUNICATION	+4%	+5%	+4%
WHOLESALE & RETAIL TRADE	+6%	18%+	11%+

* Net Employment Outlook has been seasonally adjusted.

Employment Outlook by Geography

Employers in all six geographies expect increased hiring in the coming three months. The strongest job market is expected in Jerusalem, with a Net Employment Outlook of +12%. Moderate growths in headcount are expected in the north, with an outlook of +10% and in Haifa, with an outlook of +9%. Elsewhere an increase in headcounts is reported: in the Center the outlook is at +8% and in Haifa and in the South alike the outlook is at +6%.

In Tel Aviv and in Jerusalem a slight decrease in hiring intentions has been reported when compared with the previous quarter, down 3 percentage points and 2 percentage points, respectively. At the same time, employers in the North report an improvement of 3 percentage points while in Haifa and in the South employer reports indicate stability.

Year-over-year, the hiring intentions have weakened in all six regions, with a particularly sharp drop of 6 percentage points in Tel Aviv. In the South a decrease of 4 percentage points is recorded in hiring intentions, whereas in the Center the expected decrease stands at 3 percentage points.

	Employment Outlook Net, Q3, 2019*	Employment Outlook Net, Q2, 2019*	Net Employment Outlook, Q3, 2018 *
Jerusalem	+12%	14%+	+15%
The Center	+8%	9%+	+12%
Haifa	+9%	6%+	+7%
North	+10%	7%+	+10%
South	+6%	7%+	+9%
Tel Aviv	+9%	12%+	+15%

* Net Employment Outlook has been seasonally adjusted.

Employment Outlook by Organization Size

Participating employers are categorized into one of four organization sizes: Micro businesses have less than 10 employees; Small businesses have 10-49 employees; Medium businesses have 50-249 employees; and Large businesses have 250 or more employees.

For the coming quarter, employers in all four organization size categories expect hiring increases. The strongest hiring pace is anticipated by Large employers with a Net Employment Outlook of +15%. In the Small businesses category, employers are reporting cautious optimism with an Employment Outlook of +10%, whereas in the Medium businesses category, the outlook stands at +8%. The most cautious hiring intentions were reported among the Micro businesses, with an outlook of just +1%.

Employers in the Small-size businesses category are reporting a 4 percentage points improvement compared with the previous quarter however among Micro businesses, the outlook decreases by 2 percentage points. Meanwhile, employers in the Large Businesses category are reporting no change, and Medium employers report relatively stable hiring intentions.

Year-over-year, the outlook for Large and Micro sized organizations decreases by 6 percentage points and 5 percentage points, respectively, and among employers in Medium organizations a decrease of 3 percentage points is reported. Among Small organizations, hiring intentions remain relatively unchanged.

	Employment Outlook Net, Q3, 2019*	Employment Outlook Net, Q2, 2019*	Net Employment Outlook, Q3, 2018 *
Micro businesses (less than 10 employees)	+1%	3%+	+6%
Small businesses (10 to 49 employees)	+10%	6%+	+11%
Medium businesses (50 to 249 employees)	+8%	10%+	+9%
Large businesses (over 250 employees)	+15%	16%+	+20%

* Net Employment Outlook has been seasonally adjusted.

Global Employment Outlook

ManpowerGroup interviewed over 59,000 employers in 44 countries and territories to forecast labor market activity* in the third quarter of 2019. The ManpowerGroup research for the third quarter of 2019 reveals employers expect workforce gains in 43 of 44 countries and territories surveyed in the period up to the end of September.

When compared with the previous quarter, employers in 18 of 44 countries and territories report stronger hiring prospects, while employers in 18 report weaker hiring plans and no change is anticipated in eight. In a comparison with the same period last year, hiring intentions strengthen in 12 countries and territories, but weaken in 26 and are unchanged in six. The strongest hiring sentiment is reported in Japan, Croatia, Taiwan, the U.S., Greece and Slovenia, while the weakest hiring prospects are reported for Hungary, Argentina, Italy and Spain.

Payroll gains are anticipated by employers in 25 of 26 Europe, Middle East & Africa (EMEA) region countries surveyed during the next three months, while employers in Hungary expect to trim payrolls. When compared with the second quarter of 2019, hiring prospects improve in five countries but weaken in 14. In a comparison with the third quarter of 2018, Outlooks also strengthen in five countries, but decline in 17. The strongest hiring expectations for the coming quarter are reported in Croatia, Greece and Slovenia, while employers in Hungary, Italy and Spain report the weakest hiring plans.

Employers in all eight Asia Pacific countries and territories surveyed expect to grow payrolls in the three months to September 2019. In a comparison with the prior quarter, hiring intentions strengthen in five countries and territories, but weaken in two. When compared with this time one year ago employers report stronger Outlooks in two countries and territories, but hiring prospects decline in five. Employers in Japan and Taiwan anticipate the strongest hiring activity during the third quarter of 2019, while the weakest Outlooks are reported in China, New Zealand and Singapore.

Job seekers in all 10 Americas countries surveyed can expect hiring opportunities in the forthcoming quarter, according to employers. When compared with the previous quarter, hiring prospects improve in eight countries, but weaken in two. In a comparison with the same period last year, Outlooks improve in five countries but decline in four. U.S. and Canadian employers report the strongest hiring prospects for the coming quarter, while the weakest Outlooks are reported in Argentina and Panama.

Full survey results for each of the 44 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at www.manpowergroup.com/meos. The next ManpowerGroup Employment Outlook Survey will be released on 10th September 2019 and will detail expected labor market activity for the final quarter of 2019.

* Commentary is based on seasonally adjusted data where available. Data is not seasonally adjusted for Croatia or Portugal.

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About the ManpowerGroup Employment Outlook Survey

The ManpowerGroup Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforces during the next quarter. ManpowerGroup's comprehensive forecast of employer hiring plans has been running for more than 55 years and is one of the most trusted surveys of employment activity in the world. Various factors underpin the success of the ManpowerGroup Employment Outlook Survey:

Unique: It is unparalleled in its size, scope, longevity and area of focus.

Projective: The ManpowerGroup Employment Outlook Survey is the most extensive, forward-looking employment survey in the world, asking employers to forecast employment over the next quarter. In contrast, other surveys and studies focus on retrospective data to report on what occurred in the past.

Independent: The survey is conducted with a representative sample of employers from throughout the countries and territories in which it is conducted. The survey participants are not derived from ManpowerGroup's customer base.

Robust: The survey is based on interviews with over 59,000 public and private employers across 44 countries and territories to measure anticipated employment trends each quarter. This sample allows for analysis to be performed across specific sectors and regions to provide more detailed information.

Focused: For more than five decades the survey has derived all of its information from a single question:

For the 3Q 2019 research, all employers participating in the survey worldwide are asked the same question, "How do you anticipate total employment at your location to change in the three months to the end of September 2019 as compared to the current quarter?"

Methodology

The Manpower Employment Outlook Survey is conducted using a validated methodology, in accordance with the highest standards in market research. The survey has been structured to be representative of each national economy. The margin of error for all national, regional and global data is not greater than +/- 4.0%.

Net Employment Outlook

Throughout this report, we use the term "Net Employment Outlook." This figure is derived by taking the percentage of employers anticipating an increase in hiring activity and subtracting from this the percentage of employers expecting to see a decrease in employment at their location in the next quarter. The result of this calculation is the Net Employment Outlook. Net Employment Outlooks for countries and territories that have accumulated at least 17 quarters of data are reported in a seasonally adjusted format unless otherwise stated.

Seasonal adjustments have been applied to the data for all participating countries except Croatia and Portugal. ManpowerGroup intends to add seasonal adjustments to the data for other countries in the future, as more historical data is compiled. Note that in Quarter 2 2008, ManpowerGroup adopted the TRAMO-SEATS method of seasonal adjustment for data.

About ManpowerGroup

ManpowerGroup® (NYSE: MAN), the leading global workforce solutions company, helps organizations 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 hundreds of thousands of organizations every year, providing them with skilled talent while finding meaningful, sustainable employment for millions of people across a wide range of industries and skills. Our expert family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – creates substantially more value for candidates and clients across 80 countries and territories and has done so for over 70 years. In 2019, ManpowerGroup was named one of the World's Most Ethical Companies for the tenth year and one of Fortune's Most Admired Companies for the seventeenth year, 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