

Press Release

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ManpowerGroup Employment Outlook Survey 1Q 2021: Employers in Austria anticipate a muted hiring climate during the forthcoming quarter

- In Austria, employers anticipate a muted hiring climate during the January to March period with a Net Employment Outlook of **-2%**. The Outlook is unchanged in comparison with the prior quarter but decreases by 11 percentage points when compared with this time one year ago.
- Employers are coming to terms with the long-lasting economic effects of the pandemic. 43% of employers in Austria stated they expect their company to return to pre-pandemic hiring levels within 12 months, but one quarter (24%) expect hiring levels to never return to pre-pandemic levels.
- With job gains anticipated in four of seven **industry sectors**, the strongest labour market is forecast for the Construction sector (+5%). However, Restaurants & Hotels sector employers (-30%) expect the weakest hiring pace since the survey began in 2003 and the Outlook of +1% for the Manufacturing sector is the weakest in more than five years.

Vienna, 8 December 2020: According to the latest ManpowerGroup Employment Outlook Survey, Job seekers in Austria can expect a downbeat hiring pace in the forthcoming quarter, according to employers who report a seasonally adjusted Net Employment Outlook of -2%. The Outlook is unchanged when compared with the previous quarter but declines by 11 percentage points in comparison with last year at this time.

For the Survey, a total of 402 Austrian employers were asked, *"How do you anticipate total employment at your location to change in the first quarter of 2021 as compared to the current quarter?"* In response, 8% of employers expecting to increase payrolls, 15% anticipating a decrease and 75% forecasting no change. After accounting for seasonal variation, this produces a NEO of -2%.

"The results show that the worldwide COVID-19 pandemic continues to have a far-reaching impact on the individual economic sectors and thus on the Austrian labor market, although the effects on individual industries vary greatly. We observe that the general hiring mood on the market is also characterized by uncertainties regarding the further development of the pandemic," states Christoph Trauttenberg, Managing Director ManpowerGroup Austria.

Sector Comparisons

Employers in Austria's seven industry sectors report mixed hiring plans for the coming quarter. Job gains are forecast in four sectors, but employers in three sectors expect a decline in payrolls. Outlooks decrease in four sectors quarter-over-quarter and weaken in all seven when compared with this time one year ago.

The strongest hiring prospects across the seven Austrian sectors are reported by Construction sector employers (+5%), improving by 6 percentage points in comparison with the prior quarter, but decreasing by 10 percentage points year-over-year.

Hiring plans are also stronger than the national Outlook in the Wholesale & Retail Trade sector (+3%) where hiring prospects are 11 percentage points stronger quarter-over-quarter, but dip by 5 percentage points in comparison with 1Q 2020.

Although stronger than the national Outlook, hiring plans in the Manufacturing sector are the weakest in more than five years. The sector's Outlook of +1% decreases by 2 and 8 percentage points from 4Q 2020 and 1Q 2020, respectively.

Restaurants & Hotels sector employers report the weakest sector Outlook of -30%. Hiring sentiment in the sector declines by 25 and 41 percentage points from 4Q 2020 and 1Q 2020, respectively, resulting in the weakest forecast since the survey began in 2003.

Seven of nine regions expect a decrease

Employers in seven of the nine Austrian regions expect to trim payrolls in the coming quarter. Hiring sentiment improves in six regions when compared with the previous quarter but declines in all nine year-over-year.

Steiermark employers report the strongest regional hiring prospects with an Outlook of +4%, improving by 10 percentage points quarter-over-quarter, but declining by 6 percentage points year-over-year.

The weakest regional forecast stands at -10% in Tirol, where the Outlook remains relatively stable in comparison with the prior quarter but declines by 23 percentage points year-over-year.

Organization Size Comparisons

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.

In an analysis of Austria's four organization size categories, Large employers anticipate some job gains (+5%) in 1Q 2021, but payrolls are expected to decline in two categories, most notably for Medium firms (-13%).

Global Overview

A total of 37,717 employers were surveyed by ManpowerGroup in 43 countries and territories, to measure employer hiring intentions for the first quarter of 2021. Interviewing was carried out during the exceptional circumstances of the COVID-19 outbreak. The survey findings for the January to March 2021 period are likely to reflect the impact of the global health emergency, and the ongoing economic disruption in some countries.

Based on seasonally adjusted analysis*, employers in 34 of the 43 countries and territories surveyed expect to grow payrolls in the forthcoming quarter, while employers expect to trim payrolls in seven countries and territories (flat hiring activity is anticipated in two).

The strongest hiring plans for the next three months are reported in Taiwan, the U.S., Singapore, Australia and Brazil. The weakest hiring sentiment is reported in Panama, the UK, Switzerland, Austria and the Hong Kong.

Hiring sentiment strengthens in 32 of the 43 countries and territories when compared with the previous quarter, while weakening in six (no change is reported in five countries and territories). In a year-over-year comparison, Outlooks improve in six countries and territories, but weaken in 33 (while employers in four report no change).

Payrolls are forecast to increase in 19 of 26 Europe, Middle East and Africa (EMEA) region countries during the next three months, while decreases are expected in five (and flat hiring activity in two). In a quarter-over-quarter analysis, hiring plans strengthen in 18 countries, while declining in five. When compared with this time one year ago, hiring sentiment declines in 24 countries, while improving in one. The strongest regional hiring plans are reported in Greece, Turkey and Germany, while the weakest forecasts are made by employers in the UK, Switzerland and Austria.

*Data is not seasonally adjusted for Croatia and Portugal

You can find more detailed results from the Manpower Employment Outlook Survey for all participating countries including infographics here: <https://www.manpowergroup.com/meos>

You can find more detailed results for Austria including infographics here: <https://www.manpower.at/studien-research>
<https://www.experis.at/studien-research>

The next survey will be released on 09 March 2021 and will report hiring expectations for 2Q 2021.

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.



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ManpowerGroup Austria

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