



## Press Release

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### **ManpowerGroup Employment Outlook Survey Q3/2017: Hiring confidence dips for second consecutive quarter but remains cautiously optimistic**

- Employment outlook is strongest in Carinthia
- Employers in the Mining & Quarrying sector plan to reduce staff levels
- Finance & Business Services sector employers are the most optimistic

**Vienna, 13th June 2017** – Employers in Austria are cautious regarding their hiring plans. The seasonally adjusted Net Employment Outlook for the third quarter of 2017 remains positive at +2 percentage points. However, the Outlook is three percentage points weaker than in the previous quarter and two percentage points weaker than in the same quarter for 2016.

Hiring confidence is strongest in the Finance & Business Services sector at a seasonally adjusted +11%. These are the results of the ManpowerGroup Employment Outlook Survey for the third quarter of 2017, for which 751 employers in Austria were surveyed.

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

Some highlights emerge in Austria's modest third-quarter forecast\*. The seasonally adjusted Net Employment Outlook covers the full spectrum in the ten surveyed business sectors: four sectors plan to hire new staff, one sector remains flat at +/- 0 percent and five sectors plan to cut staff levels. This somewhat modest employment outlook is given a considerable boost compared to the previous year by a much stronger outlook in some sectors. Employer confidence in the Finance & Business Services sector (+11%) improves by a considerable margin of 9 percentage points in a year-over-year comparison. Similarly, the Outlook in the Wholesale & Retail Trade sector (+9%) strengthens by an even larger margin of 11 percentage points in comparison to last year at this time, and the forecast is the most optimistic reported by employers since 2011.

[\*The raw data from the survey is seasonally adjusted to offset employment changes that occur every year at the same time (e.g. change of a season, end of school, etc.). Data from at least 17 consecutive quarters is required for a seasonal adjustment. The TRAMO-SEATS method has been chosen for the seasonal adjustment. The seasonally adjusted data is therefore the raw data from the survey minus the expected seasonal effect. All the other data in the text refers to seasonally adjusted numbers.]



### **Outlooks grow more cautious in some other sectors**

Employers in the Manufacturing sector expect a more subdued labor market. The forecast stands at -1% and falls by 12 percentage points compared to the previous quarter and is 4 percentage points weaker when compared to the previous year. Similarly, the Construction sector Outlook of -6% represents a 10 percentage point decline both quarter-over-quarter and year-over-year. Employers in the Mining & Quarrying sector report the weakest outlook at -9%. The forecast weakens in both a quarterly and annual comparison by 13 percentage points and 16 percentage points, respectively.

### **Employers in Carinthia report the strongest hiring confidence in a regional comparison**

Employers in Carinthia report cautiously optimistic hiring intentions for the next three months with a Net Employment Outlook of +10%. The Outlook remains relatively stable when compared with the previous quarter and improves by a considerable margin of 13 percentage points when compared with this time one year ago. “This upswing in Carinthia is mainly due to the metal industry,” says Erich Pichorner, CEO of ManpowerGroup Austria. “Metalworkers are currently in greater demand than for a very long time. Specialists in the engineering sector are also being sought urgently”.

Employers in Upper Austria also report modest third-quarter hiring plans. The Net Employment Outlook in this Federal State stands at +9%. Although this represents a loss of 6 percentage points compared to the previous quarter, it is also 6 percentage points stronger than at the same time in the previous year.

### **Styria loses 13 percent compared to the 2nd quarter of 2017**

A limited increase in staffing levels is forecast for the next three months with employers reporting a Net Employment Outlook of +2%. However, hiring intentions decline by 13 percentage points when compared with the previous quarter and are 2 percentage points weaker when compared with 3Q 2016.

“We observed a very strong increase in staff levels at some flagship companies over the past few months,” says Pichorner. “We believe that the expected decline during the next few months is due to the fact that many key positions are already filled.”

The employment outlook is also set to fall over the next three months in Burgenland. This Federal State has lost 10 percentage points from three months ago and now stands at -5%. The forecast for Vorarlberg has dropped by 3 percentage points to stand at +3%. Tyrol’s Outlook, however, has improved by 3 percentage points to reach +2%.



Throughout the country, it is mainly large\* and medium-sized companies that plan to hire new staff. 20 percent of the large companies and 12 percent of the medium-sized ones are planning to add to their staff levels. This confirms the trend over the previous quarters that it is mainly the larger employers that plan to hire new staff. Medium-sized companies in particular expect to boost their staff levels: the employment outlook has risen from +7% in the second quarter of 2017 to +12% for the months of July to September.

The outlook for smaller companies stands at +4%, which is one percentage point lower than in the previous quarter. At +/- 0%, the smallest firms have absolutely no plans to hire during the upcoming months – in the previous quarter this figure stood at +5%.

*[\*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.]*

### **Fall in unemployment rate – strong decline in youth unemployment**

“The positive mood among companies with regard to their confidence to hire new staff is also reflected in the drop in the unemployment figures. In April 2017, 2.6 percent fewer people were registered as unemployed or in training than one year ago. There was also a strong decline in youth unemployment. The number of people under 25 without work fell by 13.3 percent compared to the same month in the previous year,” says Erich Pichorner happily. “The economic upswing can be seen clearly in the positive development among young people, who are now the first to benefit from an economic recovery,” adds Pichorner. “However, the continued growth to 9.4 percent in the figure for the long-term unemployed is less pleasing. This shows the importance of having qualifications beyond those gained from compulsory schooling.”

### **Forecasts mixed across the globe**

The forecast indicates payrolls will grow by varying degrees in 41 of 43 countries and territories over the next three months. An overview of the global results indicates employer confidence is similar to that reported in the second quarter with the majority of respondents content to either retain current staff or grow payrolls marginally as they await more definitive signals from the marketplace.

Some employers expect to encounter headwinds in the coming months. For instance, employer confidence in India dips to its least optimistic level since their survey was launched. Similarly, forecasts in Panama and Peru are the weakest reported since their surveys began, while job prospects in Singapore decline to a level not seen since the recession. Conversely, the forecast in Brazil has improved steadily for four consecutive quarters and Brazilian employers report positive hiring plans for the first time in more than two years.



When compared to the prior quarter's results, forecasts improve in 17 countries and territories, decline in 16 and remain unchanged in 10. However, a more confident pattern emerges when forecasts are compared with last year at this time as hiring intentions improve in 26 countries, decline in only 15 and remain unchanged in two. Globally, the strongest third-quarter hiring plans are reported in Japan, Taiwan, Hungary and the United States. The weakest forecasts are reported in Italy, the Czech Republic and Finland.

In the Europe, Middle East & Africa (EMEA) region workforce gains are forecast in 23 of 25 countries. Hiring plans improve in nine countries quarter-over-quarter, weakened in 10 and are unchanged in six. In a year-over-year comparison, Outlooks improve in 15 countries and decline in 10. Hungarian job seekers can expect the region's strongest third-quarter hiring plans. Additionally, the outlook in Turkey rebounds with more than one in every four employers planning to add to their payrolls in the next three months. Italian employers report the region's weakest outlook as well as the only negative hiring intentions among the 43 countries and territories surveyed.

Payrolls are expected to grow in all eight Asia Pacific countries and territories. Net Employment Outlooks improve in only two countries and territories when compared to the prior quarter, decline in three and are unchanged in three. In a year-over-year comparison the hiring pace is expected to improve in five countries and territories, decline in two and remain unchanged in one. Employers in Japan and Taiwan report the most optimistic forecasts, both regionally and globally. The region's weakest forecasts are reported by employers in China and Singapore.

Positive Outlooks are reported in each of the 10 countries surveyed in the Americas. Hiring confidence strengthens in six countries, dips in three and is unchanged in one when compared to the April-June quarter. Similarly, the year-over-year comparison reveals employers in six countries report improved hiring prospects, while hiring plans weaken in three and are unchanged in one. For the fourth consecutive quarter employers in the United States report the strongest hiring plans in the Americas, while opportunities for job seekers are expected to be weakest in Brazil, Peru and Panama.

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

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### **About the ManpowerGroup Employment Outlook Survey**

The ManpowerGroup 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.

### **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.

### **ManpowerGroup Austria**

In Austria, ManpowerGroup operates under the brand names of Manpower and Experis. ManpowerGroup offers candidates and companies a broad spectrum of innovative workforce solutions, including short-term positions, project-related jobs and direct placements. Manpower has specialized in the fields of administrative, commercial, technical and industrial jobs, as well as events, the hotel trade and gastronomy. The area of expertise for Experis includes finance, IT, engineering and executive search. Details are available at [www.manpowergroup.at](http://www.manpowergroup.at) and [www.manpower.at](http://www.manpower.at), [www.experis.at](http://www.experis.at).

### **About ManpowerGroup International**

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