

UNDER EMBARGO UNTIL 00:01 GMT September 10, 2019

CZECH EMPLOYERS REPORT CAUTIOUS HIRING INTENTIONS

Prague, 10 September 2019 – According to the latest ManpowerGroup Employment Outlook Survey released today, limited hiring activity is forecast for the Czech Republic in the forthcoming quarter, with employers reporting a seasonally adjusted Net Employment Outlook of +2%. In a quarter-over-quarter comparison, hiring plans remain relatively stable, but employers report a decline of 4 percentage points when compared with this time one year ago.

“The Czech unemployment rate remains the lowest in Europe and companies have difficulties filling their vacancies in all sectors, but according to our research the positive pace of hiring is forecast to slow down in the fourth. We observe increasing caution mainly in the automotive sector, which is the key employer in the Czech economy. We also expect a seasonal decrease in employment in agriculture, construction and restaurants & hotels towards the end of the year. In addition, only 21% of large companies plan to increase the number of staff compared to 35% in previous quarter,” said Jaroslava Rezlerová, Managing Director of ManpowerGroup Czech Republic.

Industry sector comparisons

An increase in payrolls is forecast for seven of the 10 Czech industry sectors during the next three months. However, hiring intentions weaken in six sectors when compared with the previous quarter, most notably by 10 percentage points in the Transport, Storage & Communications sector. In the remaining four sectors, Outlooks are unchanged.

Hiring prospects decline in seven of the 10 sectors in comparison with last year at this time, with considerable decreases of 10 and 9 percentage points reported for the Electricity, Gas & Water sector and the Agriculture, Hunting, Forestry & Fishing sector, respectively. Elsewhere, improvements are reported for three sectors. Transport, Storage & Communications sector employers report the strongest hiring plans with an Outlook of +8% , a decline of 10 percentage points quarter-over-quarter, but relatively stable in comparison with 4Q 2018. Stronger hiring intentions than the national Outlook for the Czech Republic as a whole are reported in the Construction sector, where the sector Outlook of +6% declines by 2 and 5 percentage points from 3Q 2019 and 4Q 2018, respectively.

Employers expect to trim payrolls in the Agriculture, Hunting, Forestry & Fishing sector, where the Outlook of -5% is the weakest of the 10 sector forecasts for 4Q 2019. Hiring plans decline by 4 and 9 percentage points quarter-over-quarter and year-over-year, respectively, resulting in the weakest sector forecast for two years. Manufacturing sector employers also report a negative Outlook, standing at -1% and declining by 6 and 7 percentage points from 3Q 2019 and 4Q 2018, respectively.

Regional comparisons

Workforce gains are forecast in one of the three Czech regions – Moravia – during the upcoming quarter. Elsewhere, employers in both Prague and Bohemia anticipate flat labor markets. Hiring intentions weaken in two regions when compared with the previous quarter and decline in all three regions when compared with the same period last year. The Moravia Outlook of +5% improves by 8 percentage points when compared with the previous quarter but is 2 percentage points weaker year-over-year. In Prague, the Outlook of 0% declines by 6 and 4 percentage points from 3Q 2019 and 4Q 2018,



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respectively, resulting in the weakest hiring pace in more than two years. Employers in Bohemia report a quarter-over-quarter decrease of 4 percentage points and a year-over-year decline of 8 percentage points. The resulting Outlook for the coming quarter of 0% is the weakest reported in two years.

Organization Size Comparisons

Workforce gains are forecast for three of the four organization size categories during the upcoming quarter. Large employers report the strongest hiring plans with an upbeat Net Employment Outlook of +20%. Steady job gains are expected by Medium employers who report an Outlook of +12%, and the Outlook for Small firms stands at +4%. Meanwhile, Micro employers anticipate a flat labor market with an Outlook of 0%.

Global overview

In a comparison with the previous quarter, employers in 15 of 44 countries and territories report stronger hiring intentions, while employers in 23 expect a weaker hiring pace, with no reported change in six. When compared with the fourth quarter of 2018, hiring plans also strengthen in 15 countries and territories, decline in 23 and are unchanged in six.

Employers expect to add to payrolls in 25 of 26 Europe, Middle East & Africa (EMEA) region countries surveyed during the coming quarter, while employers in Spain expect a flat labor market. In a comparison with the previous quarter, hiring plans strengthen in 10 countries but weaken in 12. When compared with last year at this time, Outlooks improve in eight countries, but decline in 14. The strongest hiring intentions for the coming quarter are reported in Greece and Slovenia, while employers in Spain, the Czech Republic and Switzerland report the weakest hiring sentiment.

The next ManpowerGroup Employment Outlook Survey featuring the forecast for the 1Q 2020 period will be published on 10 December 2019.

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Note to Editors

Commentary is based on seasonally adjusted data where available. 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 in the ManpowerGroup Press Room at www.manpowergroup.com/meos. In addition, all tables and graphs from the full report are available to be downloaded for use in publication or broadcast from the ManpowerGroup Web site at: <http://www.manpowergroup.com/press/meos.cfm>

ManpowerGroup has also released its ManpowerGroup Employment Outlook Survey Explorer tool, a new interactive way to examine and compare its data. The tool can be viewed at <http://www.manpowergroupsolutions.com/DataExplorer/>

This survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. The Czech Republic is one of 44 countries and territories participating in the quarterly measurement of employer hiring intentions. The survey for Quarter 4 2019 was conducted by interviewing a representative sample of 750 employers in the Czech Republic and asking the same question: "How do you anticipate total employment at your location to change in the three months to the end of December 2019 as compared to the current quarter?"

The global ManpowerGroup Employment Outlook Survey has been running for more than 55 years and uses a validated methodology in accordance with the highest standards in market research. This



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survey helps to identify the hiring intentions of both regional and industry sector employers, and facilitates preparation for labor market pressures.

About the Survey

The global leader in innovative workforce solutions, ManpowerGroup releases the ManpowerGroup Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 59,000 employers in 44 countries and territories. 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 where labor markets are headed.

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

About ManpowerGroup Czech Republic

Through a network of over 35 offices, we provide staff (nearly 12,000) for around 1,200 clients. With employment opportunities in the public and private sector, on both a permanent and temporary basis, we make it easy for people to find employment and for companies to find staff with the skills they need. Solutions include permanent and temporary positions, holiday, maternity or sick coverage, through to large workforce transformation and outsourcing contracts.

More information available on www.manpowergroup.cz.