

Under Embargo until 0:01, 11 December 2018

## The Spanish labor market expected to remain stable at the beginning of 2019

### ManpowerGroup Employment Outlook Survey

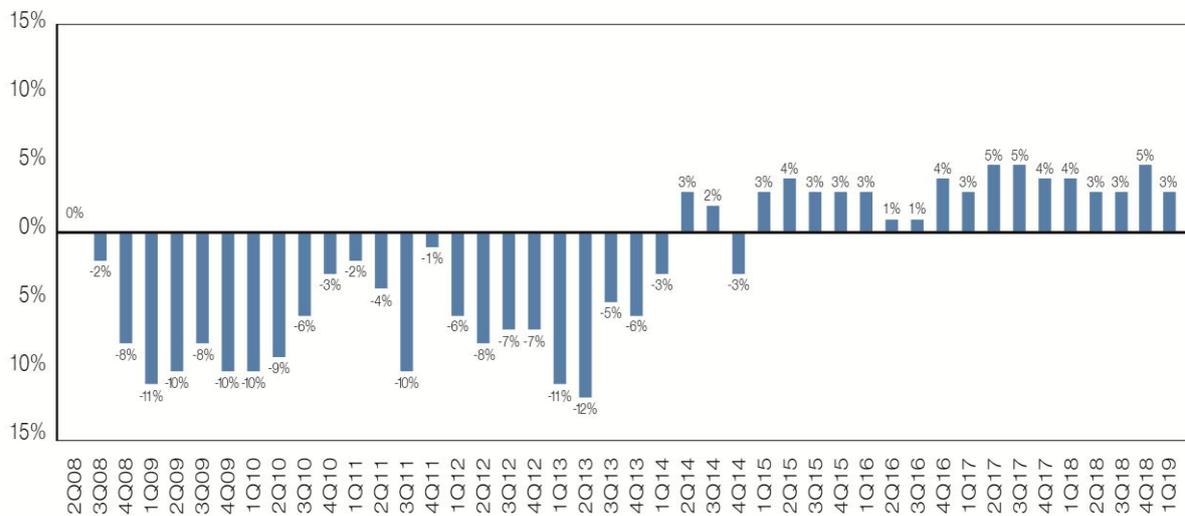
- The Outlook stands at +3% and hiring prospects remain relatively stable in comparison with this time one year ago
- The strongest labor market are anticipated in the North East (+10%) and the North (+9%) regions
- Employers in seven of the 10 industry sectors expect to add to payrolls. Wholesale & Retail Trade sector employers anticipate the strongest labor market (+10%)

**December 11th 2018.-** According to the data from the ManpowerGroup Employment Outlook Survey for the first quarter of 2019, hiring intentions among Spanish employers remain positive. Of the 1,000 Spanish employers who participated in the first-quarter survey, 7% plan to add to their workforce in the next three months, 5% intend to reduce staff and 81% plan no changes. Once the corresponding seasonal adjustments have been made, **Spain's Net Employment Outlook stands at +3%.**

Hiring prospects decline by 2 percentage points when compared with the previous quarter but **remain relatively stable in comparison with this time one year ago.**

According to **Raul Grijalba, Spain Country Manager and Mediterranean Regional Managing Director at ManpowerGroup**, “the Spanish economy continues to grow at a relatively strong pace for what is Europe, but less strong than in previous years. This is expected to have an impact on job creation. Spain grows more than the whole of the euro zone, but it is less than what we grew last year, that may be why job creation is expected to be weaker.”

### Net Employment Outlook in Spain



The ManpowerGroup Employment Outlook Survey, which was conducted in Spain for the first time in 2003, analyzes the intention of employers worldwide to increase or reduce their teams quarterly, through interviews done by nearly 60,000 employers in 44 countries. All employers responded to the question, "How do you anticipate total employment at your location to change in the three months to the end of March 2019 compared to the current quarter?"

### Payroll gains in five regions

The study carried out by ManpowerGroup divides the country into six regions in order to calculate the Outlook in each of them: Center (Castile-La Mancha and Madrid); East (The Valencian Community and Murcia); North (Aragon, Cantabria, La Rioja, Navarre and the Basque Country); North East (The Balearic Islands and Catalonia); North West (Asturias, Castile and León, and Galicia); and South (Andalusia, The Canary Islands and Extremadura). Using this classification, the data anticipates payroll gains in five of the six regions.

In concrete terms, the strongest labor market is anticipated in the North East, where the Net Employment Outlook is +10%, and in the North, employers also report an optimistic Outlook of +9%. Outlooks of +6% and +4% are reported for the Centre and the East, respectively. Meanwhile, North West employers forecast slow-paced job gains with an Outlook of +2%, and employers in the South expect to trim payrolls, reporting an Outlook of -2%.

| Net Employment Outlook by regions |      |      |      |      |      |
|-----------------------------------|------|------|------|------|------|
| Regions                           | 1Q18 | 2Q18 | 3Q18 | 4Q18 | 1Q19 |
| Centre                            | 4%   | 0%   | 0%   | 5%   | 6%   |
| East                              | 6%   | 7%   | 1%   | 9%   | 4%   |
| North                             | 6%   | 7%   | 0%   | 4%   | 9%   |
| North East                        | 3%   | 4%   | 3%   | 8%   | 10%  |
| North West                        | 6%   | -1%  | 3%   | 4%   | 2%   |
| South                             | 2%   | 0%   | 1%   | 0%   | -2%  |

Source: ManpowerGroup

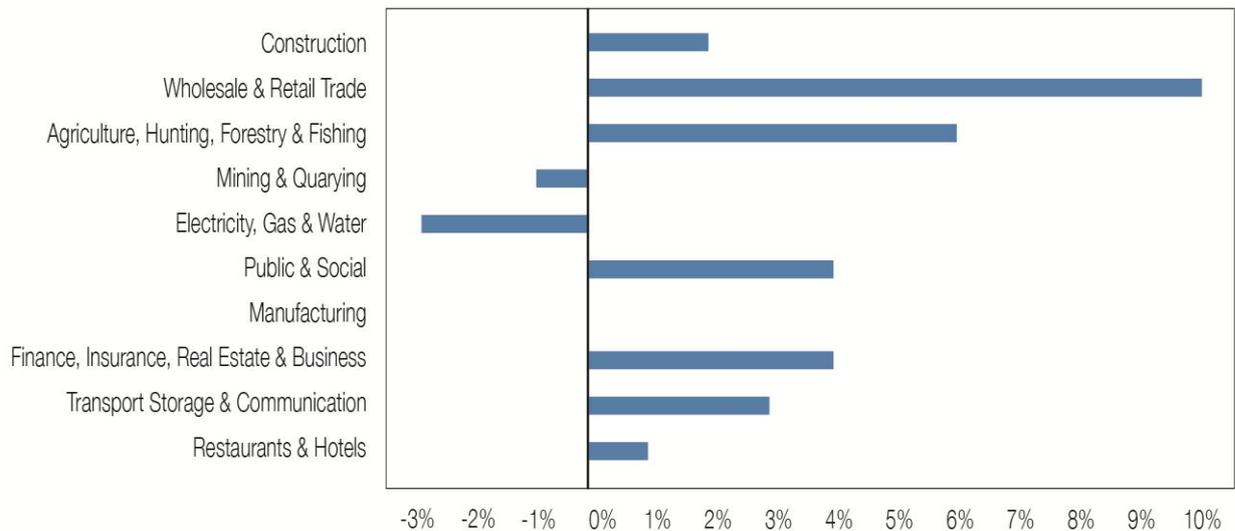
When compared with the previous quarter, hiring plans weakened in three of the six regions. The Outlook for the East declines by 5 percentage points, while decreases of 2 percentage points are reported in both the North West and the South. Meanwhile, slight improvements of 4 and 2 percentage points are reported in the North and the North East, respectively.

Hiring intentions strengthened in three of the six regions when compared with this time one year ago, most notably by 7 percentage points in the North East. Elsewhere, Outlooks are 4 and 3 percentage points stronger in the North and the Centre, respectively. However, hiring prospects weakened in three regions.

### Payrolls expected in 7 of the 10 industry sectors

Employers in seven of the 10 industry sectors expect to add to payrolls during the upcoming quarter. Wholesale & Retail Trade sector employers anticipate the strongest labor market with a **Net Employment Outlook of +10%**. Elsewhere, the Outlook for the Agriculture, Hunting, Forestry & Fishing sector stands at +6%, and modest hiring prospects are reflected in Outlooks of +4%, reported for both the Finance, Insurance, Real Estate & Business Services sector and the Public & Social sector. However, employers in the Electricity, Gas & Water sector expect to trim payrolls, reporting an Outlook of -3%.

Employment Outlook by sectors 1Q19



Hiring plans weaken in eight of the 10 industry sectors when compared with the previous quarter. The most noteworthy declines of 6 and 5 percentage points are reported for the Restaurants & Hotels sector and the Construction sector, respectively.

When compared with this time one year ago, Outlooks decline in six of the 10 industry sectors. Considerably weaker hiring plans are reported in the Electricity, Gas & Water sector and the Restaurants & Hotels sector, decreasing by 15 and 13 percentage points, respectively, while the Construction sector Outlook is 8 percentage points weaker.

### Large employers report the strongest hiring prospects

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.

Payrolls are expected to increase in all four organization size categories by the end of the first quarter of 2019. Large employers report optimistic hiring intentions with a Net Employment Outlook of +22%, while Medium firms anticipate steady hiring activity, reporting an Outlook of +17%. Meanwhile, Outlooks stand at +7% and +2% for Small- and Micro-size employers, respectively.

| Net Employment Outlook by size |      |      |      |      |      |
|--------------------------------|------|------|------|------|------|
| Size                           | 1Q18 | 2Q18 | 3Q18 | 4Q18 | 1Q19 |
| Micro                          | 3%   | 1%   | 0%   | 5%   | 2%   |
| Small                          | 6%   | 5%   | 7%   | 5%   | 7%   |
| Medium                         | 17%  | 18%  | 6%   | 16%  | 17%  |
| Large                          | 14%  | 26%  | 18%  | 25%  | 22%  |

Source: ManpowerGroup

When compared with the previous quarter, hiring intentions decline by 3 percentage points for Large employers and are 2 percentage points weaker in the Micro size category. Elsewhere, Small- and Medium-size employers report relatively stable hiring plans.

In a comparison with 1Q 2018, Large employers report a moderate improvement of 8 percentage points, while Outlooks remain relatively stable for Micro-, Small- and Medium-size employers.

### Positive forecasts among all EU members

The ManpowerGroup research for the first quarter of 2019 reveals that payroll gains are expected in 43 of 44 countries and territories in the period up to the end of March.

Hiring intentions for the coming quarter are **stronger in 16 of 44 countries** and territories when compared with the prior quarter, weakened in 23 and are unchanged in five. In a comparison with this time one year ago, Outlooks improve in 21 countries and territories, decline in 20, and are unchanged in two\*\*. First-quarter hiring confidence is **strongest** in Japan, Taiwan, the U.S., Slovenia, Greece and Hong Kong, while employers report the weakest hiring intentions in Argentina, Switzerland, Italy and Panama.

Job gains are expected for all 26 Europe, Middle East & Africa (EMEA) region countries in the survey during the first quarter of 2019. The strongest EMEA labor markets in the coming quarter are anticipated in Slovenia and Greece, while Swiss employers report the weakest hiring plans.

Employers in all eight Asia Pacific countries and territories expect to add to payrolls during the next three months. Japanese and Taiwanese employers report the strongest hiring intentions across the region, and the weakest Outlooks are reported in China and Singapore.

Payrolls are forecast to increase across nine of the 10 Americas countries included in the survey during the January-March period, although employers in one – Argentina – expect their workforce to decrease in size.

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

\*\* Only 43 countries and territories eligible for year-over-year comparison; Croatia has no year-over-year data at this point.

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**Note to Editors:**

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 <https://www.manpowergroup.com/workforce-insights/data-driven-workforce-insights/manpowergroup-employment-outlook-survey-results>. The next Manpower Employment Outlook Survey will be released on March 2019 to report hiring expectations for the second quarter of 2019.

**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 over 65,000 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.

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**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 over 400,000 clients and connect 3+ million people to meaningful, sustainable work 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 70 years. In 2018, ManpowerGroup was named one of the World's Most Ethical Companies for the eighth 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 is powering the future of work: [www.manpowergroup.com](http://www.manpowergroup.com)

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