



Press Release

**ManpowerGroup Global Employment Outlook for the Second Quarter of 2018:**

The hiring pace in Israel is expected to slow slightly but remain modest during the April - June 18 timeframe

- **Employers in Israel report stability: the net employment outlook stands at +8%, unchanged in a year-over-year comparison**
- **Of the 751 employers that took part in the survey, 14% expect an increase in payrolls, 4% predict a decrease in headcount, while 80% anticipate no change.**
- **An analysis by sector indicates an upbeat growth pace is expected in the construction industry, agriculture and manufacturing-durables sector and the restaurants and hotels sectors**
- **Employers in all six regions expect an increase in payrolls in the April-June 2018 time frame.**
- **The strongest hiring intentions were reported in Jerusalem, with a Net Employment Outlook +18%**
- **OF the 44 countries and territories the survey reflects, confidence is strongest in Taiwan, Japan, Hungary and the United States, while the weakest hiring prospects are reported in Italy, the Czech Republic and Switzerland.**

According to the Employment Outlook Survey conducted by **Manpower** for Q2 2018 among 751 employers in Israel, the hiring pace is expected to slow slightly in the next three months. Employers participating in the survey were asked: "How do you anticipate total employment at your location to change in the three months (to the end of June 2018) as compared to the current quarter?" Of the 751 employers that took part in the survey, 14% expect an increase in payrolls, 4% predict a decrease in headcount, while 80% anticipate no change.

Adjusted for seasonal fluctuations, the forecast stands at +8%. Recruitment prospects weaken by 3 percentage points in a quarter-over-quarter comparison and remain unchanged when compared with the same quarter last year.

**Employment Forecast for Q2 2018 - Israel**

	<b>Net Employment</b>	<b>Increase</b>	<b>Decrease</b>	<b>No Change</b>	<b>Don't know</b>
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	Outlook*				
	%	%	%	%	%
Q2 2017	9+	14	4	79	3
Q3 2017	10+	13	2	79	6
Q4 2017	8+	12	5	79	4
Q1 2018	11+	14	5	77	6
Q2 2018	10+	14	4	80	2

\* Net Employment Outlook has been seasonally adjusted

**Results by industry sector:**

**Growth is expected in the Agriculture, Construction, Public and Social sector, and in the Restaurants & Hotels sector, Finance, Insurance, Real Estate & Business Services, weaker results in the Manufacturing-Durables and Transport, Storage and Communication sectors.**

Employers in all ten industry sectors anticipate an increase in the headcount in the coming quarter. The strongest hiring plans were reported by the construction industry, with a Net Employment Outlook of +14%. At the same time, stable growth is expected in the workforce also in the agriculture sector, forestry and fisheries, with a +13% forecast. Likewise in the manufacturing-durables and Restaurants & Hotels sector (Outlook of +12% in both). In the finance, insurance, real estate & business services sectors, considerable recruitment activity is expected, with an outlook of +11%, however the weakest recruitment forecasts are recorded in the Transport, Storage & Communication sector, with an outlook of only +3%.

In a quarter-over-quarter comparison, the outlook weakens in five out of ten industry sectors. Employers in the Transport, Storage and Communication sectors report a weakening of 4 percentage points, and a weakening of 3 percentage points in the forecast is recorded both in the manufacturing-durables sector and in the public and social services sector. In contrast, there are hiring intentions in two sectors: an increase of 3 percentage points in the construction industry and an increase of 2 percentage points in the Finance, Insurance & Real Estate and the Business Services sectors.

Year-over-year, hiring intentions are weaker in four out of ten industry sectors. The Outlook in the Wholesale & Retail Trade sector declines by 4 percentage points, while a decline of 2 percentage points is reported in the Agriculture, Hunting, Forestry & Fishing sector, the mining & quarrying sector and in the Transport, Storage & Communication sector. At the same time, employers in the Restaurants & Hotels sector are reporting a robust increase - 12 percentage points - and in the construction industry sector and in the electricity, gas and water sector an uptake of 7 percentage points and 4 percentage points respectively is recorded.

	Net Employment Outlook, Q2 2018*	Net Employment Outlook, Q1, 2018 *	Net Employment Outlook Q2 2017*
Agriculture	+13%	13%+	+15%
CONSTRUCTION	+14%	+11%	+7%
ELECTRICITY, GAS & WATER SUPPLY	+9%	+9%	+5%
FINANCE, INSURANCE, REAL ESTATE & BUSINESS SERVICES	+11%	+9%	+11%
MANUFACTURING	+12%	+15%	+12%
PUBLIC & SOCIAL SERVICES	+8%	+11%	+8%
RESTAURANTS & HOTELS	+12%	+13%	0%
TRANSPORT, STORAGE & COMMUNICATION	+3%	+7%	+5%
WHOLESALE & RETAIL TRADE	8%+	9%+	12%+

\* Net Employment Outlook has been seasonally adjusted.

### **Results by geographical regions :**

**The most optimistic employment forecast is reported by employers in Jerusalem, and the weakest forecast is reported in the southern region.**

Increases in payrolls are forecast in part of the geographies during Q2 2018. The strongest hiring intentions were reported in Jerusalem, with a Net Employment Outlook of +18%, the employers in Tel Aviv are cautiously optimistic in their hiring intentions, with a forecast of +10% and the forecast for the north stands at +9%. Hiring opportunities are expected in the South with a forecast of +8% as also in the Central and Haifa regions with a forecast of +6% and +5% respectively.

Hiring plans weaken in four of the six geographies when compared with the previous quarter. The most drastic weakening was reported in Haifa as well as in the North and in the Center. However, Jerusalem employers report a strengthening of 6 percentage points in their recruitment plans.

Year-over-year, the hiring forecasts have weakened in three of the six geographies. The forecast for the central region drops by 8 percentage points and in the Haifa region and the South a decrease of 3 and 2 percentage points respectively was reported. Hiring intentions are stronger in two geographies - by 13 percentage points in Jerusalem and by 4 percentage points in Tel Aviv.



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	<b>Net Employment Outlook, Q2 2018*</b>	<b>Net Employment Outlook, Q1, 2018</b> *	<b>Net Employment Outlook Q2 2017*</b>
Jerusalem	18%+	12%+	5%+
The Center	6%+	9%+	14%+
Haifa	5%+	13%+	8%+
North	9%+	13%+	9%+
South	8%+	8%+	10%+
Tel Aviv	10%+	11%+	6%+

\* Net Employment Outlook has been seasonally adjusted.

### Organization-Size Comparisons

Participating employers are categorized into one of four employers sizes: micro businesses have less than 10 employees; small businesses have 10-49 employees; employers have 50-249 employees; and large businesses have 250 or more employees.

For the coming quarter, Employers in all four organization size categories expect job gains in all four organization size categories. The large employers report the strongest hiring intentions with a Net Employment Outlook of +17%. At the same time, the Outlook for the Medium and Small size businesses stands at +11%, whereas in the Micro businesses category, employers report an Outlook of +7%.

Quarter-over-quarter, the large employers report a slight decrease of 7 percentage points, compared with an improvement of 2 percentage points in the outlooks of Micro businesses. Medium employers report relatively stable hiring plans and the outlook for small employers remains unchanged.

Year-over-year, micro employers report a minor increase of 5 percentage points relative to the forecast among small employers, which strengthen by just 2 percentage points. Among the large employers, no changes have been reported in their recruitment forecasts, however in the outlook for medium employers there is a decline of 3 percentage points.

	<b>Net Employment Outlook, Q2 2018*</b>	<b>Net Employment Outlook, Q1, 2018 *</b>	<b>Net Employment Outlook Q2 2017*</b>
Micro businesses (less than 10 employees)	7%+	5%+	2%+
Small businesses (10 to 49 employees)	11%+	11%+	9%+
Medium businesses (50 to 249 employees)	8%+	7%+	9%+



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Large businesses (over 250 employees)	17%+	24%+	17%+
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\* Net Employment Outlook has been seasonally adjusted.

**Global Employment Outlook:**

**Overall, outlooks are mixed across the globe.**

ManpowerGroup interviewed over 59,000 employers across 44 countries and territories to forecast labor market activity\* in Quarter 2 2018. All participants were asked, “How do you anticipate total employment at your location to change in the three months to the end of June 2018 as compared to the current quarter?”

Employers forecast varying levels of job gains in 43 of 44 countries and territories during the April-June time frame, including Croatia where employers, surveyed for the first time, report healthy hiring intentions based on unadjusted survey data. When forecasts are compared with those reported in the first-quarter, hiring intentions improve in 17 countries and territories, decline in 17 and are unchanged in nine.\*\* Some upward momentum is detected in the year-over-year comparison with forecasts improving in 25 of 43 countries and territories, declining in 13, and remaining unchanged in five.

Among the countries and territories featuring seasonally adjusted data, confidence is strongest in Taiwan, Japan, Hungary and the United States, while the weakest hiring prospects are reported in Italy, the Czech Republic and Switzerland.

Some noteworthy developments are observed in the second-quarter forecast. Employer confidence in Brazil has improved steadily for five consecutive quarters, and Brazil’s cautiously optimistic second-quarter forecast indicates progress toward recovery following the negative Outlooks that prevailed through much of 2015 and all of 2016. Elsewhere, Finnish employers report their most optimistic forecast since launching the survey in 2012. And German employers report their strongest hiring plans in six years, as well as the strongest Manufacturing sector forecast since Quarter 4 2008.

Across the Europe, Middle East & Africa (EMEA) region, workforce gains are planned in 25 of 26 countries. Hiring plans improve in 13 countries quarter-over-quarter, weaken in eight and are unchanged in four. In a year-over-year comparison, job gains are expected to improve in 16 of the 25 countries where comparison data is available, decline in six and are unchanged in three. Based on seasonally adjusted data, employers in Hungary report the most optimistic hiring plans in the EMEA region. Conversely, Italian employers report the second-quarter’s weakest hiring plans, as well as the only negative forecast among all countries and territories participating in the survey.

Staffing levels are expected to grow in all eight Asia Pacific countries and territories during the April-June time frame. However, second-quarter forecasts improve in only two countries and territories when compared with the first three months of the year, decline in three and are unchanged in three.



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Hiring plans improve in five countries and territories year-over-year, decline in two and are unchanged in one. Employers in Taiwan and Japan report the most optimistic regional hiring plans, while for the third consecutive quarter the region's weakest hiring intentions are reported by mainland Chinese employers.

Employers in each of the 10 countries surveyed in the Americas region expect varying levels of workforce gains in the upcoming quarter. Outlooks improve in two countries, decline in six and are unchanged in two in a quarter-over-quarter comparison. Year-over-year, hiring prospects are stronger in four countries, decline in five and are unchanged in one. Employers in the United States, Canada and Mexico report the region's most optimistic second-quarter hiring plans, while employers in Panama, Argentina and Colombia anticipate the weakest second-quarter payroll growth.

The full results of the quarterly survey for all 44 participating countries and territories, as well as regional and global comparisons, are available at: [www.manpowergroup.com/meos](http://www.manpowergroup.com/meos)

ManpowerGroup's next Employment Outlook Survey will be published on June 12, 2018, and will provide details on the anticipated job market activity in the third quarter of 2018.

\*The interpretation is based on seasonally adjusted data in the relevant locations. The data are not seasonally adjusted, except for Croatia and Portugal.

### **About the ManpowerGroup Employment Survey Forecast**

The ManpowerGroup Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease their payrolls during the next quarter. ManpowerGroup's comprehensive hiring intentions survey has been running for over 55 years. It reports the employers' forecasts and is considered one of the most trusted surveys of employment activity in the world. Various factors underpin the success of the Manpower 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 geographies to provide more detailed information.
- **Focused:** For more than 55 years the survey has derived all of its information from a single question:

For the Q2 2018 survey, 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 June 2018 as compared to the current quarter?"



## Methodology

- The ManpowerGroup 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 +/- 3.9%.

## 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. The 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), one of the largest workforce solutions companies in the world, assists organizations to change direction in the rapidly changing world of work - through sourcing, evaluation, development and management services of the talents which will facilitate their success. We develop innovative solutions for over 400,000 customers and put over 3 million workers in touch with meaningful, sustainable jobs every day in a wide range of skills and sectors. Our specialized family of companies – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – has been creating greater value for candidates and clients in 80 countries and territories worldwide 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 highly esteemed brand in the sector. See how ManpowerGroup makes powering the world of work humanly possible:

[www.manpowergroup.com](http://www.manpowergroup.com).