

Weaker hiring prospects for the end of the year in Switzerland

Hiring intentions again grow stronger in the Northwest Switzerland

Geneva and Zurich, September 11, 2018 – According to the results of the Manpower Employment Outlook Survey,* an increasing number of businesses in Switzerland are expecting to downsize their workforce over the three final months of the year. The employment outlook (-2 %)** has not been this downbeat since 4Q 2013, with employers in most regions and sectors reporting a fall both quarter-over-quarter and year-over-year. The contrast is particularly striking in the regions, most notably in Northwest Switzerland, where companies are more bullish than they have been for seven years. At the other end of the scale, meanwhile, is Ticino, where employers are reporting their bleakest outlook since the Survey was launched in Switzerland. In terms of the breakdown by company size, results are encouraging for small businesses employing between 10 and 49 people.

“Although the results of our Survey may seem surprising, Swiss employers are evidently anticipating a slowdown in the labor market between now and the end of 2018,” says Leif Agnéus, General Manager of Manpower Switzerland. *“The forecast does not point to drastic cuts in current employment levels, but it does indicate that the hiring pace is expected to slow. The employment market has probably reached maximum capacity following the summer spike in new hires and new jobs.”*

Northwest Switzerland sees employment growth

Employers in four of the seven regions polled are planning to maintain or increase staff levels between now and the end of the year. Confidence is particularly favorable among employers in Northwest Switzerland (+15 %), where the forecast has improved for four consecutive quarters and features the strongest rises both quarter-over-quarter (7 percentage points) and year-over-year (20 percentage points). Employers also look set to enjoy a buoyant hiring climate in Zurich (+8 %), where the forecast has improved slightly on the previous quarter and in comparison with the same period in 2017. By contrast, their counterparts in Ticino (-21 %) have not been so downbeat since the Survey was conducted in Switzerland for the first time in 3Q 2005. Their outlook is declining significantly both quarter-over-quarter (18 percentage points) and year-over-year (17 percentage points). Following two quarters of marginally positive forecasts, the Lake Geneva region (-5 %) is reporting weaker hiring prospects as well as a regression compared with 3Q 2018 and 4Q 2017.

Employers in only two sectors anticipating new hires

Of the ten sectors polled, in only two do employers have a positive employment outlook for the period up to the end of December: those in Construction (+6 %) and in Finance, Insurance, Real Estate and Business Services (+6 %). By contrast, their counterparts in the eight remaining sectors are signaling a slowdown in hiring. This is particularly true in Transport and Storage and Communication (-7 %) and in Agriculture, Hunting, Forestry and Fishing (-6 %).

Small businesses reporting a sense of optimism

Of the four organization categories*** polled, only micro employers (-2 %) with fewer than ten employees are expecting to downsize their workforce. Among small business (+6 %), the hiring climate is in good shape and the forecast is improving both quarter-over-quarter (4 percentage points) and year-over-year (5 percentage points). Although large businesses (+6 %) are also reporting positive hiring prospects, their



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forecast is dipping compared with the previous quarter (5 percentage points) and the same period in 2017 (7 percentage points). Meanwhile, the employment outlook at medium businesses (+5 %) is less optimistic than this time last quarter (6 percentage points) and last year (1 percentage point).

German employers retaining momentum

Among Switzerland's neighbors, Germany's forecast (+10 %) is at its healthiest level for seven years. Momentum is strongest among employers in the two sectors of Construction and Finance, Insurance, Real Estate and Business Services. In France (+2 %), meanwhile, hiring prospects are declining both quarter-over-quarter and year-over-year. Employers in Italy (+2 %) are signaling a positive forecast once again after a year in the doldrums and hiring prospects are stronger quarter-over-quarter, albeit unchanged year-over-year. As far as their counterparts in Austria (+5 %) are concerned, the hiring climate remains encouraging despite being in a weaker position than in the previous quarter and the same period in 2017.

The complete results can be downloaded from the *Research Center* of the [ManpowerGroup](#) website > [ManpowerGroup Employment Outlook Survey](#). You can compare and analyze the data with the help of the study's interactive tool: <https://www.manpowergroup.com/DataExplorer/>

*THE MANPOWER EMPLOYMENT OUTLOOK SURVEY, A REPUTABLE INDICATOR

The Manpower Employment Outlook Survey is conducted quarterly among private- and public-sector employers in 44 countries and territories to measure employers' intentions regarding any change in their staffing levels during the next quarter. It is the most extensive forward-looking survey of its kind, unparalleled in its size, scope, longevity and area of focus and is a respected economic indicator. In Switzerland, it is compiled based on interviews with a representative sample of around 750 employers.

** The results in brackets are seasonally adjusted data.

*** Organization categories: micro employers up to 9 employees; small businesses between 10 and 49 employees; medium businesses between 50 and 249 employees; large businesses more than 250 employees.

BREAKDOWN OF RESULTS FOR SWITZERLAND FROM OCTOBER TO DECEMBER 2018

- 751 employers questioned between July 18 and 31st, 2018

Non-seasonally adjusted results

- 5 % are anticipating an increase in staffing levels
- 8 % are expecting to downsize their workforce
- 87 % are not forecasting any change in their headcounts
- Non-seasonally adjusted result for Switzerland: -3 %

Seasonally adjusted results

- Seasonally adjusted outlook for Switzerland: -2 %
- Quarter-over-quarter comparison: decrease of 6 percentage points
- Year-over-year comparison: decrease of 2 percentage points

The results for 1Q 2019 will be released Tuesday, December 11, 2018.

Contact

Romain Hofer
Head of Corporate Communications
Tel.: +41 58 307 22 71
E-mail: media@manpower.ch

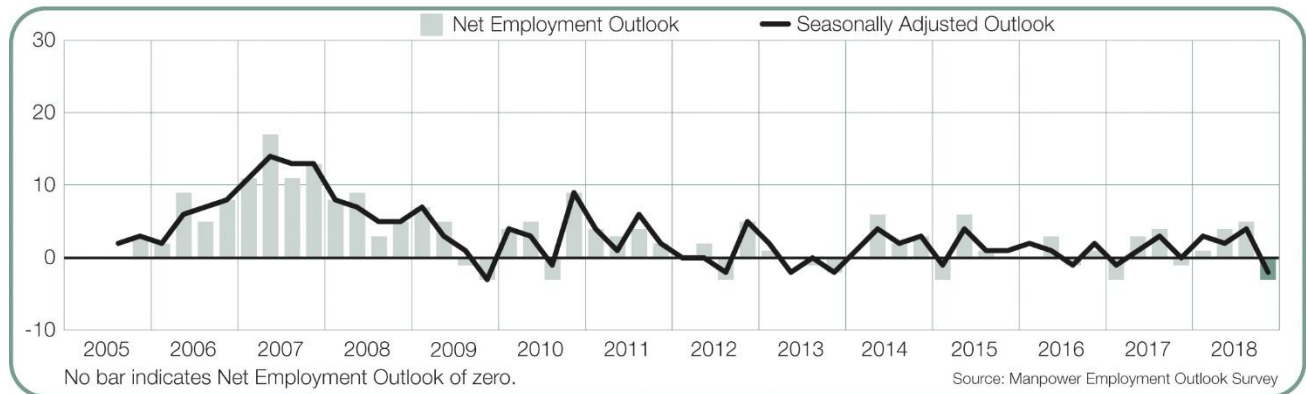


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Chart illustrating national results over time

Switzerland

-3% -2%



Note on the net employment outlook

The net employment outlook for Switzerland is -2 % (seasonally adjusted data) for the fourth quarter of 2018. The outlook figure is calculated by taking the percentage of employers anticipating an increase in total employment in their company and subtracting from this the percentage of employers that expect to see a decrease in hiring activity over the next quarter. The result of this calculation is a net figure for the employment outlook, which may be either positive or negative. This net figure is then adjusted for seasonal variation.

Note on the adjustment of data to take account of seasonal variations

Adjustment for seasonal variations is applied to 42 of 44 countries and territories. Data are adjusted using a statistical method in order to cancel out the effect of fluctuations during certain periods of the year, such as holidays or changes of season. When the data have been adjusted to take account of these fluctuations, the results are more stable and more representative of long-term trends on the labor market. Data for both Croatia and Portugal are not seasonally adjusted at this time. In Q2 2008, the survey adopted the TRAMOS-SEATS model of seasonal data adjustment. This model is recommended by the Eurostat department of the European Union and the European Central Bank and is widely used internationally. Switzerland used seasonally adjusted results for the first time in Q3 2008.

About the survey

The Manpower Employment Outlook Survey is conducted quarterly to measure employers' intentions to increase or decrease the number of employees in their workforces during the next quarter. It is the most extensive forward-looking survey of its kind, unparalleled in its size, scope, longevity and area of focus. The survey was launched more than fifty years ago in the United States and is one of the most trusted surveys of employment activity in the world. The Manpower Employment Outlook Survey is based on interviews with more than 59,000 public and private employers worldwide, and is seen as a highly respected economic indicator. All those interviewed answer the same question, four times a year: **"How do you expect the total employment figure to change in your company over the coming quarter as compared with the current quarter?"**

About Manpower

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 70 years. In 2018, ManpowerGroup was named one of the World's Most Ethical Companies for the ninth year and one of Fortune's Most Admired Companies for the sixteenth 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.

Manpower Switzerland

Founded in Geneva in 1960 as a franchise of the ManpowerGroup, Manpower Switzerland matches up the most talented workers on the market – from employees to project managers right through to managing directors – with companies looking for specific skill-sets. Leading the way in efficient and innovative HR solutions, Manpower is the trusted partner of over 5000 clients each year – small, medium and large enterprises – and over 20,000 associates. The company's key focus is on connecting employers and candidates, and to this end Manpower Switzerland increasingly uses tailor-made solutions to respond to the complex needs of companies in an ever-changing world of work. With around 300 internal staff, Manpower is present in 40 towns in Switzerland and is firmly established in every linguistic region. More detailed information is available at www.manpower.ch.