

Press Release

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Portuguese Employers Maintain Strong Hiring Intentions for the Summer Period

ManpowerGroup Employment Outlook Survey: Q3 2019

- *Net Employment Outlook remains strong at 12%, indicating a continued increase in employment opportunities in Portugal*
- *Services sectors are the most optimistic, with a Net Employment Outlook of +26% in the Finance, Insurance, Real Estate and Business Services sector, +25% in the Restaurants and Hotels sector and +24% in Transport, Storage and Communication*
- *The most positive outlook in the labour market for the next three months is anticipated by Large Employers, with +34%*

Lisbon, 11 June 2019 - Portuguese companies remain optimistic about hiring new employees, with data showing a Net Employment Outlook¹ of +12% for the third quarter of the year. Although this figure is slightly lower than in the last quarter (+13%), it still indicates a strong increase in employment opportunities in Portugal. Large Enterprises remain the main drivers for projected employment growth, with a Net Employment Outlook of +34% for the period from July to September.

Of the companies surveyed, 15% anticipated an increase in payrolls, 3% anticipated a reduction and 80% considered that there would be no change. The quarterly study by ManpowerGroup gathers the hiring intentions of 59,000 employers in 44 countries, including 625 in Portugal.

"Portuguese employers, and the services sector, in particular, remain optimistic about the employment outlook for the next three months. Once again, the summer season is forecast as one of the periods with the strongest prospects of hiring," said Raúl Grijalba, Mediterranean Regional Managing Director of ManpowerGroup.

"If we add to this context the current low level of unemployment in Portugal, it becomes clear how the attraction and retention of talent are increasingly important challenges for the local market. Knowing new ways to relate and be relevant to candidates, incorporating new HR technologies, while ensuring the quality of human interactions, are critical today in building a successful strategy," adds Grijalba.

¹Net Employment Outlook is derived by taking the percentage of employers anticipating total employment to increase and subtracting from this the percentage expecting to see a decrease in employment at their location in the next quarter.

In the third quarter, the Finance, Insurance, Real Estate and Services sector intends to be the most active when it comes to hiring, as employers report a Net Employment Outlook of +26%. The data is also optimistic in the Transport, Storage & Communication sector (+24%) and the Restaurant & Hotel sector (+25%), which coincides with the time of year when most tourists visit Portugal. Hiring intentions are still favourable in the Agriculture, Hunting, Forestry and Fishing sector, in the Public & Social Sector, as well as in the Construction sector, with prospects of +8%, +10% and +14%, respectively.

Despite showing a slight increase in their Net Employment Outlook (+3%), companies in the Wholesale and Retail Trade sector forecast a decrease of 11 percentage points when compared to the same quarter in 2018. This trend was also felt in Manufacturing (down 8 percentage points) and the Electricity, Gas & Water Supply Sector, which showed a decrease of 14 percentage points. When compared to the previous quarter, hiring intentions fall in five of the nine sectors analysed.

Companies in the Centre anticipate the highest increase in hiring

On a regional basis, the best prospects are those of employers in the Centre, which report a Net Employment Outlook of +14% for the summer period. In the North and South, companies report moderate hiring intentions (+10%), with the South down five percentage points compared to the previous quarter.

In the Greater Lisbon area, a very optimistic hiring activity is expected, with a projection of +12%. The Greater Porto region is showing the most moderate forecasts, with only 11% of respondents showing intentions to increase the company's staff and displaying a Net Employment Outlook of 8%.

Large companies continue to have the most optimistic hiring intentions

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.

The four categories analysed reveal positive hiring intentions for the next three months, with Large companies continuing to have the strongest Net Employment Outlook, at +34%. Also noteworthy is a significant rise in Microenterprise hiring forecasts, with a Net Employment Outlook of +6%, a 4 percentage points increase over the second quarter of 2019.

In the other categories, we observe that hiring is likely to keep growing in Medium-sized companies, with an outlook of +14%. When compared to the same period last year, Small companies are the ones that have reduced hiring intentions the most, with a Net Employment Outlook 10 percentage points lower.

Positive recruitment intentions in 43 countries

The ManpowerGroup study for the first quarter of 2019 shows that employers in 43 of the 44 countries and territories surveyed anticipate an increase in payrolls during the next three months. When compared to the previous quarter, employers in 18 of the 44 countries and territories report stronger hiring prospects. In a comparison with this time one year ago, hiring intentions are stronger in 12 countries and territories, but weaker in 26, remaining unchanged in six. Hiring intentions are stronger in Japan, Croatia, Taiwan, the United States, Greece and Slovenia, while weaker hiring prospects are reported in Hungary, Argentina, Italy and Spain.

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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 59,000 employers in 44 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 labour 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 labour markets.

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 2019, ManpowerGroup was named one of Fortune's Most Admired Companies for the seventeenth year and one of the World's Most Ethical Companies for the ninth year in 2018, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup is powering the future of work:

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About ManpowerGroup Portugal

ManpowerGroup® started its activity in Portugal in 1962, through a franchising. In 2008, ManpowerGroup acquired the franchising, which led to the reorganization of the company and the brand, renovating its presence in Portugal.