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Press Release

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ManpowerGroup Employment Outlook Survey Q2/2018: The Austrian Labor Market forecast is on the upswing

Austria's employers are cautious about the second quarter of 2018. According to the latest ManpowerGroup Employment Outlook, which surveyed around 750 employers in Austria, a seasonally adjusted Net Employment Outlook of +6% is reported for the second quarter of 2018 anticipating a positive period of job gains over the next three months.

Hiring intentions improve by 6 percentage points when compared with the previous quarter, and remain relatively stable when compared with this time one year ago.

"Employers are reporting cautiously optimistic recruitment intentions for the coming three months," explains Erich Pichorner, Managing Director of ManpowerGroup Austria.

"Particularly pleasing forecasts for the second quarter are available for Kärnten, Oberösterreich, Niederösterreich and Vorarlberg. In Kärnten, employers report an Outlook of +20%, the strongest since the survey began 15 years ago. Furthermore, positive forecasts are reported in 9 of the 10 industry sectors covered in the survey. Qualified employees are increasingly in demand, particularly in the the Electricity, Gas & Water sector, in the Manufacturing as well as in the Public & social sectors," says Pichorner. „In fact, the percentage of employers we interviewed who said they planned to decrease their workforce levels—in both the Manufacturing and the Electricity, Gas and Water sectors—stands at zero.“

The results of MEOS Q2/2018 in a nutshell:

- Austrian employers expect a positive hiring market in the forthcoming quarter with a seasonally adjusted Net Employment Outlook of +6%. Hiring intentions improve by 6 percentage points when compared with the previous quarter, and remain relatively stable when compared with this time one year ago.
- Employers in seven of the nine regions expect to increase staffing levels during the coming quarter. The strongest hiring prospects are reported in Kärnten, where the Net Employment Outlook stands at +20%.
- Elsewhere, Oberösterreich employers report cautiously optimistic hiring intentions with an Outlook of +10%, while Outlooks of +9% are reported in both Niederösterreich and Vorarlberg.
- Employers in both Burgenland and Steiermark anticipate flat hiring activity with Outlooks of 0%.



- Staffing levels are forecast to increase in nine of the 10 industry sectors during the upcoming quarter. Employers in the Electricity, Gas & Water sector report the strongest hiring intentions with a Net Employment Outlook of +13%, while Outlooks stand at +12% and +10% in the Manufacturing sector and the Public & Social sector, respectively.
- However, Restaurants & Hotels sector employers forecast flat hiring activity with an Outlook of 0%. Hiring plans improve by 4 percentage points when compared with the previous quarter.
- Employers expect to increase staffing levels in all four organization size categories during the coming quarter. Large employers report active hiring plans with a Net Employment Outlook of +29%, while the Outlook for Micro-size is +6%, respectively.

Regional Comparisons: Strongest labor markets in Kärnten, uptrend in Tirol, Oberösterreich and Vorarlberg

Employers in seven of the nine regions expect to increase staffing levels during the coming quarter. The strongest hiring prospects are reported in Karnten, where the Net Employment Outlook stands at +20%. Elsewhere, Oberosterreich employers report cautiously optimistic hiring intentions with an Outlook of +10%, while Outlooks of +9% are reported in both Niederosterreich and Vorarlberg. Employers in four regions forecast a moderate hiring pace, reporting an Outlook of +6% in Salzburg. Employers in Vienna are expecting a positive hiring mood mit +7%. Meanwhile, employers in both Burgenland and Steiermark anticipate flat hiring activity with Outlooks of 0%.

When compared with 1Q 2018, hiring plans improve in five of the nine regions. A sharp increase of 28 percentage points is reported in Karnten, while considerably stronger Outlooks are reported in Vorarlberg and Vienna, improving by 20 and 17 percentage points, respectively. Burgenland employers report a moderate increase of 6 percentage points, and the Outlook for Niederosterreich is 5 percentage points stronger. However, hiring prospects are 3 percentage points weaker in two regions – Oberosterreich and Steiermark.

Employers in six of the nine regions report improved hiring intentions when compared with this time one year ago. Karnten employers report a considerable increase of 12 percentage points, and the Outlook for Tirol is 10 percentage points stronger. Elsewhere, Outlooks improve by 7 percentage points in Niederosterreich and by 4 percentage points in Vorarlberg. Meanwhile, hiring prospects are 14 percentage points weaker in Steiermark, and decline by 5 percentage points in both Burgenland and Oberosterreich.

Industry sector comparisons: Best job prospects in the Electricity, Gas & Water sector

Staffing levels are forecast to increase in nine of the 10 industry sectors during the upcoming quarter. Employers in the Electricity, Gas & Water sector report the strongest hiring intentions with a Net Employment Outlook of +13%, while Outlooks stand at +12% and +10% in the Manufacturing sector and the Public & Social sector, respectively. Elsewhere,



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Construction sector employers anticipate moderate job gains with an Outlook of +8%, while the Agriculture, Hunting, Forestry & Fishing sector Outlook stands at +4%. However, Restaurants & Hotels sector employers forecast flat hiring activity with an Outlook of 0%.

Hiring prospects strengthen in seven of the 10 industry sectors when compared with the previous quarter. The most notable increases of 13 and 10 percentage points are reported in the Public & Social sector and the Electricity, Gas & Water sector, respectively. Elsewhere, Construction sector employers report an improvement of 6 percentage points and the Outlook for the Transport, Storage & Communication sector is 5 percentage points stronger. Meanwhile, hiring plans weaken in two sectors, with employers reporting a decrease of 4 percentage points in the Mining & Quarrying sector, and a decline of 3 percentage points in the Finance, Insurance, Real Estate & Business Services sector.

When compared with this time one year ago, Outlooks improve in six of the 10 industry sectors, most notably by 9 percentage points in the Electricity, Gas & Water sector. Slight increases of 4 percentage points are reported in three sectors – the Agriculture, Hunting, Forestry & Fishing sector, the Construction sector and the Public & Social sector – while the Manufacturing sector Outlook is 3 percentage points stronger. However, hiring prospects weaken in four sectors, including the Wholesale & Retail Trade sector with a decline of 6 percentage points, and the Mining & Quarrying sector where the Outlook is 3 percentage points weaker.

Organization-Size Comparisons: in all four organization size categories expect increasing staffing levels

Employers expect to increase staffing levels in all four organization size categories during the coming quarter. Large employers report active hiring plans with a Net Employment Outlook of +29%, while the Outlook for Medium employers is +14%. Elsewhere, Small- and Micro-size employers report moderate Outlooks of +7% and +6%, respectively.

In comparison with the previous quarter, hiring prospects improve by a considerable margin of 10 percentage points for Micro employers, and Large employers report an increase of 4 percentage points. Meanwhile, the Outlook for Medium firms is unchanged, while Small employers report relatively stable hiring plans.

Medium employers report an improvement of 7 percentage points when compared with this time one year ago, while Outlooks are 3 and 2 percentage points stronger for Large- and Micro-size employers, respectively. In the Small employer category, hiring intentions remain relatively stable.

*[*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.]*

Global Outlook: Employers in 43 of 44 countries report healthy hiring activities for Q2 2018



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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.

*Croatia participates in the survey for the first time this quarter and has no quarter-over-quarter or year-over-year trend data at this point.

Press Contact

Mag. (FH) Renate Kaiser
Manager Marketing & Public Relations
T: 43-1-516 76-2011
E: renate.kaiser@manpowergroup.at

About the ManpowerGroup Employment Outlook Survey

The ManpowerGroup 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. ManpowerGroup's comprehensive forecast of employer hiring plans has been running for more than 55 years and is one of the most trusted surveys of employment activity in the world.

The survey is based on interviews with over 59.000 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 regions to provide more detailed information.

The ManpowerGroup Employment Outlook Survey for the second quarter 2018 in Austria was conducted by interviewing a representative sample of 750 Austrian employers. All survey 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?"*



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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.

Note to Editors

Commentary is based on seasonally adjusted data where available.

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

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 www.manpowergroup.com/meos.