

## **MEDIA RELEASE**

### **Manpower survey for the third quarter reveals that Turkish employers expect hiring pace to grow more conservative**

**According to the new Manpower Employment Outlook Survey, Turkey's Net Employment Outlook declines for second consecutive quarter to +6%. Manufacturing remains as the top sector for hiring prospect for the next three months.**

**ISTANBUL, TURKEY (2016)** – ManpowerGroup (NYSE:MAN) interviewed nearly 59,000 employers across 43 countries and territories to forecast labor market activities for the third quarter of 2016. Having also interviewed a representative sample of 1,000 employers in Turkey, the ManpowerGroup research reveals that employers expect some payroll growth in the next three months, but that the hiring pace will dip to its weakest level since the survey started in 2011.

According to the findings of the survey, the hiring pace for next three months in Turkey is expected to be modest. The research reveals that 19% of employers expect to increase staffing levels while 72% anticipate no change. On the other hand, 9% of employers forecast a decrease in staffing levels.

Once the data is adjusted to allow for seasonal variation, the Outlook stands at +6%. Hiring prospects decline by 5 percentage points when compared with the previous quarter and are 9 percentage points weaker year-over-year.

From a regional perspective, payrolls are expected to increase in four of the five regions during the July-September period. However, and similar to the national Outlook, employers in four of the five regions anticipate the weakest hiring climate since the survey began in 1Q 2011. From a comparative perspective among selective sectors, employers expect staffing levels to grow in nine of the 11 industry sectors during the coming quarter. However, employers in seven

sectors also report the weakest hiring opportunities since the survey began in 1Q 2011. Commenting on the new Outlook, Manpower Turkey General Manager Reha Hatipođlu had these to say: "The results indicate that declining employer confidence is in alignment with an economic slowdown that is evident in Turkey. It seems that employers expect to cool their investments in personnel down as risks driven by domestic politics and the geopolitical environment remains. Adding the summer period, the holy month of Ramadan and two holidays on the horizon, it would not be realistic to expect a recovery in labor markets before the fourth quarter. However, the survey reveals that hiring is not expected to come to a grinding halt. It's true that the hiring pace continues to slow, but of the 1,000 employers we interviewed, nearly one in five expect some payroll growth in the months ahead."

According to the survey findings, The strongest regional labor markets are expected in Black Sea and Central Anatolia, where employers report Net Employment Outlooks of +12%. Some job gains are also forecast in Marmara and Aegean, where Outlooks stand at +8% and +5%, respectively. Meanwhile, employers in the Mediterranean region anticipate an uncertain hiring pace, reporting an Outlook of -2%. Year-over-year, Outlooks weaken in all five regions, most notably by 19 percentage points in Mediterranean. Aegean employers report a decrease of 10 percentage points while declines of 7 and 5 percentage points are reported in Marmara and Central Anatolia, respectively.

Mr. Hatipoglu adds: "When compared with the previous quarter, hiring prospects for the Mediterranean region decline by a considerable margin of 9 percentage points, while Outlooks are 4 percentage points weaker in both Central Anatolia and Marmara. The Mediterranean region is mainly dominated by Restaurants & Hotels sector. The recent terror attacks may be the main factor behind employers' negative forecasts for the next three months."

	<b>Net Employment Outlook</b>
MARMARA	+18%
CENTRAL ANATOLIA	+12%
BLACK SEA	+12%
AEGEAN	+5%
MEDITERRANEAN	-2%

The strongest hiring prospects are reported in the Manufacturing sector, where the Net Employment Outlook stands at +14%. Respectable payroll gains are also anticipated in the Finance, Insurance, Real Estate & Business Services sector and the Public & Social sector, with Outlooks of +11%. Elsewhere, employers expect some hiring opportunities in both the Agriculture, Hunting, Forestry & Fishing sector and the Wholesale & Retail Trade sector, with Outlooks of +9%, and in the Transport, Storage & Communication sector, where the Outlook is +7%. Meanwhile, employers in the Restaurants & Hotels sector forecast a weak hiring climate, reporting an Outlook of -10%, while Pharmaceuticals sector employers anticipate a subdued labor market with an Outlook of -1%.

Mr. Hatipoğlu adds: "When compared with the previous quarter, we see that hiring intentions weaken in nine of the 11 industry sectors. The most noteworthy decreases came from the Pharmaceuticals and the Restaurants & Hotels sector, 22 and 18 percentage respectively. It seems that all sectors are still trying to adjust the increase in the minimum wages as they prefer to meet their needs with fewer employees. The Mining & Quarrying sector and the Wholesale & Retail Trade sectors on the other hand reported stronger outlooks compared to previous quarter."

Electricity, Gas & Water Supply sector employers report a considerable decline of 17 percentage points. Elsewhere, the Outlook for the Restaurants & Hotels sector is 11 percentage points weaker, while Agriculture, Hunting, Forestry & Fishing sector employers report a decrease of 6 percentage points. However, slight improvements are reported in two sectors – the Mining & Quarrying sector and the Wholesale & Retail Trade sector – where Outlooks are 3 and 2 percentage points stronger, respectively.

Year-over-year, hiring plans decline in 10 of the 11 industry sectors. Agriculture, Hunting, Forestry & Fishing sector employers report a decline of 16 percentage points. The Outlook for the Construction sector is 13 percentage points weaker, and the Outlook for the Transport, Storage & Communication sector declines by 10 percentage points. Meanwhile, Mining & Quarrying sector employers report a slight year-over-year improvement of 2 percentage points.

	<b>Net Employment Outlook</b>
AGRICULTURE, HUNTING, FORESTRY & FISHING	+9%
CONSTRUCTION	+5%
ELECTRICITY, GAS & WATER SUPPLY	+5%
FINANCE, INSURANCE, REAL ESTATE & BUSINESS SERVICES	+11%
MANUFACTURING	+14%
MINING & QUARRYING	+6%
PUBLIC & SOCIAL	+11%
RESTAURANTS & HOTELS	-10%
TRANSPORT, STORAGE & COMMUNICATION	+7%
WHOLESALE & RETAIL TRADE	+9%
PHARMACEUTICALS	-1%

### **Job gains are expected in 40 of 43 countries and territories during the July-September time frame**

Third quarter research reveals that staffing levels are expected to grow in 40 of 43 countries and territories during the July-September time frame. However, as in Turkey, a number of employers across the globe also indicate that overall payroll growth is likely to proceed at a more conservative pace than in the prior quarter or last year at this time.

Significant upturns in overall employer confidence are few, and some declining trajectories reported previously—most notably in Brazil and China—continue unabated. Third-quarter hiring plans strengthen in 14 of 42 countries\* and territories when compared with the April-June time frame, are unchanged in seven, and weaken in 21. Outlooks improve in 13 countries and territories when compared with Quarter 3 2015, are unchanged in five, and decline in 24. Third-quarter hiring confidence is strongest in India, Japan, Taiwan, Guatemala, Romania and the United States, while employers in Brazil, Italy and Switzerland report the weakest hiring plans.

Employers in 23 of 25 countries in the Europe, Middle East & Africa (EMEA) region expect to grow staffing levels over the next three months. In a quarter-over-quarter comparison, forecasts improve in 12 countries but weaken in seven. When compared year-over-year, job prospects are expected to improve in 10 countries and decline in 12. Romanian employers report the region's strongest third-quarter hiring plans, while the weakest outlooks are reported in Italy and Switzerland. For the first time in eight years, there are no negative national forecasts reported among countries in the EMEA region. The third-quarter survey also

includes Portugal for the first time, bringing the total of countries and territories participating in the Manpower Employment Outlook Survey to 43.

The next Manpower Employment Outlook Survey will be released on 13 September 2016 and will detail expected labor market activity for the third quarter of 2016.

\* Portugal joined the survey in Quarter 3 2016 and has no trend data to compare at this point

### **About the Survey**

The global leader in innovative workforce solutions, ManpowerGroup releases the Manpower Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 58,000 employers in 42 countries and territories. 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 where labor markets are headed.

### **Note to Editors:**

Commentary is based on seasonally adjusted data where available. Full survey results for each of the 42 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at [www.manpowergroup.com/meos](http://www.manpowergroup.com/meos)

### **About ManpowerGroup**

ManpowerGroup® (NYSE: MAN) is the world's workforce expert, creating innovative workforce solutions for more than 70 years. As workforce experts, we connect more than 600,000 people to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's Most Ethical Companies for the sixth 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 makes powering the world of work humanly possible: [www.manpowergroup.com](http://www.manpowergroup.com)