

**Under Embargo until 0:01 GMT, September 11<sup>th</sup> 2018**

**Press Release**

Lisbon, September 11<sup>th</sup>, 2018

## **Portuguese employers maintain favorable hiring pace for the next three months**

ManpowerGroup Employment Outlook Survey: Quarter 4 2018

**Portuguese employers anticipate some payroll gains in the coming quarter, reporting a Net Employment Outlook of +8%. The Outlook declines by 7 percentage points when compared with the previous quarter, but is 5 percentage points stronger in comparison with 4Q 2017.**

- **Job gains are forecast for eight of nine industry sectors and two of three regions in the next three months. Outlooks decline in eight sectors and two regions quarter-over-quarter, but improve in seven sectors and two regions when compared with this time one year ago.**
- **The strongest of Portugal's nine industry sector Outlooks is reported in the Transport, Storage & Communication sector (+20%). Hiring plans for the sector improve by 6 and 16 percentage points from 3Q 2018 and 4Q 2017, respectively.**
- **Restaurants & Hotels sector employers report the weakest sector Outlook of -4%. Hiring intentions decline by a steep margin of 26 percentage points in comparison with the previous quarter, but the Outlook for the sector is unchanged year-over-year.**
- **With an Outlook of +14%, employers in the North report the most optimistic regional forecast for the coming quarter – also the strongest for the region since the survey began two years ago. The Outlook remains relatively stable quarter-over-quarter, and improves by 9 percentage points in comparison with last year at this time.**
- **Job seekers in the South can expect the weakest of the three regional labor markets. The Outlook of -3% declines by 14 and 4 percentage points from 3Q 2018 and 4Q 2017, respectively.**
- **Workforce gains are expected in three of the four organization size categories during 4Q 2018, with Large firms reporting the strongest hiring intentions (+31%). Meanwhile, Micro employers anticipate flat hiring activity (0%).**

Portuguese employers report moderate hiring plans for the final quarter of 2018. While 13% of employers expect to increase staffing levels, 5% forecast a decrease and 80% anticipate no change, resulting in a Net Employment Outlook of +8%.

Payrolls are forecast to increase in eight of the nine industry sectors during 4Q 2018. The strongest labor markets are anticipated in the Transport, Storage & Communication sector and the Electricity, Gas & Water sector, where Net Employment Outlooks stand at +20% and +18%, respectively.

When compared with the previous quarter, hiring prospects weaken in eight of the nine industry sectors. A steep decline of 26 percentage points is reported in the Restaurants & Hotels sector, while Outlooks are 17 and 12 percentage points weaker in the Agriculture, Hunting, Forestry & Fishing sector and the Construction sector, respectively. Elsewhere, decreases of 5 percentage points are reported for two sectors - the Finance, Insurance, Real Estate & Business Services sector and the Public & Social sector. Meanwhile, hiring plans for the Transport, Storage & Communication sector are 6 percentage points stronger.

Year-over-year, hiring prospects improve in seven of the nine industry sectors. Electricity, Gas & Water sector employers report the most noteworthy increase of 18 percentage points, while the Outlook for the Transport, Storage & Communication sector is 16 percentage points stronger. Hiring intentions improve by 3 percentage points in the Agriculture, Hunting, Forestry & Fishing sector, the Public & Social sector and the Wholesale & Retail Trade sector. However, employers in two sectors report no change in comparison with 4Q 2017 - the Construction sector and the Restaurants & Hotels sector.

“The ManpowerGroup Employment Outlook Survey projections for the fourth quarter of 2018 reflect the seasonality of the Portuguese economic activity, enabled by the Summer’s consumption increase stimulated by the touristic dynamics. These results reinforce the consolidation of the Portuguese economic stability, reflected by a positive environment in the hiring intentions for the next three months. Companies still report good recruiting intentions, especially in the Transport, Storage & Communication sector, highly impacted by the trading activity expected for this period,” mentions **Raúl Grijalba, ManpowerGroup Mediterranean Regional Managing Director**.

“Despite the low values of the unemployment rate, the fact is that 46% (Talent Shortage Survey 2018) of the companies report difficulties in filling job vacancies, and look for providing additional training and development, using other workforce models and exploring outside the traditional talent pools. Brands are facing the challenge of being able to attract the Talent they need and to assure that people have the tools they need to improve their skills to adapt to an increasingly competitive and more digital world of work,” adds Raúl Grijalba.

Employers in two of the three regions expect to grow payrolls during 4Q 2018. The strongest labor market is forecast in the North, where the Net Employment Outlook stands at +14%. Employers in the Center also expect staffing levels to increase, reporting a modest Outlook of +8%, but the Outlook of -3% reported for the South reflects uncertain hiring plans.

In comparison with the previous quarter, hiring intentions are considerable weaker in both the South and the Center, declining by 14 and 9 percentage points, respectively. Meanwhile, employers report relatively stable hiring prospects in the North.

When compared with the final quarter of 2017, the Outlook for the North is considerably stronger, increasing by 9 percentage points. Employers in the Center also report stronger hiring plans with an improvement of 4 percentage points, but the Outlook for the South declines by 4 percentage points.

An increase in staffing levels is forecast for three of the four organization size categories during the coming quarter. Large employers expect a brisk hiring pace, reporting a Net Employment Outlook of +31%, while Outlooks stand at +9% and +4% for Medium- and Small-size employers, respectively. Meanwhile, Micro employers anticipate a flat labor market with an Outlook of 0%.

The ManpowerGroup Employment Outlook Survey for the fourth quarter of 2018 was conducted by interviewing a representative sample of 625 employers in Portugal. All survey participants were asked, “*How do you anticipate total employment at your location to change in the three months to the end of December of 2018 as compared to the current quarter?*”

## **Employers in 43 countries report positive hiring intentions**

ManpowerGroup’s fourth-quarter research reveals that some job gains are expected in 43 of 44 countries and territories during the October-December time frame. However, there is little evidence of notable surges in hiring

activity. Overall employer confidence is little changed from prior quarters and most employers remain resilient, appearing content to engage in modest levels of hiring activity against a backdrop of challenges associated with a realignment of global trading partners and ongoing tariff negotiations.

Fourth-quarter hiring plans strengthen in 22 of 44 countries and territories when compared to the July-September time frame, weaken in 14 and are unchanged in eight. When compared to last year at this time, Outlooks improve in 23 countries and territories, weaken in 13 and are unchanged in seven.\*\* Fourth-quarter hiring confidence is strongest in Japan, Taiwan, the U.S., Romania and Slovenia, while the weakest hiring prospects are reported in Switzerland, Argentina, France and Italy.

Across the Europe, Middle East & Africa (EMEA) region, workforce gains are expected in 25 of 26 countries. Hiring plans improve in 11 countries quarter-over-quarter but weaken in nine. In a year-over-year comparison, job gains are expected to improve in 13 countries and decline in seven. Employers in Romania and Slovenia report the most optimistic hiring intentions. Conversely, Swiss employers report the weakest hiring plans, as well as the only negative forecast among the 44 participating countries and territories.

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](http://www.manpowergroup.com/meos). The next ManpowerGroup Employment Outlook Survey will be released on 11 September and will forecast labor market activity for the fourth quarter of 2018.

\* The projection for net job creation is the difference between the percentage of employers who plan to increase their workforce and the percentage of employers who plan to reduce it.

\*\* Portugal is not among the countries whose data is compared with the same quarter of the previous year, since it joined the ManpowerGroup Employment Outlook Survey in the third quarter of 2016.

### **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. 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 nearly 60,000 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 regions 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 1Q 2018 research, 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 March 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%.

### **Nine sectors considered:**

1. Agriculture, Forestry and Fisheries;
2. Construction;
3. Electricity, Gas and Water supply;
4. Finance, Insurance, Real Estate and Services;
5. Industry;
6. Public Sector;
7. Catering and Hospitality;
8. Transport, Logistics and Communications;
9. Wholesale and Retail.

### **Dimensions of companies**

1. Micro companies: less than 10 workers;
2. Small companies: 10 to 49 workers;
3. Medium companies: 50 to 249 workers;
4. Large companies: 250 or more workers.

### **Five Portuguese regions**

1. North;
2. Center;
3. South;
4. Greater Lisbon;
5. Greater Porto.

### **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 nearly 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](http://www.manpowergroup.com)

### **In Portugal:**

ManpowerGroup® started its activity in Portugal in 1962, through a franchising. In 2008, ManpowerGroup acquired franchising, having started to reorganize the company and the brand, which has been transforming its presence in Portugal.