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**Press Release
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Croatian employers report weaker hiring plans for the fourth quarter of 2018

- **Hiring plans decline 17 percentage points when compared with the previous quarter.**
- **Small employers report the most cautious hiring plans**
- **The weakest regional forecast is reported in the South Croatia, where the Outlook declines by 34 percentage points in comparison with 3Q 2018.**

Zagreb, 11 September 2018 — The healthy hiring intentions reported by Croatian employers in 2Q 2018 and 3Q 2018 have been replaced with a more cautious forecast for the coming quarter, with the Net Employment Outlook standing at +9%. Hiring plans are 17 percentage points weaker when compared with the previous quarter.

However, despite the weaker forecast, the survey of 620 Croatian employers indicates payrolls are still expected to grow during the last three months of the year, but at a considerably slower pace than in the previous two quarters. When industry sectors and regions are considered separately, payrolls are expected to grow in seven of eight industry sectors and two of four regions during the upcoming quarter. When compared with 3Q 2018, hiring plans weaken by varying degrees in all eight sectors and all four regions.

When the eight industry sector Outlooks are compared, Manufacturing sector employers report the strongest hiring plans for 4Q 2018. Standing at +26%, the Outlook for the sector declines by 2 percentage points when compared with the previous quarter. Restaurants & Hotels sector employers report the weakest sector hiring prospects for the next three months with a gloomy Outlook of -12%. The Outlook sinks by a steep margin of 53 percentage points when compared with the third quarter of 2018.

In regional terms, the strongest labor market is forecast for Central Croatia, where the Outlook of +18% dips by 8 percentage points quarter-over-quarter. The weakest regional forecast is reported in the South, where the Outlook of -10% declines by 34 percentage points in comparison with 3Q 2018.

Workforce gains are anticipated in all four organization size categories during the coming quarter, most notably for Large employers (+21%). Small employers report the most cautious hiring plans (+2%).

In order to stabilize the Croatian labor market, the government should adapt the whole new set of fiscal and para-fiscal policies and make it easier for employers to recruit new employees. Personally, I'm ready to be part of a working group which will address this problem. Information available to ManpowerGroup is precious and I believe it will help Croatian Government greatly in solving especially challenging today's situation in the local labor market, said Nebojša Biškup, CEO, Manpower Croatia. The overall decline in Croatia's Net Employment Outlook is likely the result of less hiring activity as

tourism slows down and related services decline and employers simply don't need as much help, added Biškup.

The ManpowerGroup Employment Outlook Survey for the fourth quarter 2018 was conducted by interviewing a representative sample of 620 employers in Croatia.

Global Employment Outlook

A total of 59,351 employers in the 44 countries and territories were surveyed by ManpowerGroup to measure employer hiring intentions for the final quarter of 2018. Based on a seasonally adjusted survey analysis*, employers expect staffing levels to increase in 43 of the 44 countries and territories during the coming quarter. The strongest Net Employment Outlooks are reported by employers in Japan, Taiwan, the U.S., Romania and Slovenia. The weakest hiring intentions are reported by employers in Switzerland, Argentina, France and Italy.

In a comparison with the third quarter of 2018, hiring prospects improve in 22 of the 44 countries and territories, while weaker hiring plans are reported in 14 (with Outlooks unchanged in eight). When compared with this time one year ago, hiring intentions strengthen in 23 of the 43 countries and territories with available data**, but weaken in 13 (and are unchanged in seven).

Workforce gains are expected in 25 of the 26 countries in the EMEA region during the fourth quarter of 2018, while employers in one country expect to trim payrolls. When compared with the third quarter of 2018, hiring prospects strengthen in 11 EMEA countries but weaken in nine. In a comparison with this time one year ago, Outlooks strengthen in 13 countries, while weakening in seven. The strongest hiring plans for the region as a whole are reported in both Romania and Slovenia, while the weakest and only negative labor market is anticipated in Switzerland.

Staffing levels are expected to increase in all 10 Americas countries during the final quarter of 2018. When compared with 3Q 2018, hiring intentions improve in eight countries, but decline in two. Hiring plans improve in six countries when compared with last year at this time, but decline in three. As in the previous quarter, the strongest labor market in the region is anticipated by U.S. employers, while the weakest hiring plans are reported in Argentina.

Payrolls are forecast to grow in all eight Asia Pacific countries and territories during the October-December period. When compared with the previous quarter, Outlooks improve in three countries and territories but also decline in three. In a comparison with 4Q 2017, employers report stronger hiring prospects in four countries and territories, but hiring plans weaken in three. Japanese employers continue to anticipate the strongest hiring pace in the region – and are also the most optimistic globally for the final quarter of 2018. Meanwhile, the weakest hiring plans in the region are reported in China.

European Union

Modest job gains are expected across Europe's four largest economies. Employers in Germany forecast the group's most favorable hiring climate and report the country's strongest Outlook in seven years. Job prospects are more subdued in the UK, but hiring plans remain relatively stable with the cautiously optimistic forecasts reported three months ago and last year at this time. Meanwhile, employers report more conservative hiring plans in both France and Italy. Some job gains are expected in most of France's industry sectors and regions, but France's Outlook dips slightly in both quarter-over-quarter and year-over-year comparisons. Italy's Outlook rebounds slightly from the prior quarter's negative forecast and is

boosted, in part, by the strongest Manufacturing sector Outlook reported since the country launched the survey in 2003.

Elsewhere in Western Europe job prospects are mixed. Belgian employers forecast some gains in all but one industry sector, with the most hiring activity expected in the Construction and Finance & Business Services sectors. Similarly, Dutch employers forecast varying degrees of payroll growth in all industry sectors and regions with steady job gains expected in the Utilities and Finance & Business Services sectors. Some opportunities for job seekers are expected across each of Spain's industry sectors and across most regions. Austria's Outlook is also cautiously optimistic, with employers in the Manufacturing sector reporting for the second consecutive quarter the strongest job prospects since 2008. Employers appear more uncertain in Switzerland where negative forecasts are reported in all but two industry sectors.

Employer confidence is more upbeat in much of Eastern Europe. Outlooks are positive across all Slovenian industry sectors and regions, including the Construction and Finance & Business Services sectors where forecasts improve considerably in both quarter-over-quarter and year-over-year comparisons. Romanian employers also predict an active hiring pace in the Construction sector as well as in the Manufacturing sector where more than a third of employers said they planned to add staff in the last three months of the year. Similarly, Hungarian employers report the strongest Manufacturing sector forecast in the EMEA this quarter, with solid job gains also expected in the Construction and Transport, Storage & Communications sectors.

Across the Nordic nations, employers in Finland anticipate the most fourth-quarter job gains with optimistic forecasts reported in both the Finance & Business Services and Manufacturing sectors. Sweden's cautiously optimistic Outlook is buoyed by favorable hiring plans in the Manufacturing and Wholesale & Retail Trade sectors. Meanwhile, Norway's forecast declines slightly from three months ago, but varying levels of job gains are expected across most sectors and all but one region.

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. The next Manpower Employment Outlook Survey will be released on 11 December 2018 and will detail expected labor market activity for the first quarter of 2019.

* Commentary is based on seasonally adjusted data where available. Data is not seasonally adjusted for Croatia or Portugal.

** Only 43 countries and territories eligible for year-over-year comparison; Croatia has no year-over-year data at this point.

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About the ManpowerGroup Employment Outlook 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.

ManpowerGroup's comprehensive forecast of employer hiring plans has been running for more than 50 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 Manpower 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 over 59,000 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 five decades the survey has derived all of its information from a single question - for the 4Q 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 December 2018 as compared to the current quarter?"

Methodology

The Manpower 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%.

Net Employment Outlook

Throughout this report, we use the term "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. The result of this calculation is the Net Employment Outlook. Net Employment Outlooks for countries and territories that have accumulated at least 17 quarters of data are reported in a seasonally adjusted format unless otherwise stated.

Seasonal adjustments have been applied to the data for all participating countries except Finland. ManpowerGroup intends to add seasonal adjustments to the data for other countries in the future, as more historical data is compiled. Note that in Quarter 2 2008, ManpowerGroup adopted the TRAMO-SEATS method of seasonal adjustment for data.

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 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:
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