

**ManpowerGroup
Employment
Outlook Survey
United States**

**Q3
2020**



ManpowerGroup®

United States Employment Outlook

More than 7,700 interviews were conducted with employers within the United States, including all 50 states, the top 100 Metropolitan Statistical Areas (MSAs), the District of Columbia and Puerto Rico, to measure hiring intentions for the third quarter of 2020. The mix of industries within the survey follows the North American Industry Classification System (NAICS) supersectors and is structured to be representative of the U.S. economy.

All participants were asked, “How do you anticipate total employment at your location to change in the three months to the end of September 2020 compared to the current quarter?”

Interviewing was carried out during the exceptional circumstances of the COVID-19 outbreak. The survey findings for the third quarter of 2020 are likely to reflect the impact of the global health emergency, and may be notably different to previous quarters.

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United States Employment Outlook

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
Quarter 3 2020	17	11	62	10	6	3
Quarter 2 2020	23	3	73	1	20	19
Quarter 1 2020	22	5	72	1	17	19
Quarter 4 2019	22	5	72	1	17	20
Quarter 3 2019	27	3	69	1	24	21



Employers in 17 percent of U.S. businesses surveyed expect to grow payrolls during the third quarter of 2020 (down from 23 percent last quarter), while 11 percent anticipate a decrease (up from three percent last quarter) and 62 percent expect no change.

Once the data is adjusted to allow for seasonal variation, the Net Employment Outlook for the next three months is +3%, reflecting the weakest hiring plans since 2009. The Outlook declines by 16 percentage points quarter-over-quarter and is 18 percentage points weaker when compared with this time one year ago.

The single digit Outlooks reported by employers in all four U.S. regions are the weakest since the tail end of the last recession in 2009/2010. Employers in the South report a decline of 18 percentage points, and

Outlooks in the Midwest and the West decrease by 16 percentage points. In the Northeast, hiring plans decline by 13 percentage points. In a comparison of the four regions, Midwest employers expect the strongest hiring pace, reporting an Outlook of +5%. Limited payroll gains are also expected in the Northeast, where the Outlook is +4%, and in the South and the West, with Outlooks of +3% and +2%, respectively.

When compared with the prior quarter and the third quarter of 2019, hiring prospects weaken considerably in all four regions.

From this point forward, all data discussed in the commentary is seasonally adjusted, unless stated otherwise.

Please note that throughout this report, the figure used in all graphs is the "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 that expect to see a decrease in employment at their location in the next quarter. In addition, percentage totals may not equal 100% due to rounding.

Industry Sector Comparisons

Payroll gains are expected in nine of the 12 U.S. industry sectors during the July to September time frame: Education & Health Services (+13%), Leisure & Hospitality (+7%), Government (+4%), Transportation & Utilities (+4%), Nondurable Goods Manufacturing (+3%), Wholesale & Retail Trade (+3%), Construction (+2%), Financial Activities (+1%), Durable Goods Manufacturing (+1%). Professional & Business Services (0%) sector employers expect a flat hiring pace, while employers in the Information (-3%) and Other Services (-3%) sectors expect to trim payrolls.

Hiring prospects for the national Education & Health Services sector are slightly weaker when compared with the previous quarter.

In nine of the 12 nationwide industry sectors, employers report considerably weaker hiring plans quarter-over-quarter. The Outlook for the Wholesale & Retail Trade sector is the weakest reported since 1991. In four sectors, employers report the weakest labor markets since 2009: Financial Activities, Information, Nondurable Goods Manufacturing, Other Services. In the Durable Goods Manufacturing sector the Outlook is the weakest since 2010. Outlooks are the weakest since the 2011-12 period in three sectors: Construction, Government and Transportation & Utilities.

Nationally, employers in the Leisure & Hospitality and Professional & Business Services sectors report a sharp decline in hiring prospects when compared with the prior quarter. In both sectors, hiring plans are the weakest since they were first analyzed separately more than 11 years ago.

Industry	Increase %	Decrease %	No Change %	Don't Know %	Net Employment Outlook Q3 2020 %	Seasonally Adjusted %
Construction	17	8	66	9	9	2
Education & Health Services	20	8	64	8	12	13
Financial Activities	10	8	76	6	2	1
Government	14	8	69	9	6	4
Information	10	12	69	9	-2	-3
Leisure & Hospitality	30	17	39	14	13	7
Manufacturing – Durable Goods	13	9	66	12	4	1
Manufacturing – Nondurable Goods	14	10	65	11	4	3
Other Services	11	12	70	7	-1	-3
Professional & Business Services	15	12	63	10	3	0
Transportation & Utilities	19	11	62	8	8	4
Wholesale & Retail Trade	18	13	58	11	5	3

Regional Comparisons

+9 (+5)%

Midwest

Employers in 18 percent of Midwest businesses surveyed expect to grow payrolls in the forthcoming quarter, while 9 percent anticipate a decrease and 63 percent expect no change, resulting in a Net Employment Outlook of +9%. Once the data is adjusted to allow for seasonal variation, the Outlook declines considerably in comparison with the previous quarter and last year at this time, and is the weakest reported in 10 years.

Hiring prospects in the Midwest Education & Health Services sector remain relatively stable when compared with the prior quarter.

A moderately weaker Outlook is reported in the Midwest's Other Services sector in comparison with Quarter 2 2020, while considerably weaker hiring sentiment is reported in five sectors: Financial Activities, Government, Nondurable Goods Manufacturing, Professional & Business Services and Wholesale & Retail Trade.

In the remaining five Midwest industry sectors, employers report a sharp quarter-over-quarter decline in hiring plans: Construction, Information, Leisure & Hospitality, Durable Goods Manufacturing and Transportation & Utilities.



Industry	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q3 2020	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – Midwest	18	9	63	10	9	5
Construction	16	7	68	9	9	-1
Education & Health Services	25	7	63	5	18	18
Financial Activities	12	5	81	2	7	6
Government	10	5	77	8	5	3
Information	5	19	72	4	-14	-14
Leisure & Hospitality	32	12	41	15	20	9
Manufacturing – Durable Goods	15	11	63	11	4	1
Manufacturing – Nondurable Goods	11	9	63	17	2	-1
Other Services	18	10	67	5	8	8
Professional & Business Services	17	12	57	14	5	1
Transportation & Utilities	16	9	67	8	7	2
Wholesale & Retail Trade	18	10	63	9	8	6

The Midwest Region comprises the following states: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin.

+7 (+4)%

Northeast

In the Northeast, 19 percent of businesses surveyed expect workforce gains during the upcoming quarter. With 12 percent anticipating a decrease and 56 percent expecting no change, the resulting Net Employment Outlook is +7%. Once the data is adjusted to allow for seasonal variation, hiring plans are considerably weaker in comparison with the second quarter of 2020 and this time one year ago, and are the weakest reported since 2010.

Education & Health Services sector employers in the Northeast report a slightly stronger hiring pace when compared quarter-over-quarter, while Financial Activities sector employers report relatively stable hiring intentions.

Northeast employers in the Government sector report a slightly weaker Outlook when compared with the previous quarter, and hiring plans in the Information sector are moderately weaker. Hiring prospects for four sectors are considerably weaker when compared with the prior quarter: Construction, Leisure & Hospitality, Durable Goods Manufacturing and Nondurable Goods Manufacturing.

In four of the Northeast's sectors, Outlooks decline sharply in comparison with Quarter 2 2020: Other Services, Professional & Business Services, Transportation & Utilities and Wholesale & Retail Trade.



Industry	Increase %	Decrease %	No Change %	Don't Know %	Net Employment Outlook Q3 2020 %	Seasonally Adjusted %
All Industries – Northeast	19	12	56	13	7	4
Construction	29	11	47	13	18	8
Education & Health Services	23	6	58	13	17	18
Financial Activities	12	2	72	14	10	7
Government	17	6	64	13	11	10
Information	11	11	70	8	0	2
Leisure & Hospitality	36	18	25	21	18	10
Manufacturing – Durable Goods	11	8	66	15	3	1
Manufacturing – Nondurable Goods	6	9	74	11	-3	-3
Other Services	7	19	60	14	-12	-12
Professional & Business Services	12	12	65	11	0	-4
Transportation & Utilities	19	20	54	7	-1	-5
Wholesale & Retail Trade	12	17	58	13	-5	-9

The Northeast Region comprises the following states: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.

+5 (+3)%

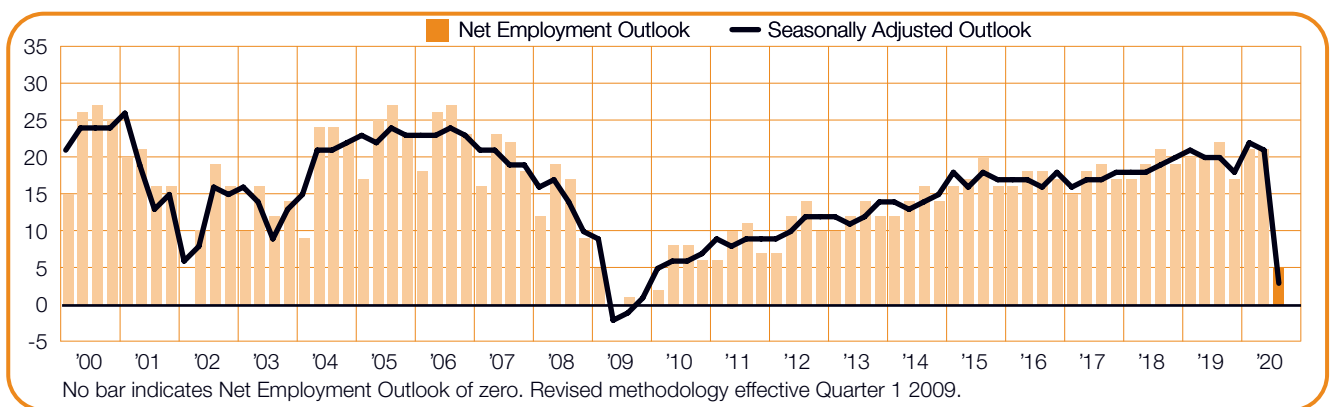
South

Employers in 16 percent of the businesses surveyed in the South expect to add to payrolls during the third quarter of 2020, while 11 percent anticipate a decrease and 64 percent expect no change. The resulting Net Employment Outlook stands at +5%. Once the data is adjusted to allow for seasonal variation, hiring intentions are the weakest reported in more than 10 years, declining considerably in comparison with the previous quarter and this time one year ago.

Hiring prospects weaken in all 12 of the South's industry sectors when compared with the second quarter of 2020, including moderately weaker hiring plans in two sectors: Nondurable Goods Manufacturing and Transportation & Utilities.

Considerably weaker hiring sentiment is reported for eight industry sectors across the South when compared quarter-over-quarter: Construction, Education & Health Services, Financial Activities, Government, Information, Leisure & Hospitality, Durable Goods Manufacturing and Other Services.

In two sectors, employers in the South report a sharp decline in the hiring pace when compared with the prior quarter: Professional & Business Services and Wholesale & Retail Trade.



Industry	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q3 2020	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – South	16	11	64	9	5	3
Construction	13	9	70	8	4	0
Education & Health Services	17	8	67	8	9	7
Financial Activities	6	7	81	6	-1	-3
Government	15	8	68	9	7	7
Information	11	11	72	6	0	-1
Leisure & Hospitality	30	18	40	12	12	10
Manufacturing – Durable Goods	11	8	70	11	3	2
Manufacturing – Nondurable Goods	15	9	67	9	6	5
Other Services	8	10	78	4	-2	-5
Professional & Business Services	14	10	69	7	4	2
Transportation & Utilities	24	6	64	6	18	18
Wholesale & Retail Trade	18	13	58	11	5	4

The South Region comprises the District of Columbia and Puerto Rico along with the following states: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia.

+5 (+2)%

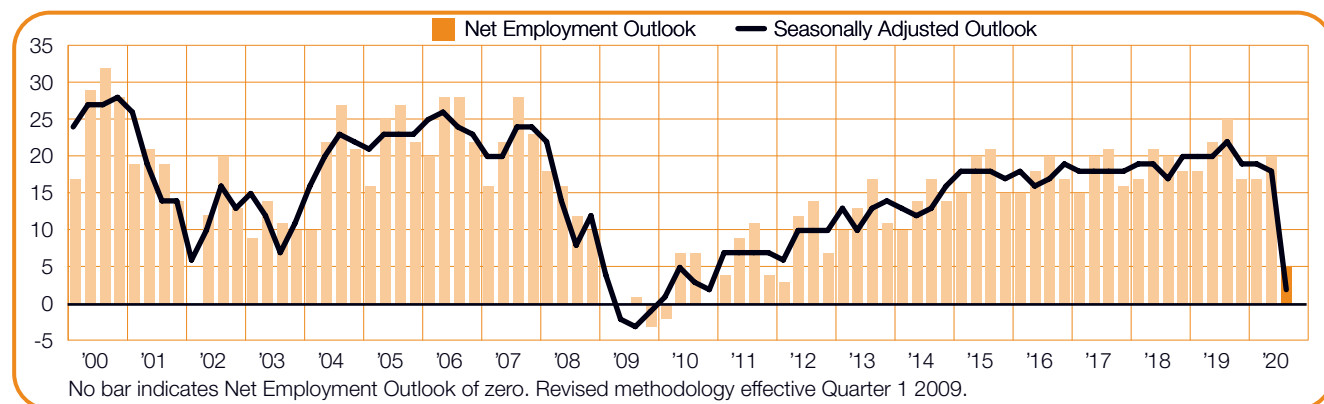
West

In 18 percent of businesses surveyed across the West, employers expect to grow payrolls during the July to September period. With 13 percent of employers anticipating a decline and 59 percent expecting no change, the resulting Net Employment Outlook is +5%. Once the data is adjusted to allow for seasonal variation, the Outlook decreases considerably quarter-over-quarter and year-over-year, and is the weakest reported since 2010.

Hiring sentiment weakens in all 12 industry sectors in the West in a comparison with the prior quarter. Moderately weaker hiring plans are reported in three sectors: Education & Health Services, Information and Nondurable Goods Manufacturing.

Employers in four of the West's industry sectors report considerably weaker labor markets in comparison with the second quarter of 2020: Construction, Financial Activities, Other Services and Wholesale & Retail Trade.

Outlooks decline sharply in five of the West's industry sectors when compared with the previous quarter: Government, Leisure & Hospitality, Durable Goods Manufacturing, Professional & Business Services and Transportation & Utilities.



Industry	Increase %	Decrease %	No Change %	Don't Know %	Net Employment Outlook Q3 2020 %	Seasonally Adjusted %
All Industries – West	18	13	59	10	5	2
Construction	19	6	67	8	13	5
Education & Health Services	20	10	64	6	10	13
Financial Activities	14	12	66	8	2	1
Government	15	13	64	8	2	0
Information	11	9	64	16	2	8
Leisure & Hospitality	27	19	40	14	8	1
Manufacturing – Durable Goods	13	11	63	13	2	-3
Manufacturing – Nondurable Goods	19	12	61	8	7	5
Other Services	13	15	64	8	-2	-6
Professional & Business Services	16	15	58	11	1	-3
Transportation & Utilities	16	15	59	10	1	-5
Wholesale & Retail Trade	19	13	55	13	6	8

The West Region comprises the following states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming.

Metropolitan Statistical Areas

For Quarter 3 2020, 79 of the 100 largest Metropolitan Statistical Areas (MSAs) in the United States report positive Net Employment Outlooks. Additional survey results for each MSA are available at meos-press.manpowergroup.us.

Net Employment Outlook Q3 2020	Metropolitan Statistical Areas
27%	Columbia
25%	Little Rock
21%	Providence
20%	Springfield, Tucson
19%	Toledo
18%	Cincinnati
17%	Salt Lake City
16%	Baton Rouge, Charleston, Deltona, Kansas City
15%	Boise City, Charlotte, Nashville, Oxnard, Worcester
14%	Buffalo, Fresno, St. Louis, Tampa
13%	Greenville
12%	Albuquerque, Jackson, Provo-Orem, Raleigh
11%	Akron, Grand Rapids, Knoxville, North Port, Sacramento
10%	Albany, Denver, Des Moines, Indianapolis, Madison, Spokane, Syracuse
9%	Baltimore, Boston, Colorado Springs, Greensboro, Milwaukee, Seattle
8%	Atlanta, Jacksonville, New Orleans, Philadelphia, Rochester
7%	Augusta, Columbus, Dayton, Minneapolis, San Antonio, Stockton, Virginia Beach, Wichita
6%	Birmingham, New York, Ogden, Omaha, Orlando
5%	Cleveland, Scranton, Tulsa
4%	Detroit, Memphis, Oklahoma City, San Jose
3%	Honolulu, Louisville
2%	Bridgeport, Pittsburgh, Richmond
1%	Chicago, Houston, Las Vegas, Palm Bay, San Diego
0%	Chattanooga, El Paso, Winston-Salem, Youngstown
-1%	Los Angeles, Phoenix, San Francisco
-2%	Harrisburg, McAllen, New Haven
-3%	Allentown, Riverside
-4%	Cape Coral, Lakeland, Portland
-5%	Austin, Washington
-7%	Bakersfield, Hartford
-8%	Dallas
-9%	Miami

Survey results are available for the 100 largest Metropolitan Statistical Areas based on business establishment count.

Global Employment Outlook

ManpowerGroup interviewed over 34,000 employers in 43 countries and territories to forecast labor market activity* in the third quarter of 2020. All participants were asked, “How do you anticipate total employment at your location to change in the three months to the end of September 2020 as compared to the current quarter?” Interviewing was carried out during the exceptional circumstances of the COVID-19 outbreak. The survey findings for the third quarter of 2020 are likely to reflect the impact of the global health emergency, and the subsequent economic shutdown in many countries.

Employers in 35 of the 43 countries and territories surveyed by ManpowerGroup for the third quarter of 2020 expect to reduce payrolls in the period up to the end of September 2020, while payroll gains are expected in seven countries and a flat labor market is anticipated in one.

In a comparison with the second quarter of 2020, hiring prospects weaken in 42 of the 43 countries and territories, while no change is reported in one. Employers in all 43 countries and territories report weaker hiring sentiment when compared with this time one year ago. The strongest hiring pace is anticipated in Japan, India, the United States, China and Taiwan, while employers in Singapore, Costa Rica, Colombia, Peru and South Africa forecast the weakest labor markets.

In 24 of the 26 Europe, Middle East & Africa (EMEA) region countries, employers expect to trim payrolls during the forthcoming quarter, although limited workforce gains are expected in both Croatia and Germany. Hiring plans weaken in all 26 EMEA countries in comparison with both the prior quarter and last year at this time. The strongest labor markets are anticipated in Croatia and Germany, while the weakest are expected by employers in South Africa, Slovakia and Romania.

In four of the seven Asia Pacific countries and territories surveyed, employers anticipate an increase in payrolls during the next three months, while a dip in workforce levels is expected in two and flat hiring activity in one. When compared with the second quarter of 2020, hiring plans weaken in six countries and territories, but are unchanged in one, while employers report weaker hiring intentions in all seven when compared with this time one year ago. Japanese and Indian employers anticipate the strongest labor markets in the region, while the weakest hiring activity is expected in Singapore and Australia.

Workforce reductions are forecast for nine of the 10 Americas countries during the July to September period, with employers in the tenth – the United States – anticipating limited job gains. Hiring sentiment weakens in all 10 Americas countries in comparison with both the second quarter of 2020 and third quarter of 2019. With United States employers expecting the strongest hiring pace, the weakest labor markets are forecast in Costa Rica, Colombia and Peru.

Full survey results for each of the 43 countries and territories included in this quarter’s survey, plus regional and global comparisons, can be found at

www.manpowergroup.com/meos

The next ManpowerGroup Employment Outlook Survey will be released on 8th September 2020 and will detail expected labor market activity for the final quarter of 2020.

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

About the 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 ManpowerGroup 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: For Quarter 3 2020, sample sizes are smaller than in previous quarters, reflecting the impact of the global health emergency. The survey is based on interviews with over 34,000 public and private employers across 43 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 Quarter 3 2020 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 September 2020 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 +/- 5.0%.

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 Croatia and Portugal. ManpowerGroup intends to add seasonal adjustments to the data for other countries in the future, as more historical data is compiled.

Additional Information Available

Find complete survey results, including reports for the top 100 Metropolitan Statistical Areas, 50 states, District of Columbia and Puerto Rico on our website at press.manpower.com.

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® and Talent Solutions® – creates substantial value for candidates and clients across more than 75 countries and territories and has done so for over 70 years. We are recognized consistently for our diversity – as a best place to work for Women, Inclusion, Equality and Disability and in 2020 ManpowerGroup was named one of the World's Most Ethical Companies for the eleventh year – all confirming our position as the brand of choice for in-demand talent.

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