

Under Embargo until 12:01am CST, 9th June 2020

## Spanish employers report pessimistic hiring intentions for the third quarter

### ManpowerGroup Employment Outlook Survey

- The survey findings for the third quarter of 2020 are likely to reflect the impact of the global health emergency
- With a Net Employment Outlook of -10%, hiring prospects are the weakest reported in 11 years
- The weakest hiring activity is anticipated in the Restaurants & Hotels sector (26%) while the Outlook for the Finance & Business Services sector is the strongest (-2%)
- Employers in all six regions expect to trim payrolls during the July to September period.
- Globally, the strongest Net Employment Outlooks are reported in Japan, India, the United States, China and Taiwan

**Madrid, 9<sup>th</sup> June 2020** – According to the data from the ManpowerGroup Employment Outlook Survey released today, Spain's third-quarter employment prospects are the weakest reported in 11 years. With 6% of employers anticipating an increase in payrolls, 16% forecasting a decrease and 63% expecting no change, the resulting Net Employment Outlook is -10%. Once the data is adjusted to allow for seasonal variation, the Outlook stands at **-12%**.

The ManpowerGroup Employment Outlook Survey, which was conducted in Spain for the first time in 2003, analyzes the intention of employers worldwide to increase or reduce their workforce quarterly through interviews. For the third quarter, interviewing was carried out during the exceptional circumstances of the COVID-19 outbreak and are likely to reflect the impact of the global health emergency, and may be notably different to previous quarters.

### All six regions expect to trim payrolls

The study carried out by ManpowerGroup divides the country into six regions in order to calculate the Outlook in each of them: Center (Castile-La Mancha and Madrid); East (The Valencian Community and Murcia); North (Aragon, Cantabria, La Rioja, Navarre and the Basque Country); North East (The Balearic Islands and Catalonia); North West (Asturias, Castile and León, and Galicia); and South (Andalusia, The Canary Islands and Extremadura).

The hiring plans in all six regions are the weakest for a number of years. In the South, employers report the weakest forecast since 2010, while the Outlook for the North West is the

weakest since 2012. Hiring prospects in the remaining four regions are the weakest reported since 2013 – the Centre, the East, the North and the North East.

Employers in all six regions expect to trim payrolls during the July to September period. The weakest labor markets are anticipated in three regions with gloomy Net Employment Outlooks of -13% - the Centre, the North West and the South. Elsewhere, employers in the East report dim hiring prospects with an Outlook of -11%, while Outlooks stand at -10% and -9% in the North and the North East, respectively.

## The Finance sector is the strongest one

Hiring sentiment for both the Other Production sector and the Restaurants & Hotels sector are the weakest reported since the survey began 17 years ago. In the Wholesale & Retail Trade sector, employers match the weakest forecast since the survey began, last reported in 1Q 2009. Employers in both the Construction sector and the Manufacturing sector report the weakest hiring plans since 2013, while Outlooks in both the Finance & Business Services sector and the Other Services sector are the weakest since 2014.

In all seven industry sectors, employers expect to trim payrolls during the forthcoming quarter. The weakest hiring activity is anticipated in the Restaurants & Hotels sector, where the Net Employment Outlook is -26%, and in the Wholesale & Retail Trade sector with an Outlook of -25%. Dim hiring prospects are also reflected in Outlooks of -15% and -14%, reported by Other Production sector and Construction sector employers, respectively. Elsewhere, employers report downbeat hiring plans for the Manufacturing sector, where the Outlook stands at -6%. Other Services sector employers anticipate a muted labor market, reporting an Outlook of -4%, while the Outlook for the Finance & Business Services sector is -2%.

## Weakest labor market is anticipated by Micro employers

Employers expect to reduce payrolls in all four organization size categories during the next three months. The weakest labor market is anticipated by Micro employers who report a Net Employment Outlook of -15%, while Outlooks stand at -13% and -12% for Small- and Medium-size employers, respectively. Meanwhile, Large employers expect a muted hiring pace, reporting an Outlook of -4%.

In comparison with the prior quarter, hiring sentiment weakens in all four organization size categories, most notably by 23 percentage points for Medium-size firms. Micro- and Large-size employers both report decreases of 16 percentage points and the Small employer Outlook is 15 percentage points weaker.

## Expected workforce gains in both Germany and Croatia

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. 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.

**Note to Editors:**

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](http://www.manpowergroup.com/meos). The next ManpowerGroup Employment Outlook Survey will be released on 10th September 2020 and will detail expected labor market activity for the fourth quarter of 2020.

**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.

**About ManpowerGroup**

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 80 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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**If you need more information, graphs and data, please contact:**

ManpowerGroup, Communications Department

Alexia Acosta, Tel. + 34 678 75 02 20, [alexia.acosta@manpowergroup.es](mailto:alexia.acosta@manpowergroup.es)



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