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- Press Release -

ManpowerGroup Global Employment Survey

Employers report cautious optimism in respect of hiring plans in the second quarter of 2021

Net Employment Outlook in Israel for the coming quarter stands at +9%

15% of employers in Israel forecast job gains
whereas 67% of employers forecast no change

- Hiring prospects in Israel improve by 2% when compared with the previous quarter, during which the second Coronavirus wave occurred
- The strongest Employment Outlook is expected in the Jerusalem area, with a Net Employment Outlook of +21% when compared with the previous quarter
- The strongest hiring prospects are reported by Finance & Business Services sector with a Net Employment Outlook of +20%
- Medium employers forecast increased payrolls, with an outlook of +18%
- Worldwide, employers in 31 of the 43 countries and territories surveyed by ManpowerGroup forecast a growth in headcounts

Tel Aviv Israel, March 9, 2021

The ManpowerGroup Employment Outlook Survey for Q2 2021 was conducted by interviewing a representative sample of 454 employers in Israel. The participants in the survey were asked "How do you anticipate general employment in your geography to change in the three months (to the end of June 2021) as compared to the current quarter?"

The Israeli employers report mild hiring plans

Israeli employers report cautiously favorable hiring plans for Q2 2021:

15% of employers in Israel expect an increase in payrolls, 6% predict a decrease, while 67% anticipate no change. 12% of employers cannot predict whether there will be a change in payrolls.

Therefore, the Net Employment Outlook stands at +9% net.

The Net Employment Outlook 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.

Impact of the Coronavirus pandemic on the employment market

In order to understand the impacts of the global health crisis on the employment forecasts, 155 employers in Israel were asked several additional questions:

1. *When do you expect to hire at the same level or higher than before COVID-19?*
 - *5 employers responded that they will be returning to their hiring levels within 6 months*
 - *28 employers responded that they are likely to return to their hiring levels by the end of 2021*
 - *10 employers responded that they are likely to return to their hiring levels by the end of 2022*
 - *One employer responded likelihood to return to the hiring levels after the end of 2022*
 - *9 employers responded that they do not know*
 - ***47 employers responded that they had experienced no changes in staffing levels since the outbreak of the Coronavirus pandemic***

2. *Once a Covid-19 vaccine is publicly available in your country, which of the following policies are you most likely to pursue, with regard to your own employees?*
 - *7 responded that all employees will be required to get vaccinated*
 - *2 responded that all employees entering the workplace must be vaccinated, but employees working from home do not have to be vaccinated*
 - *11 responded that they will encourage vaccination by highlighting the benefits but that they will not mandate it*
 - *One employer responded that they do not know*
 - ***79 responded that they have no plans to introduce a fixed policy on employee vaccination – it will be up to the individuals to decide***

3. *Have you increased or decreased the number of employees in each of these categories in response to the Covid-19 pandemic?*

- *63 employers responded that the full-time employee headcount has not changed*
- *51 employers responded that the part-time employee headcount has not changed*
- *2 employers responded that they have increased their contractor worker / consultant headcounts*
- *26 employers responded that the temporary employee headcount has not changed*

4. *Which one of the following represents how the majority of your workforce will work in the next 6-12 months?*

- *11 employers responded that the working format will be to work remotely all/most of the time*
- *27 employers responded that the working format is going to be a mix of remote working and workplace-based working*
- *51 employers responded that the working format will be workplace-based working all/most of the time*
- *3 employers responded that the working format will be flexible/concentrated work hours*
- *2 employers responded that the working format will be flexible clock-in and clock-out hours*
- *6 employers did not know what the working format is going to be*

Employment Outlook by Geography

Employers in five of the six regions forecast increased payrolls in the coming quarter. The strongest hiring prospects are reported in Jerusalem, where the Net Employment Outlook is +18%. Haifa employers also forecast steady job gains, reporting an Outlook of +13%. The Outlook for Tel Aviv, on the other hand, is +8%. Limited workforce gains are expected in the Center and the North, with Outlooks standing at +4% and +2%, respectively. However, employers in the South expect to trim payrolls, reporting an Outlook of -2%.

When compared with the first quarter of 2021, employers in four of the six regions report stronger hiring plans. A sharp improvement of 21 percentage points is reported in Jerusalem, while noteworthy

increases of 5 and 3 percentage points are reported in Haifa and Tel Aviv, respectively. Meanwhile, Outlooks decline by 11 percentage points in the South and by 6 percentage points in the Center.

Hiring sentiment weakens in four of the six regions when compared with this time one year ago, including a considerable decrease of 10 percentage points in the South. Elsewhere, Outlooks decline by 6 and 3 percentage points in the North and the Center, respectively. However, hiring prospects improve by 16 percentage points in Jerusalem and by 7 percentage points in Haifa.

Net Employment Outlook by Sector

Employers in five of the seven industry sectors forecast job gains in the coming quarter. The strongest hiring prospects are reported by Finance & Business Services sector employers with a Net Employment Outlook of +20%. Steady job gains are also forecast for the Construction sector with an outlook of +15%, and in the Wholesale & Retail Trade sector, where the outlook is +11%. Modest hiring activity is expected by Manufacturing sector employers who report an Outlook of +8%, while the Outlook for the Other Services sector stands at +3%. Meanwhile, uncertain Outlooks of -1% are reported for the Other Production sector and the Restaurants & Hotels sector.

Hiring sentiment strengthens in four of the seven industry sectors when compared with the previous quarter. Finance & Business Services sector employers report the most noteworthy increase of 18 percentage points. Outlooks are 8 percentage points stronger in two sectors – the Manufacturing sector and the Wholesale & Retail Trade sector. However, hiring prospects weaken in three sectors, including declines of 20 and 4 percentage points for the Restaurants & Hotels sector and the Other Production sector, respectively.

In a comparison with this time one year ago, hiring plans strengthen in three of the seven industry sectors, including an increase of 16 percentage points for the Finance & Business Services sector. Elsewhere, Outlooks are 5 and 2 percentage points stronger in the Wholesale & Retail Trade sector and the Manufacturing sector, respectively. However, hiring prospects also weaken in three sectors. Restaurants & Hotels sector employers report a considerable decline of 15 percentage points and Outlooks decrease by 6 percentage points in both the Other Production sector and the Other Services sector.

Employment Outlooks by Organization-Size Comparisons

Large, medium and small employers forecast a growth in headcounts in the coming quarter The strongest labor market is expected by Medium employers who report a Net Employment Outlook of +18%, while Outlooks stand at +15% and +5% for Large- and Small-size firms, respectively. However, Micro employers report an uncertain Outlook of -1%.

Hiring prospects improve by 19 percentage points for Large employers when compared with the previous quarter, and are 9 percentage points stronger in the Medium size category. Meanwhile, Micro employers report no change, but the Outlook for Small firms declines by 2 percentage points.

In a comparison with last year at this time, hiring plans strengthen by 9 and 3 percentage points for Medium- and Large-size employers, respectively. However, Outlooks decrease by 3 percentage points in both the Small- and Micro-size categories.

The ManpowerGroup Employment Outlook Survey has been conducted quarterly for over 55 years to measure employers' intentions to increase or decrease their payrolls during the next quarter. The survey was conducted during this extraordinary period of the Coronavirus pandemic. The survey findings for the second quarter of 2021 reflect the impact of the global health emergency.

Global Employment Outlook

ManpowerGroup interviewed over 42,000 employers in 43 countries and territories on hiring prospects* in the second quarter of 2021.

Employers expect to add to payrolls in 31 of the 43 countries and territories surveyed by ManpowerGroup for the second quarter of 2021. In 10 countries and territories, employers anticipate a decrease in payrolls, while no change is expected in two.

When compared with the previous quarter, hiring intentions strengthen in 24 countries and territories, while weakening in 16, with no change reported in three. In a comparison with the same period 12 months ago, hiring plans weaken in 32 countries and territories, while improving in seven and remaining unchanged in four. For the second quarter of 2021, the strongest labor markets are forecast in Taiwan, the U.S., Australia and Singapore, while employers in Panama, the UK and South Africa anticipate the weakest hiring activity.

In the Europe, Middle East & Africa (EMEA) region, workforce gains are expected during the next three months for 18 of the 26 countries surveyed. Employers in six countries report intentions to trim payrolls and flat hiring prospects are reported for two. Hiring plans strengthen in 16 EMEA countries when compared with the previous quarter, but weaken in 20 in a comparison with the same period last year. The strongest labor markets in the coming quarter are anticipated by employers in Croatia, Romania and Turkey, while employers in South Africa and the UK expect the weakest hiring activity.

An increase in payrolls is expected in five of the seven Asia Pacific countries and territories in April to June 2021, while employers in two expect to trim payrolls. Hiring sentiment strengthens in four countries and territories quarter-over-quarter, but weakens in four when compared with the second quarter of 2020. The strongest hiring pace in the coming quarter is forecast for Taiwan, with employers in both Australia and Singapore reporting upbeat hiring plans. However, employers in both Hong Kong and Japan expect to trim payrolls.



Employee onboarding is expected in eight of the 10 Americas countries during the second quarter of 2021, while employers in two expect to trim payrolls. Hiring prospects in the region strengthen in four countries when compared with the previous quarter, but weaken in six, and Outlooks decline in eight Americas countries when compared with this time one year ago. U.S. employers report the strongest hiring prospects in the region, with encouraging signs for job seekers reported in Brazil and Canada. However, employers in Panama and Peru expect to trim payrolls.

To view complete results for the ManpowerGroup Employment Outlook Survey, visit: www.manpowergroup.com/meos. The next survey will be released June 8, 2021 and will report hiring expectations for Q3 2021.

* Commentary is based on seasonally adjusted data where available. There is no seasonal adjustment for the data in Croatia or Portugal.

ABOUT

ManpowerGroup® (NYSE: [MAN](http://www.manpowergroup.com)), 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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