

Press Release

ManpowerGroup Employment Outlook Survey Q4 2019:

Portuguese labor market expected to remain strong during the last three months of the year, resulting in the 14th consecutive quarter of growth

- The Net Employment Outlook¹ for Q4 in Portugal is +10%, a 2 percentage points increase over the fourth quarter of 2018.
- In the last three months of this year, Large Companies and the Finance, Insurance, Real Estate and Business Services sector are once again those with the strongest labor market forecasts.

Lisbon, September 10, 2019 - After a summer period marked by a very dynamic labor market, Portuguese employers continue to show strong hiring intentions for the last quarter of 2019. According to data from the latest ManpowerGroup Employment Outlook Survey, the Net Employment Outlook is +10%, rising by 2 percentage points when compared to the same period of 2018.

ManpowerGroup's quarterly research evaluates the hiring intentions of over 59,000 employers worldwide, 625 of them in Portugal. All participants were asked: "How do you anticipate total employment at your location to change in the three months to the end of December 2019 as compared to the current quarter?" For the last quarter of this year, 14% of employers said they are planning to increase headcount, 4% anticipate a decrease in hiring and 80% forecast no changes.

"Following high demand in the summer period, we confirm that the labor market in Portugal remains strong, with most sectors projecting to increase payrolls in the last quarter of 2019," says Raúl Grijalba, Mediterranean Regional Managing Director of ManpowerGroup. "These projections, together with the low unemployment rate, reinforce the talent shortage challenge in Portugal. In this context, it is critical that companies focus on innovative approaches for talent attraction and retention, offering a value proposition based on disruptive technology and reinforced by the differential value of personal interactions in order to be able to connect with an increasingly challenging and diverse candidate."

Payrolls are expected to increase in eight of nine industry sectors during the forthcoming quarter, although employers in the Manufacturing sector expect to trim payrolls. As in the previous period, the Finance, Insurance, Real Estate and Business Services sector reports the strongest hiring intentions for Q4 2019 with a Net Employment Outlook of +20%, a 10-percentage point increase compared to the same period in 2018.

¹ Net Employment Outlook is derived by taking the percentage of employers anticipating total employment to increase and subtracting from this the percentage expecting to see a decrease in employment at their location in the next quarter

Increased hiring activity is also expected in the Construction sector, with an upbeat Outlook of +16%. The Public sector and the Restaurant & Hotels sector also forecast an increase in their workforces, with Outlooks of +14% and +13%, respectively. Compared to the same period in 2018, these three sectors are growing moderately, with increases of 14 percentage points in Construction, 7 percentage points in Public & Social and 17 percentage points in Restaurants & Hotels.

Conversely, the weakest of forecasts for the coming quarter stands at -2% in the Manufacturing sector. Declining by 4 and 9 percentage points from 3Q 2019 and 4Q 2018, respectively, the Outlook is the weakest since the survey began in 2016. The Transport, Logistics and Communications sector also reports declining hiring plans with a decrease of 14 percentage points compared to the previous quarter and a drop of 10 percentage points compared to the last three months of 2018.

Employers in the Center continue to be most willing to hire

Job gains are anticipated in all five regions during the October to December period. Greater Porto and the Center forecast the largest increases, both with a Net Employment Outlook of +13%, while in the North and Greater Lisbon the Outlook stands at +11% and +10%, respectively. Hiring is predicted be slower in the South, where the forecast is at +2%, a decline of 8 percentage points when compared to the third quarter of 2019, but 5 percentage points higher than the forecast for the same period in 2018.

Compared with this time one year ago, hiring intentions are stronger in the Center, South and Greater Lisbon, while they remain relatively flat in Greater Porto. Only in the Northern region do we see a slight contraction, decreasing by 3 percentage points compared to Q4 2018.

Hiring intentions increase in all company size categories

When analyzing by organization size, the Survey results show that all four categories report positive hiring intentions. Large companies forecast the most significant job gains, with a Net Employment Outlook of +22%, although this is a decrease of 9 percentage points when compared with the same period last year. Medium size companies also report an increase in hiring prospects, with an Outlook of +16%, a 7 percentage points increase over the fourth quarter of 2018.

Outlooks stand at +7% and +3% by employers in Small and Micro Businesses, respectively.

Companies from 43 participating countries project workforce gains

The ManpowerGroup Employment Outlook survey for the fourth quarter of 2019 shows that the labor market is expected to remain moderately active, reflecting the current global economic outlook. Hiring intentions are positive in 43 of the 44 countries surveyed. Compared to July-September, hiring intentions are stronger in 15 countries, weaker in 23 and remain unchanged on six others. Fourth quarter hiring prospects are strongest in Japan, Taiwan, the US, India and Greece, while employers in Spain, the Czech Republic, Switzerland, Argentina and Costa Rica are the least optimistic.

Complete results for the ManpowerGroup Employment Outlook Survey are available for download at www.manpowergroup.com/MEOS. The Q1 2020 survey will be released December 10, 2019.

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About the Survey

The Manpower Employment Outlook Survey is the longest-running, most extensive, forward-looking employment survey in the world, commencing in 1962 and now polling over 59,000 employers in 44 countries and territories to measure their intentions to increase or decrease the number of employees in their workforce during the next quarter. The survey serves as a bellwether of labor market trends and activities and is regularly used as data source for the European Commission, informing its EU Employment Situation and Social Outlook report the *Monthly Monitor*. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine the health of labor markets.

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 over 70 years. In 2019, ManpowerGroup was named one of the World's Most Ethical Companies for the tenth year and one of Fortune's Most Admired Companies for the seventeenth year, 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

About ManpowerGroup Portugal

ManpowerGroup® started its activity in Portugal in 1962, through a franchising. In 2008, ManpowerGroup acquired the franchising, which led to the reorganization of the company and the brand, renovating its presence in Portugal.