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Press Release

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ManpowerGroup Employment Outlook Survey: Sustained optimistic third-quarter forecast for Austria's labor market

- Employers in six of 10 industry sectors and all nine regions forecast job gains;
- Outlooks strengthen in five sectors but weaken in six regions compared to Q2 2019;
- Hiring intentions decline in six sectors and five regions in a year-on-year comparison.

Vienna, 11 June 2019: Austria's employers report modest hiring intentions for the third quarter of 2019. According to the latest ManpowerGroup Employment Outlook Survey, for which 754 employers in Austria were surveyed, the Net Employment Outlook when adjusted for seasonal variations for June to September 2019 stands at +3%. Six percent of employers are planning to hire new staff in the third quarter of the year, 92% plan to maintain the same staffing levels, and 1% expect to make reductions, while 3% are undecided. Hiring intentions remain relatively stable when compared with the previous quarter, but decline four percentage points compared to the same timeframe last year.

"Austrian employers continue to anticipate a soft labor market following the previous quarter results, which is due to the stability of the country's economy, with positive consumer spending and investment. Simultaneously, the survey results also reflect the difficulties companies are facing in finding the right set of skills for their business activities, aligning with the economic slowdown forecasted for 2019," says Andrea Pazzona, ManpowerGroup Austria Managing Director.

"We are in the midst of a period of transformation and technological advances that enable new business models, which in turn have stimulated the economy and the growth of employment in the consumer market but simultaneously created adjustment challenges for manufacturing. This forecast has to be analyzed at two levels: by companies that want to develop a workforce that requires new skills and by people who are ambitious to progress in their professional careers," adds Pazzona.

Wholesale & Retail Trade sector reports strongest hiring intentions

Employers in six of 10 industry sectors and all nine regions forecast job gains during the July-September period. In a quarter-over-quarter comparison, Outlooks strengthen in five sectors but weaken in six regions. When compared with 3Q 2018, hiring intentions decline in six sectors and five regions. The strongest of Austria's 10 industry sector Outlooks stands at +9% in the Wholesale & Retail Trade sector, improving by 3 percentage points when compared with the previous quarter, but declining by 4 percentage points year-over-year.



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“This new reality requires a constant skills adaptation and increases the difficulties for companies to find the right talent for certain roles. We are facing a skills revolution, and on one hand, companies have a key role to play in ensuring that they can attract the talent they need. On the other hand, they also need to ensure that people have the tools needed to improve their skills and are able to adapt to an increasingly competitive and more digital world of work,” says Pazzona.

Compared to the previous quarter, a noteworthy increase of 8 percentage points is reported for the Transport, Storage & Communications sector, while Outlooks are 5 and 4 percentage points stronger in the Public & Social sector and the Electricity, Gas & Water sector, respectively. Meanwhile, hiring plans weaken in four sectors. Construction sector employers report a moderate decrease of 6 percentage points, while Outlooks are 4 percentage points weaker in both the Agriculture, Hunting, Forestry & Fishing sector and the Manufacturing sector.

When compared with this time one year ago, considerable decreases of 12 percentage points are reported in both the Manufacturing sector and the Mining & Quarrying sector. Elsewhere, the Electricity, Gas & Water sector Outlook declines by 8 percentage points while Agriculture, Hunting, Forestry & Fishing sector employers report a decrease of 7 percentage points. However, Outlooks are stronger in three sectors, most notably the Public & Social sector, with an improvement of 3 percentage points.

Regional Comparisons: Tirol, Steiermark and Vorarlberg have strongest outlooks

Employers in all nine regions expect to add to payrolls in the upcoming quarter. The strongest hiring pace is forecast in Tirol, with a Net Employment Outlook of +7%, and moderate workforce gains are also anticipated in two regions with Outlooks of +6% — Steiermark and Vorarlberg. Elsewhere, Salzburg employers expect a slight increase in staffing levels, reporting an Outlook of +4%, and Outlooks of +3% are reported in both Oberosterreich and Vienna. Meanwhile, the weakest labor markets are forecast in Burgenland and Niederosterreich, with Outlooks of +1%.

When compared with the previous quarter, hiring intentions decline by 4 percentage points in both Karnten and Oberosterreich, while employers in three regions report decreases of 2 percentage points — Burgenland, Salzburg and Vorarlberg. Elsewhere, Outlooks remain relatively stable.

In a comparison with the third quarter of 2018, hiring plans are considerably weaker in two regions, with decreases of 19 and 11 percentage points reported for Karnten and Oberosterreich, respectively. The Vorarlberg Outlook is 5 percentage points weaker, while Niederosterreich employers report a decline of 3 percentage points. However, Steiermark employers report a year-over-year improvement of 6 percentage points.

Staff increases expected among all company sizes

Participating employers are categorized into one of four organization sizes: Micro businesses have less than 10 employees; Small businesses have 10-49 employees; Medium businesses have 50-249 employees; and Large businesses have 250 or more employees.



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Workforce gains are anticipated in all four organization size categories during the forthcoming quarter. Large employers report healthy hiring intentions with a Net Employment Outlook of +27%, while a steady increase in payrolls is forecast by Medium employers who report an Outlook of +14%. Meanwhile, Micro- and Small-size employers expect limited hiring activity, reporting Outlooks of +3% and +1%, respectively.

In comparison with the previous quarter, hiring plans decline by 3 percentage points for Large-, Medium- and Small-size employers, but remain relatively stable for Micro firms.

Small employers report a considerable decline of 12 percentage points when compared with this time one year ago, and the Outlook for Large employers decreases by 8 percentage points. Elsewhere, Micro employers report no change and the Outlook for Medium employers remains relatively stable

Global Outlook

Employers in 18 of 44 countries and territories report stronger hiring prospects, while employers in 18 report weaker hiring plans and no change is anticipated in eight. In a comparison with the same period last year, hiring intentions strengthen in 12 countries and territories, but weaken in 26 and are unchanged in six. The strongest hiring sentiment is reported in Japan, Croatia, Taiwan, the U.S., Greece and Slovenia, while the weakest hiring prospects are reported for Hungary, Argentina, Italy and Spain.

Payroll gains are anticipated by employers in 25 of 26 Europe, Middle East & Africa (EMEA) region countries surveyed during the next three months, while employers in Hungary expect to trim payrolls. When compared with the second quarter of 2019, hiring prospects improve in five countries but weaken in 14. In a comparison with the third quarter of 2018, Outlooks also strengthen in five countries, but decline in 17. The strongest hiring expectations for the coming quarter are reported in Croatia, Greece and Slovenia, while employers in Hungary, Italy and Spain report the weakest hiring plans.

You can find more detailed results from the Manpower Employment Outlook Survey for all participating countries including infographics here:

<https://www.manpowergroup.com/workforce-insights/data-driven-workforce-insights/manpowergroup-employment-outlook-survey-results>

About the survey

The ManpowerGroup Employment Outlook Survey is the longest-running, most extensive, forward-looking employment survey in the world, commencing in 1962 and now polling nearly 60,000 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. For the ManpowerGroup Employment Outlook on the 2nd quarter of 2019, 754 employers in Austria were interviewed by telephone and asked the following question, “In the 3rd quarter of 2019, do you expect the number of staff in your company to increase, decrease or remain the same compared to the first quarter of 2019?”



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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.

ManpowerGroup Austria

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