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Press Release

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ManpowerGroup Employment Outlook Survey for Q2/2017: Austrian employers expect hiring pace to remain modest. Strongest labor markets in years reported by employers in several regions

According to the latest ManpowerGroup Employment Outlook, Austrian employers report encouraging signs for job seekers in the forthcoming quarter. Of the 752 employers interviewed, 12% forecast an increase in staffing levels, 5% anticipate a decrease and 81% expect no change.

Once the data is adjusted to allow for seasonal variation, the Outlook stands at +5%. Hiring prospects decline by 2 percentage points when compared with the previous quarter but are 4 percentage points stronger when compared with 2Q 2016.

„The ongoing positive hiring plans reported by Austrian employers are very important for the Austrian labor market. What makes me optimistic are the strongest labor markets in years reported by employers in several regions: In Kärnten, the strongest outlook in 10 years is anticipated during the coming quarter. Oberösterreich employers forecast the strongest hiring pace in more than eight years and Styrian Job seekers can expect the strongest labor market in seven years during the next three months“, explains Erich Pichorner, Managing Director ManpowerGroup Austria.

The results of MEOS Q2/2017 in a nutshell:

- Austrian employers anticipate some payroll gains in the second quarter of 2017, reporting a seasonally adjusted Net Employment Outlook of +5%. Hiring intentions decline by 2 percentage points when compared with the previous quarter but are 4 percentage points stronger year-over-year.
- Staffing levels are expected to grow in nine of 10 industry sectors and eight of nine regions during the next three months. Hiring prospects are stronger in six sectors and five regions when compared with 1Q 2017, and improve in six sectors and six regions year-over-year.
- The strongest of the 10 industry sector Outlooks stands at +9% in the Manufacturing sector. Employers in the sector report a decline of 4 percentage points quarter-over-quarter but the Outlook is 5 percentage points stronger when compared with 2Q 2016.
- Restaurants & Hotels sector employers expect the fewest hiring opportunities across the 10 sectors, reporting uncertain hiring intentions with an Outlook of -1%. However, hiring



prospects remain relatively stable quarter-over-quarter and improve by 12 percentage points year-over-year.

- When Austria's regions are compared, the most optimistic hiring plans are reported in two regions with Outlooks of +15%:
 - Oberösterreich employers report the strongest hiring intentions in more than eight years, improving by 9 and 14 percentage points from 1Q 2017 and 2Q 2016, respectively.
 - The Steiermark Outlook is the strongest reported in seven years, increasing by 19 and 12 percentage points quarter-over-quarter and year-over-year, respectively.
- Tirol employers report the weakest of the nine regional forecasts. Standing at -1%, the Outlook declines by 11 and 12 percentage points from 1Q 2017 and 2Q 2016, respectively.
- Job gains are anticipated in all four organization size categories during 2Q 2017 with Large employers reporting the strongest Outlook of +27%. The most cautious Outlook of +5% is reported by Small employers.

Regional Comparisons: Strongest labor markets in years reported in Oberösterreich, Steiermark and Kärnten

Employers in eight of the nine regions forecast an increase in staffing levels during 2Q 2017. The strongest labor markets are anticipated in Oberösterreich and Steiermark, where Net Employment Outlooks stand at +15%. Kärnten employers also expect a steady hiring pace, reporting an Outlook of +12%, while the Outlook for Vorarlberg is +7%. Elsewhere, some job gains are expected in two regions with Outlooks of +6% – Burgenland and Vienna. However, employers in Tirol report uncertain hiring intentions with an Outlook of -1%.

Quarter-over-quarter, hiring prospects strengthen in five of the nine regions. A steep increase of 27 percentage points is reported in Kärnten, while Outlooks are 19 and 9 percentage points stronger in Steiermark and Oberösterreich, respectively. Meanwhile, hiring intentions weaken in three regions. Tirol employers report a considerable decline of 11 percentage points while decreases of 9 and 8 percentage points are reported in Vorarlberg and Salzburg, respectively.

Employers in six of the nine regions report stronger hiring plans when compared with 2Q 2016. The most noteworthy improvements of 14 percentage points are reported in both Kärnten and Oberösterreich. However, Outlooks weaken in two regions, most notably by 12 percentage points in Tirol.

Industry sector comparisons: Employers in 9 of 10 industry sectors anticipate an increase in staffing levels during 2Q 2017

Employers in nine of the 10 industry sectors expect to increase staffing levels during 2Q 2017. The strongest labor market is anticipated in the Manufacturing sector where the Net Employment Outlook is +9%. Employers also report encouraging signs for job seekers in the Public & Social sector with an Outlook of +7%, and the Construction sector, where the Outlook stands at +6%. Wholesale & Retail Trade sector employers report a conservative



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Outlook of +5%, while Outlooks of +4% are reported in the Electricity, Gas & Water sector, the Finance, Insurance, Real Estate & Business Services sector and the Mining & Quarrying sector. However, Restaurants & Hotels sector employers forecast an uncertain hiring climate with an Outlook of -1%.

Hiring prospects strengthen in six of the 10 industry sectors when compared with the previous quarter. Mining & Quarrying sector employers report the most noteworthy improvement of 10 percentage points, while Outlooks are 5 and 4 percentage points stronger in the Public & Social sector and the Wholesale & Retail Trade sector, respectively. Elsewhere, Outlooks weaken in four sectors. Agriculture, Hunting, Forestry & Fishing sector employers report a considerable decrease of 16 percentage points while Outlooks decline by 4 percentage points in both the Finance, Insurance, Real Estate & Business Services sector and the Manufacturing sector.

When compared with 2Q 2016, employers in six of the 10 industry sectors report stronger hiring intentions. The Outlook for the Restaurants & Hotels sector improves by 12 percentage points, while increases of 5 percentage points are reported in four sectors – the Construction sector, the Manufacturing sector, the Public & Social sector and the Transport, Storage & Communication sector. Meanwhile, hiring prospects weaken in three sectors, most notably by 9 and 5 percentage points in the Electricity, Gas & Water sector and the Mining & Quarrying sector, respectively.

Organization-Size Comparisons: Large employers expect strongest labor market with an solid Net Employment Outlook of +27%

Staffing levels are expected to increase in all four organization size categories during 2Q 2017. The strongest labor market is anticipated by Large employers who report a solid Net Employment Outlook of +27%. Elsewhere, Outlooks for Medium- and Micro-size employers stand at +6%, while the Outlook for Small firms is +5%.

Large employers report a 5 percentage point improvement when compared with the previous quarter, but the Outlook for Medium employers declines by 3 percentage points. Micro employers report relatively stable hiring plans while Small employers report no change.

Year-over-year, Large employers report a considerable improvement of 16 percentage points and Outlooks are 6 and 3 percentage points stronger for Micro- and Small-size employers, respectively. Meanwhile, Medium employers report relatively stable hiring prospects.

*[*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.]*

Global Outlook: Employers in 39 of 43 countries report positive hiring activities for Q2 2017

Globally, employers expect an increase in employment levels in 39 of the 43 countries and territories during the April-June period. The strongest hiring prospects are reported in



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Taiwan, Japan and Slovenia. Positive hiring intentions also are reported from India, Hungary and the US, while the weakest hiring prospects are reported in Brazil, Italy, Belgium and Switzerland.

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About the ManpowerGroup Employment Outlook 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 50 years and is one of the most trusted surveys of employment activity in the world.

The survey is based on interviews with over 58,000 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.

The ManpowerGroup Employment Outlook Survey for the second quarter 2017 in Austria was conducted by interviewing a representative sample of 752 Austrian employers. All survey participants were asked, *"How do you anticipate total employment at your location to change in the three months to the end of June 2017 as compared to the current quarter?"*

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.

Note to Editors

Commentary is based on seasonally adjusted data where available.

About ManpowerGroup

ManpowerGroup® (NYSE: MAN) is the world's workforce expert, creating innovative workforce solutions for nearly 70 years. As workforce experts, we connect more than 600,000 people to meaningful work across a wide range of skills and industries every day. Through our ManpowerGroup family of brands – Manpower®, Experis®, Right Management® and ManpowerGroup® Solutions – we help more than 400,000 clients in 80 countries and territories address their critical talent needs, providing comprehensive solutions to resource, manage and develop talent. In 2016, ManpowerGroup was named one of the World's Most Ethical Companies for the sixth consecutive year and one of Fortune's Most Admired Companies, confirming our position as the most trusted and admired brand in the industry. See how ManpowerGroup makes powering the world of work humanly possible: www.manpowergroup.com

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.