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ManpowerGroup Employment Outlook Survey: Employers in all German industry sectors plan to hire new staff in the first quarter of 2017

- Finance and Public sector employers report strongest hiring plans
- Employment Outlook in Berlin increases from +1% to +11%

Eschborn, 13th December 2016 – Employers will begin the new year optimistically. The hiring confidence on the German labor market in the first quarter of 2017 is expected to be strong for employers in all industries. Nine percent plan to hire new staff in the first three months of the new year. Despite the 3 percentage point fall compared to the fourth quarter of 2016, this is still a good result for the beginning of the year and was last achieved back in 2013. The seasonally adjusted Net Employment Outlook for the first quarter of 2017 has reached a result of +7%. Although this is 1 percentage point less than in the strong fourth quarter of 2016, it is still 4 percentage points more than the previous year. In the first quarter of 2016, the result was +3%. “The mood remains positive on the German and European labor markets. More companies across all industries are planning to increase rather than reduce their staff levels,” says Herwarth Brune, CEO of ManpowerGroup Germany. From a regional perspective, a high demand for staff is expected particularly among employers based in Berlin and Munich. These are the results of the ManpowerGroup Employment Outlook Survey for the first quarter of 2017, for which 1,001 employers in Germany were surveyed.

+++ You can find the results of the study in a compact format as a video and infographics [here](#) +++

The seasonally-adjusted Net Employment Outlook is positive for the first quarter of 2017 in all nine of the surveyed industry sectors. This means that more employers are planning to increase rather than reduce staff levels. At 94%, the overwhelming majority of German employers plan to maintain or even expand their current workforces. While 9% plan to hire new staff, 5% expect to make redundancies. 85% plan to keep the same number of staff.

As with the previous quarters, the most optimistic hiring intentions are reported in the Finance sector, where the seasonally-adjusted Employment Outlook stands at +11%. Despite a 2 percentage point decrease compared to the previous quarter, the outlook for banks, insurance companies and financial service companies is relatively stable with the forecast reported last year at this time. As many as 15% of employers plan to hire new staff at the beginning of 2017, which is the highest proportion among all industries. The public sector’s first-quarter outlook is almost as positive: The Employment Outlook here has risen by 1 percentage point to +10% and is the strongest forecast reported since the end of 2011.



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The strongest developments can be found in the Logistics and Communications industries. The Employment Outlook increased from +1% in the fourth quarter of 2016 to +7% in the first quarter of 2017. A comparison to the first quarter of 2016 also reveals an increase of 8 percentage points.

By contrast, employers in the Electricity, Gas and Water industries are expecting the biggest setback. The Employment Outlook fell here by 10 percentage points to a current level of +3%. Overall, the weakest performance comes from the Wholesale and Retail industry, where the first-quarter forecast stands at a cautious +1%.

Capital city outperforms the financial center

From a regional perspective, the Employment Outlooks in both Berlin and Munich (both +11%) are the strongest. Employer confidence in Frankfurt am Main is nearly as strong (+10%).

“Berlin is benefitting from the enormous dynamism in the digitization sector. Innovative companies and startups are flourishing in the capital, which has already surpassed London when it comes to the amount of investment. Many startups have now developed into stable companies that are growing and hiring new staff,” said Brune. “Additionally, the unemployment rate fell to 9.2% in Berlin in October, which is the lowest figure for 25 years.”

In Germany as a whole, it is still the medium-sized and large companies that plan to hire most new staff. 24% of large companies and 17% of medium-sized companies plan to increase their staff levels. The 2016 trend of mostly large employers planning to hire new staff has weakened. The Employment Outlook for large companies has fallen from +26% in the fourth quarter of 2016 to +17% in the first quarter of 2017. A slight decline can also be detected among medium-sized companies.

International: EMEA labor market forecasts are mostly positive – Hungary and Slovenian hiring plans are particularly strong

For the most part, the mood in Europe is positive. In 22 of 24 surveyed countries in the region of Europe, Middle East and Africa (EMEA), employers are planning to hire more staff rather than make redundancies.

Employers in Hungary and Slovenia have a particularly positive outlook for the first three months of the year. In these two countries, the Employment Outlooks are the strongest in the EMEA region at +17%. Both countries have reported their most optimistic results since the surveys began in the respective countries. Romanian employers are also upbeat, and the first-quarter outlook of +15% represents an improvement of 3 percentage points compared to the fourth quarter of 2016.

Other notable quarter-over-quarter improvements include Belgium (+6%, increase of 5 percentage points) and Austria (+7%, increase of 4 percentage points). Great Britain's outlook has improved 2 percentage points in the first quarter of 2017 to stand at +7% amid little evidence that the Brexit vote has noticeably impacted employer hiring confidence.



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Switzerland, however, has dropped 3 percentage points to fall to -2%, thereby reporting an equally poor result to that recorded at the beginning of 2015. Italy is the second country where employers' outlook to 2017 is not so positive. The Employment Outlook there is +/-0%. This means that the hiring pace is expected to be flat and that a similar percentage of employers plan to hire new staff as make redundancies. A year ago and in the fourth quarter of 2016, this figure was slightly stronger at +1%.

You can find more detailed results from the ManpowerGroup Employment Outlook Survey for all participating countries including infographics [here](#).

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 59,000 employers in 43 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 to inform the Bank of England's Inflation Reports, as well as a regular 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) has been the world's workforce expert, creating innovative workforce solutions, for nearly 70 years. As workforce experts, we connect more than 600,000 men and women 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