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- Press Release -

ManpowerGroup Global Employment Survey

Global The employers report limited employee hiring plans for Q1 2021

Net Employment Outlook in Israel for the coming quarter stands at +3%

Only 10% of employers in Israel forecast job gains

whereas 71% of employers forecast no change

- Hiring prospects in Israel improve by 4% when compared with the previous quarter, during which the second Coronavirus wave occurred, but weaken by 3% year-over-year
- 50% of those surveyed in Israel responded that they expected to return to the pre-COVID-19 employment levels within one year
- The strongest Employment Outlook is expected in the center, with a Net Employment Outlook of +10%

Tel Aviv, Israel, (December 8, 2020) -

The ManpowerGroup Employment Outlook Survey for Q1 2021 was conducted by interviewing a representative sample of 419 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 March 2021) as compared to the current quarter?"

The Israeli employers report limited hiring plans

Ahead of Q1 2021, the Israeli employers report limited hiring intentions recruitment plans. 10% of employers in Israel expect an increase in payrolls, 7% predict a decrease, while 71% anticipate no change.

Therefore, the Net Employment Outlook stands at +3%.

The Net Employment Outlook is derived by taking the percentage of employers forecastating 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, 333 employers in Israel were asked two additional questions dealing directly with this issue:

1. What will the staffing level be by the end of March 2021

10% of those surveyed expected that there would be a growth in staffing levels by the end of March 2021

8% of those surveyed expected that there would be a decrease in staffing levels by the end of March 2021

72% of those surveyed expected that there would be no change in staffing levels by the end of March 2021

9% of those surveyed were unable to forecast the staffing levels by the end of March 2021

2. When do you think employment levels will return to the levels that preceded the Coronavirus pandemic?

10% of those surveyed responded that employment levels would return to their pre-Coronavirus levels within three months

11% of those surveyed responded that employment levels would return to their pre-Coronavirus levels within 4-9 months

12% of those surveyed responded that employment levels would return to their pre-Coronavirus levels in the course of the year

30% of those surveyed responded that employment levels would never return to their pre-Coronavirus levels

28% of those surveyed were unable to answer when employment levels in their organization would return to their pre-Coronavirus levels

Employment Outlook by Geography

Employers in four of the six regions forecast increased payrolls in the next three months. The strongest job market is expected in the center, with a Net Employment Outlook of +10%. Cautious optimism is also reported in hiring intentions in the south, with an outlook of +9%, whereas in Tel Aviv and in Haifa the outlook stands at +6% and +4% respectively. At the same time, employers in the north forecast stagnation in recruitment activity with an outlook of 0%, however employers in Jerusalem forecast trim payrolls, with an outlook of -3%.

When compared with the previous quarter, hiring intentions strengthen in four of the six regions. The improvements of 14 and 13 percentage points reported in the south and center, respectively, are especially noteworthy, and the outlook for Tel Aviv strengthens by 10 percentage points. Conversely, employers in the north report a significant decrease of 10 percentage points.

Compared to last year at this time, the outlook improves slightly in three of the six regions, including an increase of 3 percentage points in the center and in Haifa. At the same time, hiring intentions weaken in three geographies, and weaken particularly severely by 14 percentage points in Jerusalem and 8 percentage points in the north.

Net Employment Outlook by Sector

Employers in six of the seven industry sectors forecast job gains in the coming quarter. The strongest hiring intentions were reported in the Restaurants & Hotels sector, with a Net Employment Outlook of +19%. Employers in the construction industry also forecast steady growth in the number of workplaces, with an outlook of 11%, whereas the outlook in the Other Services sector and in the Other Production sector, is +4% and +3%, respectively. At the same time, weak labor markets are forecast in two sectors with an outlook of +2% in the Finance & Business Services sector and in the Wholesale & Retail Trade sector. Employers in the industry-based Manufacturing sector, on the other hand, forecast trim payrolls with an outlook of -3%.

Quarter-over-quarter, employers report an improvement in hiring intentions in five of the seven industry sectors, with the most significant improvement being in the Restaurants and Hotels sector, with a sharp increase of 41 percentage points. The most outstanding improvements, of 6 and 4 percentage points, are reported in the Other Production sector and in the Other Services sector, respectively. At the same time, there is no change in the hiring outlook in the Finance & Business Services sector, and the outlook weakens by 6 percentage points in the construction sector.

Year-over-year, employers in five of the seven industry sectors report weaker hiring plans. The outlook weakens by 6 percentage points in two sectors - the Finance & Business Services sector and the Industry-Based Manufacturing sector. In the Wholesale & Retail Trade sector and in the Other Services sector, the outlook weakens by 5 and 4 percentage points respectively. At the same time, employers in the Restaurants and Hotels sector report an improvement of 7 percentage points.

Employment Outlooks by Organization-Size Comparisons

Medium and small employers forecast an increase in the headcount in the coming three months, with an Net Employment Outlook of +8% and +7%, respectively. Large employers, on the other hand, forecast trim payrolls, with an outlook of -4% and the outlook for micro businesses is -1%.

Small employers hiring intentions strengthen by 14 percentage points when compared with the previous quarter, and the outlook for large companies increases by 4 percentage points. Hiring intentions in Micro businesses remain relatively stable and hiring intentions in the medium businesses category remain unchanged.

Large employers are reporting a sharp drop of 23 percentage points year-over-year, and Micro employers are reporting a slight decrease of 3 percentage points. At the same time, hiring intentions of medium employers remain unchanged and improve by 3 percentage points in the small employers category.

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 coinciding with the outbreak of the Coronavirus pandemic. It is safe to assume that the findings from the survey for Q1 2021 will reflect the impacts of the global health crisis. They may be considerably different than previous quarters.

Global Employment Outlook

Quarter-over-quarter, hiring intentions strengthen in 32 countries and territories, weaken in six countries and remain unchanged in five. Employers in 33 countries and territories report weaker hiring intentions compared to this time last year, while in six countries and territories the outlook strengthens and in four it remains unchanged. The survey findings indicate that the most robust hiring activity in the coming three months are expected in Taiwan, the United States, Singapore, Australia and Brazil. The weakest labor markets are expected in Panama, the United Kingdom, Switzerland, Austria and Hong Kong.

Employers in 19 of the 26 countries which took part in the survey in Europe, the Middle East and Africa (EMEA) forecast job gains in the next quarter, while in five countries a decrease in headcount is expected and stagnation in recruitment activity is expected in two countries. When compared with the previous quarter, hiring intentions improve in 18 countries in the EMEA region, but weaken in 24 countries in the region compared to last year at this time. The strongest hiring intentions for the coming three months are reported in Greece, Germany and Turkey, whereas employers in the United Kingdom, Switzerland and Austria forecast the weakest labor markets.

In the first quarter of 2021, an increase in the workforce is expected in six of the seven countries and territories in the Asia Pacific region, while trim payrolls are expected in one. Hiring plans improve in four countries and territories quarter-over-quarter but weaken in one. Compared to last year at this time, the outlook weakens in four countries and territories but strengthens in one. Employers in Taiwan forecast that the labor market in the country will be the strongest, followed by Singapore and Australia. At the same time the forecast of the employers in Hong Kong is the lowest in the region with a forecast of trim payrolls.

Between January and March, positive hiring activity is expected in nine out of the 10 countries in the American continent whereas in one country trim payrolls are forecast. When compared with the previous quarter, hiring intentions strengthen in all of the 10 countries of the American continent, whereas the outlook strengthens in four countries but weakens in five compared to last year at this time. Employers in the United States and Brazil forecast the most robust hiring activity in the coming quarter, however the employers in Panama forecast trim payrolls.

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 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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