

Q1/2014

Manpower
Employment
Outlook Survey
United States

A Manpower Research Report



Manpower®

4/1/14
Q1

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Please note that throughout this report, the figure used in all graphs is the 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 that expect to see a decrease in employment at their location in the next quarter. In addition, percentage totals may not equal 100% due to rounding.

United States Employment Outlook

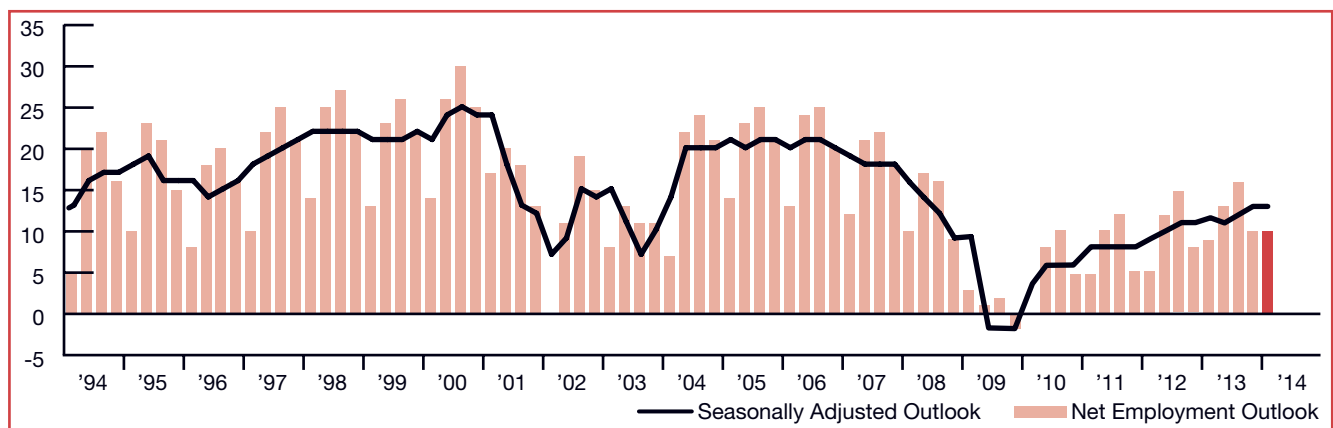
More than 18,000 interviews have been conducted with employers within the United States, including all 50 states, the top 100 Metropolitan Statistical Areas (MSAs), the District of Columbia and Puerto Rico, to measure hiring intentions between January and March 2014. The mix of industries within the survey follows the North American Industry Classification System (NAICS) Supersectors and is structured to be representative of the U.S. economy. All participants were asked, "How do you anticipate total employment at your location to change in the three months to the end of March 2014 as compared to the current quarter?"

Among U.S. employers surveyed, 17 percent expect to add to their workforces, and 7 percent expect a decline in their payrolls during Quarter 1 2014. Seventy-three percent of employers anticipate making no change to staff levels, and the remaining 3 percent of employers are undecided about their Quarter 1 2014 hiring plans.

When seasonal variations are removed from the data, the Net Employment Outlook is +13%. Survey results indicate that employers expect hiring intentions to remain relatively stable during Quarter 1 2014 compared to Quarter 4 2013 and compared to one year ago at this time.

When seasonal variations are removed from the regional data, employers in the South report the strongest Outlook at +14%. Quarter-over-quarter, plans to add workers remain consistent among employers in all regions. Compared to one year ago at this time, employers in the South project a slight increase in hiring for Quarter 1 2014, while employers in the Northeast, Midwest and West expect a relatively stable hiring environment.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook	Seasonally Adjusted
	%	%	%	%	%	%
Quarter 1 2014	17	7	73	3	10	13
Quarter 4 2013	18	8	72	2	10	13
Quarter 3 2013	22	6	70	2	16	12
Quarter 2 2013	18	5	73	4	13	11
Quarter 1 2013	17	8	72	3	9	12



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

Industry Sector Comparisons

New this quarter, the survey results include deseasonalized data at the industry level, which aligns with the methodology used to tabulate and present the national and regional data. Therefore, the numbers presented throughout this section are deseasonalized across all industries.

For Quarter 1 2014, the Outlooks for the 13 industry sectors included in the survey are: Leisure & Hospitality (+23%), Wholesale & Retail Trade (+19%), Professional & Business Services (+16%), Transportation & Utilities (+13%), Information (+13%), Nondurable Goods Manufacturing (+12%), Mining (+11%), Durable Goods Manufacturing (+10%), Financial Activities (+10%), Construction (9%), Education & Health Services (+8%), Other Services (+6%) and Government (+6%).

When the industry sector data is compared quarter-over-quarter, staff levels are expected to remain relatively stable among employers in 12 industry sectors: Mining, Construction, Durable and Nondurable Goods Manufacturing, Wholesale & Retail Trade, Information, Financial Activities, Professional & Business Services, Education & Health Services, Leisure & Hospitality, Other Services and Government. Employers in the Transportation & Utilities sector anticipate a slight decrease in the hiring pace.

Results for the Mining sector are reported only in the national survey data to ensure statistical accuracy.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q1 2014	Seasonally Adjusted
	%	%	%	%	%	%
Construction	14	14	69	3	0	9
Education & Health Services	12	4	82	2	8	8
Financial Activities	13	5	81	1	8	10
Government	12	5	79	4	7	6
Information	17	4	77	2	13	13
Leisure & Hospitality	26	9	62	3	17	23
Manufacturing - Durable Goods	15	9	74	2	6	10
Manufacturing - Nondurable Goods	15	7	75	3	8	12
Mining	18	12	68	2	6	11
Other Services	10	5	84	1	5	6
Professional & Business Services	19	6	72	3	13	16
Transportation & Utilities	17	9	71	3	8	13
Wholesale & Retail Trade	22	7	68	3	15	19

Regional Comparisons

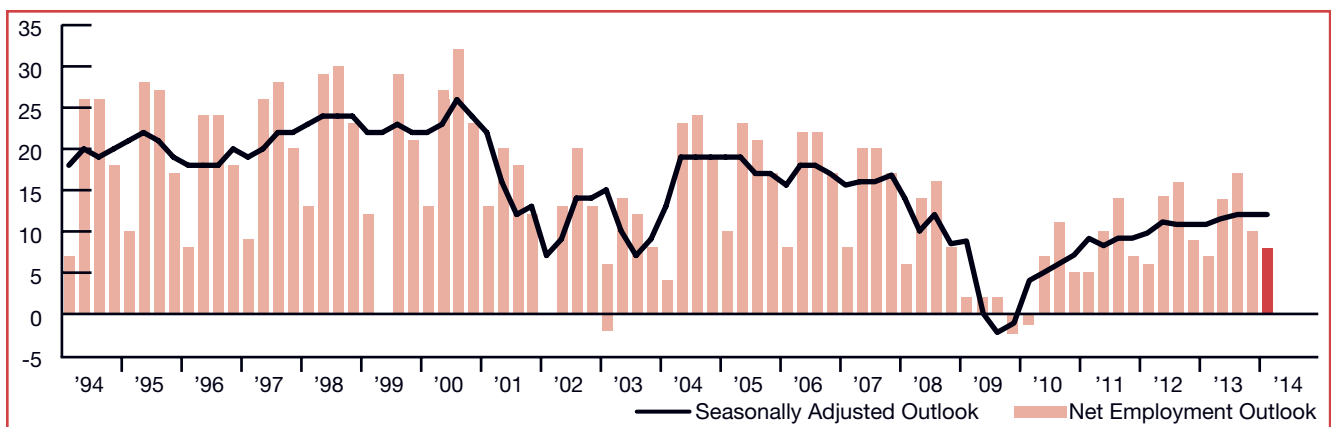
Midwest Seasonally Adjusted Net Employment Outlook: +12%

In the Midwest, 15 percent of employers surveyed expect to increase staff levels for Quarter 1 2014 and 7 percent anticipate reduced headcounts, leading to a Net Employment Outlook of +8%. When seasonal variations are removed from the data, the Outlook for Quarter 1 2014 is similar to Quarter 4 2013 and compared to one year ago at this time.

Among Midwest employers, hiring plans are stronger or relatively stable for Quarter 1 2014 compared to Quarter 4 2013 across 10 of the industries surveyed. A moderate increase is anticipated among employers in the Other Services sector. Employers in the

Transportation & Utilities and Professional & Business Services industry sectors look for the hiring pace to slightly increase. Employers in the Construction, Durable and Nondurable Goods Manufacturing, Information, Education & Health Services, Leisure & Hospitality and Government sectors project hiring to remain relatively stable. Wholesale & Retail Trade and Financial Activities employers expect the hiring pace to slightly decline quarter-over-quarter.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q1 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – Midwest	15	7	75	3	8	12
Construction	11	17	70	2	-6	10
Education & Health Services	10	5	84	1	5	4
Financial Activities	13	5	82	0	8	10
Government	10	6	81	3	4	5
Information	13	2	83	2	11	10
Leisure & Hospitality	26	10	61	3	16	26
Manufacturing - Durable Goods	17	8	73	2	9	12
Manufacturing - Nondurable Goods	17	6	75	2	11	12
Other Services	6	4	89	1	2	3
Professional & Business Services	21	8	69	2	13	17
Transportation & Utilities	21	6	71	2	15	19
Wholesale & Retail Trade	19	7	71	3	12	18



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The Midwest Region comprises the following states: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

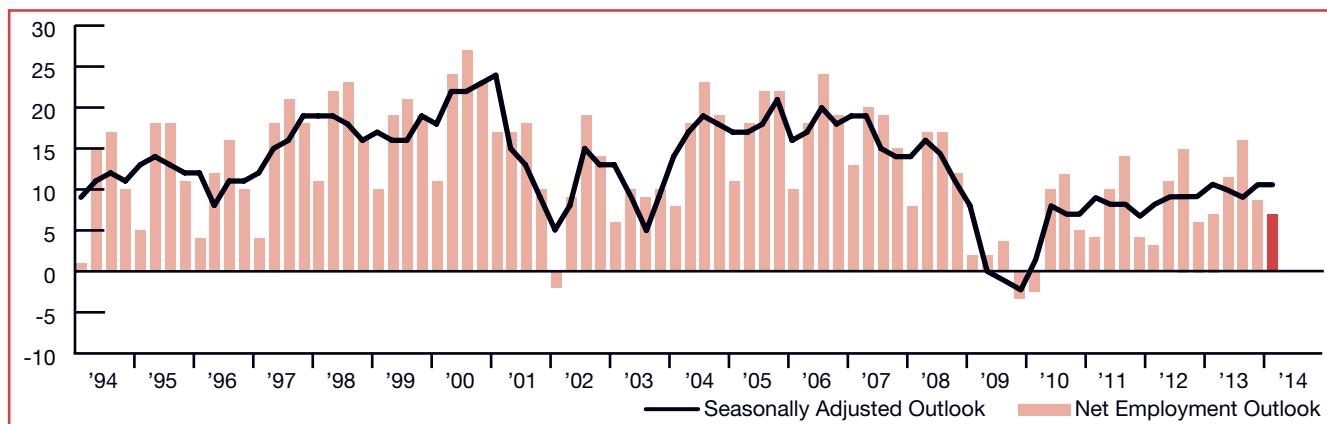
Northeast Seasonally Adjusted Net Employment Outlook: +11%

In the Northeast, 15 percent of employers indicate plans to increase staff levels, while 8 percent expect to decrease payrolls, resulting in a Net Employment Outlook of +7% for Quarter 1 2014. According to seasonally adjusted survey results, the expected Quarter 1 2014 hiring pace is stable compared with both Quarter 4 2013 and Quarter 1 2013.

Compared to Quarter 4 2013 survey results for the Northeast, employers in the Nondurable Goods Manufacturing and Other Services sectors project a moderate increase in hiring. Employers in two industry sectors report a slight increase in hiring intentions

for January – March 2014 compared to October – December 2013: Information and Financial Activities. Construction, Durable Goods Manufacturing, Education & Health Services and Government industry sector employers expect hiring to remain stable in Quarter 1 2014. A slight decrease is expected by Wholesale & Retail Trade and Professional & Business Services employers, and a moderate decrease is anticipated by Transportation & Utilities and Leisure & Hospitality employers.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q1 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – Northeast	15	8	74	3	7	11
Construction	7	17	69	7	-10	4
Education & Health Services	11	3	82	4	8	6
Financial Activities	16	4	80	0	12	14
Government	12	5	79	4	7	7
Information	15	4	79	2	11	12
Leisure & Hospitality	17	16	66	1	1	14
Manufacturing - Durable Goods	12	8	78	2	4	7
Manufacturing - Nondurable Goods	14	5	78	3	9	12
Other Services	9	4	86	1	5	7
Professional & Business Services	16	5	75	4	11	14
Transportation & Utilities	14	9	74	3	5	11
Wholesale & Retail Trade	24	11	63	2	13	18



Revised methodology effective Quarter 1 2009.

The Northeast Region comprises the following states: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

South Seasonally Adjusted Net Employment Outlook: +14%

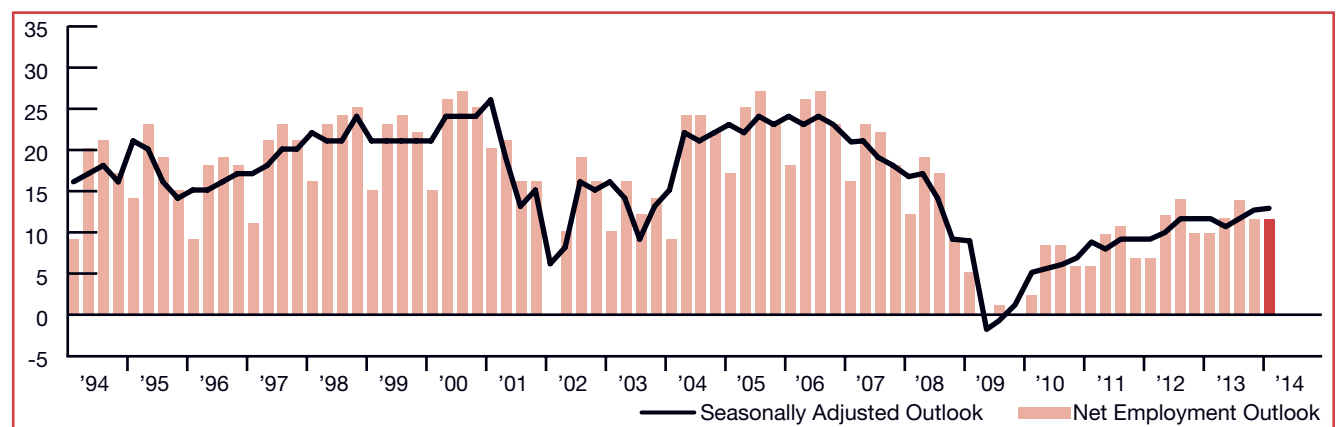
In the South, 18 percent of employers surveyed expect to increase staff levels and 6 percent plan to decrease their employee headcounts, resulting in a Net Employment Outlook of +12%. When seasonal variations are removed from the data, the expected Quarter 1 2014 hiring pace is relatively stable from Quarter 4 2013 and slightly increased from Quarter 1 2013.

Quarter-over-quarter, employers in the Nondurable Goods Manufacturing and Other Services industry

sectors anticipate slightly improved hiring plans.

Employers in the remaining 10 industry sectors report relatively stable hiring expectations: Construction, Durable Goods Manufacturing, Transportation & Utilities, Wholesale & Retail Trade, Information, Financial Activities, Professional & Business Services, Education & Health Services, Leisure & Hospitality and Government.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q1 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – South	18	6	73	3	12	14
Construction	17	12	69	2	5	9
Education & Health Services	12	3	82	3	9	9
Financial Activities	14	4	81	1	10	12
Government	13	6	79	2	7	6
Information	15	6	76	3	9	10
Leisure & Hospitality	29	7	61	3	22	24
Manufacturing - Durable Goods	16	8	74	2	8	10
Manufacturing - Nondurable Goods	15	7	76	2	8	12
Other Services	12	6	80	2	6	8
Professional & Business Services	19	5	74	2	14	16
Transportation & Utilities	17	8	72	3	9	13
Wholesale & Retail Trade	24	5	68	3	19	20



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The South Region comprises Puerto Rico and the following states: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

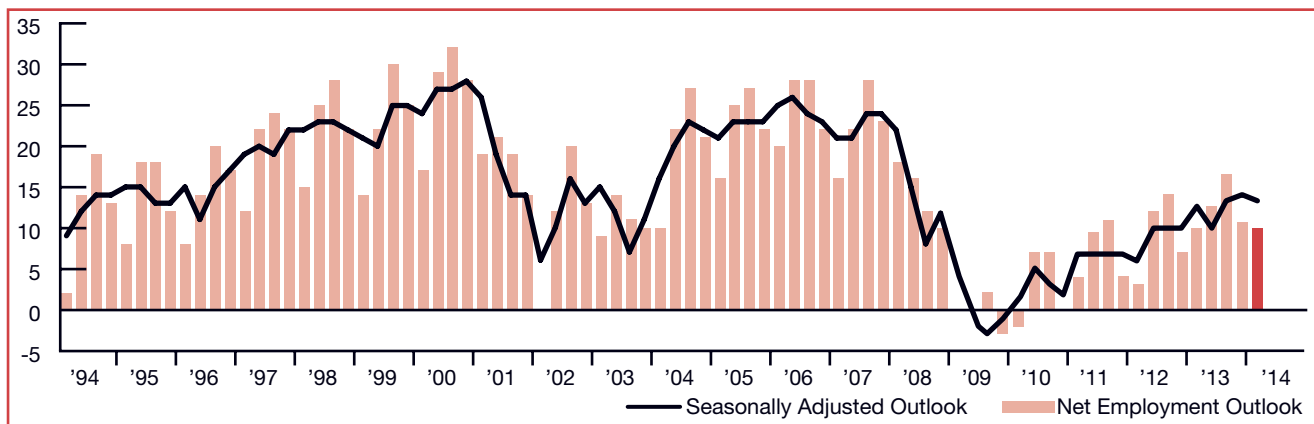
West Seasonally Adjusted Net Employment Outlook: +13%

Among employers surveyed in the West, 18 percent plan to add staff, while 8 percent anticipate a decline in payrolls, resulting in a Net Employment Outlook of +10% for Quarter 1 2014. According to seasonally adjusted survey results, employers in the West anticipate a relatively stable hiring pace compared to Quarter 4 2013 and one year ago at this time.

Seven industry sectors have an improving or stable Net Employment Outlook, with the remaining five industry sectors anticipating declining staff levels compared to one quarter ago. Information, Education & Health Services and Leisure & Hospitality employers anticipate

a slight increase in hiring, while Durable and Nondurable Goods Manufacturing, Wholesale & Retail Trade and Professional & Business Services employers project relatively stable hiring plans quarter-over-quarter. Government employers foresee a slight decrease in hiring levels, while Transportation & Utilities, Financial Activities and Other Services employers expect the hiring pace to moderately decrease. Construction employers project a considerable decline in the Quarter 1 2014 hiring pace.

	Increase	Decrease	No Change	Don't Know	Net Employment Outlook Q1 2014	Seasonally Adjusted
	%	%	%	%	%	%
All Industries – West	18	8	72	2	10	13
Construction	15	14	68	3	1	7
Education & Health Services	14	5	78	3	9	9
Financial Activities	10	7	82	1	3	4
Government	13	4	78	5	9	8
Information	26	3	69	2	23	20
Leisure & Hospitality	28	7	63	2	21	26
Manufacturing - Durable Goods	16	12	69	3	4	8
Manufacturing - Nondurable Goods	15	12	71	2	3	10
Other Services	11	5	83	1	6	6
Professional & Business Services	19	8	70	3	11	14
Transportation & Utilities	17	11	70	2	6	11
Wholesale & Retail Trade	21	6	70	3	15	20



No bar indicates Net Employment Outlook of zero. Revised methodology effective Quarter 1 2009.

The West Region comprises the following states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming. Because the industry sector reporting method has been changed effective Quarter 1 2009, seasonally adjusted data for individual industries is not currently available.

Global Employment Outlook

To measure hiring expectations in the world's major labor markets between January and March 2014, ManpowerGroup interviewed more than 65,000 employers in 42 countries and territories. Despite continuing economic challenges and widespread uncertainty in the global labor market, the research reveals that the majority of hiring managers will continue to add to their workforces by varying degrees during Quarter 1 2014. Payroll additions are expected to outpace payroll reductions in 34 of the 42 countries and territories.

Employers in Taiwan, India and New Zealand report the strongest first-quarter hiring plans globally. The weakest—and only negative—Net Employment Outlooks are reported in Italy, Ireland, Finland, Spain, Slovakia and Belgium. Hiring optimism strengthens from three months ago in 21 countries and territories, but weakens in 15. Outlooks are also stronger in 21 countries and territories in a year-over-year comparison, but decline in 17.

Regionally, employers throughout Asia Pacific continue to report positive Net Employment Outlooks. Job seekers in Taiwan are likely to benefit from the most robust hiring pace in the region, with more than one in every three employers indicating they plan to add to their payrolls in the first quarter. First-quarter prospects are also bright for India's job seekers with a brisk hiring pace expected in most industry sectors and all regions. Japan's Outlook is the strongest reported since the second quarter of 2008 and follows more than four years of steadily improving forecasts. Hiring plans also remain positive in China, but the Outlook continues to rest at a position below the more optimistic forecasts of late 2010 and early 2011, and the steady erosion of employer confidence in China adds

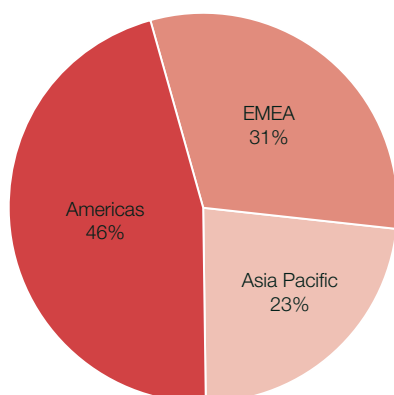
further evidence that the country's growth track may be leveling off. The Asia Pacific region's weakest forecast is reported in Australia despite moderate quarter-over-quarter improvements in both the Mining & Construction and Finance sectors.

Employer hiring intentions remain positive in all 10 countries ManpowerGroup surveys in the Americas. However, the first-quarter forecasts are mostly weaker in both quarter-over-quarter and year-over-year comparisons. Colombian employers expect the strongest hiring pace with three out of 10 employers expecting to grow first-quarter payrolls. A steady hiring pace is also expected in Brazil, but the country's Outlook has weakened by varying degrees for nine consecutive quarters and now stands at its weakest point since the Brazilian survey was launched in 2009. The U.S. Outlook remains upbeat and is relatively stable in both quarter-over-quarter and year-over-year comparisons.

In the EMEA region, hiring trends remain mixed with employers reporting positive hiring intentions in 16 of the 24 countries surveyed. Outlooks improve in 15 of 24 countries from three months ago but weaken in seven. In a year-over-year comparison, forecasts improve in 13 countries but weaken in eight. The region's strongest hiring plans are reported in Turkey and weakest in Italy where employers report negative hiring intentions for the 12th consecutive quarter. Conversely, opportunities for job seekers in Greece are expected to improve noticeably in the next three months as the Outlook climbs for the sixth consecutive quarter and employers report the strongest hiring intentions in over five years.

* Commentary is based on seasonally adjusted data where available.

Survey Respondents by Region



For the Quarter 1 2014 research ManpowerGroup surveyed more than 65,000 human resources directors and senior hiring managers from public and private organizations worldwide: 46% of respondents come from 10 countries in the Americas; 23% from eight countries and territories across Asia Pacific; and 31% from 24 countries in EMEA.

About the Survey

The Manpower 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. Various factors underpin the success of the Manpower Employment Outlook Survey:

Unique: It is unparalleled in its size, scope, longevity and area of focus.

Projective: The Manpower Employment Outlook Survey is the most extensive, forward-looking employment survey in the world, asking employers to forecast employment over the next quarter. In contrast, other surveys and studies focus on retrospective data to report on what occurred in the past.

Independent: The survey is conducted with a representative sample of employers from throughout the countries and territories in which it is conducted. The survey participants are not derived from ManpowerGroup's customer base.

Robust: The survey is based on interviews with more than 65,000 public and private employers across 42 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.

Focused: For more than five decades the survey has derived all of its information from a single question.

Survey Question

For the Quarter 1 2014 research, all employers participating in the survey worldwide are asked the same question, "How do you anticipate total employment at your location to change in the three months to the end of March 2014 as compared to the current quarter?"

Methodology

The Manpower Employment Outlook Survey is conducted using a validated methodology, in accordance with the highest standards in market research. The research team for the 42 countries and territories where the survey is currently conducted includes ManpowerGroup's internal research team and Infocorp Ltd. The survey has been structured to be representative of each national economy. The margin of error for all national, regional and global data is not greater than +/- 3.9%.

Regions: The survey reports results by the four regions within the U.S. as determined by the U.S. Census Bureau. Each region is represented with a minimum error factor of +/- 1.4% based on a 90% confidence level.

Industries: The survey reports national results by the NAICS Supersectors. Error factors not to exceed +/- 5% for Mining and +/- 3% for the remaining Supersectors based on a 90% confidence level.

Net Employment Outlook

Throughout this report, we use the term "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. The result of this calculation is the Net Employment Outlook. Net Employment Outlooks for countries and territories that have accumulated at least 17 quarters of data are reported in a seasonally adjusted format unless otherwise stated.

Seasonal Adjustment

Seasonal adjustments have been applied to the data for Argentina, Australia, Austria, Belgium, Brazil, Canada, Colombia, Costa Rica, China, the Czech Republic, France, Germany, Greece, Guatemala, Hong Kong, Hungary, India, Ireland, Italy, Japan, Mexico, Netherlands, New Zealand, Norway, Peru, Poland, Romania, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, the United Kingdom and the United States to provide additional insight into the survey data. These adjustments make it possible to review the data without the employment fluctuations that normally occur at the same time each year, thus providing a clearer picture of the data over time. ManpowerGroup intends to add seasonal adjustments to the data for other countries in the future, as more historical data is compiled. Note that in Quarter 2 2008, ManpowerGroup adopted the TRAMO-SEATS method of seasonal adjustment for data.

Additional Information Available

Find complete survey results, including reports for the top 100 Metropolitan Statistical Areas, 50 states, District of Columbia and Puerto Rico on our website at press.manpower.com.

History of the Survey

- 1962** First generation of the Manpower Employment Outlook Survey launched in the United States and Canada.
- 1966** ManpowerGroup's United Kingdom operation launches the equivalent of the United States survey, naming the report the Quarterly Survey of Employment Prospects. The survey adopts the same forward looking research format as the United States survey and is the first of its kind in Europe.

- 1976 Second generation of the Manpower Employment Outlook Survey launched in the United States and Canada. Research methodology is updated to evolve with advancements in the field of market research.
- 2002 ManpowerGroup United Kingdom's Quarterly Survey of Employment Prospects is updated to adopt an enhanced research methodology. ManpowerGroup's operations in Mexico and Ireland launch the survey in their respective countries.
- 2003 Third generation of the Manpower Employment Outlook Survey is launched, expanding the program to a total of 18 countries and territories worldwide: Australia, Austria, Belgium, Canada, France, Germany, Hong Kong, Ireland, Italy, Japan, Mexico, Netherlands, Norway, Singapore, Spain, Sweden, the United Kingdom and the United States.
- 2004 ManpowerGroup operations in New Zealand launch the Manpower Employment Outlook Survey.
- 2005 ManpowerGroup operations in China, India, Switzerland, and Taiwan launch the Manpower Employment Outlook Survey.
- 2006 ManpowerGroup operations in Costa Rica and Peru join the survey program. Surveys in Australia, Austria, Belgium, France, Germany, Hong Kong, Ireland, Italy, Japan, Mexico, Netherlands, Norway, Singapore, Spain and Sweden add seasonally adjusted data in the third quarter. ManpowerGroup operations in South Africa launch the Manpower Employment Outlook Survey.
- 2007 ManpowerGroup operations in Argentina join the Manpower Employment Outlook Survey. The survey in New Zealand adds seasonally adjusted data in the first quarter.
- 2008 ManpowerGroup operations in Colombia, the Czech Republic, Greece, Guatemala, Poland and Romania join the survey program. China and Taiwan add seasonally adjusted data in the second quarter. India and Switzerland add seasonally adjusted data in the third quarter.
- 2009 ManpowerGroup operations in Hungary and Brazil launch the Manpower Employment Outlook Survey.
- 2010 ManpowerGroup's Panama operation launches the Manpower Employment Outlook Survey, expanding the program total to 36 countries and territories worldwide. Peru adds seasonally adjusted data in the second quarter. Costa Rica adds seasonally adjusted data in the fourth quarter.
- 2011 Beginning in the first quarter, operations in Bulgaria, Slovenia and Turkey join the Manpower Employment Outlook Survey. Seasonally adjusted data is added in the first quarter for Argentina and South Africa. Israel and Slovakia launch the Manpower Employment Outlook Survey in the fourth quarter.
- 2012 Beginning in the second quarter, ManpowerGroup operations in the Czech Republic, Greece, Guatemala, Poland and Romania initiate reporting of seasonally adjusted data. ManpowerGroup's operation in Finland joins the survey in the fourth quarter. Seasonal variations are also removed from Colombian data for the first time.
- 2013 ManpowerGroup Hungary begins reporting seasonally adjusted data in the third quarter and the Brazil operation begins reporting seasonally adjusted data in the fourth quarter.

About ManpowerGroup™

ManpowerGroup™ (NYSE: MAN) is the world leader in innovative workforce solutions that ensure the talent sustainability of the world's workforce for the good of companies, communities, countries, and individuals themselves. Specializing in solutions that help organizations achieve business agility and workforce flexibility, ManpowerGroup leverages its 65 years of world of work expertise to create the work models, design the people practices and access the talent sources its clients need for the future. From staffing, recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organizations in a world where talentism is the dominant economic system. Every day, ManpowerGroup connects more than 630,000 people to work and builds their experience and employability through its relationships with 400,000 clients across 80 countries and territories. ManpowerGroup's suite of solutions is offered through ManpowerGroup™ Solutions, Manpower®, Experis™ and Right Management®. ManpowerGroup was named one of the World's Most Ethical Companies for the third consecutive year in 2013, confirming our position as the most trusted brand in the industry.

ManpowerGroup, 100 Manpower Place, Milwaukee, WI 53212, USA
Tel: 414 961 1000
www.manpowergroup.com

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