



ManpowerGroup™

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## ManpowerGroup Employment Outlook Survey for Q1 2017:

# Increased employment expectations kick off the new year

Swedish employers expect more jobs in the first quarter and employers in all regions and industries are now reporting positive hiring plans. The Stockholm-Uppsala region appears to have recovered following the slump last fall, though employers in Mellansverige report the largest increases. Wholesale & Retail Trade is the big winner among the industries, as is the Energy sector, while employers in the Finance & Business Services are slashing jobs following several years of job gains.

Sweden's Net Employment Outlook (*see footnote*) now stands at +7 percent, which is an improvement of 5 percentage points quarter-over-quarter and 2 percentage points compared with this time last year.

“Despite uncertainty in the business environment, including Brexit and the elections in the US and France, many companies are kicking off the new year with initiatives to add jobs and promote growth, and this trend is found at both large and small enterprises. It is noteworthy that employers in the Stockholm-Uppsala region, which has a huge labor market, once again expect job growth at the start of the new year, at the same time that their counterparts in central Sweden and areas such as Mälardalen, Örebro and Värmland are reporting similarly positive signs, indicating that this region is definitely one to keep an eye on in the first quarter,” says **Lars Forseth**, CEO of ManpowerGroup Sweden.

“A global outlook suggests that uncertainties like Brexit do not appear to be having any significant effect. Demand for labor globally is strongest in Asia, though many employers also need to hire new workers closer to home, especially in Hungary and Slovenia,” says Lars Forseth.

### Mellansverige strongest

Employers in all six regions report positive job forecasts for the first quarter of the year. The strongest report comes from employers in Mellansverige (the counties of Södermanland, Västmanland, Örebro and Värmland), with a Net Employment Outlook of +13 percent. The Stockholm-Uppsala region is up by 11 percentage points from the previous quarter, while Västra Götaland is retreating five percentage points down to a cautiously positive +4 percent. However, employers in Norrland believe in a continued optimistic labor market, with the Net Employment Outlook remaining at +8 percent. Östra Götaland is staying at essentially the same level as previously, while Skåne is at +4 percent, returning to positive territory.

### Wholesale & Retail Trade expects a strong upswing

Employers in all ten of the industries in the survey report positive job forecasts, with increases in eight industries both quarter-over-quarter and year-over-year. Employers in Wholesale & Retail Trade report the strongest forecast, where the Net Employment Outlook is a high +23 percent. Employers in Electricity, Gas & Water also expect the year to have a strong beginning for jobs at +15 percent. In contrast, Finance

& Business Services, where demand for labor has been strong for several years, retreated 18 percentage points, though it remains positive at +9 percent. The Net Employment Outlook for the green industries is up ten percentage points quarter-over-quarter, and employers at Restaurants & Hotels also report increases both quarter-over-quarter and year-over-year.

### **Reduced uncertainty for labor markets worldwide**

Globally, employers from 40 of 43 surveyed countries report upbeat job forecasts and the increases have occurred in a majority of the countries. The greatest demand for labor worldwide comes from Taiwan and India, followed by Japan and Hungary. Employers in Brazil, Italy and Switzerland report the weakest forecasts. In Europe, Hungary and Slovenia have the greatest need for labor.

*Footnote:* The Net Employment Outlook is defined as the percentage of employers who anticipate an increase in hiring activities, minus the percentage who project a decrease. During the first quarter of 2017, 9 percent of Swedish employers expect to increase hiring, 3 percent expect to reduce staff, while most (82 percent) expect employment to remain unchanged. The employment outlook for Sweden is therefore +6%, but after adjustment for seasonal variations, the Net Employment Outlook is +7%.

### **For more information, please contact:**

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