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# Press Release

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## **Employer optimism continues to improve in the Norwegian labor market**

**Norwegian employers remain cautiously optimistic about increasing their workforce in the upcoming quarter, according to Manpower quarterly survey of employer hiring plans. – “We have to go back to the end of 2014 to see similar levels of employer confidence,” says CEO Maalfrid Brath.**

According to the Manpower Employment Outlook Survey released today, Norwegian employers are reporting a seasonally adjusted Net Employment Outlook of +5%. Of the 751 employers who participated in the survey, 8% are forecasting an increase in staffing levels, 4% are anticipating a decrease and 86% are expecting no change. Once seasonal variations are removed from the data, hiring prospects remain relatively stable when compared to the previous quarter and improve by 3 percentage points when compared with 4Q 2015.

The quarterly research conducted by ManpowerGroup indicates that staffing levels are forecasted to grow in seven of nine industry sectors and in four of five regions during the upcoming quarter. Staffing levels are especially expected to increase amongst large employers, who report a Net Employment Outlook of +7%.

“Overall, these are the strongest forecasts we have seen in two years. This is positive news for job seekers in the Norwegian labor market, and it shows that the government's counter-cyclical measures may now be starting to work,” says CEO in ManpowerGroup, Maalfrid Brath.”

### **Public and Social sector employers are the most optimistic**

Workforce gains are expected in seven of the nine industry sectors during 4Q 2016. The strongest hiring pace is anticipated in the Social & Public sector where employers report a Net Employment Outlook of +7%. The second most optimistic sectors are the Electricity, Gas & Water sector and the Wholesale, Retail, Restaurants & Hotels sector, both forecasting Outlooks of +4%.

In addition to the three most optimistic sectors, we also find positive anticipations in the sectors: Finance, Insurance, Real Estate & Business Services, Transport, Storage & Communication, Mining & Quarrying and Construction.

Meanwhile, payrolls are expected to decline in two sectors. Employers within the Manufacturing sector report a pessimistic Outlook of -8% and the Outlook for the Agriculture, Hunting, Forestry & Fishing sector stands at -3%

### **Large-size employers report strongest forecast**

Employers in the large-size companies are reporting the most optimistic fourth-quarter plans, reporting an Outlook of +7%. The micro- and small-size companies report Outlooks of +4% and +3%, respectively, while the Outlook for medium employers stands at +2%.



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“The fact that the biggest corporations and employers in the public sector are the most optimistic, is positive for the entire labor market as they are the locomotives of the economy that often take the lead,” says Brath. – “In addition, increased optimism in South / West indicates that the trend in the Mining & Quarrying sector might be turning slightly,” says Brath.

#### **Payroll growth expected in four of the five regions**

Workforce gains are anticipated in four of the five regions during the next three months. Employers in South/West, where Outlook stands at +11%, report the strongest forecast. Job growth is also anticipated in both Greater Oslo and Eastern Norway, where employers report modest Outlooks of +2%. An Outlook of +1% is reported in Mid Norway, while employers in the Northern region report a slightly uncertain Outlook of -1%.

When compared with 3Q 2016, hiring intentions improve in four of the five regions. In the Eastern, Mid and Northern regions, Outlooks improve by 3 percentage points, and employers in the South/West report an improved Outlook of 2 percentage points. Meanwhile, hiring intentions among Greater Oslo employers have declined by 3 percentage points, when compared with the previous quarter.

When compared with 4Q 2016, hiring intentions strengthen in two of the five regions. Year-over-year, both Greater Oslo and the South/West employers report Outlooks increased by 8 percentage points. The Outlook for Mid Norway is unchanged and reported Outlook among employers in the Eastern region is also relatively stable, at +2%. Meanwhile, employers in Northern Norway report a decline of 7 percentage points.