



ManpowerGroup™

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Manpower Survey Shows Hiring Activity to Decline in Second Quarter

MILWAUKEE, Feb 24, 2003 /PRNewswire-FirstCall via COMTEX/ -- U.S. employers will be hiring at a moderately slower pace during the second quarter of 2003, according to the Employment Outlook Survey, conducted by Manpower Inc.

"The survey results are clearly showing a dominating sense of uncertainty, as hiring intentions have dipped for the first time in over a year," said Jeffrey A. Joerres, Chairman and CEO of Manpower Inc. "The results were unusually inconsistent across regions and sectors, which may signify a higher than normal level of caution and anxiety in the marketplace, rather than a trend," he added. "Another quarter of data will give us more insight into what is really happening on the hiring front and whether this is just a normal hitch in the recovery curve, a response to the geopolitical situation, or an indication of more difficult times ahead."

Of the nearly 16,000 employers interviewed, 22% said they expect to hire more people during the second quarter of 2003 compared with 20% in the first quarter of this year. Nine percent intend to reduce their workforce compared with 12% in the previous quarter. A steady 63% of companies plan to maintain their current staff levels and 6% are uncertain. When the seasonal variations are removed from the data, employment prospects are expected to be weaker than in the first quarter, but up slightly from the second quarter of 2002.

Employers in the South report the most optimistic job prospects for second quarter across all industry sectors and the Northeast is showing the weakest outlook.

"Durable Goods Manufacturing shows the biggest increases from the same quarter in 2002, despite falling off slightly from the first quarter of this year," said Joerres. "We are seeing mild improvement in all four regions, indicating that employment levels for this sector may be stabilizing."

After showing strong hiring intentions three months ago, the Wholesale & Retail sector is less optimistic going into the second quarter with the employment outlook dropping back to the same level as a year ago. Employers in the West anticipate weaker hiring levels than the other regions.

Survey Results by Industry Sector

MINING: Nineteen percent of employers in the Mining sector intend to hire more people in the second quarter of the year and 10% report that they will be reducing their workforces. When seasonal variations are removed, this is nearly identical to the first quarter survey results, and moderately stronger than the sector reported in second quarter of 2002.

CONSTRUCTION: Thirty-one percent of construction firms said they expect to hire at a quicker pace in the second quarter, and 7% plan to slow it down a bit over the next few months. On a deseasonalized basis, workers can expect job availability to remain stable through June of 2003 with a slight increase over the same quarter of last year. The Northeast reported a notable improvement over first quarter, showing the largest gains of all regions.

DURABLE GOODS MANUFACTURING: Employers in this sector expect to hire at a slower pace through the second quarter, with 23% intending to increase their payrolls and 10% planning to reduce their hiring activity. Across the country, Durable Goods Manufacturing is slated to have a markedly improved hiring outlook over the same quarter of last year. All regions are positive, with the West and Northeast increasing employment activity the most significantly.

NON-DURABLE GOODS MANUFACTURING: Non-Durable Goods Manufacturers are expected to hold back somewhat in the second quarter, as 22% of employers plan to continue hiring more people and only 9% expect a decline in job postings. The employment outlook for this sector is weaker this quarter in all regions, with the West expecting to pick up the pace the most over last year. The Midwest is the only region that is not expected to see employment pick up over last year's levels in the same quarter.

TRANSPORTATION/PUBLIC UTILITIES: This sector declined moderately from last quarter and slightly from the year ago quarter. The weak job outlook shows fifteen percent of employers plan to hire more people in the second quarter and 10%

expect demand for workers to slacken. The Northeast holds the most negative outlook in seven years, lagging the rest of the country.

WHOLESALE/RETAIL TRADES: When seasonal variations are removed from the data, the Wholesale/Retail Trades appear headed for a disappointing drop in hiring activity in the second quarter. While 24% of employers say they will be adding more people to their payrolls, 10% are planning to cut back. The South holds the most favorable outlook in the country, compared to the same quarter of 2002.

FINANCE/INSURANCE/REAL ESTATE: Another gloomy quarter is in store for job seekers in the Finance/Insurance/Real Estate sector, as 19% of employers anticipate higher staffing levels in the next few months and 7% plan to hire fewer people. The South has the best prospects for improved opportunities over the year ago quarter.

EDUCATION - PUBLIC/PRIVATE: The Education sector is expected to remain sluggish with employment prospects looking weaker than both the first quarter of the year and the same time last year. While 12% of employers expect to hire additional personnel, 9% are anticipating weaker employment levels. The West continues to slide, with the lowest hiring levels in the country anticipated. The Midwest presents a slightly positive hiring picture with minor increases expected.

SERVICES: The Services sector will drop back slightly over the next several months, with only the West anticipating slightly better job prospects than in the first quarter. These results are a modest upturn compared to the same time last year, with 24% of employers adding personnel and 6% intending to pull back.

PUBLIC ADMINISTRATION: The Public Administration sector continues to languish in a nationwide hiring slump, with the most negative second quarter outlook since 1992. The steepest declines are headed for the West and Northeast regions. Only 18% of those surveyed plan to increase their payrolls beyond current levels and 10% expect their hiring activity to slow.

About the Employment Outlook Survey

Manpower Inc. conducts the Employment Outlook Survey in the United States on a quarterly basis. It is a measurement of employers' intentions to increase or decrease the permanent workforce, and during its 27-year history has been a significant indicator of employment trends. The survey is based on telephone interviews with nearly 16,000 public and private employers in 470 U.S. markets. For more information, visit Manpower's U.S. Web site at <http://www.us.manpower.com>. Manpower Inc. is a world leader in the staffing industry, providing workforce management services and solutions to customers through 3,900 offices in 63 countries.