



ManpowerGroup™

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Manpower Professional Survey Finds 25 Percent of Employers Worldwide Experiencing Wage Inflation Due to Talent Shortages

29 Percent of Employers Would Have Hired More Professional Staff if Available

MILWAUKEE, Oct 24, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Talent shortages are forcing 25 percent of employers to pay higher salaries for permanent, professional(1) positions compared to the previous year, according to a Manpower Professional Survey released today. The professional talent shortage is threatening growth opportunities for many firms, with 29 percent of employers worldwide reporting they would have hired more professional staff over the past six months had the appropriate talent been available.

Manpower Inc. (NYSE: MAN), through its Manpower Professional division, surveyed nearly 32,000 employers across 26 countries and territories in July and August. The survey was conducted to determine the availability of suitable permanent professional candidates in the marketplace and the impact of available talent on wage inflation.

The survey shows that wage inflation was most affected by talent shortages in Asia Pacific. Employers in Singapore (55%), New Zealand (40%), and Australia (38%) are experiencing wage inflation the most due to increased competition for available professional talent. In the U.S., 38 percent of employers reported that talent shortages are causing them to offer higher compensation, and nearly half of employers would have hired more permanent professional staff in the past six months if quality candidates were available.

"The talent shortage is here and wage inflation is increasing in the specialized skill sets and industry sectors where talent is already scarce," said Jeffrey A. Joerres, Chairman & CEO of Manpower Inc. "As those trends increase, employers will have to work much harder to retain and optimize their existing permanent professional employees, and develop innovative ways to attract and retain new talent. Developing a strong employer brand will become even more important as the war for talent heats up."

Talent shortages among permanent professionals are particularly acute in the Americas and Asia Pacific. Employers in Peru (46%), Japan (45%), the U.S. (45%) and Mexico (41%) are having the most difficulty finding qualified professional talent, which is causing wage inflation in these countries. Shortages are far less critical in Europe, with most employers indicating less difficulty finding qualified professional staff.

In Europe, less than 25 percent of employers said they would have hired more permanent professional staff over the past six months if they could have found suitable talent. Shortages of professional candidates were reported by only 12 percent of employers in France, 13 percent in the Netherlands and 15 percent in Belgium. French employers reported the lowest wage inflation with only 8 percent of employers saying that talent shortages are causing them to pay higher salaries compared to a year ago. Austria had the highest wage inflation, as reported by 26 percent of employers surveyed in the country.

Joerres added, "These results build on the findings of Manpower's Talent Shortage Survey undertaken earlier this year, which revealed that many of the hardest to fill positions globally were professional roles, such as accountants, IT programmers and developers, management and executives, and experienced sales representatives."

Notes to editors:

(1) By professional we mean those positions such as accountants, engineers, nurses, sales/marketing managers, etc. that typically require a university degree.

About the Survey

Manpower Professional conducted a survey of 32,000 employers in 26 countries and territories to determine whether or not their organization would have hired more permanent professional staff over the past six months if it could have found more candidates with the right skills, and whether or not the talent shortages are causing their organization to pay higher

salaries/compensation for professional positions as compared to a year ago. The 26 countries and territories that participated in the survey include: Australia, Austria, Belgium, Canada, China, Costa Rica, France, Germany, Hong Kong, India, Ireland, Italy, Japan, Mexico, Netherlands, New Zealand, Norway, Peru, Singapore, South Africa, Spain, Sweden, Switzerland, Taiwan, the UK, and the U.S. To obtain the full Manpower Professional Survey results, click on the following link:
<http://www.manpower.com/ResearchCenter> .

About Manpower Inc.

Manpower Inc. (NYSE: MAN) is a world leader in the employment services industry; creating and delivering services that enable its clients to win in the changing world of work. The \$16 billion company offers employers a range of services for the entire employment and business cycle including permanent, temporary and contract recruitment; employee assessment and selection; training; outplacement; outsourcing and consulting. Manpower's worldwide network of 4,400 offices in 72 countries and territories enables the company to meet the needs of its 400,000 clients per year, including small and medium size enterprises in all industry sectors, as well as the world's largest multinational corporations. The focus of Manpower's work is on raising productivity through improved quality, efficiency and cost-reduction across their total workforce, enabling clients to concentrate on their core business activities. Manpower Inc. operates under five brands: Manpower, Manpower Professional, Elan, Jefferson Wells and Right Management. More information on Manpower Inc. is available at <http://www.manpower.com> .

About Manpower Professional

Manpower Professional, a division of Manpower Inc., operates in 34 countries and offers comprehensive, expert recruitment services backed by award-winning training, assessment and selection and outsourcing services. Its extensive resources, world-class client list, and reputation attract a diverse group of talented candidates, with every level of education, skills and experience for permanent or temporary positions. Manpower Professional helps find and retain top people in IT, e-commerce, accounting, finance, engineering, clinical and lab sciences, and other business professions.

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