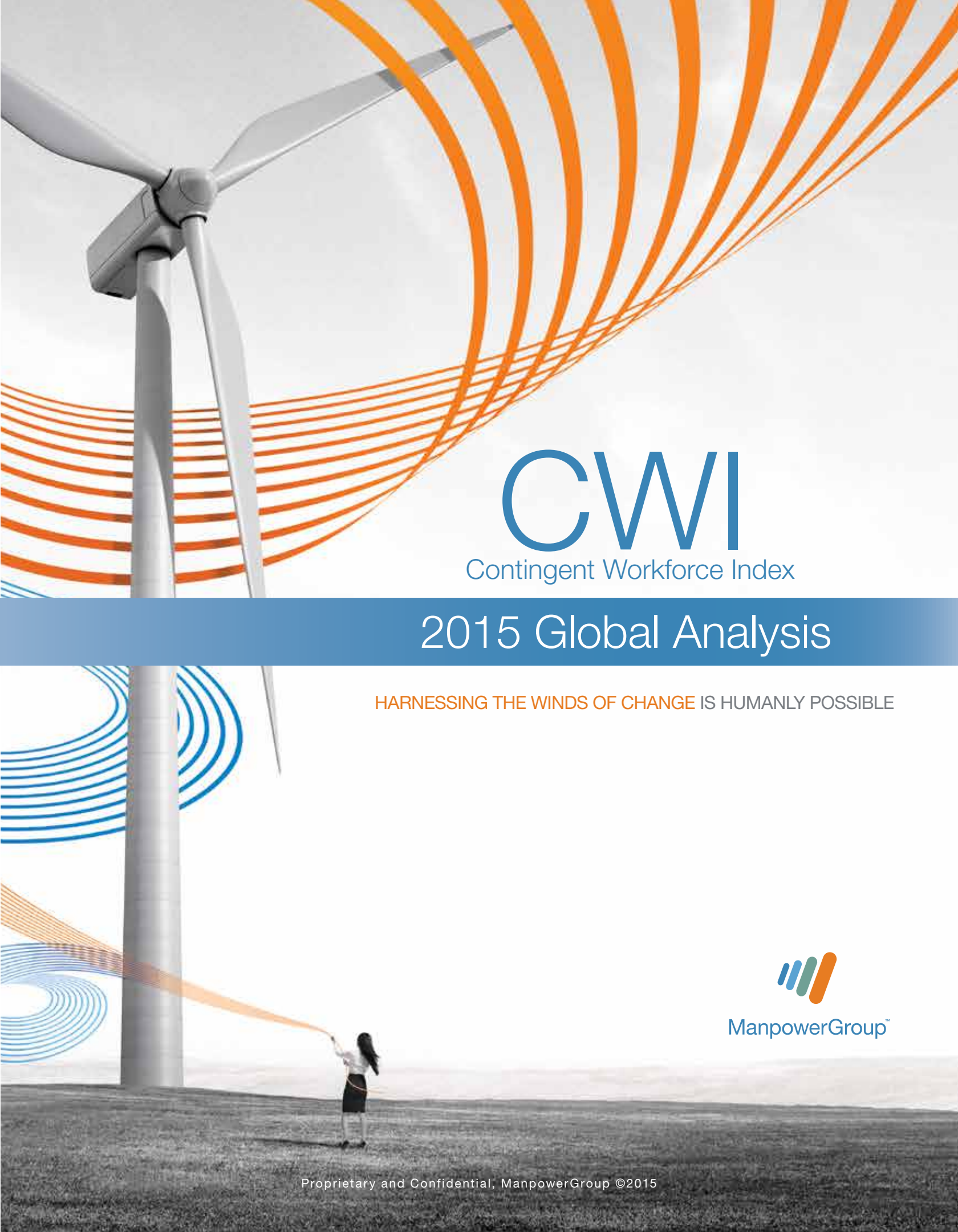


CWI

Contingent Workforce Index

2015 Global Analysis

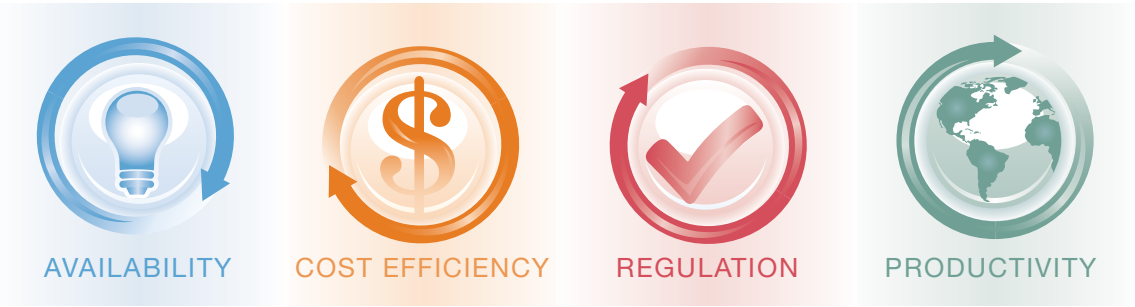
HARNESSING THE WINDS OF CHANGE IS HUMANLY POSSIBLE

ManpowerGroup™

INTRODUCTION

ABOUT THE CONTINGENT WORKFORCE INDEX (CWI)

The Contingent Workforce Index (CWI) measures the relative ease of sourcing, hiring and retaining a contingent workforce in competing labor markets around the world. The CWI compiles more than 50 key data points around the Availability, Cost Efficiency, Regulation and Productivity of each country's contingent workforce. Then, using a proprietary formula, it assigns a numerical value to each country, comparing the relative opportunities of entering one labor market versus another.



Just as a country's GDP can be used as an economic indicator, the CWI can be used as an indicator of contingent workforce availability. The CWI rankings provide perspective and insight that can impact short- and long-term strategies involving contingent workforce procurement, which include:

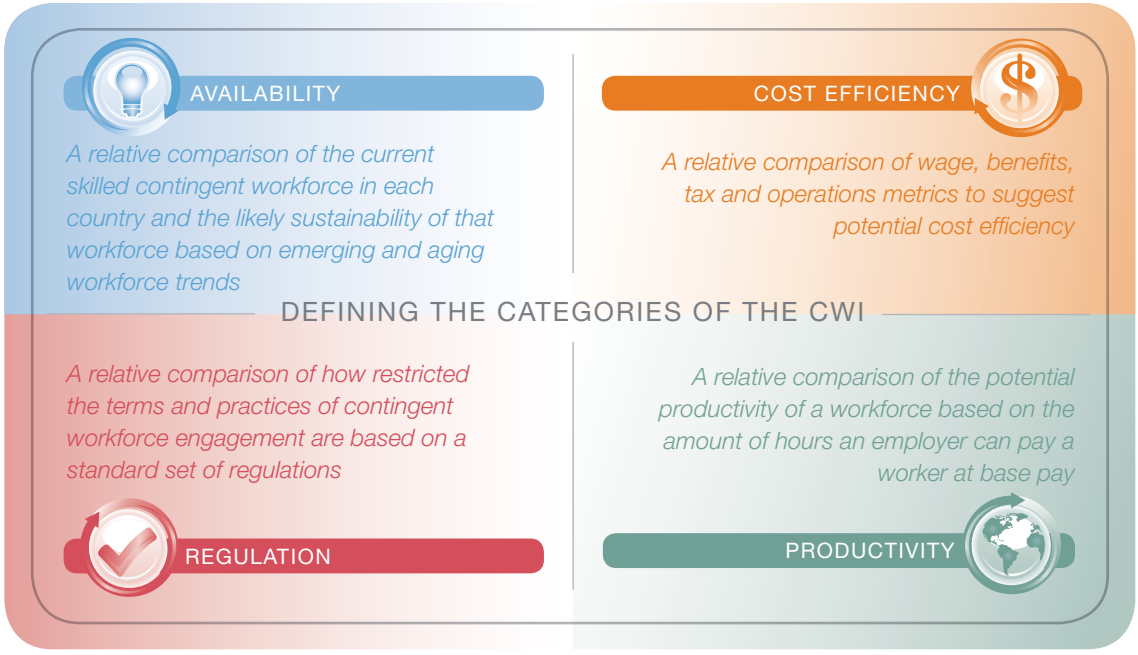
- Capacity planning
- Recruitment strategies
- Location strategy
- Workforce budget and forecasting
- Cost-savings initiatives
- Organizational restructuring
- Merger & acquisition

A higher CWI ranking indicates countries that are likely to support higher volumes of contingent hiring with greater cost efficiency based on quality and productivity.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

METHODOLOGY OF THE CWI

The CWI comprises more than 50 weighted statistical factors grouped into four categories: Availability, Cost Efficiency, Regulation and Productivity. In a consultative setting, these four main categories are weighted differently depending on an organization's strategic priorities (for example, cost may be a more critical factor than regulation). For the purpose of this summary, equal weighting was assigned to each of the four categories.



2015 METHODOLOGY CHANGES

ManpowerGroup Solutions continuously enhances the CWI methodology based on the latest global client insights to ensure that the CWI is an accurate reflection of global employer priorities.

Since its inception in 2013, more than 30 Fortune 500 companies have used the CWI to evaluate their global workforce strategy. These leaders have engaged ManpowerGroup Solutions to assess their global footprint, identify new market locations, modify their workforce mix, expand their MSP programs and support capacity planning.

As a result of client insights gleaned during these engagements, the CWI methodology is adjusted every year to better reflect the perspective and priorities of global employers. The following factors have been added to the 2015 CWI (as compared to the 2014 report) to ensure that the Index reflects the constantly evolving trends impacting the world of work:

- Gender diversity in the workforce
- Youth dependency ratio
- Tertiary education within the workforce
- Cost of doing business
- Standard work week
- Global Peace Index
- Contractual enforcement

The inclusion of these factors, plus the adjustments to some factor weightings, has resulted in notable shifts in the rankings, which will be discussed later in this report.

The emphasis on the size of a country's contingent workforce remained consistent year-over-year. However, based on input from industry-leading clients across the globe, the weightings on English proficiency and on tertiary education in the workforce were substantially increased. These adjustments resulted in lower rankings for countries with large populations but poor English proficiency, such as China and India, and higher rankings for markets such as Israel and Ireland, which have stronger language skills and educational advancement among their emerging workforce.

Additional weightings were strengthened for factors that were consistently important to client companies during workforce planning initiatives. In particular, weightings were increased on factors such as severance and notice periods, which have a higher impact on both cost and workforce flexibility.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

EXPLANATION OF COUNTRIES INCLUDED

The CWI is based on ManpowerGroup's global footprint and encompasses a representative portion of the global workforce.

DEFINITION OF CONTINGENT WORKER

All non-traditional worker categories are included in the assessment. These include any population of part-time, temporary or contract labor and exclude all permanent staff.

GEOPOLITICAL CONSIDERATIONS

Political and economic conditions are assessed when evaluating countries for the CWI report. Political unrest, among other factors, tends to create increased risk for employers. Therefore, countries that face economic or political risk are ranked accordingly. This does not mean that a country with a seemingly high level of risk would not be a good country in which to operate; however, it may be ranked lower due to these factors.

LABOR MARKET EFFICIENCY

A country's labor market efficiency is also taken into account in the assessment. This allows clients to determine which countries are the least expensive in which to operate, not only in terms of the hourly cost per employee, but also in terms of the approximate number of hours it would take to complete a project. Included in these factors are institutional and infrastructural efficiency. This gives a more accurate assessment of the overall working cost in a particular country, rather than relying solely on hourly wage comparisons, which are often less accurate predictors of cost.

INTERPRETING THE CWI

The CWI assesses the extent to which a country and its contingent workforce may meet the needs of an employer. It includes a comprehensive analysis of workforce statistics, economic factors, labor regulations, cost considerations and growth trends.

Organizations use the CWI to determine:

- Where to centralize services and/or operations
- Where to expand or downsize operations
- Cost comparisons of contingent workers in different countries and regions
- Productivity of contingent workers regionally and nationally

A higher CWI ranking indicates countries that are likely to support higher volumes of contingent hiring with greater cost efficiency, based on quality and productivity.

This comparative analysis enables employers to enhance workforce strategies to achieve greater cost savings, higher productivity or reduced risk.

DOES YOUR ORGANIZATION HAVE SPECIFIC PRIORITIES?

The CWI report uses a proprietary weighting system to rank 75 countries. This report can be customized to reflect your organization's prospective labor markets and workforce priorities. Talk to your ManpowerGroup Solutions representative today to learn how your organization can receive a custom workshop and assessment.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COUNTRY PROFILE

Hong Kong

Ranked highly for the quality of its skilled labor, cost efficiency and productivity levels, Hong Kong has continued to mature as a labor market in recent years but now faces the second highest talent shortage among Asian countries.

ManpowerGroup's Talent Shortage Survey found that almost two out of three employers in Hong Kong report difficulty filling open positions. The majority of companies are employing or sponsoring qualified overseas or expatriate candidates to overcome skills shortages

There are proactive efforts underway to address the challenges. For example, the government put monetary incentives in place to address the struggles the financial industry has had with risk and compliance professionals. A $100M, three-year pilot program for the insurance and wealth management sectors includes government collaboration to provide internships to potential new hires. The program will also add to career development programs and provide financial support to encourage enrollment.

The government is also encouraging local applicants to improve their language, presentation and communication skills to help Hong Kong close the skills gap and fill positions currently being filled by overseas and expatriate hires.

RANKING SUMMARY:

4th for Global CWI Ranking

2nd for Regional CWI Ranking

RANKING OVERVIEW:

- Ranked 1st in 2013 and 2014 CWI, additional emphasis on English proficiency and cost of doing business resulted in a drop to 4th in the overall rankings.
- Minimal regulatory restrictions and superior productivity continue to be strengths.
- While Hong Kong dropped slightly in the overall rankings, high productivity and workforce quality helped Hong Kong maintain a high regional ranking.

COUNTRY PROFILE

China

China continues to dominate the global market with the largest workforce in the world; however, it has slipped in many CWI rankings this year as its value proposition to global employers has shifted due to increasing costs of labor, higher taxes and tightening regulations.

Although China has traditionally been the foundation of offshore manufacturing efforts, the country is in the midst of a five-year campaign to increase the average minimum wage by 13% per year. As a result of these cost increases, Vietnam, India, South Korea, Taiwan and Singapore are now the leaders in global manufacturing competitiveness, and there have been a number of campaigns to target and attract organizations in China to move their business to other Asian markets.

Although China still maintains the largest workforce, there is some uncertainty of China as a market of choice due to the demographics shifts caused by its aging workforce and limited English proficiency. Global employers seeking English proficiency are challenged by the fact that English speakers are concentrated in the largest urban areas, among younger workers and within the white collar professional labor force. Additionally, more Chinese firms are expanding globally, so many English-speaking Chinese are moving with them. China continues to struggle with the migration of its top talent.

Another fundamental shift in contingent opportunities within China has been recent legislation that restricts the number of contingent workers compared to salaried employees, adding to the complication of many incumbent employment strategies.

RANKING SUMMARY:

21st for Global CWI Ranking

10th for Regional CWI Ranking

RANKING OVERVIEW:

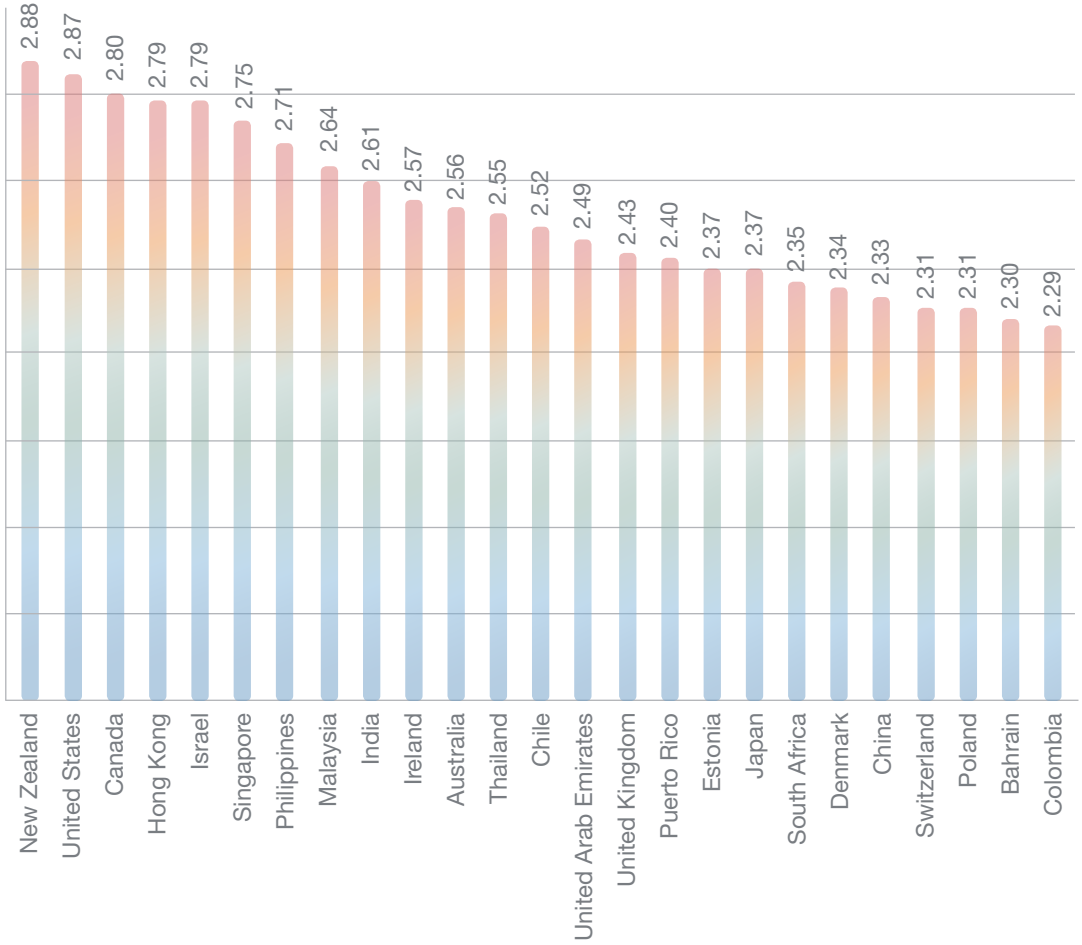
- Remained in CWI 25 due solely to the size of the available workforce
- Drop to 21st overall is due largely to low English proficiency, high workforce regulations and increases in overall costs of doing business
- These elements are critical factors in the emerging trend of employers looking beyond China within the region

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

2015 CWI RANKINGS

TOP 25 MARKETS FOR CONTINGENT WORKFORCE ENGAGEMENT

New Zealand is the highest ranked for contingent workforce engagement, followed closely by the United States and Canada. All three rank high for cost efficiency and flexible regulations. The United States has the added benefit of higher productivity, while Israel boasts the highest availability of talent of any market.



CHANGES FROM 2014 RANKINGS

New Zealand jumped to the top of the Index in 2015 as a result of increased weighting on the quality of education and skill among its emerging workforce data points and recent initiatives to attract and retain skilled workers. Hong Kong remained among the highest ranked countries for contingent workforce operations, shifting from first to fourth place on the Index. This movement was a result of increased weighting on English proficiency and the inclusion of total costs of doing business in these markets. The most notable shift on the leader board is Israel, which moved up from 13th to fifth place on the index. Although this may surprise some, Israel has begun to dominate a number of global reports, including many published by the World Economic Forum, which has noted Israel as a top market for both the employment of skilled labor and its innovative economy.

Interestingly, China and India have moved down on this year's rankings, shifting from third to 21st and from sixth to ninth respectively. This is driven by the input from global employers who have consistently placed more value on the quality of the workforce over the volume of available workers. Though these two markets represent 52% of the total workers assessed within the CWI, they are not among the highest ranked for English proficiency, education, skilled labor, etc. Just as importantly, both of these markets have been impacted by increased costs, tighter regulation and shifting productivity levels. In the case of China, productivity has been impacted by regulatory changes that have restricted work schedules and increased wage regulations that have resulted in less productive work schedules. In India, productivity is impacted by an underdeveloped infrastructure in many parts of the country and by the disruption caused by attrition across skilled categories of labor.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COMPLETE CWI RANKINGS

Below is a list of the countries included in the CWI report in alphabetical order and the overall Index ranking based on Availability, Cost Efficiency, Productivity and Regulation.

The lowest ranked country for contingent workforce engagement is Venezuela. This is due primarily to high regulations within the country and the fact that Venezuela, like Bolivia, does not allow for redundancy dismissal.

COUNTRY	2015 SCORE	+/– VS. 2014	COUNTRY	2015 SCORE	+/– VS. 2014	COUNTRY	2015 SCORE	+/– VS. 2014
Argentina	1.71	↓ 0.07	Guatemala	2.22	↓0.03	Philippines	2.71	↑0.29
Australia	2.56	↑ 0.18	Honduras	1.74	0	Poland	2.31	0
Austria	2.24	↑ 0.18	Hong Kong	2.79	↑0.04	Portugal	1.97	0
Bahrain	2.30	↑ 0.10	Hungary	2.19	↑0.14	Puerto Rico	2.40	↑0.09
Belarus	2.22	↑ 0.09	India	2.61	↑0.02	Romania	1.84	↓0.19
Belgium	1.97	↓ 0.03	Ireland	2.57	↑0.22	Russia	1.91	↓0.02
Bolivia	1.66	↑ 0.07	Israel	2.79	↑0.37	Serbia	1.93	↓0.11
Brazil	1.78	↓ 0.07	Italy	1.84	↑0.09	Singapore	2.75	↑0.07
Bulgaria	2.15	↑ 0.01	Japan	2.37	↑0.11	Slovakia	2.06	↑0.07
Canada	2.80	↑ 0.25	Kazakhstan	2.25	↑0.02	Slovenia	1.89	↓0.12
Chile	2.52	↓ 0.15	Korea	2.02	↓0.07	South Africa	2.35	↓0.07
China	2.33	↓ 0.37	Latvia	2.16	↓0.07	Spain	1.81	↓0.07
Colombia	2.29	↑ 0.22	Lithuania	2.20	↑0.06	Sweden	2.17	↑0.27
Costa Rica	2.03	↓ 0.02	Luxembourg	1.72	↑0.02	Switzerland	2.31	↑0.18
Croatia	2.26	↑ 0.18	Macau	2.16	↓0.21	Taiwan	1.91	↓0.15
Czech Republic	2.22	↑ 0.07	Malaysia	2.64	↑0.17	Thailand	2.55	↑0.18
Denmark	2.34	↑ 0.18	Mexico	2.16	↓0.01	Tunisia	2.18	↑0.13
Dominican Republic	2.14	↓ 0.05	Morocco	1.87	↓0.05	Turkey	2.22	↓0.05
Ecuador	1.91	↑ 0.13	Netherlands	2.28	↑0.13	Ukraine	2.00	↓0.14
El Salvador	2.27	↑ 0.02	New Zealand	2.88	↑0.19	United Arab Emirates	2.49	↓0.06
Estonia	2.37	↑ 0.01	Nicaragua	2.13	↑0.02	United Kingdom	2.43	↓0.04
Finland	1.95	↓ 0.12	Norway	2.03	↑0.07	United States	2.87	↑0.16
France	1.58	↓ 0.14	Panama	2.11	↑0.02	Uruguay	2.15	↓0.07
Germany	2.14	↑ 0.27	Paraguay	1.97	↓0.05	Venezuela	1.35	↓0.03
Greece	1.84	↓ 0.01	Peru	2.20	↑0.08	Vietnam	2.21	↑0.04

COUNTRY PROFILE

Israel

Israel has become a research hub in recent decades with 140 scientists, technicians, and engineers per 10,000 employees, compared to 85 per 10,000 in the United States.

Israel also boasts the highest number of scientists and technology professionals per capita in the world. Despite high representation of STEM talent, Israel's technology sector is being threatened by a shortage of engineers and computer scientists as technology companies are finding that recruiting qualified workers is one of their biggest problems. In 2013 and 2014 there were not enough qualified software developers to fill all job openings, and engineers were in short supply for five out of eight quarters in the same period. Moving forward, another 10,000 engineers will be needed on top of the current 20,000 to ensure the technology sector can grow.

Due to increased hiring activity and employers' economic investments, Israel is rising on many global indexes including the World Economic Forums rankings for Innovative Markets and Top Skilled Employment. Israel also continues to score highly for the quality of its education, particularly for tertiary education.

Jewish immigration into Israel has surged more than 40% this year, mostly from France, Russia and the Ukraine. Meanwhile, the emigration rates are starting to decline, suggesting that Israelis are much less inclined to permanently leave the country than they were 10 or 20 years ago.

RANKING SUMMARY:

5th for Global CWI Ranking

1st for Regional CWI Ranking

RANKING OVERVIEW:

- Largest improvement in overall CWI rankings, moving from 15th to 5th, with its primary limitation being the size of overall workforce.
- Israel's workforce boasts some of the highest ratios of English proficiency, professional skill levels and educational attainment.
- One of the most productive workforces in the world due to infrastructure investment, nine hour work day and extended work week.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

AVAILABILITY OVERVIEW

Whereas size of the workforce used to be the most heavily weighted variable in the CWI, the rankings are now driven more by quality of the workforce, English proficiency and education versus size of the workforce. As a result, China and India no longer top the list for Availability. With the increased focus on the quality of available workers, Israel now ranks at the top of the list, and Ireland and the United Kingdom have joined the leader board as well.

This is more reflective of current employment trends among global employers who are seeking to better balance their cost savings effort with sustainable access to qualified talent in key markets.

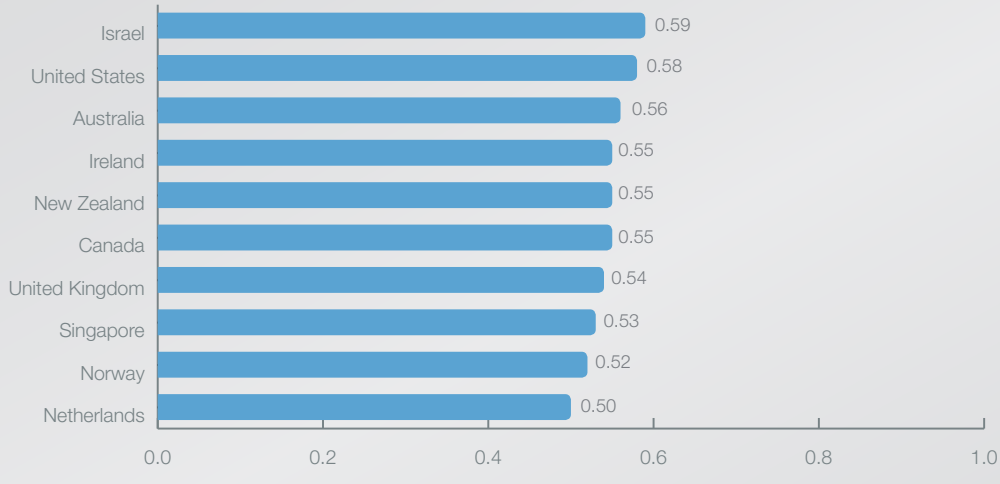
CHANGES FROM 2014 RANKINGS

In addition to China and India dropping out of the top ten markets based on Availability (now ranking 13th and 23rd respectively), Thailand and Vietnam also fell from this list. Replacing those Asian markets on the leader board are Israel (1st), Canada (6th), United Kingdom (7th) and Norway (9th) due to the availability of skilled contingent labor.

Additional movement among these top markets for Availability included the United States advancing from third to second, Ireland advancing from sixth to fourth, New Zealand from eighth to fifth, Australia from ninth to third and Singapore from 10th to eighth.

2015 CWI AVAILABILITY RANKINGS

TOP TEN MARKETS FOR CONTINGENT WORKFORCE AVAILABILITY



Calculation of the Contingent Workforce Availability Rankings is based on the comparison of workforce volume, skill, education, literary, language and age.

PRIMARY INFLUENCING FACTORS ON WORKFORCE AVAILABILITY RANKING:

- Size of local contingent workforce
- Gap between age dependency and emerging workforce
- Gap between age dependency and tertiary enrollment
- Level of English proficiency

COUNTRY PROFILE

India

Although India ranks as the #2 global market in Cost Efficiency (behind Thailand), labor cost alone is not the sole indicator of a country's true cost of business.

In the past, India attracted a large number of foreign investors with low-skilled labor costs at roughly 40% of China's wages. However, India's lack of investment in infrastructure – the roads, ports, and power networks necessary to run a business – has made logistics more complicated and costly to multinationals, offsetting any cost advantage. Southeast Asian countries such as Vietnam and Indonesia may seem like attractive alternatives to China, but they lack the deep supply of workers available in India.

Despite the sheer size of India's workforce, the talent availability of skilled workers is a continuing concern due to migration. India ranks at a mere 23rd in the Availability category in the CWI as it has a lower literacy rate and educational scores than most major markets. Additionally, a large percentage of its skilled workforce migrates to other countries in search of better job opportunities and higher wages. India's top academic scholars opt to go abroad for higher research because those countries offer the best opportunities, resources and facilities. After completing their studies, many choose to stay due to better work opportunities and pay packages.

This may be changing in the future however, as the government has begun to take actions to keep skilled labor in India. It recently suspended issuing "no obligation to return certificates" to medical students going abroad to slow emigration in that segment. Similar actions targeting the technology and science segments are expected in the near future.

RANKING SUMMARY:

9th for Global CWI Ranking

6th for Regional CWI Ranking

RANKING OVERVIEW:

- Overall CWI ranking was impacted by lower workforce quality and education levels.
- Maintained top 10 ranking based on overall workforce size and cost efficiency.
- While still a strong market for labor, increasing regulations and delayed infrastructure improvements may impact future rankings.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COST EFFICIENCY OVERVIEW

The relative cost of contingent labor continues to rely heavily on the varying wage levels in each country; however, this year the CWI takes the cost of benefits and taxes into greater consideration based on input from global employers. Consequently, although countries with the lowest wage thresholds continue to rank highest in the CWI for Cost Efficiency, the leader board now reflects those markets that have the lowest total cost of labor, inclusive of other operating costs that impact employment.

Because the Index does not account for various rate computation requirements, there are a number of variables that can impact the Cost Efficiency in any given market. This is particularly the case in Asia, where a number of other factors can influence hourly rates, including local regulatory or economic considerations.

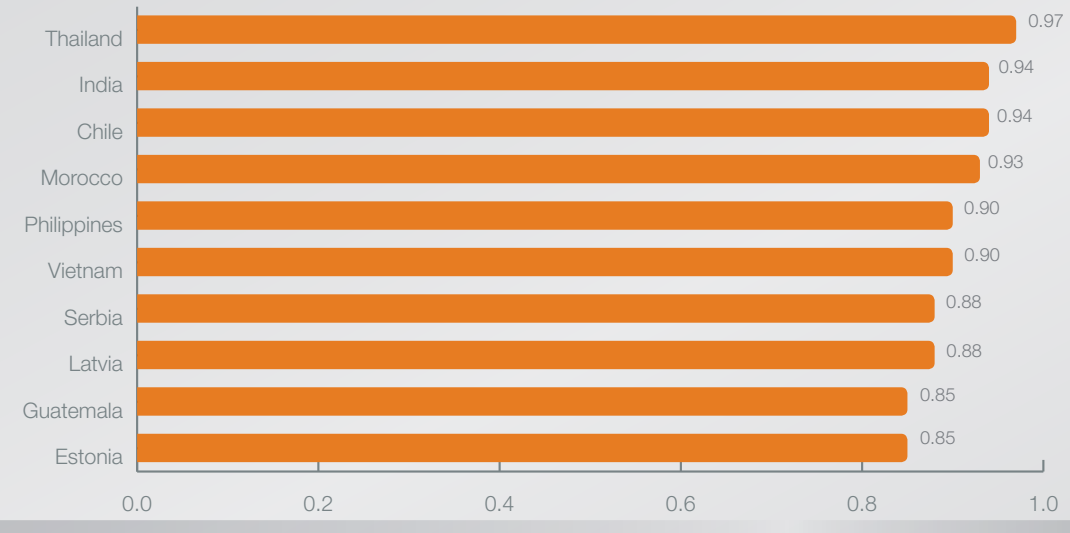
CHANGES FROM 2014 RANKINGS

The increased weighting on benefits, taxes and operating costs did not drastically impact the top 10 rankings for Cost Efficiency; however, there were some notable changes. First, India and Thailand switch first and second place, with Thailand now leading as the top market for Cost Efficiency. Similarly, the Philippines and Morocco switch for fourth and fifth place, with Morocco now slightly more cost competitive than the Philippines. These shifts were primarily driven by the inclusion of cost considerations beyond wage.

Unlike the above examples, some changes to the leader board reflected shifting market conditions as opposed to an adjustment of the weightings. For example, the Ukraine has dropped from the list of most cost efficient markets as geopolitical conditions and shifting migration patterns have had substantial impact on the cost of operating and hiring workers. Panama also dropped from the top 10 list (although only to move into 11th place) as a result of slightly higher costs of labor. Additionally, Vietnam and Estonia joined the list in sixth and 10th place respectively based on their increased competitive levels from a cost efficiency perspective.

2015 CWI COST EFFICIENCY

TOP TEN MARKETS FOR CONTINGENT WORKFORCE COST EFFICIENCY



Calculation of the Contingent Workforce Cost Efficiency is based on the comparison of workforce wages, benefits, taxes and operating costs.

COUNTRY PROFILE

New Zealand

New Zealand continues to rank highly on the CWI as a result of its highly educated demographic base and contract-friendly regulation.

However, its agreement with Australia allows their citizens to live and work freely in either state, and in the past, approximately 40,000 New Zealanders would migrate every year to Australia, which offered a booming economy and higher wages. Historically, this resulted in skills shortages for engineers, builders, IT professionals and healthcare workers locally.

In recent years this migration of talent has begun to shift, with New Zealand actively recruiting Australians to fill job market shortages. The New Zealand government recently staged its first career expo in Australia aimed at filling the many IT professional vacancies among local employers. Although Australia's mining-reliant economy has slowed, New Zealand's economy has not and the number of New Zealanders moving to Australia has steadily declined. May 2015 marked the first time in 24 years that more Australians moved to New Zealand to live and work than the other way around.

Like other developed countries, New Zealand continues to see a long-term shift from manufacturing to service jobs. The majority of job growth in New Zealand is in the services sectors; retail trade, health and professional services sectors employ 27% of all workers. The agriculture, forestry and fishing sectors are still a significant employer, with 7% of employment, and manufacturing accounts for 10% of workers.

RANKING SUMMARY:

1st for Global CWI Ranking

1st for Regional CWI Ranking

RANKING OVERVIEW:

- NZ has always maintained a strong CWI ranking due to ideal regulatory conditions for contingent workforces.
- Attained number one overall CWI ranking due to highest scores in educational attainment and English proficiency resulting in a highly skilled and productive workforce.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

REGULATIONS OVERVIEW

The CWI analyzes the extent to which the legal and regulatory climates in each country impact the cost and process of engaging local workers. Pay parity, contract duration limits, notice periods and severance requirements restrict the use and increase the cost of contingent labor more than any other regulations. Countries with the highest rankings offer the most regulatory workforce flexibility for contingent labor

CHANGES FROM 2014 RANKINGS

New Zealand, Denmark and Singapore continue to rank as the top three countries for contingent workforce regulations, as they have the fewest restrictions in place to dictate when and how an employer can leverage contingent workers. The United Kingdom and the United States dropped off of the top 10 list, less because of increased regulations and more because other markets have become more advantageous. Agency Worker Regulations and the Affordable Care Act have made both countries less appealing for employers, but both laws were accounted for in the 2014 CWI Report. Ireland and Belgium joined the list of top 10 markets for the first time in fourth and 10th place respectively.

Other minor movements among these countries had Australia and Hong Kong moving down slightly on the rankings, while Canada, Switzerland and Austria slightly improved their positions.

2015 CWI REGULATION RANKINGS

TOP TEN MARKETS FOR CONTINGENT WORKFORCE REGULATION

Calculation of the Contingent Workforce Regulation Rankings is based on the comparison of workforce restrictions and requirements related to subcontracting, contractual terms, notice periods, severance and overtime premiums.

MAIN FACTORS INFLUENCING WORKFORCE REGULATIONS RANKING:

- Lack of contract duration limits
- Severance and/or notice periods

COUNTRY PROFILE

United States

The United States continues to rank first in Productivity in terms of the amount of time an individual can work, in part because there is no mandated leave and no maximum work hour.

With no federal law mandating paid sick leave, annual leave or parental leave, statutory burdens are reduced and productivity is elevated.

Meanwhile, availability of contingent workers continues to increase as the U.S. recovers from its recession. Companies are investing the same or more in contingent workers as part of their overall workforce while getting the best available talent at relatively low risk. This may or may not shift over time as the long-term impact of the Affordable Care Act is measured by organizational reactions in their workforce mix models.

It remains unclear how the workforce will change as the Baby Boomer generation (born between 1946 and 1964) enters its retirement stage. The Census Bureau anticipates the population 65 years and older will become larger than the population under 18 years old by 2056. And by 2030, when all Baby Boomers will be 65 or older, the old-age dependency ratio is projected to reach almost 35, an increase of 14 older residents for every 100 working-age adults.

RANKING SUMMARY:

2nd for Global CWI Ranking

1st for Regional CWI Ranking

RANKING OVERVIEW:

- Maintained number 2 position on CWI due to number one rankings in overall Availability and Productivity.
- Although the US has minimal workforce regulations and reasonable cost efficiency, both are likely to be impacted by ongoing wage debates and regulations, such as the Affordable Care Act.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

PRODUCTIVITY OVERVIEW

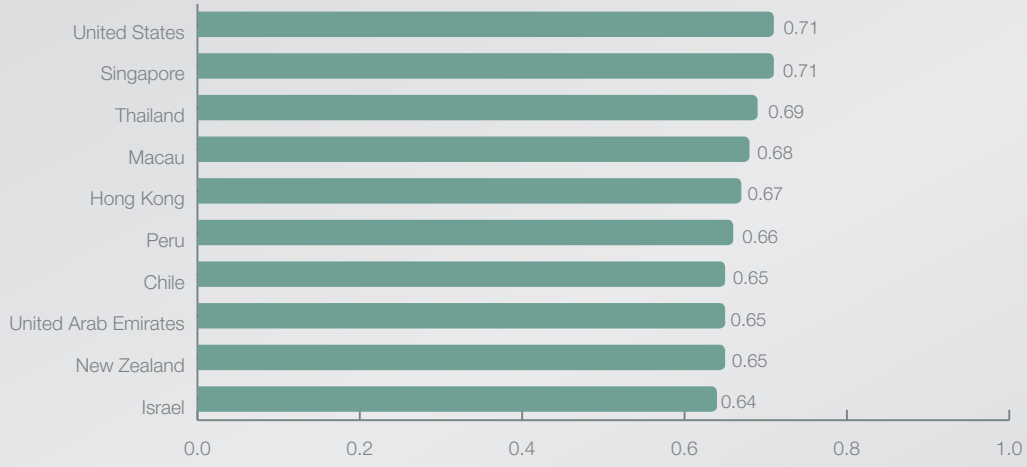
Productivity accounts for the employer's ability to leverage a worker within each country over the length of a contract. The CWI includes productivity output of a worker as well as the number of hours in a workday, the days in a workweek, permitted overtime and paid time off. Countries that restrict the hours in a workday or workweek and limit overtime have the most constrained productivity measures.

CHANGES FROM 2014 RANKINGS

The biggest change to the productivity measures this year was the shift from evaluating markets by the maximum workday and workweek to evaluating markets by the standard workday and workweek. Although many countries do allow for a six-day workweek and a 10-hour workday, that is not always the cultural norm from a productivity standpoint. With this change, the United States and Singapore switch spots, with the United States now ranked first for productivity. New Zealand dropped from third to ninth, and Switzerland, Canada, Norway, the United Kingdom and the Netherlands have fallen off of the leader board entirely. Taking their places on the list are Thailand (3rd), Peru (6th), Chile (7th), United Arab Emirates (8th) and Israel (10th).

2015 CWI PRODUCTIVITY RANKINGS

TOP TEN MARKETS FOR CONTINGENT WORKFORCE PRODUCTIVITY



Calculation of the Contingent Workforce Productivity Rankings is based on the comparison of workforce holidays, leave, standard working hours and infrastructural efficiencies.

MAIN FACTORS INFLUENCING WORKFORCE PRODUCTIVITY RANKING:

- Hours/days per workweek
- Paid leave
- Public holidays

COMPARISON OF TOP FIVE MARKETS

OVERVIEW

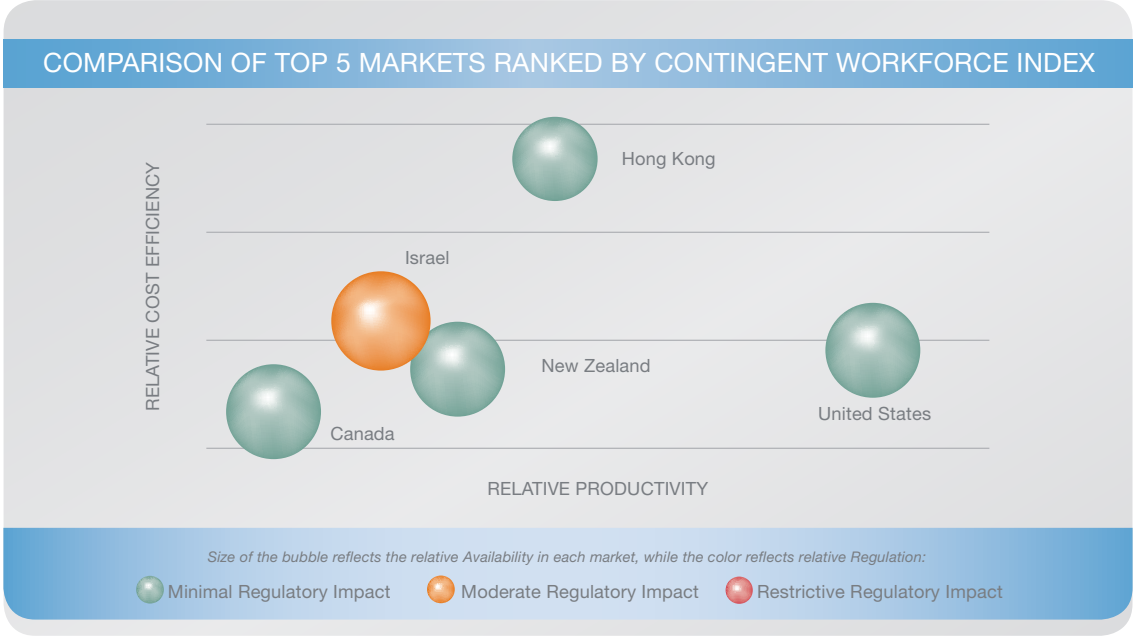
The top five markets for contingent workforce engagement are New Zealand, the United States, Canada, Hong Kong and Israel. Overall, these markets are balanced in terms of their Availability, Cost Efficiency, Regulation and Productivity; however, since all four categories are weighted equally, these countries are not necessarily ranked as leaders in each.

	AVAILABILITY	COST EFFICIENCY	REGULATORY EASE	PRODUCTIVITY
New Zealand	5th	38th	1st	9th
United States	2nd	45th	11th	1st
Canada	6th	43rd	5th	12th
Hong Kong	34th	15th	8th	5th
Israel	1st	28th	15th	5th

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

CHANGES FROM 2014 RANKINGS

The top five markets for contingent workforce engagement in 2014 were Hong Kong, China, the United States, New Zealand and Singapore. The rankings for these markets have changed in 2015, with China and Singapore falling from the list as a result of tightening regulations, rising costs and reduced availability based on more detailed factors. The U.S. increased its ranking from third to second, while New Zealand jumped from fourth to first as a result of increased education, English proficiency and productivity factors. Hong Kong dropped from first to fourth place due to added considerations around English proficiency and skilled availability. Canada and Israel are joining the top five markets for the first time due to their increased availability of skilled labor, regulatory ease and productivity levels.



COUNTRY PROFILE

Singapore

Despite the high cost of labor in Singapore, it continues to rank well on the CWI due to the high quality and productivity of its workforce.

The government created incentives to support firms that upgrade productivity, whether by investing in technology, training workers or streamlining operations. In general, the government is keen on equipping the local workforce with the skills needed to take on higher value-added jobs in the economy, while helping companies to invest in capital and improve their technological and business process capabilities.

With its 2% unemployment rate and expanding job market, competition for skilled labor in Singapore remains high and costly and recruiting for hard-to-fill positions continues to be a challenge, necessitating worker engagement and retention strategies to minimize turnover. Historically a market driven by its skilled labor force, Singapore has seen an increase in employment growth of less-skilled workers in more recent years. This increase has been driven in part by Singapore's construction sector, which expanded substantially in recent years and led to growth in the number of less-skilled foreign workers in the workforce.

From a regulatory standpoint, there have been increased restrictions on the use of foreign workers as the government pushes to fully leverage its national workforce. As a result, the government tightened work pass availability, making it more difficult for firms to hire low-cost foreign workers. Employers are adjusting their local recruitment strategies to focus on attracting overseas Singaporeans back home, and the number of older and less-educated locals entering the workforce has increased in recent years.

RANKING SUMMARY:

6th for Global CWI Ranking

3rd for Regional CWI Ranking

RANKING OVERVIEW:

- Despite high cost, Singapore remains a very attractive market with few holidays, a 44 hour work week and limited workforce regulations
- Top five in overall CWI ranking based on the overall quality of workforce, a result of high education levels, number of skilled workers and English proficiency level

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

Philippines

The maturing Philippines Business Process Outsourcing market has become an established pillar of the country's economy.

The market hit a record US$15 billion in revenue last year, leapfrogging India in terms of growth and absorbing 70% of India's voice and call center operations. With inexpensive labor, consistent English proficiency among its workers and a government investing in the professional skills development of its labor force, the Philippines has become a market that employers look to first when considering a change to their offshore strategy in Asia.

In addition to a cost efficient labor pool, the Philippines offers substantial tax breaks. In a move to improve its airports, roads, water supply and transportation, the government is raising its infrastructure budget to 5% of GDP next year from 1.8%. These investments have led to the Philippines being recognized as one the best spots in Asia where investors can get the greatest value for their money. As a result, economic growth in the Philippines reached 6.2% in 2014 and is forecasted to reach 6.4% this year, making it one of the strongest economies in Asia after China and India. The country's unemployment rate has also fallen below 7%, thanks in part to the expansion of back-office operations by foreign firms that created about half a million jobs.

RANKING SUMMARY:

7th for Global CWI Ranking

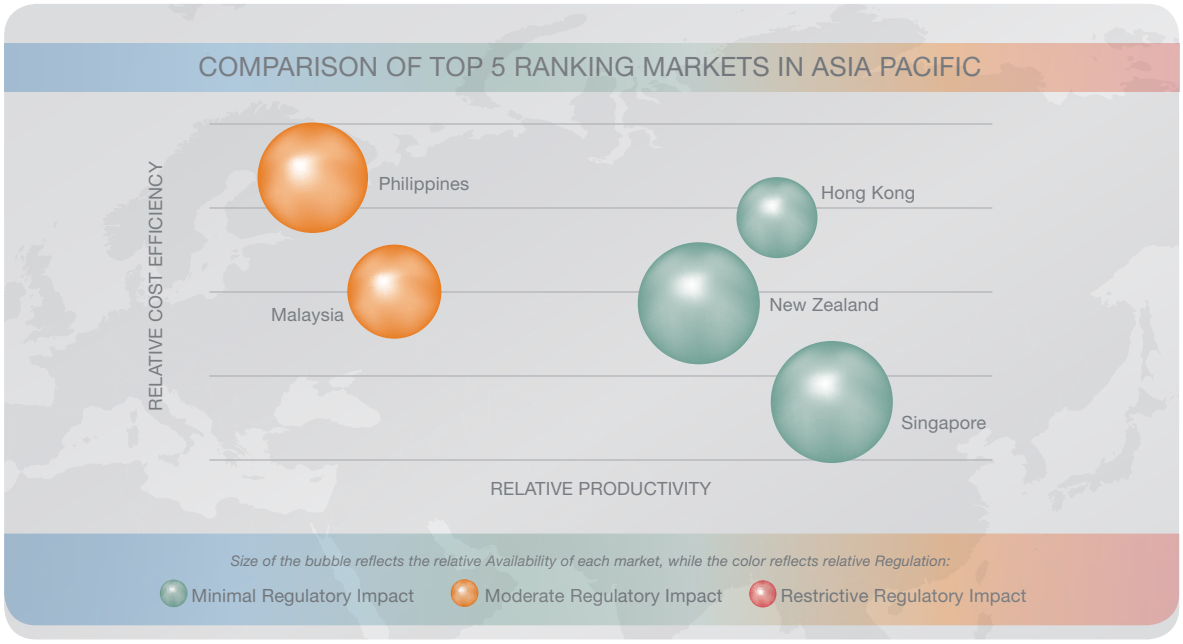
4th for Regional CWI Ranking

RANKING OVERVIEW:

- Continues to be one of the most cost efficient markets in the world
- Movement up in the ranking due to high English proficiency
- Overall CWI ranking strength makes the Philippines one of the first options for employers considering a near-shore option outside of China or India

APAC OVERVIEW

China reflects the biggest movement in the overall ranking, moving from second in the region in 2014 to 10th position in the 2015 CWI. The key driver of this movement was the shift in methodology, which now places a greater emphasis on the educational parameters and English speaking factors within the availability score. In these areas, China does not compare as favorably to other growing markets. Hong Kong was first in the region in 2014 and has marginally increased its overall score. This is mainly due to slight increases in the Availability score based on the increased weightings to English proficiency and its non-agricultural workforce. However, in the 2015 CWI, Hong Kong lost its top place to New Zealand, which scores highly on the educational and English-speaking parameters of the Availability scores and ranks highest of all countries for the Regulation category, including geopolitical factors.



APAC REGIONAL BREAKDOWN

AVAILABILITY:

The 2015 CWI Availability score places less emphasis on the sheer size of a country's population and more emphasis on education levels, English proficiency and the potential future workforce based on current age dependency ratios. The top three countries in the region for Availability are Australia, New Zealand and Singapore. The bottom three countries in the region are Macau (very small workforce, limited percentage of English speakers, few tertiary graduates and very low young age dependency ratio), Vietnam (highly agricultural, low English proficiency with limited educational attainment) and Japan (low English proficiency, high reliance on aging workers and comparatively low levels of young workers emerging.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COST EFFICIENCY:

Thailand, India and the Philippines are the top three countries in the region for Cost Efficiency. In the most recent CWI, Thailand was rated slightly more favorably than India due to relatively lower employer taxes and a lower cost of doing business. Australia, Singapore and Korea are the least favorable countries in terms of cost, and these rankings have not changed substantially from 2014. China, with the requirement for high overtime premiums, full parity and relatively high employer taxes, is ranked 11th in the region for overall cost.

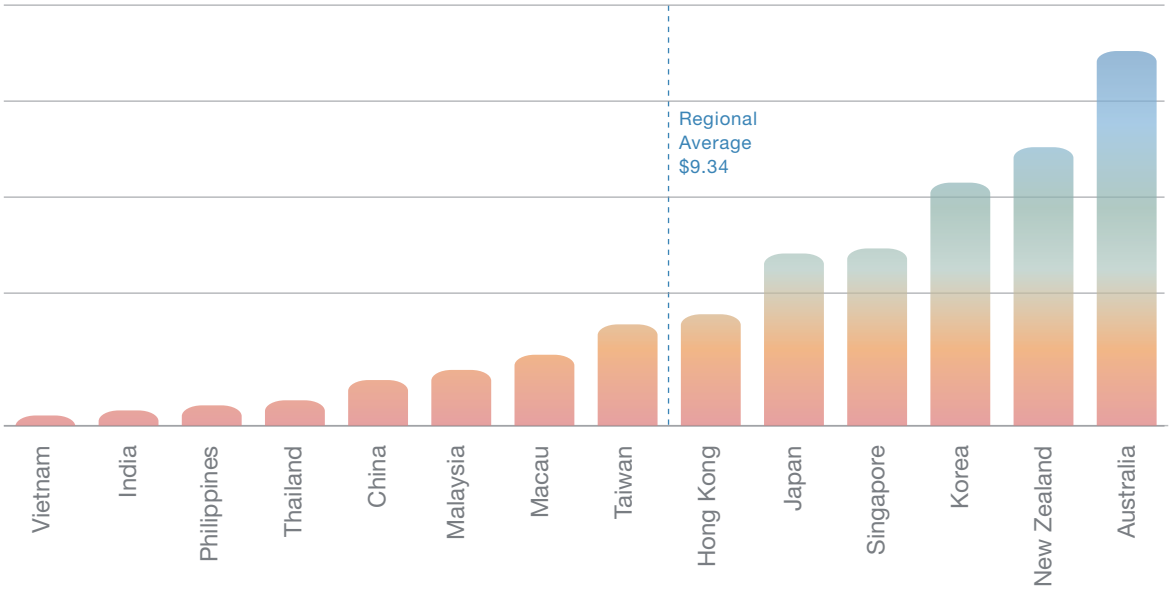
REGULATION:

Across the region, there has been little change compared to 2014 in both the rankings and the overall scores for the Regulation category. New Zealand, Singapore and Australia continue to hold the top three positions, and Taiwan, Macau and Thailand are the least favorable in the region.

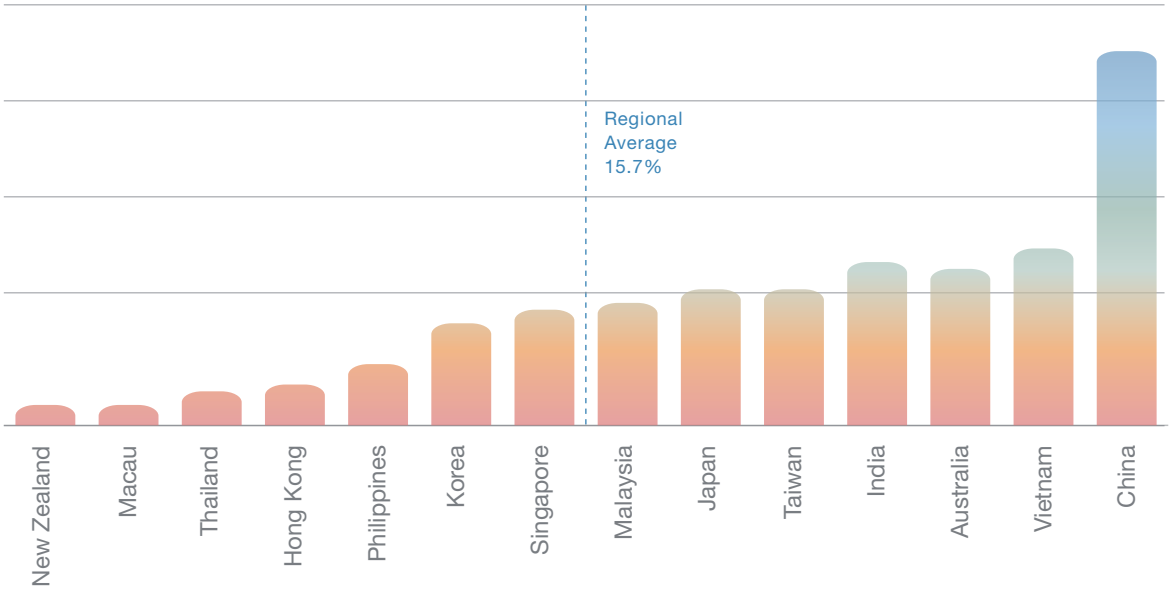
PRODUCTIVITY:

For Productivity, Singapore, Thailand and Macau are rated the highest in the region. Singapore is a clear leader in the specific productivity indicators and also benefits from relatively few leave days and a longer than average working week. Thailand has very few restrictions on overtime hours, a significantly longer working week than average and relatively few annual leave days. Macau has no overtime hour restrictions and very few holiday/leave days. Vietnam, Korea and China are among the lowest-rated countries of the region for Productivity.

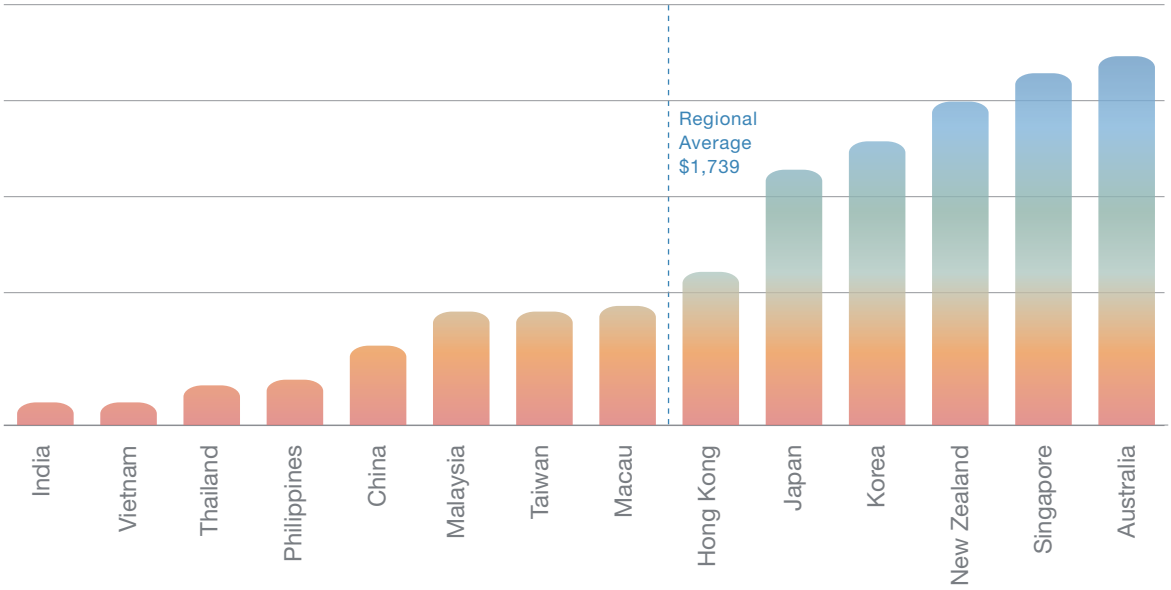
REGIONAL OVERVIEW OF MANUFACTURING WAGES



REGIONAL OVERVIEW OF AGGREGATED TAX RANGES



REGIONAL OVERVIEW OF AVERAGE MONTHLY WAGES



Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COUNTRY PROFILE

Canada

Ranked highly for its availability of skilled talent and regulatory dynamic, Canada remains a leader in the CWI despite less competitive productivity and cost efficiency levels.

Though certain sectors have reported skills gaps, the majority of sourcing challenges are derived from high competition levels for key talent. The construction, mining and petroleum sectors face the most serious shortages of skilled workers over the next decade should skills levels not improve. The Canadian Employee Relocation Council estimates that one million skilled trade workers will be needed by 2020.

Adding to Canada's potential skills shortage problem, the government has announced multiple changes to its temporary foreign workers program to include a limit on the number of foreign workers that large and medium-sized companies are permitted to hire, stiffer penalties for companies in violation of the new rules and on-site audits and inspections to guard against abuses.

With 90% of its labor law driven at the provincial level as opposed to national regulations, organizations often find that their workforce strategy varies from one province to the next, providing more opportunity for localized growth.

RANKING SUMMARY:

3rd for Global CWI Ranking

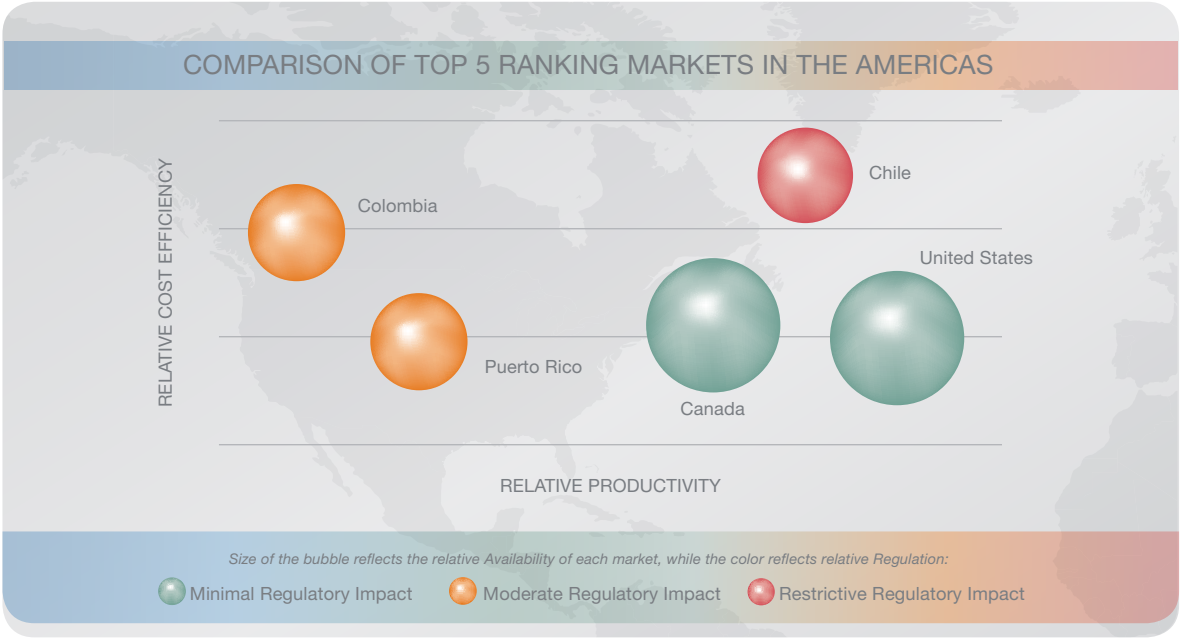
2nd for Regional CWI Ranking

RANKING OVERVIEW:

- Ranked 3rd overall due to high education and English proficiency, and minimal regulatory restrictions
- While perceived as a relatively expensive market for employers, strong Availability, Regulation and Productivity rankings make Canada an attractive market

AMERICAS OVERVIEW

The overall CWI rankings in the Americas region remained relatively unchanged between 2014 and 2015. The United States, Canada and Chile still remain in the top three positions. All three leaders have increased their overall scores, mainly driven by an increase in the Availability scores. Compared to the 2014 CWI, a greater emphasis has been placed on education levels and English proficiency of the workforce rather than the pure number of workers



AMERICAS REGIONAL BREAKDOWN

AVAILABILITY:

In addition to the United States and Canada scoring significantly better on Availability due to English proficiency and education, Mexico moved up from fourth place in Availability to third place, as it has a higher percentage of English speakers and better educational attainment relative to the other countries.

Brazil, which was previously ranked third for Availability, has moved down to sixth in the regional rankings due to the relatively low percentage of the workforce with tertiary education and English speaking ability. Despite increasing in actual score, Chile has slipped down the rankings from fifth to 13th due to the greater importance being placed on English proficiency, for which Chile doesn't perform well, and the inclusion of the young age dependency ratio as Chile has a smaller future workforce relative to others in the region.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COST EFFICIENCY:

The strongest performers in the Americas region for 2015 on the cost parameter were Chile, Guatemala and Panama for the second consecutive year, while Argentina, Nicaragua and Puerto Rico score lowest for cost. All three countries have high overtime premiums, and Nicaragua and Argentina have implemented full parity while Puerto Rico has partial parity. Nicaragua also has the highest cost of doing business of the countries in the region.

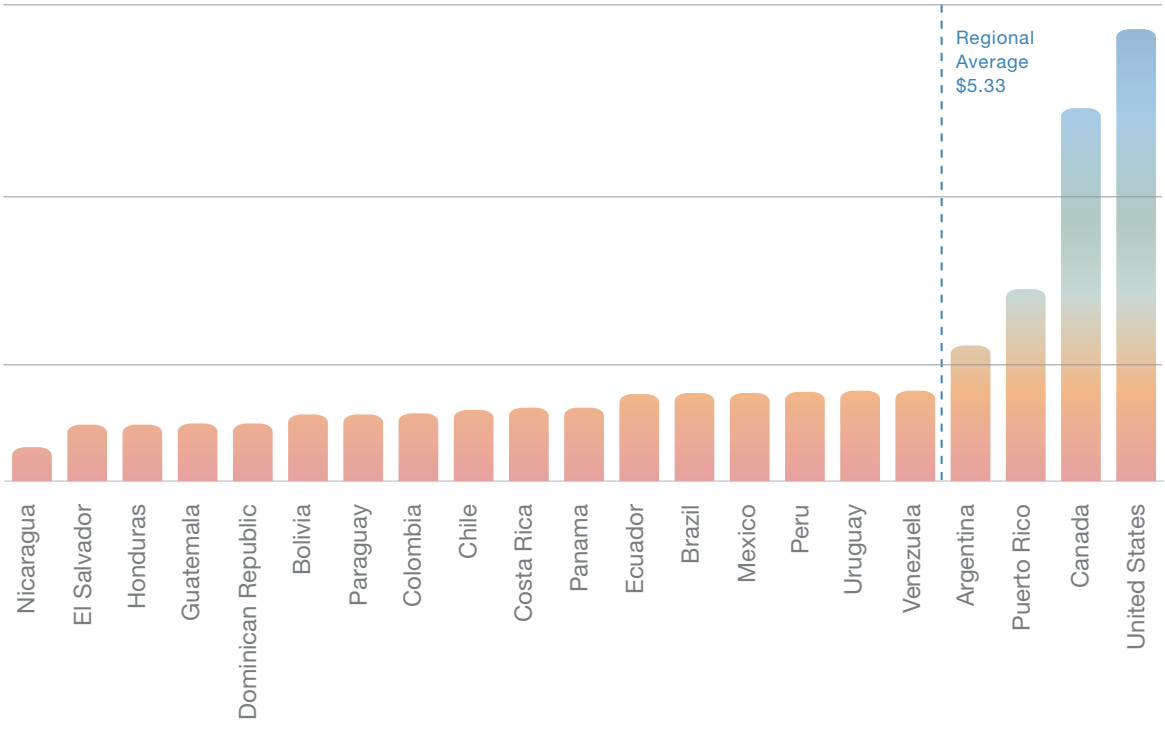
REGULATION:

There were very few changes to the Regulation rankings between 2014 and 2015. Canada has increased its lead slightly over the United States due to a greater difference in geopolitical factors (Canada increased and the United States decreased) and a slight decrease in the weighting for the notice period for dismissal, which had a positive impact on Canada's score. Puerto Rico remains third in the region.

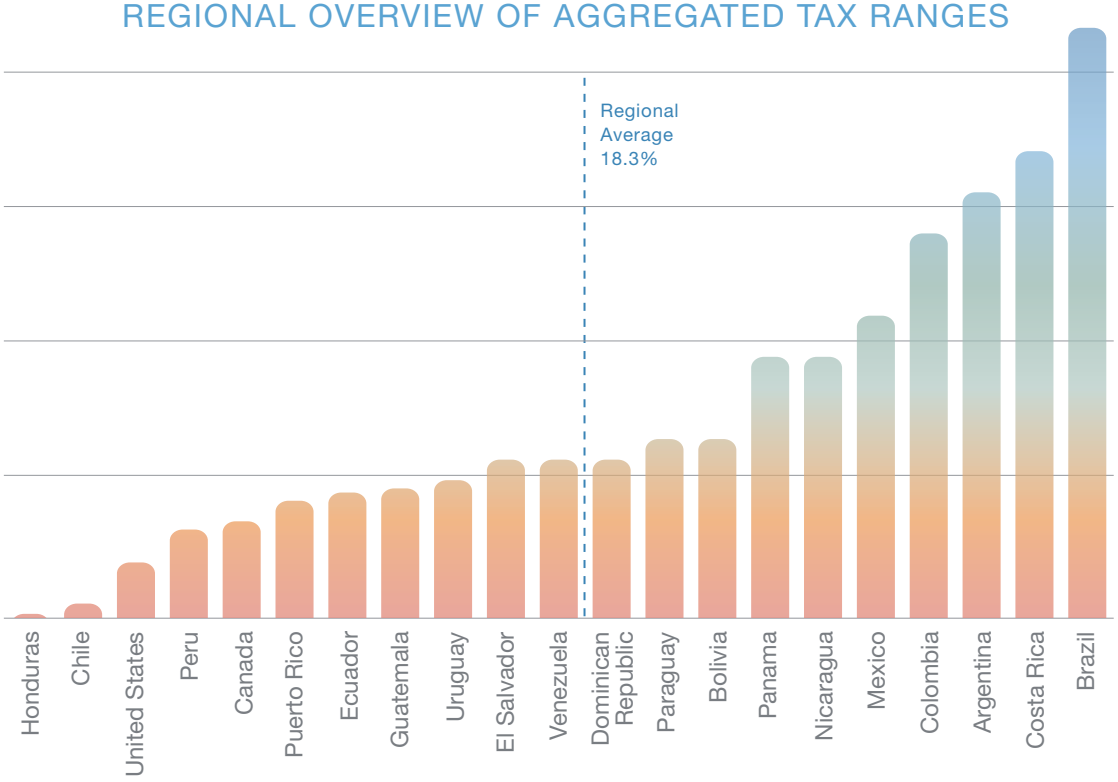
PRODUCTIVITY:

The United States continues as the regional leader in the Productivity category. Peru, which was previously ranked in the middle of the region for Productivity, has moved up to second place in 2015. This is largely due to increased emphasis in the weighting of permissible overtime hours and the inclusion of the standard workday. Peru has one of the longest in the region. Chile holds on to the third place spot in the region, and Canada, which was previously ranked second, has dropped to fourth.

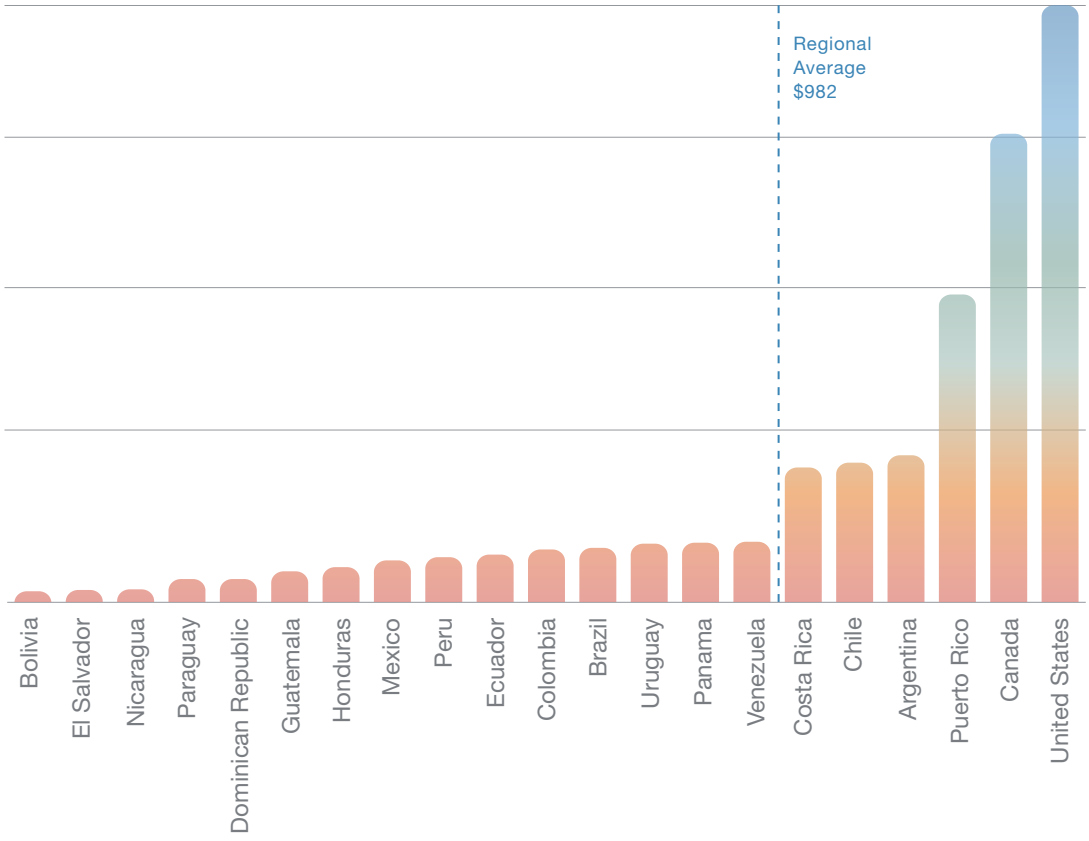
REGIONAL OVERVIEW OF MANUFACTURING WAGES



REGIONAL OVERVIEW OF AGGREGATED TAX RANGES



REGIONAL OVERVIEW OF AVERAGE MONTHLY WAGES



Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COUNTRY PROFILE

United Kingdom

Remaining high on the CWI rankings due to its Availability scores, the United Kingdom is less competitive when it comes to labor regulations and cost efficiencies of contingent labor.

The UK continues to dominate many aspects of the European labor market, particularly with regard to the skill level of its labor force. This market position has resulted in higher competition for available talent as employers continue to increase demand for certain skills. Additionally, the combination of increasing wage growth and very low inflation shows that real wage growth is at its highest level since September 2007.

Although unemployment declines, the size of the workforce has grown and the market is expected to see continued wage growth. In fact, the Monetary Policy Committee (MPC) reports that the underlying wage growth may "be running at an annual rate stronger than annual weekly earning measures."

As the economy rebounds and employment prospects improve, immigration to the UK is on the upswing. Recruitment of non-EU migrants continues as skills shortages remain in several sectors including engineering, IT and healthcare. Many global employers have established regional hubs in the UK to support a broader workforce strategy, strengthening its position as a critical location for employers expanding in the European market.

RANKING SUMMARY:

15th for Global CWI Ranking

4th for Regional CWI Ranking

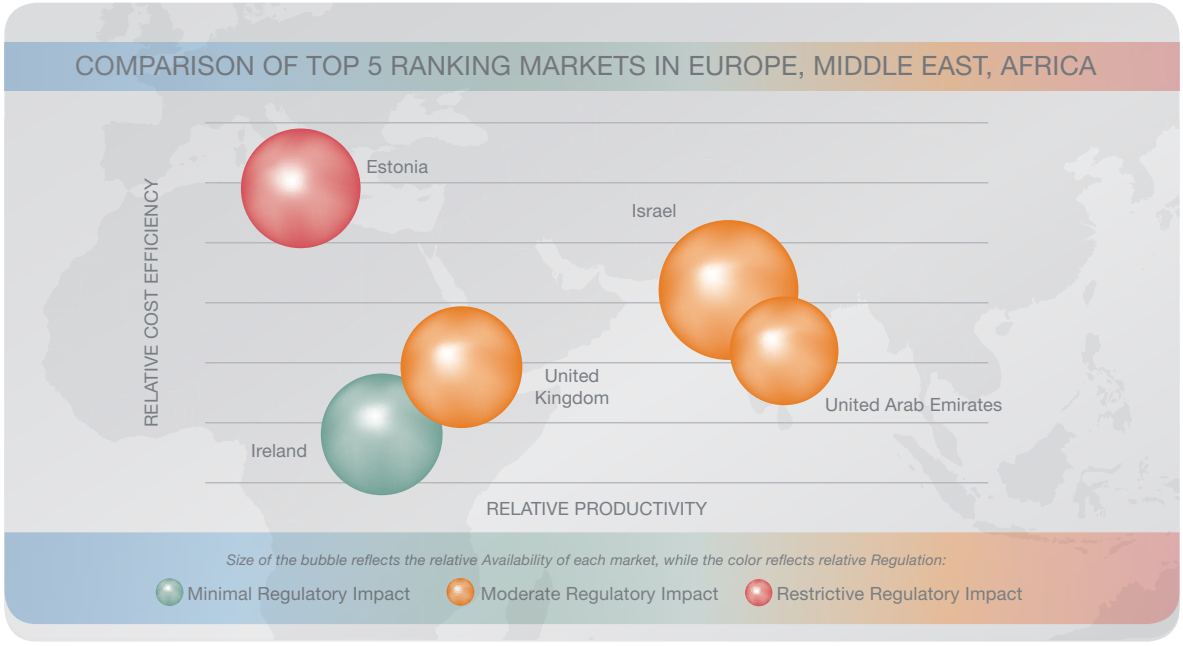
RANKING OVERVIEW:

- Moved from 10th to 15th due to heightened competition and regulations impacting the relative cost of contingent labor.
- Due to high Availability and a very productive workforce, the UK continues to be the regional hub for expanding and more distributed workforce strategies.

EMEA OVERVIEW

There has been quite a lot of movement in the EMEA rankings. Israel moved from fourth position overall to the highest ranked country. Israel showed some improvement across all four measures, but the most change was in the Availability category. The 2015 CWI changed the focus of the Availability score from one that was heavily weighted to larger populations to one that placed more emphasis on skills. Israel's improved performance is due to its highly educated workforce, especially to a tertiary level, and a relatively high proportion of English speakers.

Although not to the same extent as Israel, Ireland also experienced an increase in the overall score and moved up from sixth place in 2014 to second. The UAE fell from first in the region to third (driven by a relatively low cost score) and the UK also slipped in ranking to move from second to fourth as a result of lower Regulation and Cost scores. South Africa, which was previously one of the top three countries, dropped to sixth place driven by falls in the Regulation and Cost Efficiency categories.



EMEA REGIONAL BREAKDOWN

AVAILABILITY:

Moving from fifth place in 2014, Israel is now the regional Availability leader. The 2015 CWI moves away from workforce population as a number and focuses more on the skill level of the workforce. Despite Israel having a labor force of fewer than four million, it is a highly educated workforce with comparatively high levels of English speaking ability and tertiary education. With native English speakers and high levels of secondary education, Ireland and the UK were ranked second and third respectively. Similar to 2014, Norway and the Netherlands continued to complete the top five. Both have relatively high education attainment scores and a high percentage of English speakers.

Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

COST EFFICIENCY:

Morocco, Serbia and Latvia scored highest in the cost category for the second consecutive year. Belgium, Switzerland and Luxemburg remain among the least competitive in the region. In addition to high wages, all three are subject to parity regulations. Belgium and Luxemburg have high overtime premiums, and Belgium also has some of the highest employer taxes of any of the countries.

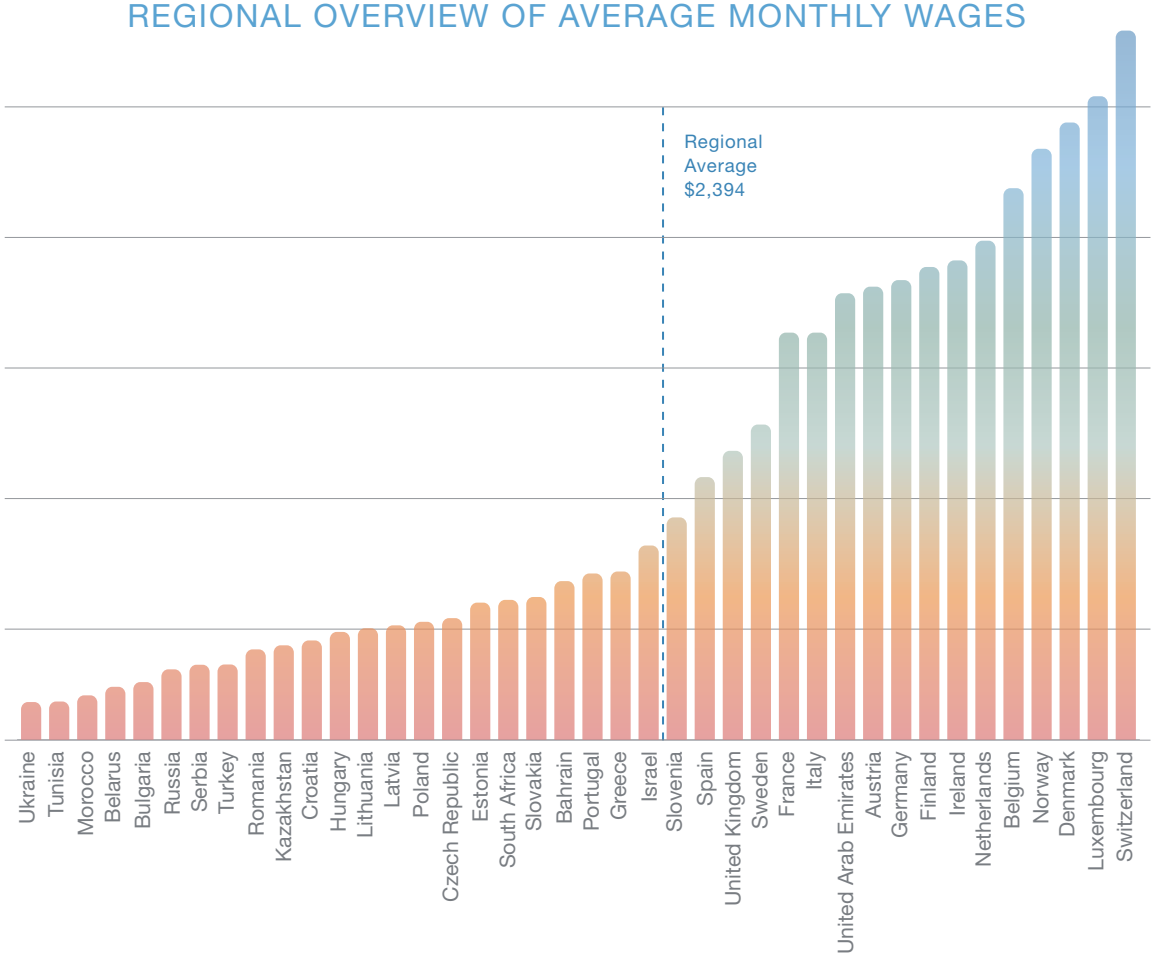
REGULATION:

Denmark, Ireland and Austria are ranked the highest for regulatory measures with few contract restrictions and shorter notice and severance periods relative to others in the region, coupled with a high geopolitical score.

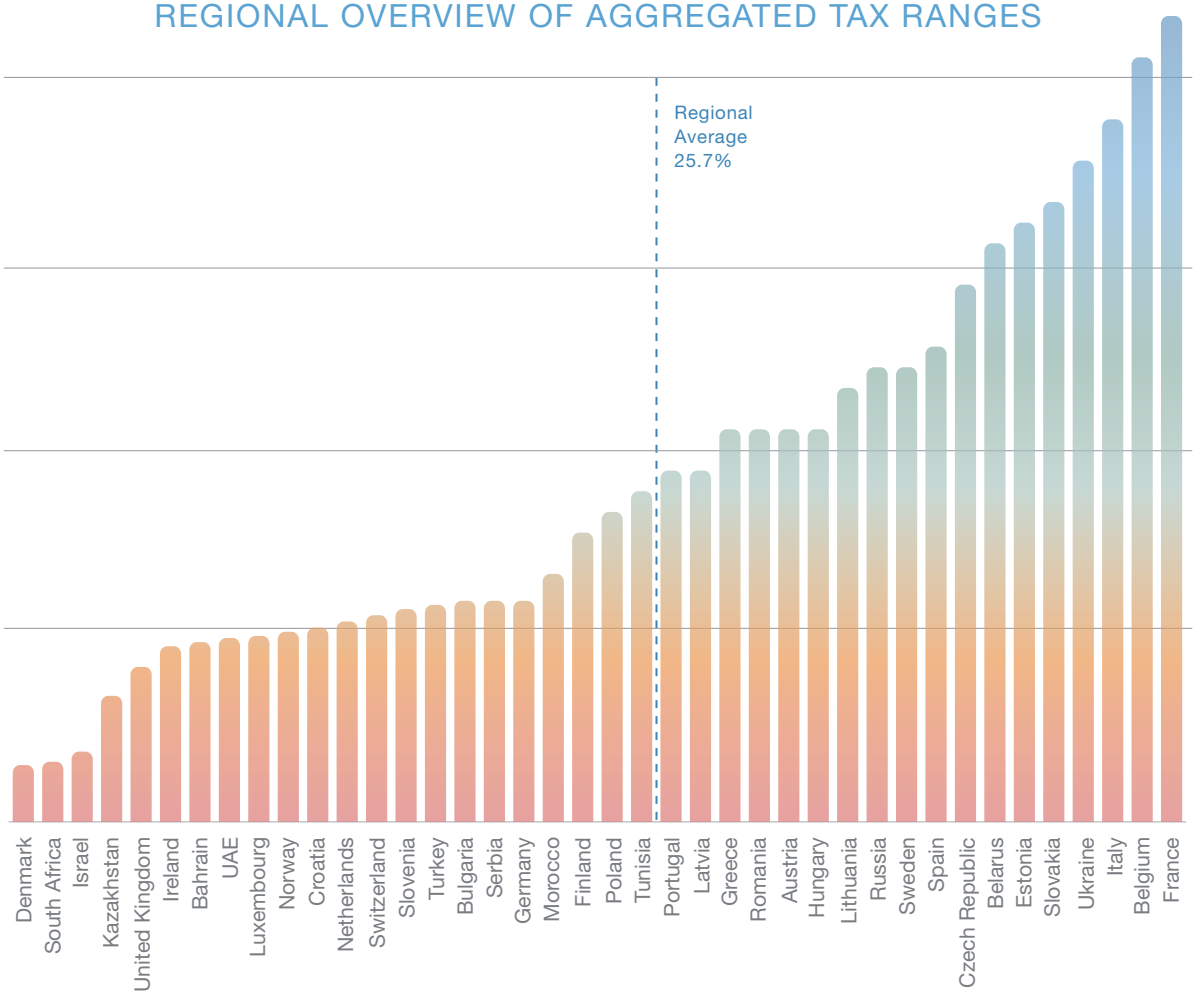
PRODUCTIVITY:

The UAE, Israel and Switzerland score the highest for Productivity. Although Switzerland has a relatively longer working week than most countries in EMEA, overtime restrictions were included in the 2015 report and that, along with a lower weighting for specific efficiency measures, displaced Switzerland from the highest score in the region to third.

REGIONAL OVERVIEW OF AVERAGE MONTHLY WAGES



REGIONAL OVERVIEW OF AGGREGATED TAX RANGES



Sources: The primary data sources for this index are all based on December 2014 statistics from the Ministries of Labour for the 75 countries within the scope, the Central Intelligence Agency (U.S.), World Data Bank, Trading Economics, and internal data collected as part of ManpowerGroup global reporting efforts (Annual Data Survey, Manpower Employment Outlook Survey, Talent Shortage Survey).

REGIONAL OVERVIEW OF AVERAGE MONTHLY WAGES