



Manpower Employment Outlook Survey 2Q 2016: Hiring Outlook Positive in Taiwan but Drops to Its Weakest Level since 4Q 2009

Employers in Service sector expect the strongest hiring pace

Taipei, Taiwan (8 March, 2016)

Employers in Taiwan expect the hiring pace to remain positive across all industry sectors during the next three months. However, there are clear signs that employers plan to scale back their hiring, with forecasts declining sharply in all industry sectors in a year-over-year comparison. As a result, despite uniformly positive outlooks reported in all industry sectors, the forecast has now been in decline for four consecutive quarters and is the least optimistic reported since 4Q 2009. The ongoing decline in the quarterly forecast of over 1,000 Taiwanese employers indicates that the labor market is growing tighter.

According to the Manpower Employment Outlook Survey, 27% of the 1,018 Taiwanese employers interviewed anticipate an increase in staffing levels over the next three months, while only 6 percent forecast a decrease and 66 percent expect no changes to their workforce. Once seasonal variations are removed from the data, Taiwan's Net Employment Outlook for the second quarter stands at +20%, 7 percent weaker than the previous quarter and 25 percent weaker year-over-year. Despite the downturn, optimism among Taiwan's employers is exceeded only by those in India and Japan among the 42 countries and territories that participate in the quarterly research.

"The job market is definitely cooling down when compared with the previous quarter. Taiwanese employer hiring intentions continue to be influenced by the ongoing slowdown associated with the global downturn. The second-quarter results indicate that many of them are taking a 'wait and see' approach to hiring, and waiting for more definitive signs in the market before committing to additional payrolls. With fewer opportunities in Taiwan, many job seekers may look beyond our borders to China or Southeast Asian countries for better opportunities," said Terence Liu, Country Manager of ManpowerGroup Taiwan.

Employers in the Service sector report the most optimistic hiring outlook for the upcoming quarter with a Net Employment Outlook at +29%. Hiring intentions rise slightly from the previous quarter by 2 percentage points but are 16 percent weaker from a year earlier.

Hiring activity is also forecast to be strong in the Finance, Insurance & Real Estate sector. Employers in this sector report a Net Employment Outlook of +27%. And despite nearly one of every three employers surveyed saying they expect to add staff in the next three months, hiring intentions for this sector decline 15 percentage points from the previous quarter. When compared with a year earlier, hiring intentions drop by an even steeper margin of 24 percentage points.

“Connecting with the trend of e-commerce and online payment services, the Information Technology Services industries have been the key in recent quarters. Employers aim to advance their services to become more competitive in the market so the hiring demand raised. However, the positions, such as mobile application development engineers and data analysis, are quite difficult to be filled,” said Terence.

The Outlook for the Wholesale & Retail Trade sector stands at +24%, dipping 3 percentage points and 20 percentage points quarter-over-quarter and year-over-year, respectively

“The government’s policy in promoting domestic consumption in the past few months obviously spurred the consumer confidence. Although the forecast for 2Q dips a bit than the previous quarter, the employers in the Wholesale & Retail Trade sector are expecting some growth and hope the policies bring in more opportunities in the near future,” Terence said.

The Manufacturing sector’s Net Employment Outlook stands at +17%. The forecast declines by 8 percentage points quarter-over-quarter, while in year-over-year comparison the forecast shrinks by a considerable margin of 31 percentage points to its weakest level since Q3 2009.

“Since 2Q 2015, Taiwan’s export orders have been gradually declining. For example, the lower-than-expected sales on mobile devices slowed down the production of manufacturers in the supply chain. The export orders stay poor, which has resulted in a corresponding slowdown in Taiwan’s economy. Also, the downward GDP figures at this moment also reflect hesitancy on the part of most employers in the Manufacturing sector. As a result, they are not as confident as they have been in the past, and are remaining more cautious in the labor market,” added Terence.

Employers in the Transportation & Utilities sector report weaker hiring prospects than the previous quarter with Outlook of +16%, dipping by 8 percentage points and 20 percentage points in comparison to year-over-year forecast.

The hiring prospects in the Mining & Construction sector again reach the weakest level among the six industry sectors for the third quarter in a row, also marking the weakest on record since Q3 2009. Employers in this sector report an Outlook of +8%, declining by 10 percentage points and 29 percentage points, when compared with the previous quarter and the same time frame last year, respectively.

Full survey results for each of the 42 countries and territories included in this quarter's survey, plus regional and global comparisons, can be found at www.manpowergroup.com/meos.

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About the Survey

The global leader in innovative workforce solutions, ManpowerGroup™ releases the Manpower Employment Outlook Survey quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the longest running, most extensive, forward-looking employment survey in the world, polling over 58,000 employers in 42 countries and territories. The survey has been running for more than 50 years and is one of the most trusted surveys of employment activity in the world. The survey serves as a bellwether of labor market trends and activities and is regularly used to inform the Bank of England's Inflation Reports, as well as a regular data source for the European Commission, informing its EU Employment Situation and Social Outlook report the 'Monthly Monitor'. ManpowerGroup's independent survey data is also sourced by financial analysts and economists around the world to help determine where labor markets are headed.

About ManpowerGroup

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