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Contact:
Simon Leung
+852 2912 5544
simon.leung@manpower.com.hk

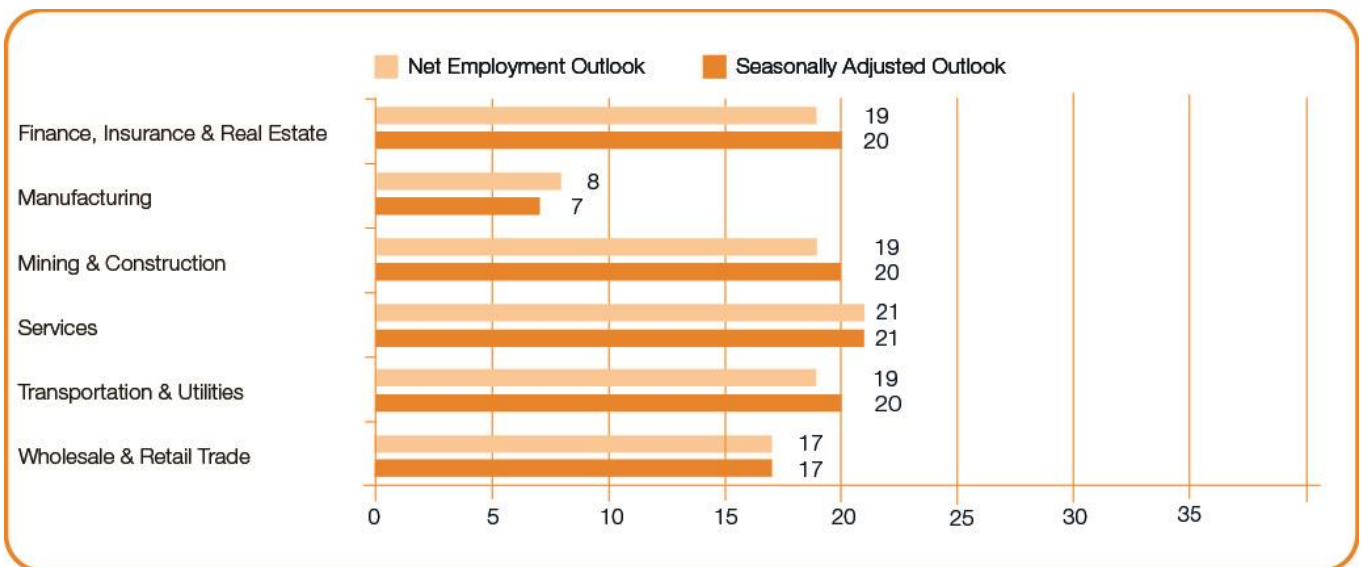
Hong Kong Employers Report Steady Hiring Prospect in 3rd-Quarter Strongest Labor Market is Forecast in the Services Sector

HONG KONG (June 11, 2019) – Third quarter results for the 2019 ManpowerGroup Employment Outlook Survey (MEOS) released today indicate that Hong Kong employers report stable hiring plans for the July-September time frame.

Once the data is adjusted to allow for seasonal variation, the Net Employment Outlook stands at +16%. Hiring intentions decline by 3 percentage points when compared with the previous quarter but remain relatively stable in comparison with this time one year ago. Of the 594 employers surveyed, 19% forecast an increase in payrolls, 3% anticipate a decrease and 77% expect no payroll changes.

Employers expect to add to payrolls in all six industry sectors during the next three months. The strongest labor markets are anticipated in the Service sector, with a Net Employment Outlook of +21%.

Elsewhere, employers in three sectors report upbeat Outlooks of +20% - the Finance, Insurance & Real Estate sector, the Mining & Construction sector and the Transportation & Utilities sector. Wholesale & Retail Trade sector employers forecast respectable payroll gains, reporting an Outlook of +17%, while the weakest labor market is expected in the Manufacturing sector where the Outlook stands at +6%.





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With a Net Employment Outlook of +21%, employers in **Service** sector expect a healthy hiring pace in the forthcoming quarter. However, hiring prospects decline by 2 percentage points both quarter-over-quarter and year-over-year, and the resulting Outlook is the weakest reported in two years.

“The demand for high caliber staff with expertise in data and cyber-security, cloud engineers, data architects is still growing across different industries in Hong Kong,” said Lancy Chui, Senior Vice President at ManpowerGroup Greater China region.

“The Greater Bay Area development plan will create significant opportunities for businesses across many sectors like professional services and technology. Employers expect increases to headcounts. Facing difficulties in finding the professional services talent they need, more corporations are willing to provide better offers, higher pay, and flexible staffing packages,” Ms. Chui continues.

“In addition, the number of inbound visitors and outbound travelers keeps rising, and the opening of new hotels will bring healthy hiring plans in the services sector to support the demand,” she said.

Positive workforce gains are anticipated in the July-September period. Employers of **Mining and Construction** sector report a Net Employment Outlook of +20%, declining by 3 percentage points in comparison with 2Q 2019, but unchanged when compared with this time one year ago.

“The on-going construction projects in both public and private sectors, infrastructural projects such as the Three-runway System, and various hospital projects generate constant demand for the workforce in the construction sector. Among all types of employees, welders and electricians will be the most wanted skilled workforce in the sector,” said Ms. Chui.

The steady hiring pace is expected to continue in the third quarter of 2019, with employers of **Finance, Insurance & Real Estate** reporting a Net Employment Outlook of +20% for the second consecutive quarter. When compared with this time one year ago, the Outlook declines by 3 percentage points.

“The demand in professional insurance intermediates keeps increasing because more complex insurance products have launched in the market, such as investment and retirement health products. Customers prefer direct interaction and face-to-face explanation for details. With the launch of the new voluntary health insurance scheme, we expect the hiring pace will stably increase when the scheme becomes widely adopted in the market,” Ms. Chui explained.

“The re-bounce in the property market has stimulated some online and offline real estate agents to expand their business and hire more staff in the up-rising trend. Traditional leading real estate agents plan to open branches in new development zones and maintain a stable operation. This again will further stabilize the hiring intension among the real estate industry,” said Ms. Chui.



The strongest labor market in 11 years is anticipated during the next three months, with employers of **Transportation & Utilities** sector reporting a Net Employment Outlook of +20%. Hiring intentions improve by 2 percentage points in comparison with both 2Q 2019 and 3Q 2018.

“We expect the outbound travel will hit a record high in the coming quarter because summer is a peak travel season in the year. Not only air travel, but cross-border tours are expected to increase during the summer holiday,” said Ms. Chui.

“On the other hand, as online shopping has gained popularity over the years, it is anticipated the logistic sector and demand in cargo freight delivery will be maintained at a steady pace,” Ms. Chui continued.

“However, we could not neglect the impact brought by the intensified US-China trade conflict. Production in Chinese factories is slowing down because of the trade dispute, and this has created a domino effect for Hong Kong re-export business and the logistic industry. Employers in the transportation sector are more conservative in hiring, are likely to put staffing plans on hold until the trade conflict comes to an end,” Ms. Chui expressed.

Employers in **Wholesale & Retail Trade** sector expect a steady hiring pace in the July-September period, reporting a Net Employment Outlook of +17%. The Outlook remains relatively stable when compared with the previous quarter and is 2 percentage points stronger in comparison with this time one year ago.

“Benefiting from the summer season, we can expect the demand growth of part-time staff, as well as the temp employees, to be stable in the coming quarter. However, retail sales business should continue to be affected by various external uncertainties in the near term. The largely stable labor market and the sustained growth in inbound tourism should provide some support, in turn, stabilized hiring activities to increase staffing level to cope with retail business,” Ms. Chui explained.

Job seekers can expect modest hiring activity in the coming quarter, according to employers in **Manufacturing** sector who report a Net Employment Outlook of +6%. Hiring prospects remain relatively stable when compared with the previous quarter, but decline by 2 percentage points in comparison with 3Q 2018.

“There was a slight increase in Manufacturing PMI in April, indicating a continuation of the contraction in the private sector. The impact of the trade dispute between the US and China has led to a fluctuation in the currency rate of RMB. This further weakened new market demand and new manufacturing orders in the Mainland,” Ms. Chui expressed.



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“The progress of the Re-industrialization Scheme is slow but positive. With the government funds, we anticipate the demand for manufacturing staff will remain stable,” said Ms. Chui.

Hong Kong is one of 44 countries and territories that take part in the ManpowerGroup Employment Outlook Survey. In the Asia Pacific region, employers in Japan (+25%) report the strongest hiring intention in the coming third quarter, while the weakest hiring intention is reported in China (+8%).

About the ManpowerGroup Employment Outlook Survey

A “Net Employment Outlook” is calculated by subtracting those employers who plan to reduce staffing levels from those who plan to hire staff. A positive result indicates that more employers plan to increase rather than decrease staffing levels; a negative result reflects the opposite.

The next ManpowerGroup Employment Outlook Survey will be released on September 10, 2019 and will detail expected labor market activity for the fourth quarter of 2019. A complimentary copy of the ManpowerGroup Employment Outlook Survey is available to the public through their local ManpowerGroup representative in participating countries. To receive e-mail notification about the forthcoming quarter hiring expectations from Hong Kong employers, interested individuals are invited to contact us via email at marketing@manpower.com.hk.

Full survey results for each of the 44 countries and territories included in this quarter’s survey, plus regional and global comparisons, can be found in the ManpowerGroup Press Room at www.manpowergroup.com/meos.

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About ManpowerGroup®

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