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ManpowerGroup Employment Outlook Survey 4Q 2017: Solid Hiring Plans in Taiwan Remain Relatively Stable

Employers in Manufacturing sector expect the strongest hiring
pace

Taipei, Taiwan (12 Sep, 2017)

According to the ManpowerGroup Employment Outlook Survey (MEOS) released today, Taiwanese employers forecast solid workforce gains during the October-December period, reporting a seasonally adjusted Net Employment Outlook of +22%. Hiring plans in Taiwan remain relatively stable both quarter-over-quarter and year-over-year, and the strength of the fourth-quarter forecast reported by Taiwan's employers is exceeded by only one of 42 other countries and territories participating in the survey.

The ManpowerGroup Employment Outlook Survey interviewed a total of 1,061 Taiwanese employers to measure anticipated labor market activity between September and December in 2017. According to the Survey, 26 percent of the employers anticipate adding to their payrolls over the next three months, while 4 percent forecast a decrease and 68 percent predict no change to their workforce. Once the data is adjusted to allow for seasonal variation, the Outlook also stands at +22%. Hiring plans are 1 percent weaker than the previous quarter and 1 percent more vigorous year-over-year.

“Employment levels are expected to increase in all seven industry sectors during the final quarter of 2017. However, hiring plans weaken in four sectors when compared with the previous quarter. The most noteworthy decline is reported in the Leisure & Hospitality sector where the Outlook of +1% weakens by 20 percentage points when compared with the previous quarter. This cooldown tendency of overall employment prospects in the sector is probably related to the low season of recruitment, the slowdown in Chinese tourism, the changes in the economic environment, and the rising minimum wage,” said Joan Yeh, the Manpower General Manager of ManpowerGroup Taiwan.

The strongest hiring pace is anticipated by employers in the Manufacturing sector. The sector Outlook of +28% improves by 3 and 2 percentage points from 3Q 2017 and 4Q 2016, respectively. “The nation's export orders marked the 12th straight month of year-on-year expansion, boosted by continuing strong demand for electronics products. The needs of high-level talent will be the main demand and scattered in specific industries

such as semiconductor, IOT applications, Smart car electronics, and Smart Machine,” Joan said.

The Service sector Outlook is +25%, hiring plans remain relatively stable quarter-over-quarter but improve by 2 percentage points year-over-year. “This year, there have been very new technological applications, such as mobile game, VR, and live broadcast, impacting software services industry to increase the demand for employees. On the other hand, the cost of personnel increased in China year by year so that many projects are expected to be outsourced to Taiwan. In general, from the software engineer, art designer to the first-line customer staff are being actively recruited,” mentioned Joan.

Employers in the Wholesale & Retail Trade sector also expect an active four-quarter hiring pace with the Outlook of 25%, down by 2 percentage points when compared with the previous quarter but up by 1 percentage points year-over-year. “China was the largest source of visitors to Taiwan in the six-month period, but the number was the lowest in five years and represented a 40% decline from the same period in 2016, affecting the business of high-priced household appliances and duty-free shops,” added Joan. “However, employers are planning to add staff in preparation boosted by the expansion of supermarket operations and chain convenience stores.”

Employers in the Finance, Insurance & Real Estate sector report the Outlook at 25% for the upcoming quarter. Hiring intentions drop from the prior quarter and the same period last year by 6 and 1 percentage points, respectively. “After the surge of recruitments previous quarters, many job openings have been closed. However, IT and call center staffs are still being actively recruited,” indicated Joan.

In the Transportation sector, a steady hiring pace is expected in the October-December time frame, with employers reporting a Net Employment Outlook of +15%. The Outlook is 3 percentage points weaker when compared with the previous quarter, and improves by 6 percentage points year-over-year.

Construction sector employers report a favorable hiring climate in the next three months, reporting a Net Employment Outlook of +15%. While the Outlook improves by 4 percentage points quarter-over-quarter, and employers report a year-over-year improvement of 2 percentage points.

Leisure & Hospitality sector employers report the weakest hiring intentions, with a reserved Outlook of +1% for the coming quarter, declining by 20 percentage points when compared with 3Q 2017. “The decline in Chinese travelers is likely to continue to hit the Leisure & Hospitality sector, and many hotels in southern and eastern Taiwan are for sale or plan to close operations,” said Joan. “In addition, the minimum wage may be able to rise 4%~5% in the future and decrease employers' hiring confidence significantly.”

Full survey results for each of the 43 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 ManpowerGroup 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 nearly 59,000 employers in 43 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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