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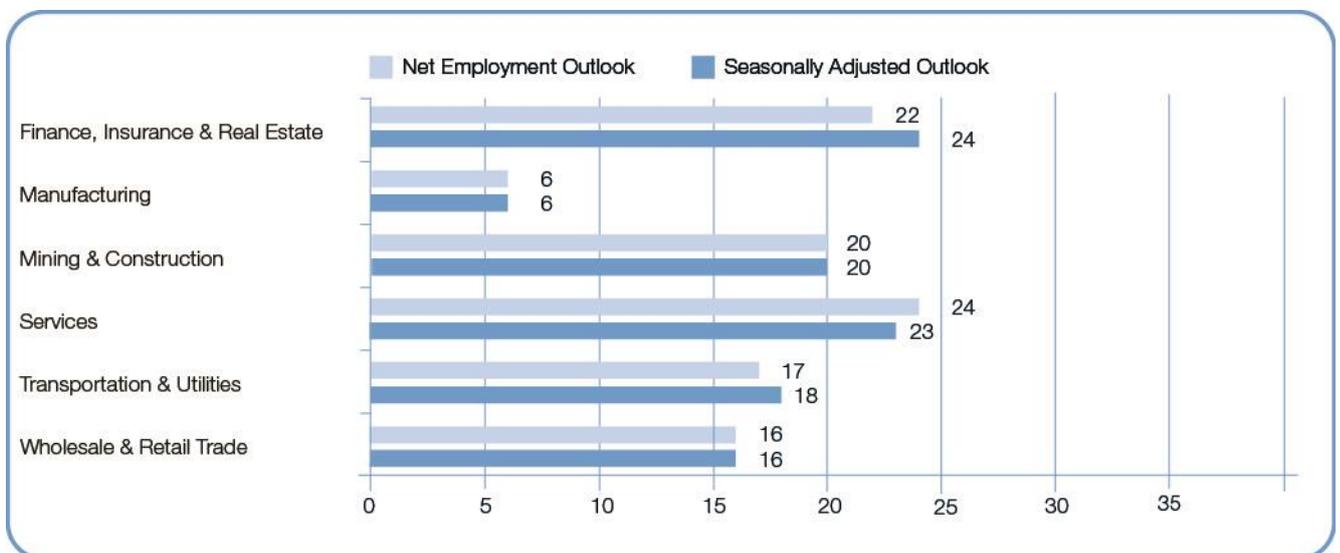
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Hong Kong Employers report steady hiring intentions in 2nd-Quarter Strongest hiring outlook is reported in the Finance, Insurance & Real Estate sector

HONG KONG (March 13, 2018) – Second quarter results for the 2018 ManpowerGroup Employment Outlook Survey (MEOS) released today indicates that Hong Kong employers expect the hiring pace to remain steady for the coming quarter.

Among the 662 employers surveyed, 21% forecast an increase in staffing levels, 5% anticipate a decrease and 72% expect no change. Once the data is adjusted to allow for seasonal variation¹, the Outlook stands at +16%. Hiring intentions are unchanged when compared with the previous quarter, and improve by 2 percentage points when compared with this time one year ago.

Payrolls are forecast to grow in all six industry sectors during the second quarter of 2018. The strongest labor markets are anticipated in the Finance, Insurance & Real Estate sector and the Services sector, where employers report Net Employment Outlooks of +24% and +23%, respectively. When compared with the previous quarter, Outlooks are 3 percentage points stronger in both the Finance, Insurance & Real Estate sector and the Mining & Construction sector, while employers in the Transportation & Utilities sector report an increase of 2 percentage points. Meanwhile, employers report relatively stable hiring prospects in both the Services sector and the Manufacturing sector, while the Outlook for the Wholesale & Retail Trade sector is unchanged.



¹ 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.



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Finance, Insurance & Real Estate employers report a Net Employment Outlook of +24%, the strongest forecast reported in more than six years. The Outlook improves by 3 percentage points when compared with the previous quarter, and by 8 percentage points when compared with this time one year ago.

“The development of financial technology helps bank customers more easily manages their asset and the rising demand of financial products stimulates the hiring intention in this sector,” said Lancy Chui, Senior Vice President at ManpowerGroup Greater China region.

“Banks are increasing headcounts in front line sales staff to focus on wealth management and selling investment products, candidates with strong financial planning and analysis skills will benefit from the expected payroll gains,” Ms Chui explained.

“Job seekers in real estate sector will see the opportunities by the active primary and secondary property market. Property agencies plan to expand the talents pools to fuel the business growth,” She continued.

Employers in **Services** sector forecast the strongest labor market in two years for the second quarter of 2018, reporting a Net Employment Outlook of +23%. Hiring intentions remain relatively stable in comparison with both 1Q 2018 and 2Q 2017.

“E-commerce becomes popular, stimulated employers in Services sector to look for IT specialist to develop, monitor and refine the system to stay competitive,” said Ms Chui.

“Moreover, banks continue to expand fintech initiatives to align business strategy to drive business performance. There is a surge in demand for IT specialists, talent with data-driven, program development skill plus commercial mind-set can expect more opportunities in the field,” She continued.

“In domestic service industries, we are seeing the workforce shortage in healthcare. The problem of population ageing in Hong Kong is worsening, organizations needs sufficient healthcare professional to ensure healthcare systems keep running smoothly, and it is this need that is driving the hiring efforts of healthcare service employers. In addition, high demand for catering staff is also buoying services jobs optimism. However, restaurant owners have to pay higher wages to react to a shortfall of temporary catering helpers in banquet or seasonal workforce needs,” said Ms Chui.

Reporting a Net Employment Outlook of +20%, employers in **Mining & Construction** sector anticipate the strongest hiring climate in two years during the next three months. Hiring plans are 3 percentage points stronger when compared with the previous quarter, and also improve by 3 percentage points in comparison with the second quarter of 2017.



“The engaging employment outlook in construction sectors is resulting from strong demand of highly skilled workers; however, actually securing these skills may not come to fruition because of difficulties attracting and retaining skilled employees. Employers are still suffering from chronic skills shortages. It is estimated that 10,000 new skilled workers will be required to complete new private flats in next five years,” said Ms. Chui.

“Apart from skilled workers, we are seeing the demand of civil engineering technicians and land surveyors growth in view of the anticipated construction volume. Overall, we expect to continue seeing a positive hiring pace in this sector for the foreseeable future,” she continued.

Positive payroll gains are expected in the April-June time frame, with employers in **Transportation & Utilities** sector reporting a Net Employment Outlook of +18%. Hiring prospects improve by 2 percentage points when compared with the previous quarter, and are 4 percentage points stronger in comparison with the second quarter of 2017.

“Favorable merchandise exports figures reflect the robust expansion in global demand; and this is driving the ongoing hunt for qualified workers across the transport and logistics field. The rapid growth in e-commerce requires timely delivery worldwide; employers in logistics need to expand the team to secure service excellence,” Ms Chui stated.

“A shrinking pool of talent is the pressure point of transport employers. The new development of residential areas require comprehensive transportation network while triggering employer hiring plans for bus and train captains. However, similar to many industries, this is also a sector with a rapidly aging workforce, with a significant proportion of drivers entering their retirement stage. Therefore, we are seeing positive hiring activities in Transportation & Utilities sector,” Ms. Chui explained.

The steady hiring pace is forecast to continue in 2Q 2018, with employers in **Wholesale & Retail Trade** sector reporting a Net Employment Outlook of +16% for the second consecutive quarter. When compared with this time one year ago, hiring plans improve by 5 percentage points.

“The continued improvement of inbound tourism helped prompt the hiring confidence of retailers. As the yuan has strengthened, combined with the buoyant stock market in recent months, employers in the sector appear to grow more confident. Popular retail brands keep choosing to open flagship and pop-up stores and reinforce the optimism of Hong Kong markets, while employers expect to respond with an increase of permanent and contracted headcounts. Nevertheless, employers have to face the rising operating costs of increasing rents as a result of the revival business,” said Ms. Chui.



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Job seekers in the **Manufacturing** sector can expect the modest hiring pace to continue in the coming quarter, according to employers who report a Net Employment Outlook of +6%. Hiring prospects remain relatively stable both quarter-over-quarter and year-over-year.

“The latest PMI improves in February, rising to 51.7 from 51.1 in January, with growth rates hitting four-year highs. But higher output and new orders were reported in January, reflecting a growth of client demand. We expect to see modest improvements in the labour market to complete the outstanding work as higher order growth. However, the result of rising costs from price inflation may temper employer hiring confidence. As such, a modest hiring forecast is reported in this sector,” she explained.

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 Taiwan and Japan report the strongest second-quarter hiring plans. Employers in Australia and China report the weakest forecasts but still expect job seekers to benefit from some opportunities in the months ahead.

The next ManpowerGroup Employment Outlook Survey will be released on June 12th 2018 and will detail expected labor market activity for the third quarter of 2018. 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 Hong Kong

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About ManpowerGroup®

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