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For Immediate Release

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**ManpowerGroup Employment Outlook Survey
Hong Kong Employers Report Subdued Hiring Intentions
in 2nd-Quarter 2020**

HONG KONG (March 10, 2020) – According to the results of the ManpowerGroup Employment Outlook Survey released today, Hong Kong employers report subdued hiring intentions for the second quarter of 2020. With 7% of 440 employers forecasting an increase in payrolls, 7% anticipating a decrease and 83% expecting no change.

The outlook is the weakest reported in more than 10 years. Hiring plans decline considerably in comparison with both the prior quarters and last year at this time, by 10 and 18 percentage points, respectively.

“The seasonally adjusted unemployment rate increased from 3.3% to 3.4%. The labour market slackened further as economic conditions stayed weak. Hong Kong employers expect the weakest hiring pace in 10 years during the April to June period, reporting a cautious employment outlook,” said Lancy Chui, Senior Vice President at ManpowerGroup Greater China.

“The Hong Kong employment outlook has slipped into relatively negative territory for the first time since the global financial crisis in 2009. A wide range of industries has been threatened initially by the protests and now by the COVID-19 infection, particularly the consumption, restaurants, retail and tourism-related sectors. The labour market will be subject to even more pressure in the near term,” expresses Ms. Chui. “Employers should continue to pursue creative alternatives to downsizing, such as reduced work weeks and pay freezes to hold on to the staff they have to survive in this current economic situation.”

Transportation & Utilities sector’s outlook stands at +6%. Hiring prospects for the sector decline by 5 and 12 percentage points from 1Q 2020 and 2Q 2019, respectively, and are the weakest reported in seven years.

“The daily number of passenger flights has dropped, with more flight cuts expected. Airlines implement special leave scheme that staff have to take unpaid leave in coming months. However, close of shops and restaurants brought a growth demand for delivery services as people turn to shop via virtual platform for daily commodities and food, which has simulated the urgent hiring needs of logistic companies,” she said.



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Services sector employers anticipate a subdued labor market, the Outlook is the weakest since the survey began 16 years ago. While job seekers in Finance, Insurance & Real Estate and Wholesale & Retail Trade sector can expect the weakest hiring pace in more than 10 years during the coming quarter.

“Under coronavirus outbreak, visitor arrivals recorded a 53% drop in January 2020. Employers of hotels will be subject to even more pressure and hiring pace will be slowed in the near term. Many hotels recorded single-digit occupancy and staff is required to take unpaid leave to save the cost. Despite the slowdown in hiring seen by some financial institutions, digital banks, are still hiring more staff to deal with inquiries and expanding the teams,” said Chui.

“Faced with dwindling tourist numbers from the Mainland China and high rental cost, retailers are having challenging time and have implemented various cost-saving measures including salary reductions, shortened store operating hours and hiring freeze,” she continued.

“Overall, we are seeing corporate are delaying hiring in Hong Kong, however, there are still specific skills in the marketplace that are in certain demand, especially the digital skill-set, which is important in the current environment to prepare for the next downturn. E-commerce, online banking and remote tools development for working from home, job interview and education were having high demand recently, candidates in Internet of Things, data analysis, program writing, AI, as well as digital marketing and sales talent, will be in high demand, especially from tech and professional services companies with innovative products and services,” she stated.

“Hiring forecasts from all industries are weaker confirming that the labor market will continue to contract,” Ms. Chui stated, “Though hiring confidence continues to decline, companies still require talent to support their business operations. We still see demand by companies for project, contract or temporary staffing amid market downturn times. Job seekers should be more receptive to job opportunities and they should use this time to gain experiences and prepare themselves for opportunities when the market recovers.”

Hong Kong is one of 43 countries and territories that take part in the ManpowerGroup Employment Outlook Survey. The strongest hiring prospects are reported in Croatia, Greece, Japan and Taiwan. The weakest Net Employment Outlooks are reported in Panama, Hong Kong, Poland and South Africa.

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.



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The next ManpowerGroup Employment Outlook Survey will be released on 9 June 2020 and will detail expected labor market activity for the third quarter of 2020. 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@manpowergrc.hk.

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 ManpowerGroup Hong Kong

ManpowerGroup Greater China Limited (Stock code: 2180) started its business in Hong Kong and Taiwan in 1997. Since that time, it has accelerated its market expansion and now provides services to its clients in over 130 cities in the Greater China markets and operates in more than 20 offices. ManpowerGroup Inc. (NYSE: MAN), our largest shareholder, is a world leader in workforce solutions and services -- with a long operating history of more than 70 years.

We commit to unleashing the power of the human potential for progress. We are well recognized by clients and associations through our contemporary offerings of flexible staffing, head-hunting, recruitment process outsourcing, talent management and training, and other integrated service solutions. As a testament to our commitment, we have received such honorable recognitions as "Asia-Pacific Human Resources Service Leading Enterprise".

ManpowerGroup Hong Kong (Registered as Manpower Services (Hong Kong) Limited) provides employers a range of services and solutions for the entire employment and business cycle including permanent, temporary and contract recruitment; employee assessment and selection; training; outsourcing and consulting. We help both companies and individuals achieve more than they imagined.