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**Fire Rooster Fails to Crow In Midst of a Tepid Hiring Forecast for Q1  
2017**

*ManpowerGroup's MEOS reveals slight increase in Net Employment Outlook  
even as employers take a wait-and-see approach*

**SINGAPORE (13 DECEMBER 2016)** - A challenging employment outlook persists into the first quarter of 2017 as Singapore employers continue to remain cautiously optimistic about their hiring plans in the year of the fire rooster, according to the results of the latest ManpowerGroup Employment Outlook Survey (MEOS) released by ManpowerGroup today.

The results revealed that of the 620 employers surveyed, 15% expect to increase headcount, 7% expect a decrease in hiring plans and 71% foresee no change. Once the data is adjusted for seasonal variation, the Outlook stands at +9%.

Overall, hiring intentions have contracted 1 percentage point year-over-year.

With global socio-economic issues such as the uncertainty over Brexit, the recent U.S Elections, and the outcome of the Trans-Pacific Partnership (TPP) hanging in the balance, employers are closely observing market conditions and are expected to adjust their workforce levels when there is more visibility.

A matter which is more pertinent at hand for Singapore is addressing the widening rift between jobs and skills. According to Monetary Authority of Singapore's biannual Macroeconomic Review, the mismatch in the domestic labour market has been trending upwards since 2012.

“Even while hiring prospects remain relatively stable both quarter-over-quarter and year-over-year, the growing mismatch between jobs and skills looms ahead and will worsen if not addressed by workers and employers,” says Ms Linda Teo, country manager of ManpowerGroup Singapore. “The discrepancy between jobs and skills indicates the rapid technological changes faced by some industry sectors. Therefore, it is crucial for the workforce to ensure their skills are up-to-date and relevant to the jobs currently available or will be in demand in the coming years.”

Furthermore, recent reports indicate that Singapore could descend into a technical recession this year, with a possibility of it evolving into a full-blown recession the coming year. There are also concerns that eventual circumstances concerning the TPP agreement could affect global trade. This would not bode well for Singapore's small, export-driven economy.

"Lower skilled workers and PMETs with out-of-date skills will face the brunt of the recession - if it happens," Ms Teo added. "With the slowing economy, unemployment figures for these groups of workers are likely to rise as employers put into action cost-saving measures. This is why it is essential for individuals to upskill themselves to remain competitive in such tough times."

MEOS is a predictive quarterly survey published by global talent experts, US-based ManpowerGroup. Employers are asked if they plan to increase or decrease headcount in the following quarter or keep to status quo.

### **Domestic hiring sentiments by sectors**

MEOS covers seven industries: Finance, Insurance & Real Estate; Manufacturing; Mining & Construction; Public Administration & Education; Services; Transportation & Utilities; and Wholesale & Retail Trade.

- *Net Employment Outlooks*

Employers in six of the seven industry sectors expect to grow staffing levels during the first three months of 2017. The Finance, Insurance & Real Estate sector reports the strongest hiring sentiment with an Outlook of +19% - no change when compared to the previous quarter and an improvement by 5 percentage points year-on-year. Employers in the Transportation & Utilities sector forecast steady hiring activity with an Outlook of +11% while employers in the Manufacturing sector disclose an Outlook of +9%.

Elsewhere, employers in the Public Administration & Education sector and the Services sector report Outlooks of +8%. However, a decline in payroll for the Wholesale Trade & Retail sector is foreseen as the Outlook stands at -2%.

- *Quarter-on-quarter sector comparisons*

When compared with the previous quarter, hiring prospects increased in four of the seven industry sectors - particularly the Mining & Construction sector which reported a boost by 5 percentage points. Employers in the Manufacturing sector as well as the Transportation & Utilities sector observe increases of 3 percentage points. However, hiring plans for the Services sector, and Wholesale Trade & Retail sector are 7 and 2 percentage points weaker, respectively.

- *Year-on-year sector comparisons*

Outlooks decline in five of the seven industry sectors when compared year-on-year. Public Administration & Education sector employers report weakest hiring intentions with the biggest decline of 11 percentage points. Following this are the Mining & Construction, and Wholesale Trade & Retail sectors which are 8 percentage points weaker while employers in the Services sector report a decrease of 5 percentage points.

Outlooks in the Finance, Insurance & Real Estate sector and Manufacturing sector are 5 and 2 percentage points stronger, respectively.

## **Asia Pacific hiring outlook**

Taiwan reports the region's most robust first-quarter hiring intentions with one of every four Taiwanese employers expect to add to their workforces in the January-March time frame. Opportunities for job seekers in Japan remain strong, with a quarter of all employers anticipate adding to their payrolls in the first quarter of 2017. Despite an overall slowdown in retail and tourism activity in Hong Kong, Services sector employers report the first quarter's strongest outlook, and steady hiring in the Mining & Construction sector. Employers in China remain cautiously optimistic with some payroll growth estimated in all industry sectors and regions.

Meanwhile in India, the hiring pace is projected to decelerate for the fourth consecutive quarter. However, an active labour market is expected to continue, with more than one in five Indian employers intending to add to their payrolls through the next three months.

Over in Australia, efforts to emphasize non-mining sectors of the economy seem to be maintaining traction. Employers across all sectors and regions expect varying degrees of payroll gains. Employer hiring plans are also uniformly positive in New Zealand, with the most active labor markets forecasted to be the Transportation & Utilities and Mining & Construction sectors.

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## **Notes to Editors**

**Net Employment Outlook:** This figure is derived by taking the percentage of employers anticipating total employment to increase and subtracting from this the percentage expecting to see a decrease in employment at their location in the next quarter. Results are then seasonally adjusted.

The next ManpowerGroup Employment Outlook Survey will be released on 14 March 2017 and will detail expected labor market activity for the second quarter of 2017. The ManpowerGroup Employment Outlook Survey is available free of charge to the public through their local Manpower representative in participating countries. To receive an e-mail notification when the survey is available each quarter, please complete an online subscription form at: <http://investor.manpower.com/alerts.cfm>

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## **About ManpowerGroup Singapore**

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## **About ManpowerGroup™**

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