

Japanese Corporations HR REPORT

AUG 2021 Vol.5

**Quarter 2
2021**

>Talent need in Asia countries

>HR and Labour news



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The personnel group operates in 12 countries and regions in Asia and the Pacific to meet the needs of our customers.

This report introduces the latest recruitment trends in Asian and Pacific countries and regions, interviews with personnel agents of Japanese companies, various data and survey materials, etc.

In the recruitment trend, statistics were based on about 100,000 (※) recruitment cases in the years entrusted to the personnel department. In the interview, we will introduce the personnel, the organization growth, the reform local example.

As a comprehensive talent service company, hr group aims to "create the growth of people and organizations".

I hope this report will be helpful to the growth of our customers and our organization.

※Number of recruitment cases in 12 countries and regions in Asia and the Pacific

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Talent needs in Asia countries (East Asia)

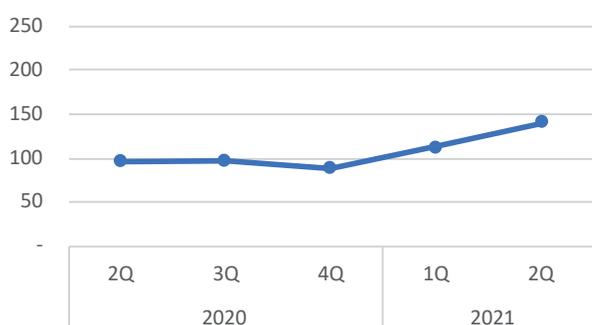
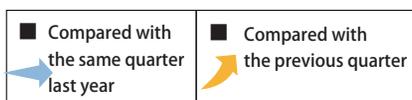


The following graphs compares data from the most recent quarter in 2020 with the previous four quarters in 2019. These graphs show the data trends in 2019, and provides comparison between this quarter and the same period last year.

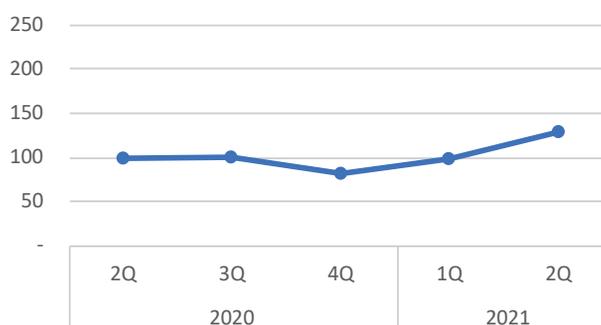
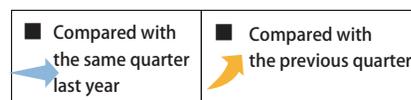
The following data belongs to PERSOLKELLY's Japan desk.

Compared with the same period in the last year Significantly Increasing Gradually Increasing Stable Slightly Decreasing Significantly Decreasing

China



Hong Kong

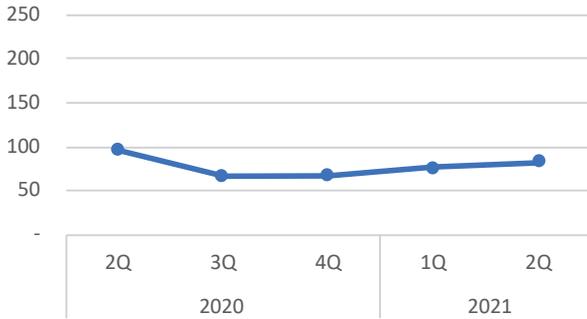
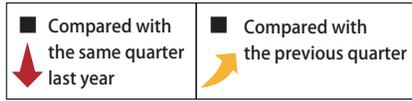


According to data released by China's National Bureau of Statistics on 15 July, China's gross domestic product in the first half of 2021 was 53,216.7 billion yuan, being a year-on-year growth of 12.7 per cent with an average increase of 5.3 per cent over the two-years period. In the period of April-June 2021, China's gross domestic product increased by 7.9% year-on-year. In January-June, the number of new jobs nationwide reached 6.98 million, achieving 63.5% of the full-year target; the national urban survey unemployment rate in June was 5.0%, unchanged from the previous month and down 0.7 percentage points year-on-year. The number of vacancies in all industries for Japanese companies in Q2 was 22% higher than in Q1 2021. This was 37% higher than in the same period last year. The number of jobs in the manufacturing industry increased by approximately 30% compared to the previous quarter and by 10% compared to the same period last year. Job needs in the semiconductor, machinery and automotive industries accounted for 80% of the total. Job demand in the trade/import/export industry for Japanese companies increased by 28% compared to the previous quarter and by 60% compared to the same period last year. Sales professionals accounted for 40% of the total job demand. In the January-June period, the total retail value of social consumer goods increased by 23.2% year-on-year. Among them, the national internet retail value increased by 23.2% to 6,113.3 billion yuan. In the second quarter of 2021, the total retail value of social consumer goods in China increased by 13.9% year-on-year. The number of jobs in the apparel/retail industry increased by 20% quarter-on-quarter. The number of jobs doubled compared to the same period last year. The number of jobs in the consulting industry increased by approximately 55% compared to the previous quarter. The number of jobs in the consulting industry increased by approximately 30% compared to the same period last year. In the second quarter, recruitment needs in the Japanese real estate/construction industry were at the same level as in the previous quarter and twice as high as in the same period last year. The logistics/warehousing industry continued to grow at a steady rate. The number of vacancies increased by approximately 20% compared to the previous quarter. There was also a threefold increase compared to the same period last year. Of these, the need for sales staff is high. In the IT/telecoms sector, the number of vacancies in the second quarter was at the same level as in the previous quarter and down 5% on the same period last year. Demand for Technical and Sales jobs accounted for 50% of the total. The number of jobs in the Financial/Banking sector increased by 30% compared to the previous quarter. This was in line with the same period last year.

For Q2, job numbers across Hong Kong fell by 83% compared to the same period last year. However, compared to Q1, most industries are showing economic recovery. However, Retail and F&B sectors continue to decline by minus 50%, and logistics also a decline by 41% in Q2, which indicate the continued severe effects of the corona virus. Although the above two industries previously showed a temporary upward trend during 2020 Q4, the staff shortage issue has been solved which was the reason to the reduction in job openings. The labor market in the Financial sector has regained vitality and continued to rise 19% in Q2. The IT industry is also doing well, with an increase of 29% in Q2. However, the staff shortage issues in the Software Development and Data Analysis fields are serious and competition is expected to intensify in search for highly-qualified talents in coming Q3. The consumer goods industry has continued to rise grow slightly, with an increase of 19% from Q1. In the manufacturing industry, the number of job openings continues (remove s) to increase from the previous quarter. The main reason was due to the dissatisfaction of employees with their evaluation results and salary increment rate in during the previous term. Another reason to the increased job openings in Hong Kong is the migration of workers to other countries.

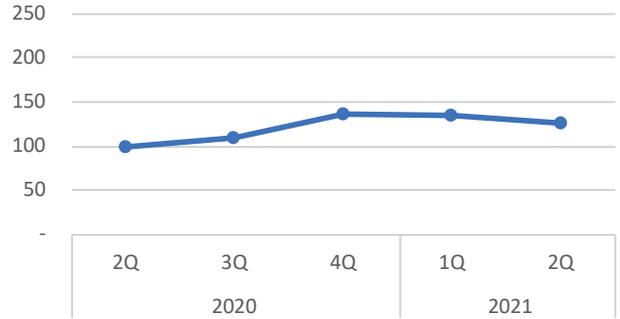
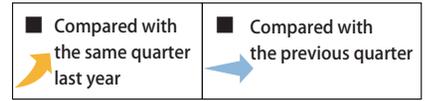


Korea



GDP in the second quarter of 2021 was 475,762.5 billion Won, an increase of 0.7% from the previous quarter, being a growth of 5.9% year-on-year. Since March of the first quarter, the number of job openings has increased significantly. March was also the closing month for Japanese companies in South Korea, and there were active movements due to budget exhaustion at the end of the fiscal year. Due to the influence of Corona virus pandemic, companies that were hesitant to hire due to uncertain future have secured a hiring budget and started full-scale hiring activities in the new fiscal year. Compared to the same period last year, the number of job vacancies has increased 2.5 to 3 times, from junior to managerial levels within specific industries such as Japanese chemical companies, spare parts and equipment companies and those related to semiconductor materials. Demand for Marketing, Technical, and Sales positions have increased significantly. Job openings have increased by 76% compared to the first quarter. Since the first quarter, Japanese consumer goods companies have seen a remarkable increase in Marketing positions, increasing by 120% from the first quarter.

Taiwan



According to commercial statistics released by the Taiwan Ministry of Economic Affairs Statistics Office, the Retail and F&B sales record fell by 13.3% and 39.9% YoY respectively. While people were called advised to refrain from going out often as a measure against COVID-19, many shopping stores were banned from operating. With decreased customers visiting them, and the shortening of business hours and voluntary suspension of businesses, were these factors greatly affected the industries. On the other hand, e-commerce (EC) has increased by 33.7%, and demand for laptop computers increased due to the rise of WFH (work from home) practices and on-line learning. In terms of Economic trends / future outlook, the easing of the number of infected people raises expectations for a domestic economic recovery. The Directorate General of Budget, Taiwan's Executive Yuan has set the economic growth rate for 2009 at + 4.64%. It's expected to be the largest growth rate since 2015. Although it is necessary to pay close attention to the status of COVID-19 infection in the future, the GDP growth rate in 2009 is high due to the fact that the domestic infection of corona virus is settling down and the vaccination rate is rising. He said that he would maintain his forecast. The Taiwan Ministry of Economic Affairs (Ministry of Economy, Trade and Industry) Investment Taiwan Office has approved six investment support measures. The cumulative investment within the industries of food manufacturing, AI, IoT, etc. have exceeded 2.9 billion NTD and is expected to create 100,000 new jobs. Currently, 50 companies are waiting for their approvals, and we are expecting to create more employment opportunities in the second half of the year.

Compared with the same period in the last year



Significantly Increasing



Gradually Increasing



Stable



Slightly Decreasing

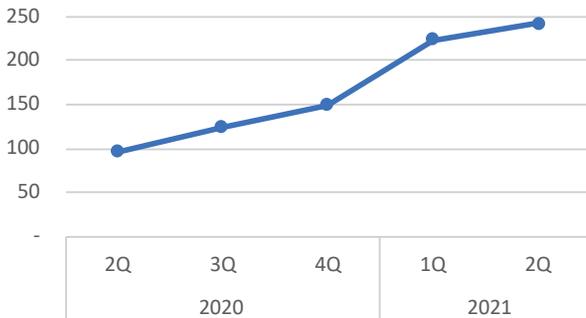
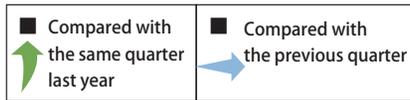


Significantly Decreasing

Talent need in different industries (South East Asia)

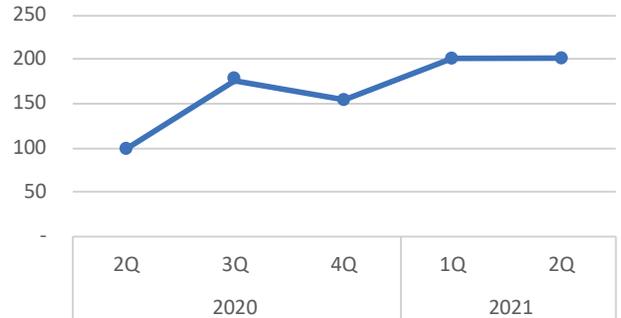
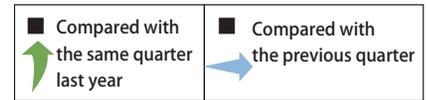


Singapore



The number of job openings recorded was 10% increase in Quarter 2 over the previous quarter. Even though increased rate is not as good as Quarter 1's 30% from Quarter 4 of in 2020, the labor market is visibly recovering. We have seen a slowdown in job openings because of the nation moving back to Phase 2 which restricted the entry of overseas' visitors from high risk countries which included Japan. In the IT and Manufacturing sectors, the number of job openings increased by 10-20%, showing a steady recovery in the market. On the other hand, the construction sector, which was initially expected to see an increase in the number of jobs due to the resumption of projects, saw a decline of about 10% from the previous quarter. Based on the above situation, the unemployment rate has also been decreasing by 1% every month from 4% at the end of March, and the Singapore government is noticing the economic recovery.

Malaysia



In the second quarter of 2021, many business activities were severely impacted due to the lockdown after June 1, as many businesses were not allowed to operate except for industries classified as "Essential Services" designated by the government. The overall number of job openings in Malaysia increased by 11% compared to the first quarter of this year. The number of job openings in Malaysia as a whole increased by 11% compared to the first quarter of this year, which is about 1.9 times higher than the same period last year. The number of job openings at non-Japanese companies continued to increase by 2.3 times compared to the same period last year, while the number of job openings at Japanese companies increased by 48% compared to the same period last year. In the case of Japanese companies, due to the delay in visa issuance procedures caused by the spread of corona infection, there have been cases in which the commencement date has been delayed by 3 or 4 months from the scheduled date after the notification of job offers. Although their willingness to hire is gradually recovering, it'd be seen that many companies are still cautious about hiring since the first quarter of this year. On the other hand, non-Japanese companies are actively hiring new employees in anticipation of the post-Corona recovery period.

Compared with the same period in the last year



Significantly Increasing



Gradually Increasing



Stable



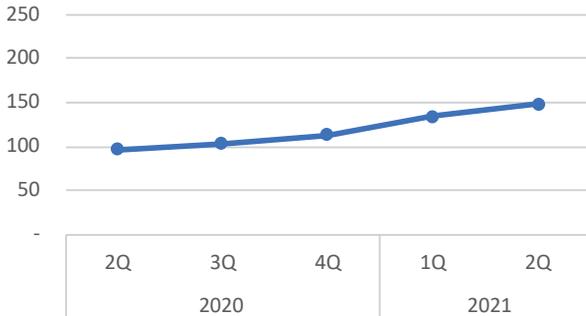
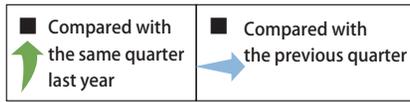
Slightly Decreasing



Significantly Decreasing

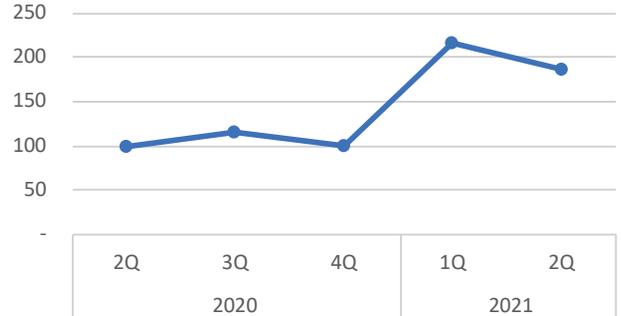
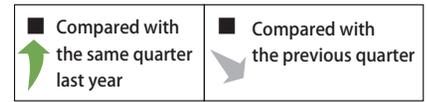


Thailand



The number of job openings in the second quarter of 2021 remained almost unchanged at about 98% compared to the first quarter. The number of job openings by industries was the highest in the Manufacturing industry, followed by IT and Logistics. In terms of the number of job openings by industries, the manufacturing industry had the most job openings, followed by the IT industry and the Logistics industry. In the Manufacturing industry, the number of job openings for Sales professionals, including Japanese speakers, was conspicuous, indicating the intention to aggressively strengthen sales activities even as the pandemic continues. In the IT industry, the need for talents within Fintech is increasing due to the expansion of e-Commerce and mobile payment.

Vietnam



According to the General Statistics Office (GSO), GDP growth in the April-June period was +6.61% year-on-year, much higher than the +0.39% in the same period last year. In particular, the growth rate of industries in the January-June period was +8.91%, of which the Manufacturing industry accounted for +11.42%, which contributed to the economic growth. On the other hand, according to the General Statistics Office (GSO), the unemployment rate of the working population in April-June 2021 was 2.62%, up from 2.42% in the previous period due to the impact of COVID-19. In terms of the number of job openings of our company in Vietnam, the number of job openings in the April-June period of 2021 increased from the same period last year, but decreased from the previous quarter. In June, the number of new job openings decreased significantly, and with severe restrictions expected in 3Q, there is much concern about the situation. By industry, the number of job openings in the IT and Manufacturing industries were strong. However, the Manufacturing industry may see a dip in job openings by the third quarter due to the government's direction that employees in the factories are required to carry out the three tasks of production, food and beverage, and accommodation within its premises as a condition of factory operation.

Compared with the same period in the last year



Significantly Increasing



Gradually Increasing



Stable



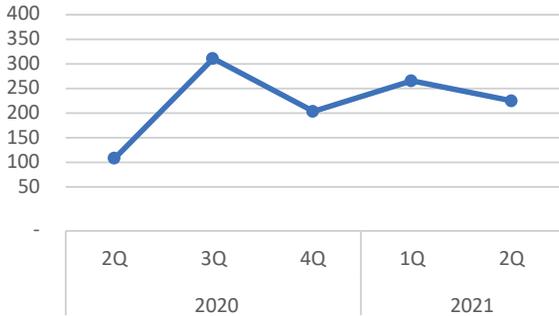
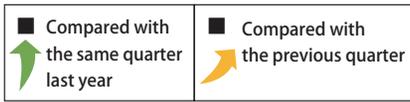
Slightly Decreasing



Significantly Decreasing

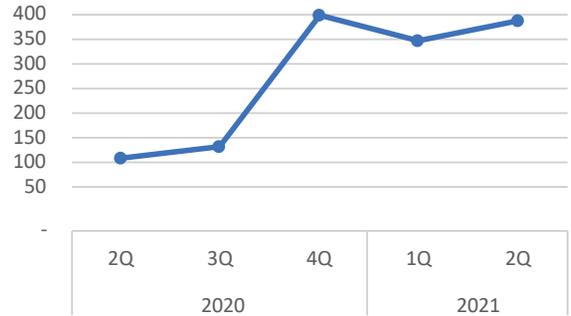
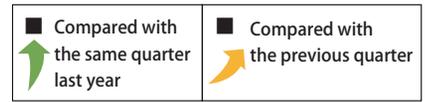


Indonesia



Although the number of job openings in Indonesia decreased slightly by 8% compared to Q1 2021, it was approximately 204% against the same period in 2020, indicating that hiring activities were recovering steadily even in the midst of the COVID-19 situation. As for notable trends by industries, while there are new opportunities for Sales Representatives, Managerial and Engineering roles within the manufacturing industry, many of the non-manufacturing companies were recruiting for replacements only. In addition, with the increase in 'stay home' demand due to the COVID-19 situation, the E-commerce market is expected to continue to grow, and companies related to this are notably looking ahead and hiring for Marketing and other related positions. However, since Q2 2021, the number of newly infected people was overwhelming, which resulted to further activity restrictions, economic activity restrictions, and the re-imposition of entry restrictions into Indonesia from abroad. In Q3 2021, there are concerns that recruitment activities will stagnate again.

Philippines



Although the number of daily infection rate of COVID-19 remains between 4,000 and 6,000, employment is resuming because of remote work from home where social assistance are provided at their workplaces, and shifts are managed for those who work at the offices. The number of job offers is recovering to usual levels as corporate activities are also gradually resuming. The number of job offers increased by 116% compared to the first quarter. However, in August, due to the increase in the number of the new Delta variant, the government is planning to heighten quarantine measures again. As for the Manufacturing sector, the number of job offers is recovering to usual levels because factories are not stopping their operations. But in the metropolitan area, the number of job offers may slow down due to restrictions on public transportation.

※As PERSOLKELLY has a business partnership with John Clements since 2017, this information is based on job data from their Japan desk.

Compared with the same period in the last year





This page provides information on employment, visas, and other HR and labour issues in Asia countries.

※Information is accurate as of 19th May.

China

Country entry requirements>

Only Chinese residents and those with entry visas are allowed to enter the country right now. New work visas require a letter of invitation issued by the municipal (provincial) government in addition to the usual "Notice of Foreign Employment Permit", but the issuance of the letter of invitation is rarely granted to applications from ordinary companies, making it difficult for Japanese residents to obtain work visas. If you wish to enter the country, you will need to stay in quarantine for at least 14 days in a designated quarantine hotel + 7 days at home, but in some areas the quarantine period is 14 days in a hotel + 14 days at home, making a total of 28 days. A PCR test is always carried out after the quarantine is over.

Job Market>

Compared with the same period in 2020, Q2 China's labour market has basically recovered, and the number of new hires will return to the situation in 2019. In the first six months of 2021, 6.98 million new jobs were created nationwide, achieving 63.5 percent of the annual target. Economic activity has returned to pre-Corona levels as the labour market has improved and household incomes have recovered. On the other hand, due to the impact of the entry restrictions, there has been no significant change in Japanese employment compared to the same period in 2020.

Hong Kong

Country entry requirements>

Only Hong Kong residents and valid visa holders can enter the border. Since from June 30 2021, if the person met the below 4 conditions: "1. Completed twice vaccination, 2. Positive antibody test (within 3 months), 3. Negative PCR test upon arrival in Hong Kong, 4. Has not visited any high-risk country within past 14 days", the Hong Kong resident applicant will have their hotel quarantine in Hong Kong reduced to 7 days and will require a 7-days self-monitoring period after the hotel quarantine ends. For non-Hong Kong residents, if they have stayed only in either "Australia, New Zealand, Mainland China, Macau" within the last 14 days of their arrival in Hong Kong, and if they have been vaccinated twice, they will be isolated for 7 days even if they have not been tested for antibodies. If not inoculated twice, they will be isolated for 14 days.

Job Market>

The labour market in Q2 of 2021 recovered as the situation of the coronavirus pandemic subsided and the environment improved. The unemployment rate for the April-June was 5.5%, being down by 0.5 points from the previous quarter.

The labour market continues to be active from the first quarter. The number of Job orders from Manufacturing, Finance, and Consumer Goods are increasing, not only for replacement positions but also for new hires for new projects.



Taiwan

Country entry requirements>

On the 26th, the Central Epidemic Command Center of the Ministry of Health and Welfare of Taiwan (NHCC) announced that it would extend the ban on the entry of foreigners without a Taiwanese residence certificate in principle. At the same time, transit in Taiwan will be prohibited. As the number of infected people in Taiwan is decreasing, the regulations that have been implemented as corona measures such as restrictions on meetings will be relaxed. However, since the mutant strain "Delta", which is said to be more infectious, and getting rampant around the world, the government controls foreigners entering into Taiwan to avoid Delta spread.

Job Market>

According to the Taiwan Ministry of Labour (MOL) says 3679 companies furloughed their workers momentarily due to the coronavirus crisis, being a record of is 4,400, which is the highest since 2009. The unemployment rate in June was 4.80%, being the highest in 11 years. The number of unemployed due to the contraction of business and closures increased by 72,000. On the other hand, the 3C industry as a result to the expansion of product demand due to the recovery of the world economy and the continued business opportunities associated with WFH and on-line learning, were not significantly affected by the pandemic.

Korea

Country entry requirements>

All Japanese passport holders (including diplomatic and official passports) are not allowed to enter the country without a newly issued Korean visa after midnight on March 9, 2020. *Diplomatic / official passport holders, APEC Business Travel Card holders, long-term visas, and short-term work visa (C-4) holders are not subjected to immigration restrictions. There is a requirement of 14 days of quarantine after Korea. If you have a place of residence in Korea, you may quarantine at home, and in other cases, you will be placed in a quarantine facility. After completing the new coronavirus vaccination outside Korea, it is possible to be exempted from the usual 14-day quarantine obligation by applying for issuing a quarantine exemption in advance only when entering the country for the following purposes.

- ① Important business (contract, investment, etc.)
- ② Academic / public interest
- ③ Humanitarian (attendance at a funeral, visit of a god of diameter)
- ④ Civil servants on overseas business trips (limited to short-term business trips by public affairs)

Job Market>

Companies that refrained from hiring in 2020 have been actively hiring since March 2021. In particular, the adoption of semiconductor and secondary battery related companies is increasing significantly. Even consumer goods-related companies, which were the most affected by Corona pandemic, are gradually recovering. However, the number of people infected with corona has increased sharply since July 2021, and the strictest regulations are currently being applied, and many companies are switching to working from home where situation will be prolonged. As such, employment is likely to become uncertain in the future.



Singapore

Country entry requirements>

On 23 June 2021, the Ministry of Health (MOH) announced that the quarantine period for entry from high-risk areas, including Japan, will be decreased from 21 to 14 days. In addition, From 10 August 2021, work pass holders and their dependents with travel history to higher risk countries/regions¹ can start applying for entry approval, on the condition that they must be fully vaccinated² before arrival in Singapore.

Job Market>

On June 17, the Ministry of Manpower (MOM) released on Labour Market Report First Quarter 2021. Labour market indicators for 1Q 2021 point to the continued recovery of Singapore's labour market with the total number of jobs increasing for the first time since the fourth quarter. On the other hand, employment among non-residents continued to decline due to restrictions on the inflow of foreign workers. We see the increase of number of local resident hiring in the industries of information and communication, food and beverage services, health and social services, administrative and support services, public administration and education, and professional services. The EDI (Employment Diffusion index²) for resident employment, which indicates the range of employment change across industries, remained at 61.1 in Q1 2021, above the midpoint of 50. However, the EDI for non-resident employment (27.0) is drastically lower down below 50, and non-resident employment continues to decline in most industries, although the pace of decline is slowing.

Malaysia

Country entry requirements>

Malaysian Defense Minister Ismail Sabri announced on May 24 that the quarantine period for those entering into the country from abroad will be extended to 14 days continuously, except for some countries such as India, Bangladesh, Nepal, Sri Lanka and Pakistan. The quarantine facility will be a hotel or facility designated by the government. The quarantine period for those coming from India, Bangladesh, Nepal, Sri Lanka and Pakistan will be extended to 21 days as well.

Job Market>

According to the Labour Force Statistics released by department of Statistics Malaysia on July 8, the preliminary unemployment rate on May was 4.5%, down by 0.1 percentage point from the previous month. It was 0.8 percentage points lower than the same month last year. Department of Statistics Malaysia said that the labour market may be affected by the spread of the new coronavirus in the coming months, but expressed the hope that the government's stimulus package, Pemulihan, will boost the economic recovery and lead to improved employment. As for Japanese companies in Malaysia, since June 1, production activities have been reduced in the automotive and steel manufacturing industries where the attendance rate is restricted to a maximum of 10%. In addition, there have been a number of cases in which companies have been ordered to suspend operations or risk having their operating permits revoked during by government's on-site inspection due to the violation of SOP. Also, there have been various other negative effects, such as delays in the procurement of parts and raw materials due to the shutdown of suppliers, delays in deliveries due to slippage in production plans, and the inability of non-manufacturing companies to provide services even if it's requested to do so by industries which are allowed to operate. There are concerns that the situation may become more serious as the first stage of the government recovery plan is prolonged.



Thailand

Country entry requirements>

Although the mandatory 14-day quarantine is still in effect, people can continue to work and go on their business trips by preparing the required documents and obtaining entry permits.

Job Market>

The employment situation, which showed a recovery trend in the first quarter, has become uncertain again due to the increase in the number of infected cases since April. The declaration of a state of emergency was extended until the end of May. Economic activity has not stopped compared to last year, but companies are taking a wait-and-see attitude.

Vietnam

Country entry requirements>

Currently, there are no changes to the entry restrictions. In order to enter the country, appropriate procedures are required, including approvals from the People's Committee and the Immigration Bureau, tentative and booking of airline tickets, visa or Temporary Residence Card (TRC), determination of quarantine hotel, quarantine instructions from the Health Department, and PCR testing prior to entry (3-7 days prior to entry). After entering Vietnam, the basic quarantine period is 14 days plus a voluntary quarantine period, but depending on the situation, the quarantine period may be 21 days according to the government's instructions.

Job Market>

Due to the fourth wave of COVID-19 that has spread since the end of April, companies are reluctant to hire. The number of new job openings in June decreased due to the impact of restrictions on going outside. (Except the purchase of food and other daily necessities and medicines, emergency and medical services, vaccinations, and going out except to work at factories, production and service facilities, and essential goods-related facilities.)



Indonesia

Country entry requirements>

Restrictions on entry into Indonesia, which had been tightened due to the mutated strain, were more tightened in July. The Indonesian government has extended the 5 days hotel quarantine period after entry to 8 days from 4th July 2021 and has also made it mandatory to show proof of vaccination.

Although visa holders are still allowed to enter into Indonesia, applications for new work visas from abroad are still suspended. In addition, new applications for single visa (211), which had been reopened from April, were suspended again on 21th July 2021 in response to the spread of the infection.

Job Market>

The employment situation, which had been showing signs of improvement, has fallen into a situation where some companies have had to drastically review their hiring plans, as emergency activity restrictions have been implemented since June due to the explosive increase in the number of newly infected people.

However, companies that are experiencing increased economic activity, such as an increase in car sales due to the tax incentives, are continuing to recruit.

There has also been an increase in the number of Japanese position available for domestic residents due to the current difficulties in obtaining visa and the increasing number of people returning to Japan.

Philippines

Country entry requirements>

Restrictions on entry are still in place, but people with valid visas are allowed to enter the country. In addition, with the recommendation of the relevant ministry (PEZA, etc.), a new visa can be obtained and entry can be made. At the time of entry into the Philippines, prior reservation at a designated accommodation is required, and quarantine is required for the specified number of days (10 days). PCR test is taken on the 7th day, and if negative, they must be quarantined at home until the 14th day.

Job Market>

Despite the number of newly infected cases hovering between 4,000 and 6,000, employment is resuming as people are working from home, providing social assistance at workplaces, and managing shifts for those who come to work. The number of job openings is recovering to the same level as previous years, especially since corporate activities are also reviving.