



PRESS RELEASE

For Immediate Release

[16 October 2023 – Hong Kong]

**Hong Kong Employees Experience 3.8% Pay Rise in 2023
2% Lower Than Major Cities in Greater Bay Area**

The Hong Kong Institute of Human Resource Management (HKIHRM) has worked with CIIC to conduct the 2023 Pay Trend Survey to collect data in Hong Kong and nine cities* in the Greater Bay Area (GBA) respectively during the first three quarters of this year. The survey found that Hong Kong employees' average salary increased by 0.3 percentage point to **3.8% in 2023**, and employees in the GBA had an average salary increase of **5.5%**. The survey aims to understand the trends in pay adjustments and bonus payments among companies. Below is the survey basic information.

City	No. of Surveyed Company	No. of Surveyed Employees	Industry Distribution
Hong Kong	209	131,350	12
Greater Bay Area cities*	384	155,904	Over 10

*Including Shenzhen, Guangzhou, Zhuhai, Foshan, Zhongshan, Dongguan, Huizhou, Jiangmen and Zhaoqing.

The survey's key findings are as follows:

Base Pay Adjustment in 2023 (Hong Kong: average ↑ 3.8%; GBA: average ↑ 5.5%)

Hong Kong

According to the pay adjustment data provided by the participating companies, the **base pay adjustment** for 2023 was **3.8%** (weighted average). After deducting the **1.8%** rise in the **Composite Consumer Price Index** from January to August 2023, **the real base pay adjustment** stood at **2.0%**.

- Among the responding companies which provided data on pay adjustment, 98.6% offered a pay increase, while 1.4% froze their employees' pay.
- Among the employees of these companies, a majority of 93.2% enjoyed a pay rise, while 6.8% saw a wage freeze.
- In 2023, small-sized companies (those with fewer than 100 employees), medium-sized companies (with an employee size between 100 and 1,000) and large-sized companies (with more than 1,000 employees) offered the same pay rise at 3.8%.
- In terms of employee level, middle-level staff received the largest pay adjustment at 3.9%, while top-level staff were slightly behind at 3.8%.
- Regarding the major factors that companies considered in pay adjustment, "business performance" continued to remain at the top of the list. Compared with 2022, "individual performance" moved up one place to rank second, whereas "market and competitor's pay adjustment" dropped to the third place.



Greater Bay Area

According to the pay adjustment data provided by the participating companies, the **base pay adjustment** for 2023 was **5.5%**.

- Among the responding companies which provided data on pay adjustment, 71% offered a pay increase, while 29% froze their employees' pay. For the organisations planning to increase the pay, 45% stated that they would adjust the pay according to the original plan without being affected by the market environment, while 26% reported a decrease in pay adjustment budgets.
- In terms of job level, R&D/technical staff received the largest pay adjustment at 7.3 %, while fresh graduates were slightly behind at 6.3%.
- In terms of employee type, promoted employees received the largest pay adjustment at 10.3%, while core/excellent employees were slightly behind at 9.7%.

Bonus Payments in 2023

Hong Kong

Guaranteed Bonus

- Among the companies which provided data on guaranteed bonus payments this year, 41.8% of the companies indicated they had guaranteed bonus schemes for staff.
- The average size of guaranteed bonus was 1.04 months of base pay, slightly lower than the level of 1.09 months in the previous year.

Non-Guaranteed Bonus

- Among the companies which provided the non-guaranteed bonus data, 91.7% reported that they offered non-guaranteed bonus to their employees.
- Among all the employees of these companies, 66.4% were eligible for a non-guaranteed bonus plan. For those employees awarded a non-guaranteed bonus, the average size of the bonus was 1.30 months of base pay, lower than the 1.57 months recorded in the previous year.
- In terms of employee level, the average size of non-guaranteed bonus received by top-level staff was 2.98 months of base pay, which exceeded the average amounts of senior-level (1.86 months), middle-level (1.32 months), and general staff (1.15 months).



Greater Bay Area

Incentives (including year-end bonuses, performance bonuses, and special incentive programmes)

- Mainland companies provide different incentives for employees, with “year-end bonuses” being the most common type of incentive, followed by “performance bonuses” and “project bonuses” in second and third place respectively.
- Among employees who received year-end bonuses in 2022, the average amount was 1.8 months of base pay, lower than the 2.1 months recorded in 2021.
- In terms of employee level, 30% of middle-level management (sales) received year-end bonuses that were 4 times or more than their base pay, while functional staff were slightly behind at 24%.

Pay Adjustment Projection for 2024 (Hong Kong: average ↑ 4.1%; GBA: average ↑ 5.4%)

Hong Kong

Among the 139 companies which provided projection data for 2024, 62% forecast a pay rise next year, while 4% expected staff pay to freeze. The remaining 35% had yet to conduct a forecast. For employees who are expected to enjoy pay increases in 2024, the average projected pay adjustment was 4.1% upward.

Greater Bay Area

Among the 384 companies which provided projection data for 2024, 28% forecast a pay rise next year, while 4% expected staff pay to freeze. The remaining 68% had yet to conduct a forecast. For employees who are expected to enjoy pay increases in 2024, the average projected pay adjustment was 5.4% upward.

Commentary

Since the full resumption of normal travel between Hong Kong and Mainland earlier this year, the Government has actively promoted economic activities and resumed the mega events, gradually restoring normalcy to society. However, Mr Lawrence Hung, President of HKIHRM, believes that the business atmosphere in Hong Kong has become more conservative and cautious due to the impact of the global economy, and the talent shortage situation remains serious.

He added, “The Institute recently released the ‘2023 Future Workforce Study’, which showed that nearly half of the surveyed employees consider ‘work-life balance’ as the most important motivating factor for them to stay in the same company. To effectively attract and retain talent, employers need to adopt a multi-pronged approach, including hybrid work models, flexible working hours, wellness activities, a caring culture, and a good office environment.”

Hong Kong

2023年薪金調整

整體平均基本薪金調升幅度為

3.8%



提供數據的機構
participating companies



提供數據的僱員
employees covered by the survey



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固定花紅制度 Guaranteed bonus plan

41.8% 設有**固定花紅制度**的受訪機構
of surveyed companies have a guaranteed bonus plan



39.8%
享有**固定花紅制度**
的受訪僱員
of employees covered by a
guaranteed bonus plan



1.04  月薪
months of pay
**固定花紅制度僱員所獲得
的平均花紅**
Average size of
guaranteed bonus awarded

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非固定花紅制度

Non-guaranteed bonus plan



91.7% 提供非固定花紅制度的受訪機構
of surveyed companies have a non-guaranteed bonus plan



66.4%

納入非固定花紅制度的
受訪僱員
of employees covered by a
non-guaranteed bonus plan



1.30 月薪
months of pay

非固定花紅制度僱員所獲
得的平均花紅
Average size of non-
guaranteed bonus awarded

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2024年薪酬調整展望



受訪機構加薪計劃:
Annual Base Pay Adjustment Projection:



35%
未有決定
No forecast yet

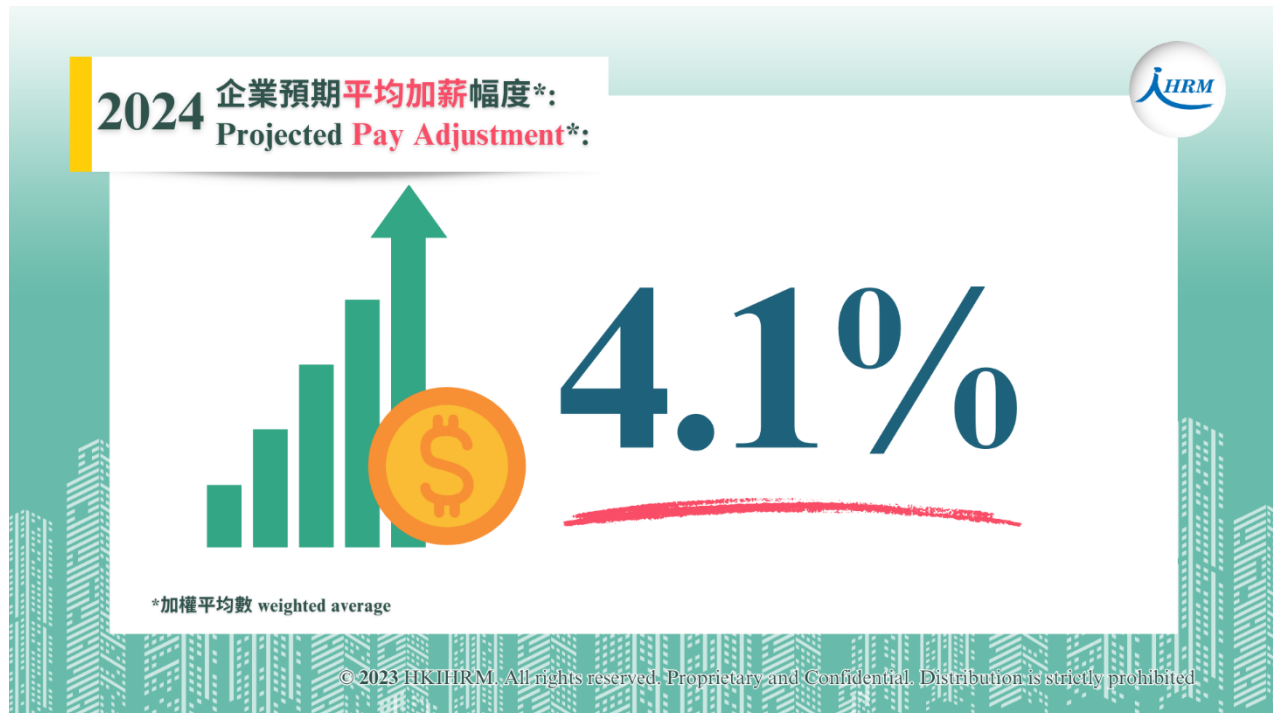


62%
加薪
Pay increase



4%
凍薪
Pay freeze

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About Hong Kong Institute of Human Resource Management

As the most representative HR professional body in Hong Kong, the Hong Kong Institute of Human Resource Management (HKIHRM) has a membership close to 5,000, of whom around 520 are corporate members. Founded in 1977, the HKIHRM aims at enhancing HR professional standards, and increasing the HR profession's influence. Serving HR practitioners and SMEs, the Institute organises a wide range of professional programmes, including annual conference, seminars, awards programme, and multi-level training. It also provides various membership services, surveys, and an online journal. The HKIHRM is a member of the Asia Pacific Federation of Human Resource Management.

<http://www.hkihrm.org>