



PRESS RELEASE

For Immediate Release

[10 October 2024 – Hong Kong]

**2024 Salary Increase Slightly Dips for Hong Kong and Greater Bay Area Employees
Employers Cautiously Adjusting Rates for 2025**

Hong Kong Institute of Human Resource Management (HKIHRM) has collaborated with CIIC Management Consulting Co. Ltd. (CIIC) once again this year to conduct the 2024 Pay Trend Surveys in Hong Kong and nine cities¹ in the Greater Bay Area (GBA) respectively during the first three quarters of the year. The survey revealed that the average salary for Hong Kong employees decreased by 0.6 percentage point to **3.2% in 2024**, while GBA employees saw an average salary increase of **4.8% in 2024**, a decrease of 0.7 percentage point from 2023. The surveys aims to understand the trends in pay adjustments and bonus payments among companies.

HKIHRM's 2024 Pay Trend Survey gathered data from 186 companies across 12 business sectors between January and September this year, encompassing 107,400 full-time salaried employees. CIIC collected data from 435 companies in nine GBA cities across more than 10 business sectors from January to August this year, covering 184,338 full-time salaried employees. The key findings of the survey are as follows:

Base Pay Adjustment in 2024 (Hong Kong: average ↑ 3.2%; GBA: average ↑ 4.8%)

Hong Kong

According to the pay adjustment data provided by the participating companies, the **base pay adjustment** for 2024 was **3.2%** (weighted average). After deducting the **1.8%** rise in the **Composite Consumer Price Index** from January to August 2024, the **real base pay adjustment** stood at **1.4%**.

Companies made pay adjustment decisions based on various factors, with “Company Performance” continuing to rank first this year, as 82% of employers considered it a primary factor. “Individual Performance” ranked second, increasing by 13 percentage points to 59% this year, indicating a greater emphasis on individual employee contributions and using pay increases as a motivation to enhance employee performance. “Market/Competitor’s Pay Adjustment” dropped one spot from last year to fourth place, decreasing by 8 percentage points to 29%. This might be linked to the impact of the overall economic environment, prompting employers to focus more on internal factors when assessing pay adjustments.

¹ Including Shenzhen, Guangzhou, Zhuhai, Dongguan, Foshan, Huizhou, Zhongshan, Jiangmen and Zhaoqing



Among the responding companies which provided data on pay adjustment, 91.7% of companies offered a pay increase this year, while 8.3% opted for a pay freeze. The survey also found that 80.2% of employees received a pay rise in 2024, while 19.8% of employees were affected by the pay freeze, marking a 13 percentage point increase from the previous year. In 2024, the average pay adjustment for 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) were 3.1%, 3.0%, and 3.2%, respectively.

In terms of pay adjustments by company type, local companies in Hong Kong implemented an increase of 3.4% this year, which is 0.8 percentage point higher than the 2.6% increase made by multinational companies. Based on employee levels, middle-level employees experienced the largest pay adjustment at 3.7%, while senior-level employees were slightly behind at 3.6%.

Mr. Lawrence Hung, President of HKIHRM, commented, “Local companies implemented higher salary increases this year compared to multinational companies, potentially stemming from the necessity for local companies to proactively adjust pay levels to attract and retain top talent. In contrast, multinational companies must take into account global market pay standards and regional economic conditions, resulting in the adoption of distinct pay adjustment strategies. As Hong Kong’s population ages rapidly, the talent gap at middle and senior positions is becoming more pronounced, necessitating employers to raise salaries to secure and retain mid-level and senior talent to meet future operational requirements.”

Greater Bay Area

According to the pay adjustment data provided by the participating companies, the **base pay adjustment** for 2024 was **4.8%**. Among the responding companies, 61.2% offered a pay increase, while 17.9% opted for a pay freeze. For the companies planning to increase the pay, 41.8% stated that they would adjust the pay according to the original plan without being affected by the market environment, while 19.3% reported a decrease in pay adjustment budgets.

When considering job levels, R&D/technical staff saw the most substantial pay adjustment at 7.0%, followed by sales staff with a 5.5% pay increase. Additionally, when categorised by employee types, promoted employees experienced a notable pay adjustment rate surge of up to 10.0%, while core/high-performing employees received a pay increase of 8.5%.

Bonus Payments in 2024

Hong Kong

Guaranteed Bonus

Among the companies which provided data on guaranteed bonus payments this year, 37.2% of the companies indicated they had guaranteed bonus schemes for staff. The average size of guaranteed bonus was 1.00 month of base pay, similar to the level of 1.04 months in the previous year.



Non-Guaranteed Bonus

Among the companies which provided the non-guaranteed bonus data, 83.9% reported that they offered non-guaranteed bonus to their employees. Among all the employees of these companies, 67.1% were eligible for a non-guaranteed bonus plan, higher by 7.5 percentage points compared to previous year. For those employees awarded a non-guaranteed bonus, the average size of the bonus was 1.23 months of base pay, lower than the 1.29 months recorded in the previous year.

In terms of employee level, the average size of non-guaranteed bonus received by top-level staff was 3.15 months of base pay, which exceeded the average amounts of senior-level (1.85 months), middle-level (1.24 months), and general staff (1.05 months), similar to last year's figures.

Greater Bay Area

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

Mainland companies offer various incentives for employees, with “year-end bonuses” being the most prevalent type of incentive at 83%, followed by “performance bonuses” at 67% and “project bonuses” at 40%.

Among employees who received year-end bonuses in 2023, the average amount was 1.8 months of base pay, consistent with last year's figures. In terms of employee level, 50% of middle-level management (sales) received year-end bonuses equivalent to three times or more of their base pay, while middle-level management (non-sales) followed closely at 48%, sales staff at 36%, and R&D/technical staff at 29%.

Pay Adjustment Projection for 2025 (Hong Kong: average ↑ 3.6%; GBA: average ↑ 4.7%)

Hong Kong

In the outlook for 2025 regarding pay adjustments, the survey revealed that 63% of responding companies forecasted a pay increase for next year, while 3% expected a pay freeze. The remaining 33% had yet to conduct a forecast. Among the companies which provided data, the average projected pay adjustment was 3.6% upward. This may reflect the confidence of companies in the future economic environment and their emphasis on attracting and retaining talent.

Greater Bay Area

In the outlook for 2025 in the GBA, 31.3% of responding companies forecasted a pay rise next year, while 12.9% expected staff pay to freeze. The remaining 55.9% had yet to conduct a forecast. Among the companies that provided projection data for 2025, the average projected pay adjustment was 4.7% upward, slightly higher by 0.1 percentage point compared to the national average pay adjustment.



香港人力資源管理學會

Hong Kong Institute of Human Resource Management

Operated by Hong Kong Institute of Human Resource Management Limited

Commentary

According to the HKIHRM's Future Workforce Study 2024, released in mid-August, the proportion of companies that found it "extremely difficult" to fill vacancies had dropped to a record low of 16%, marking the lowest level since 2022. This shift may prompt companies to adopt innovative talent management strategies like flexible work arrangements, remote work, talent development, and training programmes to better adapt to future workforce trends and demands.

Lawrence highlighted, "The global economic uncertainty plays a role in companies' considerations when forecasting pay adjustment. Despite some relief from recent interest rate cuts, companies maintain a delicate balance between managing human resource expenses and staying competitive in the market. As a result, a more cautious approach towards business expansion and pay adjustment is anticipated. However, we are optimistic that Hong Kong companies will proactively venture into international markets with government support for various economic initiatives, thereby boosting competitiveness to tackle future challenges."

Ms. Catherine Que, Consulting Director of the Data Services & Benchmarking Group at CIIC, believes that amid tight corporate resources, there is a growing emphasis on boosting the efficiency of human capital investment. Implementing differential incentives through talent identification and classification will be a significant focus for future transformation. The competition for core talent in emerging industries and advanced sectors is anticipated to intensify. Furthermore, enhancing talent recruitment programmes, training initiatives, and incentive retention plans are vital measures and support strategies for the new phase of high-quality corporate development and the economic growth of the Greater Bay Area.

Please [click here](#) for the photos of the media briefing.



Hong Kong



香港
2024年
薪金調整
Hong Kong
Pay Adjustment
for 2024

整體平均基本薪金調升幅度為*
 Overall Pay Adjustment*



提供數據的機構
 participating companies

加薪
 PAY INCREASE 凍薪
 PAY FREEZE 減薪
 PAY CUT

91.7%

8.3%

0.0%



提供數據的僱員
 employees covered
 by the survey

80.2%

19.8%

0.0%

*weighted average 加權平均數

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香港
固定花紅制度
Hong Kong
Guaranteed
bonus plan

37.2%

受訪機構設有固定花紅制度
 of surveyed companies have a
 guaranteed bonus plan

21.2%



合資格僱員享有固定花紅
 of employees covered by
 a guaranteed bonus plan

1.00
 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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香港
 非固定花紅制度
 Hong Kong
 Non-guaranteed
 bonus plan

83.9%

受訪機構設有非固定花紅制度
 of surveyed companies have
 a non-guaranteed bonus plan

67.1%



合資格僱員享有非固定花紅
 of employees covered by a
 non-guaranteed bonus plan

1.23
 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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香港
 2025年
 薪酬調整展望
 Hong Kong
 Pay Adjustment
 Projection
 for 2025

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



33%

未有決定
 No forecast yet



63%

加薪
 Pay increase



3%

凍薪
 Pay freeze

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2025 香港企業預期薪酬調整幅度*:
Hong Kong Projected Pay Adjustment*:



3.6%

*weighted average 加權平均數

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Media Enquiry

Corporate Communications & Projects Department

Ms Hannah Lo (852) 2837 3827 | Ms Iris Poon (852) 2837 3820

Email: pr@hkihrm.org

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 which around 500 are corporate members. Founded in 1977, the HKIHRM aims at enhancing HR professional standards, and increasing the HR profession's influence. Serving HR practitioners, corporations 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. HKIHRM is a member of the Asia Pacific Federation of Human Resource Management. <http://www.hkihrm.org>

香港九龍觀塘觀塘道378號創紀之城2期18樓1810-15室

Units 1810-15, 18/F, Millennium City 2, 378 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong

T: (852) 2881 5113 F: (852) 2881 6062 E: info@hkihrm.org W: www.hkihrm.org