

Unemployment and underemployment statistics for April – June 2020

According to the latest labour force statistics (i.e. provisional figures for April – June 2020) released today (July 20) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate increased from 5.9% in March – May 2020 to 6.2% in April – June 2020. The underemployment rate also increased from 3.5% in March – May 2020 to 3.7% in April – June 2020.

Comparing April – June 2020 with March – May 2020, the unemployment rate (not seasonally adjusted) increased across almost all the major economic sectors, with more distinct increases observed in the decoration, repair and maintenance for buildings sector; import and export trade sector; and warehousing and support activities for transportation sector. As to the underemployment rate, increases were mainly seen in the transportation sector and education sector.

Total employment in April – June 2020 was 3 620 400, about the same as in March – May 2020 (3 619 500). The labour force increased by around 11 100 from 3 850 000 in March – May 2020 to 3 861 100 in April – June 2020.

The number of unemployed persons (not seasonally adjusted) increased by around 10 300 from 230 400 in March – May 2020 to 240 700 in April – June 2020. Over the same period, the number of underemployed persons also increased by around 7 800 from 135 100 to 142 900.

Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market continued to deteriorate for the second quarter of 2020 as a whole, but the pressure faced by the labour market showed signs of easing towards the end of the quarter as the local epidemic situation abated in May and June. The launch of the Employment Support Scheme also helped counter the headwinds facing the labour market. The seasonally adjusted unemployment rate increased by 0.3 percentage point from March – May 2020 to 6.2% in April – June, the highest in more than 15 years. The underemployment rate rose by 0.2 percentage point to 3.7%, the highest in close to 17 years. In April – June, while total employment still declined by 6.5% year-on-year, it was about the same as in March – May, suggesting that the employment situation showed signs of stabilisation towards the end of the quarter. In addition, the labour force rose modestly by 0.3% in April – June over March – May, reversing the downtrend seen in recent periods."

"Analysed by sector, the unemployment rate of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) combined edged up to 10.7% in April – June 2020, the highest since

August – October 2003 after the onslaught of SARS, but their combined underemployment rate eased somewhat. Among these sectors, the unemployment rate for food and beverage service activities stayed near the post-SARS high, at 14.7%. Meanwhile, the unemployment rates of those involved in decoration, repair and maintenance for buildings, import and export trade, and warehousing and support activities for transportation increased visibly to multi-year highs. "

Looking ahead, Dr Law said, "The still serious epidemic situations in certain parts of the world, and renewed surge in local cases lately serve as a timely reminder that the economic outlook is still subject to huge uncertainties. The local labour market situation going forward will depend very much on how the global and local epidemic situations evolve. To preserve the vitality of the economy, the Government has rolled out relief measures of unprecedented scale, including a series of measures on job retention and job creation which help keep workers in employment. The Government will continue to monitor the situation closely."

He noted that the Labour Department (LD) will launch a pilot scheme in September 2020 to encourage the elderly aged 60 or above to undergo and complete on-the-job training (OJT) under the Employment Programme for the Elderly and Middle-aged (EPEM) through the provision of a retention allowance. LD will also raise the ceiling of the OJT allowance payable to employers under EPEM with a view to further encouraging employers to hire the elderly and middle-aged, thereby stabilising employment.

Meanwhile, the LD continues to receive and release information on vacancies from various industries for job-seekers with different educational background and working experience. Job-seekers may make use of the LD's online platforms such as the Interactive Employment Service website for obtaining employment information.

Further Information

The unemployment and underemployment statistics were compiled from the findings of the continuous General Household Survey.

The survey for April – June 2020 covered a sample of some 26 000 households or 74 000 persons, selected in accordance with a scientifically designed sampling scheme to represent the population of Hong Kong.

Data on labour force characteristics were obtained from the survey by interviewing each member aged 15 or over in the sampled households.

In the survey, the definitions used in measuring unemployment and underemployment follow closely those recommended by the International Labour Organization.

Statistical tables on the latest labour force statistics can be downloaded free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=D5250021). More

detailed analysis of the labour force characteristics is given in the "Quarterly Report on General Household Survey" which is published four times a year. The latest issue of the publication contains statistics for the quarter January – March 2020 while the next issue covering the quarter April – June 2020 will be available by end August 2020. Users can also download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=B1050001).

For enquiries about labour force statistics, please contact the Household Statistics Analysis Section of the C&SD (Tel: 2887 5508 or email: ghs@censtatd.gov.hk).