

Unemployment and Underemployment Statistics for December 2019 – February 2020

According to the latest labour force statistics (i.e. provisional figures for December 2019 – February 2020) released today (March 17) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate increased from 3.4% in November 2019 – January 2020 to 3.7% in December 2019 – February 2020. The underemployment rate also increased from 1.2% in November 2019 – January 2020 to 1.5% in December 2019 – February 2020.

Comparing December 2019 – February 2020 with November 2019 – January 2020, the unemployment rate (not seasonally adjusted) increased across almost all the major economic sectors, with more distinct increases observed in the construction sector; and retail, accommodation and food services sector. As to the underemployment rate, increases were mainly seen in the construction sector; transportation sector; and retail, accommodation and food services sector.

Total employment decreased by around 34 400 from 3 803 200 in November 2019 – January 2020 to 3 768 800 in December 2019 – February 2020. Over the same period, the labour force also decreased by around 22 500 from 3 925 500 to 3 903 000.

The number of unemployed persons (not seasonally adjusted) increased by around 11 800 from 122 300 in November 2019 – January 2020 to 134 100 in December 2019 – February 2020. Over the same period, the number of underemployed persons also increased by around 11 800 from 47 300 to 59 100.

Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market deteriorated sharply, as the COVID-19 epidemic caused severe disruptions to a wide range of economic activities and dampened economic sentiment. The seasonally adjusted unemployment rate increased visibly by 0.3 percentage point to 3.7% in December 2019 – February 2020, the highest in more than nine years. The underemployment rate also increased by 0.3 percentage point to a five-year high of 1.5%. The year-on-year decline in total employment widened to 2.5%, the largest since the Asian financial crisis. The decline in labour force also enlarged in parallel, suggesting that some people chose to leave the labour force upon losing their jobs."

"The employment situation of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) exacerbated further, as the threat of the COVID-19 infection has brought inbound tourism to a standstill and dealt a severe blow to consumption-related activities.

The unemployment rate and the underemployment rate of these sectors combined surged to 6.1% and 2.5% respectively, both the highest in about a decade. The situation in food and beverage service activities was particularly severe, with the unemployment rate and the underemployment rate soaring to 7.5% and 3.5% respectively. Meanwhile, the unemployment and underemployment situation in the construction sector deteriorated drastically, as construction activities saw visible slowdown. The underemployment rate of the transportation sector also rose noticeably amid sharply reduced people and cargo flows."

Looking ahead, Dr Law said, "The labour market will be subject to even greater pressure in the near term, and the exact impact will hinge on the duration and severity of the pandemic around the world. The Government will monitor the developments closely."

He noted that the Labour Department (LD) implements special employment programmes for job-seekers who have special needs or difficulties in employment (such as the youth, mature persons and persons with disabilities) to enhance their employability and facilitate their employment. To assist young people to find jobs, the LD provides through the Youth Employment and Training Programme (YETP) comprehensive training and employment support to young school leavers aged 15-24 with educational attainment at sub-degree level or below. In the second half of 2020, the LD plans to increase the on-the-job training allowance under YETP in order to further encourage employers in hiring young people and to provide them with on-the-job training. The LD will also launch a pilot scheme to encourage YETP trainees to undergo and complete on-the-job training through the provision of a retention allowance, 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 December 2019 – February 2020 covered a sample of some 26 000 households or 75 000 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.

Detailed analysis of 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 October – December 2019 while the next issue covering the quarter January – March 2020 will be available by end May 2020. Users can 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).