

Unemployment and underemployment statistics for February – April 2020

According to the latest labour force statistics (i.e. provisional figures for February – April 2020) released today (May 19) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate increased from 4.2% in January – March 2020 to 5.2% in February – April 2020. The underemployment rate also increased from 2.1% in January – March 2020 to 3.1% in February – April 2020.

Comparing February – April 2020 with January – March 2020, the unemployment rate (not seasonally adjusted) increased across almost all the major economic sectors, with more distinct increases observed in the construction sector; retail, accommodation and food services sector; information and communications sector; professional and business services (excluding cleaning and similar activities) sector; education sector; and arts, entertainment and recreation sector. As to the underemployment rate, increases were mainly seen in the decoration, repair and maintenance for buildings sector; retail, accommodation and food services sector; transportation sector; and education sector.

Total employment decreased by around 62 600 from 3 720 000 in January – March 2020 to 3 657 400 in February – April 2020. Over the same period, the labour force also decreased by around 22 400 from 3 882 200 to 3 859 800.

The number of unemployed persons (not seasonally adjusted) increased by around 40 300 in February – April 2020 compared to January – March 2020, from 162 200 to 202 500. Over the same period, the number of underemployed persons also increased by around 35 800 from 82 800 to 118 600.

Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market showed further sharp deterioration as the COVID-19 pandemic continued to weigh on a wide range of economic activities. The seasonally adjusted unemployment rate soared by 1.0 percentage point to 5.2% in February – April 2020, the highest in over a decade. The underemployment rate likewise surged by 1.0 percentage point to 3.1%, the highest in over 15 years. The year-on-year declines in total employment and labour force widened further to 5.4% and 3.0% respectively, both the largest on record.

"The unemployment rate of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) combined soared to 9.0%, the highest in more than 15 years, and the underemployment rate to 5.9%, the highest on record. In particular, the unemployment and underemployment rates in food and beverage service activities surged to 12.0% and 8.4% respectively. The situation in the construction sector was equally

austere, with the unemployment rate and underemployment rate rising to 10.0% and 8.0% respectively. Labour market conditions in most other sectors also deteriorated, particularly in education, information and communications, professional and business services (excluding cleaning and similar activities), and arts, entertainment and recreation."

Looking ahead, Dr Law said, "The labour market will continue to face immense pressure in the near term. 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. These measures should help keep workers in employment. The Government will closely monitor the situation."

In view of the worsening youth employment situation, he noted that the Labour Department (LD) has increased the subsidy payable to non-governmental organisations (NGOs) participating in the new phase of Career Kick-start, so as to provide more opportunities for young people having special employment difficulties to be engaged by NGOs to undergo 12-month on-the-job training. The workplace attachment allowance payable to trainees under the Youth Employment and Training Programme has also been raised to assist young people in entering the labour market.

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 February – April 2020 covered a sample of some 27 000 households or 76 000 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 October – December 2019 while the next issue covering the quarter

January – March 2020 will be available by end May 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).