

Unemployment and underemployment statistics for June – August 2020

According to the latest labour force statistics (i.e. provisional figures for June – August 2020) released today (September 17) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate stood at 6.1% in June – August 2020, the same as that in May – July 2020. The underemployment rate increased from 3.5% in May – July 2020 to 3.8% in June – August 2020.

Comparing June – August 2020 with May – July 2020, movements in the unemployment rate (not seasonally adjusted) in different industry sectors varied, but were generally small in magnitude. As to the underemployment rate, increases were concentrated in the food and beverage service activities sector; transportation sector; insurance sector; and education sector.

Total employment increased by around 3 400 from 3 637 000 in May – July 2020 to 3 640 400 in June – August 2020. Over the same period, the labour force also increased by around 9 300 from 3 879 500 to 3 888 800.

The number of unemployed persons (not seasonally adjusted) increased by around 5 800 from 242 500 in May – July 2020 to 248 300 in June – August 2020. Over the same period, the number of underemployed persons also increased by around 13 200 from 136 000 to 149 200.

Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market remained austere in June – August 2020 as the third wave of local epidemic in July and August had continued to disrupt a wide range of economic activities, notwithstanding that the Employment Support Scheme had continued to provide support. The seasonally adjusted unemployment rate remained at 6.1% in June – August 2020, unchanged from May – July 2020, but the underemployment rate increased by 0.3 percentage point to a post-SARS high of 3.8%. Meanwhile, the year-on-year rates of decline in total employment and labour force narrowed slightly, to 5.5% and 2.1% respectively.

"Analysed by sector, the unemployment rate of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) combined edged up by 0.1 percentage point from May – July 2020 to 10.9% in June – August 2020, the highest since the onslaught of SARS; while the underemployment rate surged again by 0.9 percentage point to 5.9%. Among these sectors, the unemployment rate and the underemployment rate for food and beverage service activities were elevated at 14.4% and 8.3% respectively. The unemployment rate and the underemployment rate of the construction sector also stayed high at 11.1% and 8.1% respectively. Meanwhile, the underemployment situation in many other sectors deteriorated, particularly in

transportation, insurance, and education."

Looking ahead, Dr Law said, "While the local epidemic situation has started to ease gradually in September, the global pandemic is still fluctuating in a rising trend and the overall economic situation remains weak. The labour market will remain under pressure in the near term. 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 and roll out measures as necessary."

He noted that the Labour Department (LD) has raised the ceiling of on-the-job training (OJT) allowance payable to employers under the Employment Programme for the Elderly and Middle-aged, the Youth Employment and Training Programme and the Work Orientation and Placement Scheme in September 2020, with a view to further encouraging employers to hire the elderly aged 60 or above, young people and persons with disabilities and provide them with OJT. The LD has also launched a pilot scheme in September 2020 to encourage eligible persons to undergo and complete OJT under the above employment programmes 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 June – August 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. Labour force statistics compiled from this sample represented the situation in the moving three-month period of June to August 2020.

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 April – June 2020 while the next issue covering the quarter July – September 2020 will be available by end November 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).