

Unemployment and underemployment statistics for March – May 2020

According to the latest labour force statistics (i.e. provisional figures for March – May 2020) released today (June 16) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate increased from 5.2% in February – April 2020 to 5.9% in March – May 2020. The underemployment rate also increased from 3.1% in February – April 2020 to 3.5% in March – May 2020.

Comparing March – May 2020 with February – April 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; transportation sector; information and communications sector; education sector; and arts, entertainment and recreation sector. As to the underemployment rate, increases were mainly seen in the retail sector; transportation sector; and warehousing and support activities for transportation sector.

Total employment decreased by around 37 900 from 3 657 400 in February – April 2020 to 3 619 500 in March – May 2020. Over the same period, the labour force also decreased by around 9 900 from 3 859 800 to 3 849 900.

The number of unemployed persons (not seasonally adjusted) increased by around 27 900 from 202 500 in February – April 2020 to 230 400 in March – May 2020. Over the same period, the number of underemployed persons also increased by around 16 500 from 118 600 to 135 100.

Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market showed further deterioration in March – May 2020 as a wide range of economic activities stayed in the doldrums. The seasonally adjusted unemployment rate increased by 0.7 percentage point from the preceding three-month period to 5.9%, surpassing the peak of 5.5% in the aftermath of the global financial crisis to reach the highest in more than 15 years. The underemployment rate rose visibly by 0.4 percentage point to 3.5%, the highest in close to 17 years. The year-on-year declines in total employment and labour force widened further to 6.5% and 3.3% respectively, both the largest on record."

"The unemployment rate of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) combined increased to 10.6% in March – May 2020, the highest since August – October 2003 after the onslaught of SARS, and the underemployment rate rose visibly to 6.3%, the highest on record. Among these sectors, the unemployment rate for food and beverage service activities rose to 14.8% while the underemployment rate stayed elevated at 8.2%. Meanwhile, the situation in the construction sector

worsened, with the unemployment rate rising to 10.8% and the underemployment rate to 8.2%. The labour market conditions in many other sectors also weakened, particularly in transportation, information and communications, education, and arts, entertainment and recreation."

Looking ahead, Dr Law said, "While the local epidemic situation has abated, it will take time for local economic activities to return to normal. The external environment also remains difficult as the pandemic continues to weigh on the global economy. Thus the labour market will still face pressure in the near term, yet the pace of deterioration may decelerate. 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 monitor the situation closely."

To assist secondary school leavers of this year to enter the labour market, he noted that the Labour Department (LD) launched a special programme – "Career Let's Go" from June to August. Youth Employment Start will organise various training courses, including those that enhance the job-hunting and interviewing skills of graduates, as well as provide school leavers with career assessment and career consultation services. Moreover, the LD will canvass job vacancies suitable for secondary school leavers and organise a number of large-scale and district-based job fairs where job-seekers can have job interviews with the recruiting employers on the spot. A dedicated webpage (www.jobs.gov.hk/careerletsgo) has been set up to provide information on the activities of the special programme as well as other employment market information, including listing out job vacancies suitable for persons with secondary school education.

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 March – May 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.

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).