Box 5.2

Employment growth differentiated by employment status in recent years

During 1998 to 2002, total employment expanded cumulatively by 3.5%, or by an annual average of 0.9%, from 3.12 million to 3.23 million. But the growth rate varied amongst persons with different employment status.

Employed persons by employment status (year-on-year rate of change (%))

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		Within which				
					Unpaid	
	Total			Self-employed	family worl	2
	employment	Employees	Employers	persons	ers	
1998	-1.3	-1.3	-4.4	4.2	-8.3	
1999	-0.3	-0.9	-1.5	8.8	23.1	
2000	2.1	2.4	0.0	4.0	11.0	
2000	3.1	3.4	-2.3	4.0	-11.9	
2001	1.4	-0.1	5.4	24.7	3.9	
2001	1.4	-0.1	5.4	24.7	5.9	
2002	-0.6	-1.7	-2.4	14.4	10.6	
2002	0.0	1.7	2.7	14.4	10.0	

The number of self-employed persons, whilst on a continuous uptrend in recent years, increased rather more distinctly in 2001 and 2002. Reduced vacancies in the corporate sector and growing tendency towards outsourcing induced more people to become self-employed. On the other hand, the number of employees was mostly on a decline, as overall labour demand slackened amidst moderate economic performance for most of the period and increased incidents of corporate downsizing and lay-offs. The number of employeers also fell, amidst a more stringent business climate. As to unpaid family workers, the movements were more volatile, but the absolute number of people involved was rather small.

As a result, the proportion of employees in total employment fell over the period, from 89.7% in 1998 to 87.2% in 2002. So did the proportion of employers, from 5.2% to 5.0%. By contrast, the proportion of self-employed persons went up appreciably, from 4.6% to 7.2%. The proportion of unpaid family workers held broadly stable, at around 0.7%.

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