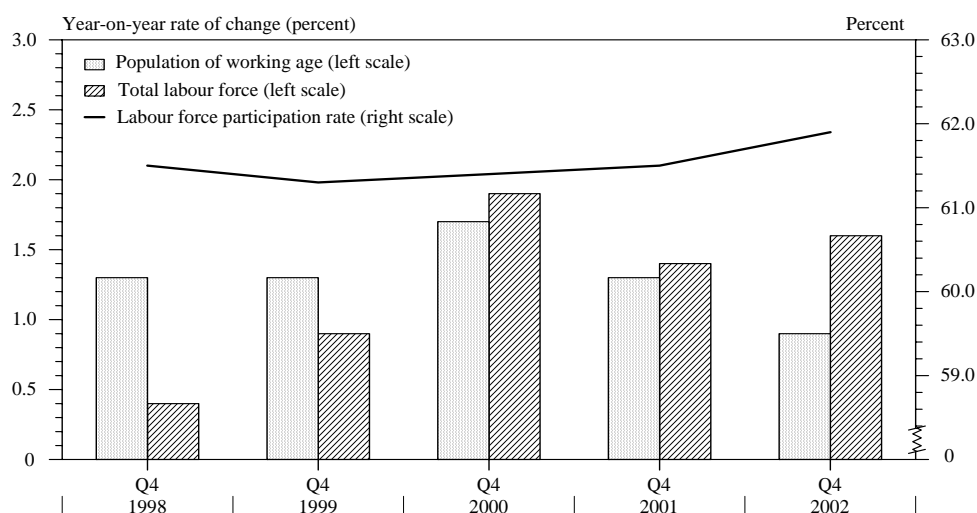


Box 5.3

Sources of growth in labour force in recent years

Between end-1998 and end-2002, total labour force increased from 3.31 million to 3.51 million, or by an annual average of 1.5%. This was largely attributable to an expansion in the population of working age (i.e. persons aged 15 and above), by an annual average of 1.3%. Yet a rise in the labour force participation rate also contributed.

Sources of growth in total labour force



The growth in the population of working age over the past four years was supported by both natural increase in the indigenous population and net inflow of people into Hong Kong. Yet the contribution to the overall growth over the period by indigenous increase, at 74.4%, was much larger than that by net inflow, at 25.6%. Net inflow comprised mainly foreign domestic helpers and other expatriate workers, as well as one-way permit holders from the mainland of China.

On the rise in the labour force participation rate (LFPR), it was entirely due to a surge in LFPR for females, mostly those aged 25-59, which more than offset a sustained decline in LFPR for males. Improved educational attainment, marriage postponement, and increased prevalence of spinsterhood were apparently the key factors pushing LFPR for females higher. Also, there appeared to be a greater proportion of married women entering the labour market for jobs in order to supplement family income, especially in 2001 and 2002 when there was an economic downturn.