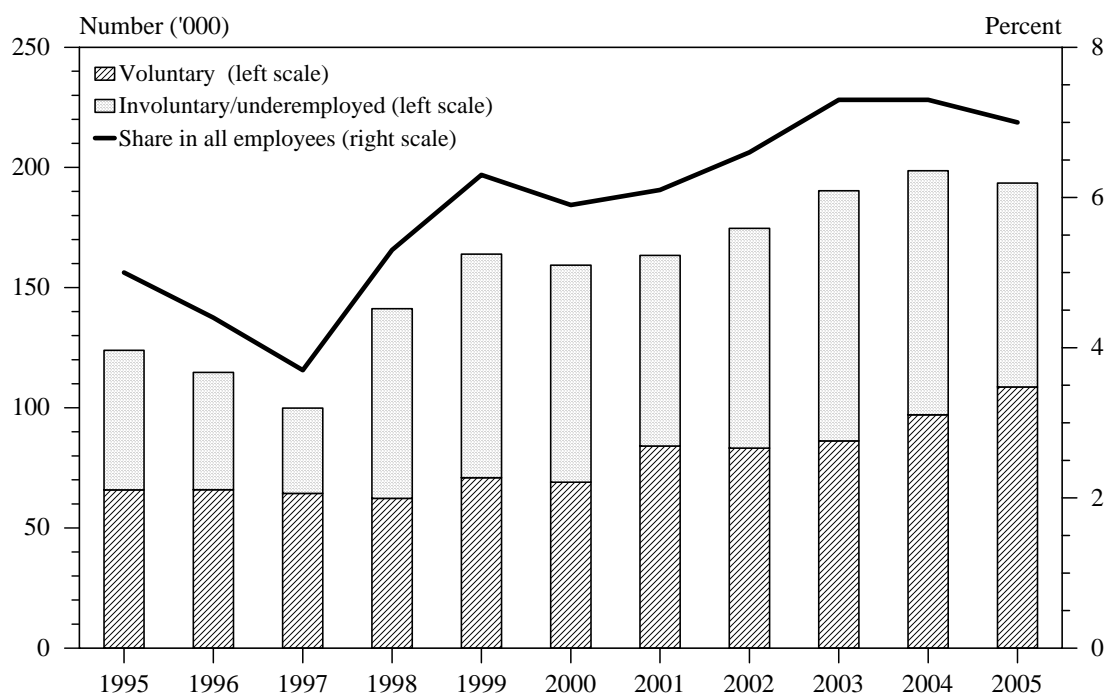


Box 5.1**Recent trends of part-time employees****Salient developments during 1995-2005**

The number of part-time employees⁽¹⁾, covering mainly persons working less than 35 hours a week, followed a general uptrend for most of the past decade. Comparing 2005 with 1995, this particular group of workers grew by an average of 4.6% per annum, distinctly faster than the 1.1% increase recorded for all the employees. Growth was seen entirely between 1997 and 2004, when the number almost doubled from 99 800 to 198 600, as did their share in total employees from 3.7% to 7.3%. In 2005, the corresponding figures were 193 500 and 7.0%.

Number and share of part-time employees

A closer examination of the data showed fairly large fluctuations in part-time employees between individual years. To a larger extent, this was affected by the volatile movements in those persons working part-time on an involuntary basis (i.e. the underemployed). For instance, the number of **involuntary** part-time workers exhibited a sharp upsurge in 1998 and 1999, when the local economy was still badly hit by the Asian financial crisis. A similar jump was seen in 2002 and 2003, when another economic downturn set in. Yet thanks to the rebound in business activity since the latter part of 2003, the underemployment situation progressively changed for the better, contributing to a visible reduction in such employees. In 2005, these involuntary or underemployed workers were estimated at 84 800, corresponding to 3.1% of the total employees.

An analysis of major socio-economic attributes showed that among the involuntary part-time employees, the majority comprised middle-aged male workers, persons with lower secondary education or below, those employed in the construction sector, and those engaged as workers in elementary occupations.

⁽¹⁾ Part-time employees are defined here to include persons working less than 35 hours during the seven days before enumeration due to reasons other than vacation. Foreign domestic helpers are excluded in this analysis.

Box 5.1 (cont'd)

As to employees working *voluntarily* on a part-time basis, the pattern of movement was rather different. The number was generally steady in the late 1990s, but has since followed a notable rising trend. In 2005, these workers were estimated at 108 700 or 3.9% of the total employees.

Over the years, whereas voluntary part-time employment was also found mainly among the less-educated persons and workers at the lower segment, there were more female workers than male workers especially within the middle-aged group of 30 – 59. A significant proportion of them were believed to be housewives, who worked on a part-time basis to supplement family income. The community, social and personal services sector had the highest proportion of voluntary part-time workers.

Young persons aged 15 - 19 (comprising mostly students) were the other major group gaining in importance recently. Conceivably, many of these people worked part-time with a view to acquiring more working experience, skills and exposure, as an interim arrangement prior to their further studies or longer-term employment. This partly explained the much higher staff turnover rate observed for this particular age group.

Notable trends in more recent years

As mentioned earlier, the number of *involuntary* part-time employees fluctuated rather widely from year to year, which was affected heavily by the economic growth performance. Between 2000 and 2005, the number of these involuntary or underemployed workers fell by an average of 1.2% per annum.

In stark contrast, the number of *voluntary* part-time employees registered a rapid increase averaging at 9.5% per annum over the same period. This was mainly attributable to a surge in employment of women aged 20 - 59. To some extent, it was related to the substantial inflow of female immigrants under the One-way Permit (OWP) Scheme. Over 2000-2005, nearly half of OWP holders were women aged 25 – 44, who tended to have greater propensity to participate in the workforce and seek work opportunities of part-time nature.

Furthermore, while voluntary part-time employment was still prevalent among workers with lower educational attainment and lesser skills, there was an increasing tendency among workers at the upper segment to take up part-time jobs more recently. The majority of these part-time employees were with upper secondary education or above and engaged in occupations such as managers and administrators, professionals and associate professionals.

Concluding remarks

In sum, part-time employment has been generally on the increase over the past decade. This trend is not unique to Hong Kong, and is commonly observed in many major overseas economies. In face of intensifying competition in the global market and growing economic uncertainty, it is only natural for business enterprises, both local and overseas, to strive for more operational flexibility in a cost-effective manner. Increased recruitment of part-time workers is one of the major means to attain greater flexibility in production and work arrangements.