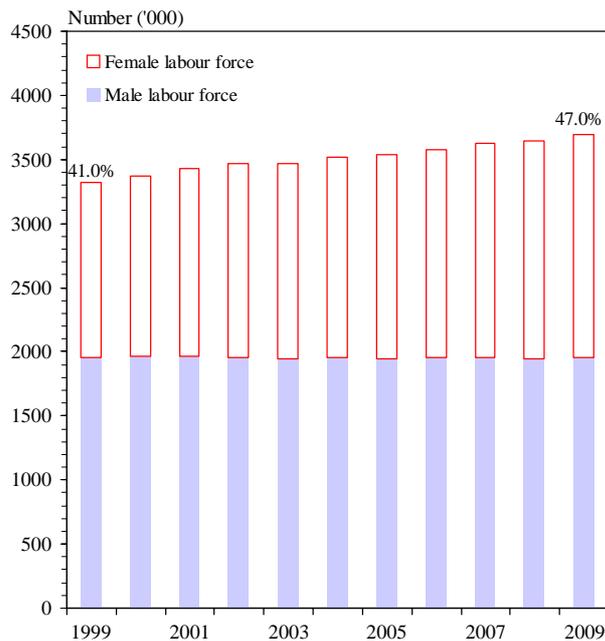


## Box 6.1

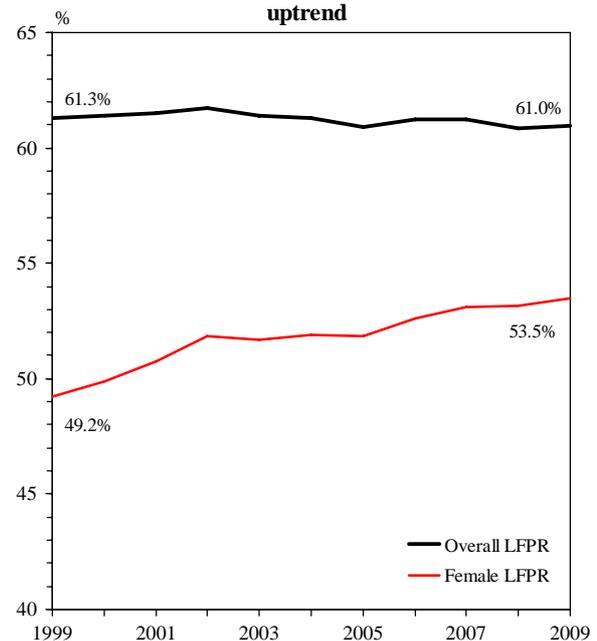
## Recent trends of development in the female workforce

Within the labour force and total employment, female workers have kept on growing notably over the past ten years, even during periods of economic downturn. From 1999 to 2009, the number of female workers grew from 1 362 500 to 1 736 300 (*Chart 1*), representing an average annual increase of 2.5%. This more than doubled the growth rate of 1.1% for total labour force. Concurrently, the labour force participation rate (LFPR) for females also saw a distinct rise from 49.2% to 53.5%, which contrasted markedly with the declining trend observed for overall LFPR (*Chart 2*).

**Chart 1: Female workers within the labour force kept on increasing both in numbers and percentage share**



**Chart 2: The labour force participation rate (LFPR) for females also followed an uptrend**



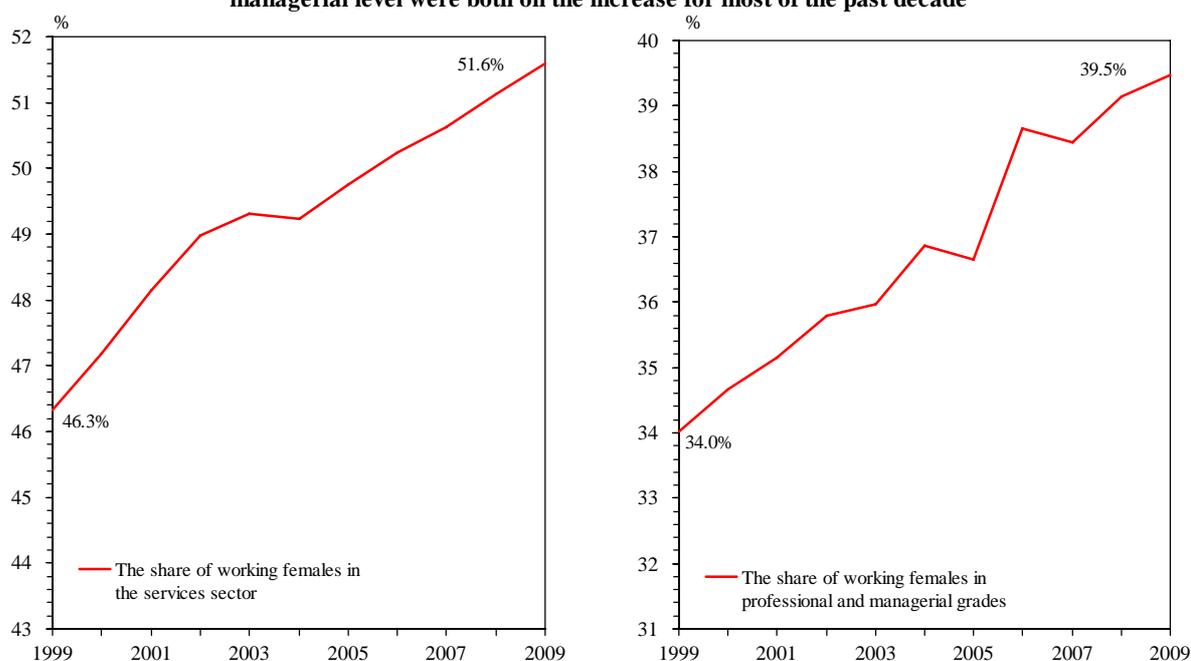
According to the projections by the Census and Statistics Department, the proportion of female workers within the labour force will increase further to 55.4% in 2026, from 45.4% in 2006. Even excluding foreign domestic helpers, the female workforce is expected to outnumber the male counterpart in 2023. As regards the proportion of female workers in total employment, at present the figure is 47.4%, and it is envisaged to reach 50% or above in the near future.

The rising trend of female employment went well with the changing composition of manpower demand amid Hong Kong's progressive restructuring towards knowledge-based activities, especially those in the service sectors such as financing and information technology, etc. with greater emphasis on educational qualifications and application of knowledge, rather than on physical strength as in the case of manual jobs in the construction sector. Currently, the services sector as a whole constitutes as much as 92.0% of Hong Kong's GDP. Moreover, many females with excellent interpersonal skills and communication with clients can work effectively in personal-based sectors such as the retail trade and tourism. In fact, the proportion of female workers in the services sector has already surpassed the male counterpart, albeit only modestly, since 2006 (*Chart 3*). For public administration, social and personal services in particular, the corresponding share in 2009 now even reaches nearly 70% (specifically, 69%). Over the years, there has also been a distinct improvement in educational attainment for female workers, as borne out by the upsurge in the proportion of females with post-secondary education from 25% in 1999 to 32% in 2009. Among them, those having taken part-time and distance learning courses have grown substantially by nearly

**Box 6.1 (Cont'd)**

5 times from 15 553 in 1991 to 90 861 in 2006, far exceeding the 2.5 times increase recorded for males. Benefiting from their improved educational qualifications and sex discrimination regulations, females now face a level playing field, same as males do, in respect of both job opportunities and employment conditions. From a macro perspective, the progressive upgrading of knowledge and skills among females has also been conducive to the improvement of overall labour productivity and economic growth in Hong Kong.

**Chart 3 & Chart 4: The shares of female workers in the services sector and at the professional and managerial level were both on the increase for most of the past decade**



Another major factor contributing to the growing participation of females in the labour market is the changing demographic structure and public perceptions of a family. Despite the Government's promotion efforts in the past several years, the fertility rate in Hong Kong is still way below many other economies in the world. Meanwhile, the median age at first marriage and that at first childbirth have kept on increasing over the past decades (*Table 1*). Conceivably, this is due in part to the changing family perception among females amid the evolving economic and social conditions, which has led them to become more independent for work and less keen on getting married or starting a family.

**Table 1: Median childbearing age of women by order of live births and first marriage age**

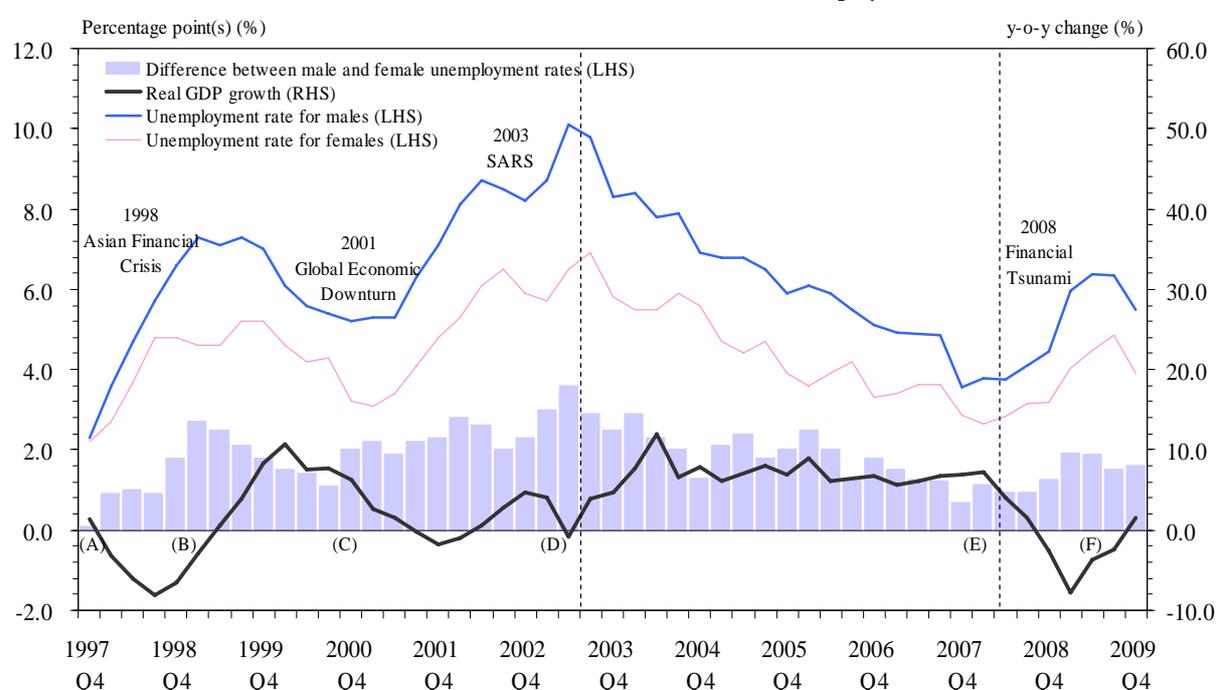
| Year | 1 <sup>st</sup> order live births | 2 <sup>nd</sup> order live births | 3 <sup>rd</sup> order live births | 3 <sup>rd</sup> and higher order live births | All order live births | First Marriage |
|------|-----------------------------------|-----------------------------------|-----------------------------------|--|-----------------------|----------------|
| 1998 | 29.2                              | 32.0                              | 33.8                              | 35.3   | 30.7                  | 26.9           |
| 2003 | 29.4                              | 32.2                              | 34.1                              | 35.0   | 30.9                  | 27.8           |
| 2008 | 29.8                              | 32.8                              | 34.1                              | 35.6   | 31.6                  | 28.4           |

The rising female LFPR, coupled with their improving educational attainment and work skills, has enabled more and more women to climb up the career ladder to the upper echelons of society. In 2009, about 40% of professionals, managers and administrators were females (*Chart 4*), which reaffirms the common perception of females assuming an increasingly important role at the upper level. In regard to the civil service, the number of female directorate

**Box 6.1 (Cont'd)**

officers has likewise jumped from 35 in 1981 to 368 in 2008, representing a sharp rise of more than 10-fold. Consequently, the proportion of females in the directorate grade has surged to 30%. Even for those jobs involving more manual labour such as non-civilian police officers and fire officers, there has also been an increasing trend of female participation over the past decade.

Another development worth noting is that the unemployment rate for females has been at a lower level than that for males over the years. Past experience indicates that during an economic downturn, the difference between the male and the female unemployment rates usually widens, and the gap will become larger when overall unemployment approaches its peak. On the other hand, the difference between these two unemployment rates tends to narrow during the course of an economic recovery (*Chart 5 & Table 2*). As Table 2 shows, these movements mainly reflect the higher degree of volatility in the male unemployment rate, whereas the female unemployment rate has shown relatively smaller fluctuations under different economic conditions.

**Chart 5 : Trend movements of the male and female unemployment rates**

**Table 2: Changes of male and female unemployment rates at different stages of the economic cycle**

| Quarter | Unemployment rate                   |           |        |                                  | Real GDP growth (4-quarter moving average) |
|---------|-------------------------------------|-----------|--------|----------------------------------|--|
|         | Overall (after seasonal adjustment) | Of which: |        | Difference (percentage point(s)) |  |
|         |                                     | Male      | Female |                                  |  |
| 1997 Q4 | 2.2%                                | 2.3%      | 2.2%   | 0.1% (A)                         | 5.1%                                       |
| 1999 Q1 | 6.3%                                | 7.3%      | 4.6%   | 2.7% (B)                         | -6.0%                                      |
| 2000 Q3 | 4.8%                                | 5.4%      | 4.3%   | 1.1% (C)                         | 8.5%                                       |
| 2003 Q2 | 8.5%                                | 10.1%     | 6.5%   | 3.6% (D)                         | 2.7%                                       |
| 2008 Q2 | 3.3%                                | 3.8%      | 2.8%   | 1.0% (E)                         | 6.3%                                       |
| 2009 Q2 | 5.4%                                | 6.4%      | 4.5%   | 1.9% (F)                         | -3.1%                                      |

**Box 6.1 (Cont'd)**

As for employment income, the earnings of female workers, both higher-skilled and lower-skilled, likewise moved along with the economic cycles (*Chart 6 & Chart 7*). In 2009, the average monthly employment income for female workers (excluding foreign domestic helpers) amounted to \$14,600, representing an increase of around 12% over a decade ago. This growth pace is broadly similar to that for male workers. After discounting the effect of consumer price deflation prevalent for a considerable part of the period, there was in fact a larger improvement in real terms. Furthermore, consequential to more females entering the upper segment of the occupational hierarchy, the share of female employees with monthly income of \$40,000 or above has risen notably from 25% to 32% over the past decade. These females have thus emerged as a major consumer group supporting domestic demand in the economy.

Even so, it is noted that the proportion of females engaged in higher-skilled or full-time jobs continues to be smaller than that for males (the corresponding figures in respect of higher-skilled jobs are about 30% versus 41%; and those in respect of full-time jobs about 91% versus 94%). In view of these figures, there should still be room for female workers to expand further in the labour market in the years to come.

**Chart 6 & Chart 7: The average income for female workers, both higher-skilled and lower-skilled, moved along with the economic cycles**

