

Box 5.1**Female labour supply in Hong Kong:
child care responsibilities and decision to work**

Hong Kong, like many economies, saw a distinct rise in female labour force participation rate (LFPR) over the past two decades. Female LFPR went up from 44.3% in 1993 to 50.6% in 2013, representing a visible increase of 6.3 percentage points⁽¹⁾⁽²⁾. However, it was still substantially lower than that of men, at 69.1% in 2013. Literature offers a wide array of factors to account for such gender difference. One of the most frequently discussed is women's traditional role in shouldering domestic duties, for example, taking care of their family members and other household chores, instead of working for pay. Conceivably, this picture has gradually changed over time, driven partly by the opportunity costs of not being in the workforce for better educated women, and changes in work arrangement and social perception of working mothers. In the case of Hong Kong, accessible assistance from foreign domestic helpers (FDH) also contributed in part.

Based on statistics from the General Household Survey (GHS) of the Census and Statistics Department (C&SD), there were 1 707 100 women in their prime working age (i.e. those aged 25 – 54) living in domestic households⁽³⁾ in 2013. **Table 1** compares the LFPR of these women by marital status and household characteristics. A few salient observations follow. First, ever-married women⁽⁴⁾, comprising 72.7% of the respective population, had a LFPR of 63.9%, which was substantially lower than the 92.5% of their never-married counterparts. Besides, the LFPR of women with child care responsibilities, as proxied by whether they were living with children⁽⁵⁾, at 57.8%, was 20.9 percentage points lower than that of those not living with any children. Another noteworthy point is that, among women living with children, those with FDH in their households were more inclined to take part in the labour market than those without FDH in their households.

Table 1 : Labour force participation rate of prime working age (aged 25 – 54) women, 2013

Marital status	Labour force participation rate (%)				
	Living with children			Not living with children	
	Household with FDH	Household without FDH	Overall	Overall	Overall
Never married	95.5 (0.2)	87.3 (1.2)	88.5 (1.4)	92.8 (25.9)	92.5 (27.3)
Ever married	78.0 (8.4)	48.7 (23.5)	56.4 (32.0)	69.8 (40.7)	63.9 (72.7)
Overall	78.4 (8.6)	50.6 (24.7)	57.8 (33.4)	78.7 (66.6)	71.7 (100.0)

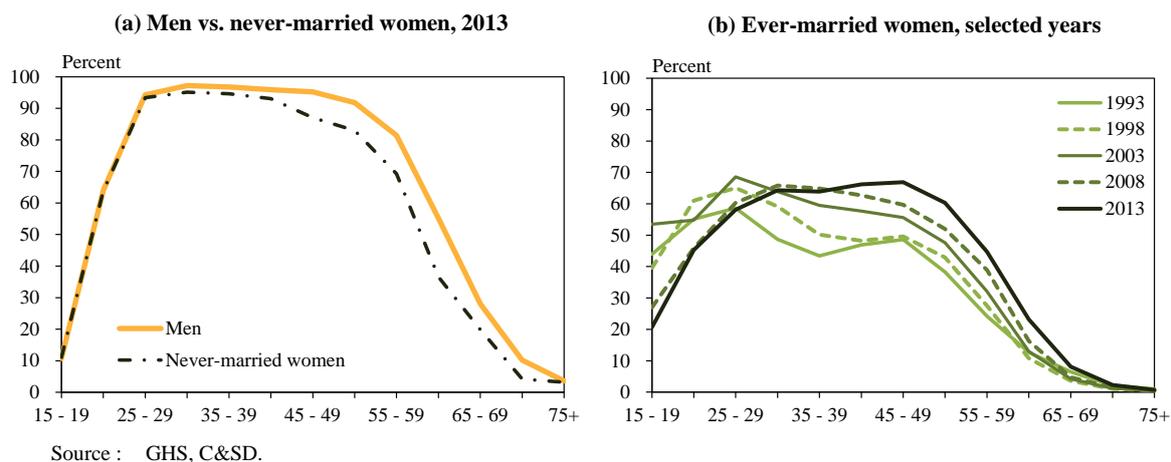
Note : Statistics in this table refer to persons living in domestic households only, which may differ from statistics compiled based on both domestic and non-domestic households. Figures in brackets refer to the respective shares in overall land-based non-institutional female population aged 25 – 54.

Source : GHS, C&SD.

- (1) LFPR refers to the proportion of labour force in land-based non-institutional population aged 15 and over.
- (2) All statistics in this article exclude foreign domestic helpers.
- (3) All statistics in this article pertaining to household refer to persons living in domestic households only, which may differ from statistics compiled based on both domestic and non-domestic households.
- (4) Including those married, widowed and divorced/separated.
- (5) Throughout this article, children refer to persons aged below 15.

Box 5.1 (Cont'd)**Marriage and female labour supply**

Detailed statistics showed that, while men in general have higher LFPR than women, the difference in LFPR between men and never-married women is much smaller than one may expect. Visually, the curve illustrating LFPRs across different age groups of never-married women resembles closely to that of men (*Chart 1(a)*). Insofar as those in prime working age are concerned, the LFPR of men, at 95.0% in 2013, was only 2.5 percentage points higher than that of never-married women. This observation suggests that the difference between LFPR of men and women is largely attributable to the relatively lower LFPR of ever-married women.

Chart 1 : Labour force participation rates by gender and marital status**Ever-married women with child care responsibilities and FDH**

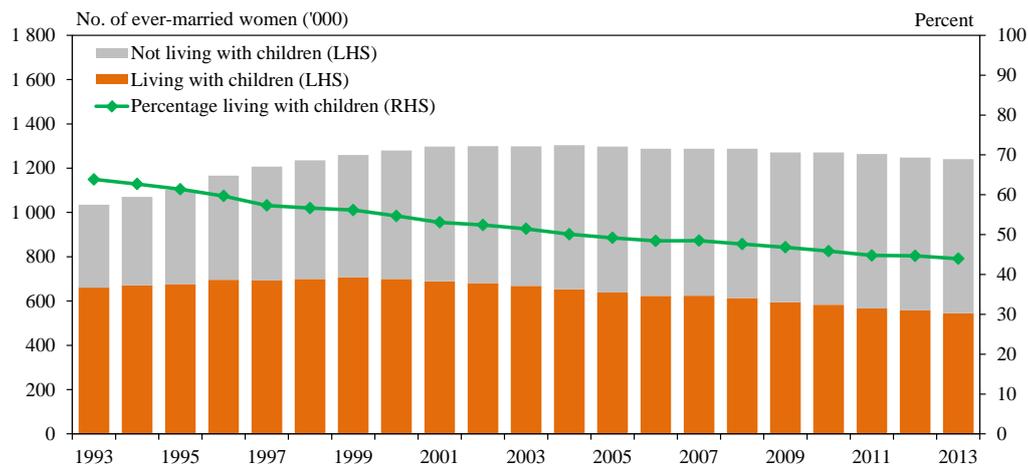
The visible gaps in LFPR between never-married and ever-married women, and those living with and not living with children appear to indicate that women with heavier household responsibilities have a lower propensity to seek jobs. Nonetheless, while the LFPR of ever-married women is still visibly lower than that of never-married women, the former has moved visibly higher over the past 20 years (*Chart 1(b)*). Specifically, the LFPR of ever-married prime working age women rose sharply from 47.3% in 1993 to 63.9% in 2013.

The above observation essentially echoed the relatively low fertility rate in Hong Kong. Between 1993 and 2013, although the number of ever-married prime working age women was on an uptrend, the percentage of those living with children actually dropped noticeably from 63.8% in 1993 to 44.0% in 2013 (*Chart 2*). This in turn suggests that both the number and proportion of ever-married women with child care responsibilities fell.

On the other hand, the increased availability of FDH to undertake household work also enabled more ever-married women to join the labour force. The number of FDH in Hong Kong went up steadily over time, from 120 600 in 1993 to 321 000 in 2013, representing a notable cumulative surge of 166%. Over the same period, the percentage of ever-married prime working age women with FDH in their households also rose visibly from only 7% to around 15%, indicating that more ever-married women tended to share domestic duties with FDH, thereby leaving them some room to decide whether to work for pay.

Box 5.1 (Cont'd)

Chart 2 : Number of ever-married prime working age women living with children drifted lower over time

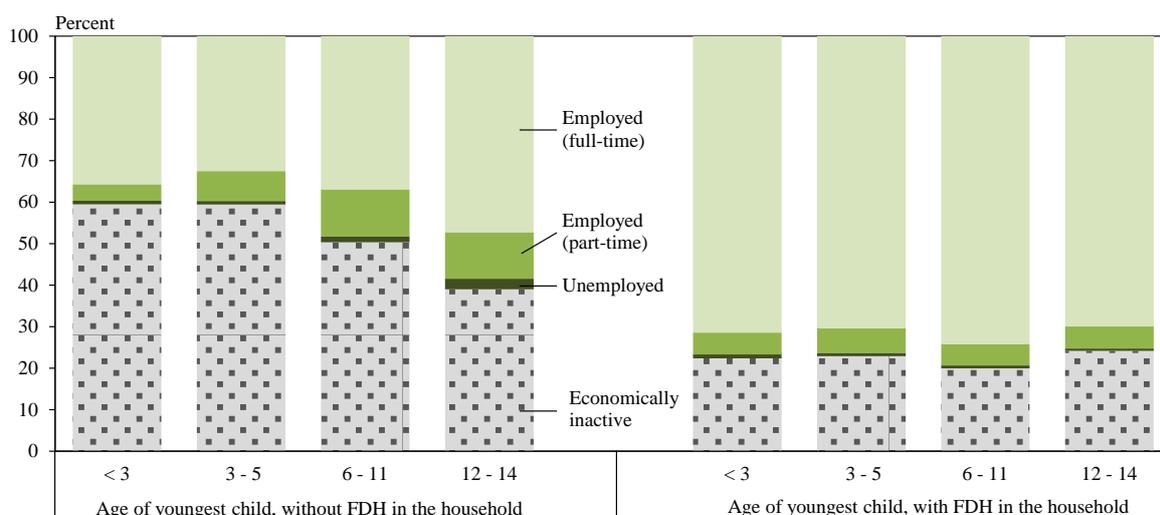


Note : Figures in this chart refer to persons living in domestic households only, which may differ from statistics compiled based on both domestic and non-domestic households.

Source : GHS, C&SD.

For women not having FDH in their households, the age of the children with whom they live also has a significant bearing on their decision to work. *Chart 3* compares, among ever-married prime working age women, the employment status of those with FDH in their households (“with-FDH”) vis-a-vis those without FDH in their households (“without-FDH”) by the age of the youngest children they lived with in 2013. For the with-FDH group, the LFPR (i.e. the share of employed cum unemployed in total) was broadly the same across different youngest children’s age groups (around 80%) and generally higher than that of their without-FDH counterparts. Also, women of this group were more likely to engage in full-time jobs. In contrast, the propensity of the without-FDH group to join the labour force was influenced by the age of the children they lived with. Conceivably, as the children in a family grow up, the role of the mother in child rearing should gradually lessen. This should in turn provide some scope for the child carers to enter / re-enter the labour market,

Chart 3 : Employment status of ever-married prime working age women living with children, 2013



Note : Figures in this chart refer to persons living in domestic households only, which may differ from statistics compiled based on both domestic and non-domestic households. Full-time employed persons refer to those who worked 35 hours or longer and those who worked less than 35 hours due to vacation during the 7 days before enumeration. Part-time employed persons refer to those who worked less than 35 hours during the 7 days before enumeration, for reasons other than vacation.

Source : GHS, C&SD.

Box 5.1 (Cont'd)

albeit perhaps in the form of part-time employment for flexibility. In particular, only around 41% of ever-married prime working age women with their youngest children aged below 6 were in the labour force, while those with their youngest children already in primary school had a LFPR of about 9 percentage points more. The LFPR was around another 11 percentage points higher for those whose youngest children aged 12 – 14 and should have started lower secondary school, as a higher proportion of them became available to take up full-time employment.

Concluding remarks

All in all, although Hong Kong's female LFPR has risen over time, it is still significantly lower than that of men, particularly so for ever-married women. Initiatives that promote better child care services, more family-friendly working environment and flexible work arrangements could be conducive to boosting women's labour force participation. Indeed, the above analysis shows that, when women's child care responsibilities are to some extent relieved, they are more inclined to take up employment, be it part-time or full-time. Undeniably, in light of an ageing population and the ensuing secular decline in the labour force which is projected to begin in just a few years' time, dedicated efforts have to be devoted to create a supportive environment to encourage more people to work, including female homemakers, with a view to sustaining Hong Kong's long-term economic vitality and competitiveness.