**CHAPTER 5 : THE LABOUR SECTOR**

### Summary

* *The labour market remained tight in the first quarter of 2024. The seasonally adjusted unemployment rate stayed low at 3.0%. The underemployment rate was also low at 1.1%. Both the labour force and total employment recorded year-on-year increases.*
* *The unemployment rates of various major sectors stayed low in general in the first quarter.*
* *Establishment survey indicated that wages and labour earnings continued to record decent year-on-year increases in the fourth quarter of 2023. More recent General Household Survey (GHS) data indicated that employment earnings continued to grow solidly in the first quarter of 2024 over a year earlier.*

**Overall labour market situation(1)**

5.1 The labour market remained tight in the first quarter of 2024. The seasonally adjusted *unemployment rate*(2) stayed low at 3.0%, slightly higher than the 2.9% in the preceding quarter. The *underemployment rate*(3) was also low at 1.1%, though edging up from 1.0%. The unemployment rates of various major sectors stayed low in general in the first quarter. Establishment survey indicated that wages and labour earnings continued to record decent year-on-year increases in the fourth quarter of 2023. More recent General Household Survey (GHS) data indicated that employment earnings continued to grow solidly in the first quarter of 2024 over a year earlier.



**Table 5.1 : The unemployment rate (seasonally adjusted), underemployment rate and long-term unemployment rate**

|  |  |  |  |
| --- | --- | --- | --- |
|  | Unemployment rate\* (%) | Underemployment rate (%) | Long-term unemployment rate (%) |
|  |  |  |  |
| 2023 Annual | 2.9 | 1.1 | 0.8 |
|  |  |  |  |
| Q1 | 3.1 | 1.2 | 1.0 |
| Q2 | 2.9 | 1.1 | 0.9 |
| Q3 | 2.8 | 1.0 | 0.7 |
| Q4 | 2.9 | 1.0 | 0.7 |
|  |  |  |  |
| *Three months ending* |  |  |  |
|  |  |  |  |
| 2024 Jan | 2.9 | 1.0 | 0.7 |
| Feb | 2.9 | 1.0 | 0.7 |
| Mar | 3.0 | 1.1 | 0.7 |
|  |  |  |  |

Note : \* Seasonally adjusted (except for annual figures).

Source : General Household Survey, Census and Statistics Department.

**Labour force and total employment**

5.2 The *labour force*(4) declined by 0.3% from the preceding quarter to 3 800 100 in the first quarter, but increased by 0.8% over a year earlier. Analysed by contributory factor, the working-age population (i.e. land-based non-institutional population aged 15 and above) increased by 0.2% quarter-to-quarter or 2.3% year-on-year to 6 661 100. Meanwhile, reflecting the persistent drag from population ageing, the overall labour force participation rate continued to decline, by 0.3 percentage point quarter-to-quarter or 0.9 percentage point year-on-year to 57.0% in the first quarter.

5.3 *Total employment*(5) declined by 0.5% from the preceding quarter to 3 688 400 in the first quarter, but rose by 0.9% over a year earlier. Employment of many sectors decreased compared with the preceding quarter, particularly for the postal and courier activities sector, the wholesale sector, the arts, entertainment and recreation sector, the decoration, repair and maintenance for buildings sector, the financing sector, and the retail sector, but the levels in some of these sectors were still higher than a year ago. Employment of some major sectors increased compared with the preceding quarter, notably for the warehousing and support activities for transportation sector, the information and communications sector, and the social work activities sector, and the levels in most of these sectors were also higher than a year ago.

**Table 5.2 : The labour force, and persons employed,**

**unemployed and underemployed**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Labour force | Persons employed | Persons  unemployed(a) | Persons underemployed |
|  |  |  |  |  |
| 2023 Annual | 3 822 300 (1.2) | 3 709 600 (2.7) | 112 700 | 41 600 |
|  |  |  |  |  |
| Q1 | 3 769 200 (-0.6) | 3 654 100 (1.4) | 115 100 | 46 700 |
| Q2 | 3 802 400 (1.3) | 3 688 800 (3.2) | 113 600 | 41 500 |
| Q3 | 3 834 300 (0.7) | 3 720 300 (1.9) | 114 000 | 37 900 |
| Q4 | 3 812 500 (-0.9) | 3 706 800 (-0.4) | 105 700 | 37 000 |
|  |  |  |  |  |
| *Three months ending* |  |  |  |  |
|  |  |  |  |  |
| 2024 Jan | 3 799 700 (0.5) | 3 697 000 (1.0) | 102 600 | 38 800 |
| Feb | 3 797 000 (0.8) | 3 694 700 (1.2) | 102 300 | 37 600 |
| Mar | 3 800 100 (0.8) | 3 688 400 (0.9) | 111 700 | 40 000 |
|  | <-0.3> | <-0.5> |  |  |

Notes : (a) These include first-time job-seekers and re-entrants into the labour force.

(  ) % change over a year earlier.

  Quarter-to-quarter % change for the first quarter of 2024.

Source : General Household Survey, Census and Statistics Department.



**Table 5.3 : Labour** **force participation rates by gender and by age group (%)**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2019 | 2020 | 2021 | 2022 | 2023 | 2023  Q1 | 2023  Q2 | 2023  Q3 | 2023  Q4 | 2024  Q1 |
| Male |  |  |  |  |  |  |  |  |  |  |
| 15-24 | 39.2 | 35.4 | 34.4 | 31.4 | 30.1 | 29.9 | 29.8 | 32.0 | 29.9 | 27.9 |
| *of which:* |  |  |  |  |  |  |  |  |  |  |
| *15-19* | *11.3* | *7.3* | *6.6* | *7.0* | *7.5* | *6.5* | *6.3* | *9.2* | *7.7* | *6.5* |
| *20-24* | *59.6* | *56.5* | *57.2* | *53.3* | *51.6* | *52.7* | *52.2* | *53.9* | *51.2* | *49.3* |
| 25-29 | 91.3 | 90.8 | 91.7 | 89.7 | 87.9 | 88.4 | 87.4 | 87.1 | 88.9 | 88.3 |
| 30-39 | 95.9 | 95.0 | 95.2 | 94.0 | 93.8 | 93.6 | 93.9 | 94.6 | 94.3 | 94.3 |
| 40-49 | 93.9 | 93.5 | 93.5 | 93.4 | 93.8 | 93.8 | 94.2 | 93.8 | 93.0 | 92.9 |
| 50-59 | 85.2 | 84.8 | 85.4 | 85.2 | 85.2 | 85.1 | 85.2 | 85.2 | 85.2 | 84.6 |
| ≥ 60 | 32.0 | 31.6 | 31.0 | 32.0 | 31.6 | 31.9 | 31.2 | 31.9 | 31.2 | 31.0 |
|  |  |  |  |  |  |  |  |  |  |  |
| Overall | 67.6 | 66.3 | 65.8 | 64.7 | 63.6 | 64.0 | 63.6 | 64.0 | 63.3 | 62.8 |
|  |  |  |  |  |  |  |  |  |  |  |
| Female |  |  |  |  |  |  |  |  |  |  |
| 15-24 | 40.5 | 36.6 | 35.3 | 32.5 | 31.1 | 31.6 | 30.0 | 32.6 | 30.8 | 29.6 |
| *of which:* |  |  |  |  |  |  |  |  |  |  |
| *15-19* | *11.6* | *7.2* | *7.8* | *7.7* | *7.5* | *7.0* | *6.6* | *9.7* | *6.7* | *6.2* |
| *20-24* | *60.1* | *57.8* | *57.5* | *54.2* | *52.0* | *54.4* | *50.9* | *53.1* | *52.5* | *51.4* |
| 25-29 | 87.5 | 87.5 | 88.2 | 86.2 | 85.3 | 86.1 | 85.4 | 85.6 | 84.7 | 84.0 |
| 30-39 | 79.3 | 79.1 | 79.3 | 78.9 | 79.6 | 79.5 | 80.1 | 80.1 | 80.4 | 80.1 |
| 40-49 | 73.7 | 73.6 | 74.3 | 74.0 | 74.5 | 74.4 | 74.5 | 75.2 | 75.2 | 75.2 |
| 50-59 | 62.3 | 62.9 | 64.0 | 64.6 | 64.5 | 65.1 | 64.3 | 65.1 | 65.8 | 65.7 |
| ≥ 60 | 15.7 | 15.6 | 16.3 | 16.5 | 16.8 | 17.1 | 17.2 | 16.9 | 16.8 | 17.5 |
|  |  |  |  |  |  |  |  |  |  |  |
| Overall | 55.1 | 54.3 | 54.2 | 52.9 | 52.2 | 52.9 | 52.5 | 52.7 | 52.5 | 52.4 |
|  |  |  |  |  |  |  |  |  |  |  |
| Both genders  combined |  |  |  |  |  |  |  |  |  |  |
| 15-24 | 39.8 | 36.0 | 34.9 | 31.9 | 30.6 | 30.8 | 29.9 | 32.3 | 30.3 | 28.7 |
| *of which:* |  |  |  |  |  |  |  |  |  |  |
| *15-19* | *11.5* | *7.3* | *7.2* | *7.3* | *7.5* | *6.8* | *6.4* | *9.4* | *7.2* | *6.4* |
| *20-24* | *59.9* | *57.2* | *57.4* | *53.8* | *51.8* | *53.6* | *51.5* | *53.5* | *51.9* | *50.4* |
| 25-29 | 89.2 | 89.0 | 89.8 | 87.9 | 86.5 | 87.2 | 86.3 | 86.3 | 86.7 | 86.0 |
| 30-39 | 86.0 | 85.6 | 85.9 | 85.3 | 85.6 | 85.5 | 86.0 | 86.2 | 86.3 | 86.2 |
| 40-49 | 82.0 | 81.8 | 82.1 | 81.9 | 82.3 | 82.2 | 82.5 | 82.8 | 82.4 | 82.4 |
| 50-59 | 72.7 | 72.7 | 73.4 | 73.5 | 73.4 | 73.7 | 73.3 | 73.8 | 74.1 | 73.8 |
| ≥ 60 | 23.5 | 23.2 | 23.3 | 23.9 | 23.8 | 24.1 | 23.8 | 24.0 | 23.6 | 23.9 |
|  |  |  |  |  |  |  |  |  |  |  |
| Overall | 60.7 | 59.7 | 59.4 | 58.2 | 57.3 | 57.9 | 57.5 | 57.8 | 57.3 | 57.0 |

Source : General Household Survey, Census and Statistics Department.

**Profile of unemployment**

5.4 The seasonally adjusted unemployment rate edged up from 2.9% in the preceding quarter to 3.0% in the first quarter. The number of unemployed persons (not seasonally adjusted) increased by 5.6% or 5 900 to 111 700.

5.5 The unemployment rates of various major sectors (not seasonally adjusted) stayed low in general in the first quarter. While the unemployment rates of many sectors increased compared with the preceding quarter, they were either below or broadly similar to the pre-recession low levels in the second quarter of 2019. Specifically, the unemployment rate of the construction sector increased by 0.4 percentage point over the preceding quarter to 4.1% in the first quarter (but below the 5.0% in the second quarter of 2019). The unemployment rate of the retail, accommodation and food services sector increased by 0.2 percentage point to 3.8% (but slightly below the 3.9% in the second quarter of 2019). The unemployment rate of the transportation sector increased slightly by 0.1 percentage point to 2.2% (slightly above the 2.0% in the second quarter of 2019). For the *low-paying sectors*(6) as a whole, the unemployment rate edged up by 0.1 percentage point to 2.4%.

5.6 Analysed by skill segment, the unemployment rates of lower-skilled and higher-skilled workers went up by 0.1 percentage point and 0.2 percentage point over the preceding quarter to 2.9% and 2.2% in the first quarter respectively, which were still low.

5.7 Analysed by other socio-economic attributes, the unemployment rates of many age and educational attainment groups went up in the first quarter compared with the preceding quarter, notably for persons aged 20-24 (up 1.7 percentage points to 10.0%) and those with upper secondary education (up 0.5 percentage point to 3.0%). The unemployment rates of some age and educational attainment groups declined, particularly for persons aged 15-19 (down 1.2 percentage points to 8.1%) and those with lower secondary education (down 0.7 percentage point to 2.9%).





**Table 5.4 : Unemployment rates by major economic sector**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | 2024 |
|  |  |  |  |  |  |
|  | Q1 | Q2 | Q3 | Q4 | Q1 |
|  |  |  |  |  |  |
| Import/export trade and wholesale | 2.7 | 2.8 | 2.8 | 3.0 | 3.3 |
|  |  |  |  |  |  |
| Retail, accommodation and food services | 4.2 | 4.0 | 3.7 | 3.6 | 3.8 |
| *of which:* |  |  |  |  |  |
| *Retail* | *3.8* | *3.5* | *3.5* | *3.2* | *3.3* |
|  |  |  |  |  |  |
| *Accommodation services* | *3.8* | *3.0* | *2.5* | *2.3* | *2.6* |
|  |  |  |  |  |  |
| *Food and beverage service activities* | *4.9* | *4.8* | *4.2* | *4.3* | *4.6* |
|  |  |  |  |  |  |
| Transportation, storage, postal and courier services | 3.3 | 3.1 | 2.6 | 2.4 | 2.5 |
| *of which:* |  |  |  |  |  |
| *Transportation* | *3.1* | *2.8* | *2.2* | *2.1* | *2.2* |
|  |  |  |  |  |  |
| Information and communications | 3.5 | 3.4 | 3.4 | 3.5 | 3.1 |
|  |  |  |  |  |  |
| Financing and insurance | 2.1 | 2.0 | 2.3 | 1.9 | 2.3 |
|  |  |  |  |  |  |
| Real estate | 2.6 | 2.6 | 2.1 | 2.1 | 2.2 |
|  |  |  |  |  |  |
| Professional and  business services | 2.6 | 2.8 | 2.8 | 2.7 | 3.1 |
|  |  |  |  |  |  |
| Public administration, social and personal services | 1.5 | 1.6 | 1.4 | 1.3 | 1.4 |
|  |  |  |  |  |  |
| Manufacturing | 4.0 | 4.1 | 4.1 | 3.9 | 3.2 |
|  |  |  |  |  |  |
| Construction | 4.5 | 4.2 | 3.9 | 3.7 | 4.1 |
|  |  |  |  |  |  |
| Overall\* | 3.1 | 3.0 | 3.0 | 2.8 | 2.9 |
|  | (3.1) | (2.9) | (2.8) | (2.9) | (3.0) |

Notes : \* Including first-time job-seekers and re-entrants into the labour force.

(  ) Seasonally adjusted unemployment rates.

Source : General Household Survey, Census and Statistics Department.



**Table 5.5 : Unemployment rates**\* **by skill segment**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | 2024 |
|  |  |  |  |  |  |
|  | Q1 | Q2 | Q3 | Q4 | Q1 |
|  |  |  |  |  |  |
| Higher-skilled segment | 2.1 | 2.1 | 2.2 | 2.0 | 2.2 |
|  |  |  |  |  |  |
| Managers | 1.4 | 1.5 | 1.7 | 1.8 | 2.0 |
|  |  |  |  |  |  |
| Professionals | 2.0 | 1.6 | 1.9 | 1.6 | 1.9 |
|  |  |  |  |  |  |
| Associate professionals | 2.7 | 2.9 | 2.8 | 2.5 | 2.7 |
|  |  |  |  |  |  |
| Lower-skilled segment^ | 3.2 | 3.2 | 2.8 | 2.8 | 2.9 |
|  |  |  |  |  |  |
| Clerical support workers | 3.3 | 3.1 | 3.0 | 3.3 | 3.4 |
|  |  |  |  |  |  |
| Service and sales workers | 3.8 | 3.6 | 3.1 | 3.0 | 3.2 |
|  |  |  |  |  |  |
| Craft and related workers | 4.3 | 4.1 | 3.9 | 3.8 | 4.0 |
|  |  |  |  |  |  |
| Plant and machine operators and assemblers | 2.4 | 2.2 | 1.9 | 2.3 | 2.1 |
|  |  |  |  |  |  |
| Elementary occupations | 2.5 | 2.6 | 2.3 | 1.9 | 2.0 |

Notes : \* Not seasonally adjusted, and not including first-time job-seekers and re-entrants into the labour force.

^ Including other occupations.

Source : General Household Survey, Census and Statistics Department.

**Table 5.6 : Unemployment rates**\* **by age and educational attainment**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | 2024 |
|  |  |  |  |  |  |
|  | Q1 | Q2 | Q3 | Q4 | Q1 |
| Age |  |  |  |  |  |
| 15-24 | 7.9 | 9.3 | 10.2 | 8.4 | 9.8 |
| *of which:* |  |  |  |  |  |
| *15-19* | *9.8* | *11.2* | *11.4* | *9.3* | *8.1* |
|  |  |  |  |  |  |
| *20-24* | *7.7* | *9.1* | *10.0* | *8.3* | *10.0* |
|  |  |  |  |  |  |
| 25-29 | 4.5 | 4.0 | 4.4 | 4.5 | 4.6 |
|  |  |  |  |  |  |
| 30-39 | 2.5 | 2.3 | 2.2 | 2.1 | 2.1 |
|  |  |  |  |  |  |
| 40-49 | 2.4 | 2.5 | 2.3 | 2.2 | 2.2 |
|  |  |  |  |  |  |
| 50-59 | 3.2 | 2.9 | 2.8 | 2.6 | 3.0 |
|  |  |  |  |  |  |
| ≥ 60 | 2.2 | 2.4 | 2.2 | 2.1 | 2.3 |
| Educational attainment |  |  |  |  |  |
| Primary education and below | 2.4 | 2.3 | 1.9 | 2.2 | 1.9 |
|  |  |  |  |  |  |
| Lower secondary education | 4.2 | 3.9 | 3.3 | 3.6 | 2.9 |
|  |  |  |  |  |  |
| Upper secondary education^ | 3.0 | 3.1 | 2.6 | 2.5 | 3.0 |
|  |  |  |  |  |  |
| Post-secondary education | 2.9 | 2.7 | 3.3 | 2.8 | 3.1 |

Notes : \* Not seasonally adjusted, but including first-time job-seekers and re-entrants into the labour force.

^ Including craft courses.

Source : General Household Survey, Census and Statistics Department.

5.8 The situation on unemployment duration was largely stable in the first quarter. The long-term unemployment rate (i.e. the proportion of persons unemployed for six months or longer in the labour force) stayed unchanged at 0.7% in the first quarter, same as the preceding quarter. The number of long-term unemployed persons was at 28 200, about the same as the preceding quarter (28 400). The median duration of unemployment shortened somewhat by 5 days to 77 days.

**Underemployment situation**

5.9 The underemployment rate increased slightly from 1.0% in the preceding quarter to 1.1% in the first quarter. The number of underemployed persons increased by 8.2% or 3 000 over the preceding quarter to 40 000 in the first quarter.

**Profile of employment in establishments**

5.10 The quarterly statistics collected from private sector establishments on employment, vacancies, wages and payroll are available up to December 2023. Attempts have been made to bring the analysis more up-to-date by drawing reference to information from supplementary sources wherever possible.

5.11 Total private sector employment increased further by 0.8% over a year earlier to 2 722 800 in December 2023, though it was 0.7% lower than the level three months ago on a seasonally adjusted comparison. Compared with a year ago, employment in many industries increased, notably for the industries of construction sites (covering manual workers only), arts, entertainment, recreation and other services, residential care and social work services, and education. On the other hand, employment in some industries declined, notably for the industries of import/export trade and wholesale.

**Table 5.7 : Employment by major economic sector**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 | | | | | 2023 | | | | |
|  | Annual |  |  |  |  | Annual |  |  |  |  |
|  | average | Mar | Jun | Sep | Dec | average | Mar | Jun | Sep | Dec |
| Import/export trade and wholesale | 434 600  (-0.3) | 438 300  (0.8) | 434 800  (§) | 432 700  (-0.6) | 432 700  (-1.5) | 423 800  (-2.5) | 430 100  (-1.9) | 427 600  (-1.7) | 425 400  (-1.7) | 412 100  (-4.8) |
|  |  |  |  |  |  |  |  |  |  |  |
| Retail | 245 400  (-1.6) | 245 200  (-1.9) | 244 800  (-1.3) | 245 200  (-1.3) | 246 400  (-2.0) | 249 600  (1.7) | 248 500  (1.4) | 251 900  (2.9) | 252 100  (2.8) | 245 700  (-0.3) |
|  |  |  |  |  |  |  |  |  |  |  |
| Accommodation services | 34 400  (-4.5) | 35 400  (2.8) | 33 400  (-9.8) | 33 600  (-9.0) | 35 300  (-1.3) | 35 500  (3.0) | 35 600  (0.6) | 35 200  (5.5) | 35 300  (5.2) | 35 700  (1.2) |
|  |  |  |  |  |  |  |  |  |  |  |
| Food and beverage services | 216 700  (1.3) | 204 700  (-0.4) | 217 200  (1.0) | 222 000  (2.0) | 223 000  (2.4) | 224 300  (3.5) | 223 900  (9.4) | 224 600  (3.4) | 224 200  (1.0) | 224 500  (0.7) |
|  |  |  |  |  |  |  |  |  |  |  |
| Transportation, storage, postal and courier services | 163 400  (-2.1) | 164 400  (-0.6) | 162 500  (-3.7) | 164 000  (-1.9) | 162 700  (-2.0) | 163 300  (-0.1) | 161 900  (-1.5) | 163 000  (0.3) | 164 800  (0.5) | 163 600  (0.5) |
|  |  |  |  |  |  |  |  |  |  |  |
| Information and communications | 106 300  (-2.2) | 107 200  (-1.9) | 106 100  (-2.4) | 105 300  (-2.9) | 106 400  (-1.5) | 108 300  (1.9) | 107 400  (0.2) | 108 800  (2.5) | 108 600  (3.1) | 108 400  (1.8) |
|  |  |  |  |  |  |  |  |  |  |  |
| Financing, insurance, real estate, professional and business services | 756 600  (-1.5) | 766 600  (0.7) | 750 500  (-2.0) | 751 800  (-2.6) | 757 500  (-1.9) | 766 900  (1.4) | 763 400  (-0.4) | 769 700  (2.6) | 773 000  (2.8) | 761 600  (0.6) |
|  |  |  |  |  |  |  |  |  |  |  |
| Social and personal services | 536 900  (0.4) | 532 900  (-0.3) | 533 900  (0.3) | 536 400  (0.5) | 544 300  (1.3) | 560 700  (4.4) | 553 900  (3.9) | 559 700  (4.8) | 564 100  (5.2) | 565 000  (3.8) |
| *of which:* |  |  |  |  |  |  |  |  |  |  |
| *Education* | *206 400*  *(1.1)* | *205 200*  *(-0.1)* | *205 500*  *(0.9)* | *205 600*  *(1.7)* | *209 400*  *(1.9)* | *214 700*  *(4.0)* | *212 900*  *(3.8)* | *214 200*  *(4.2)* | *214 900*  *(4.5)* | *216 900*  *(3.5)* |
| *Residential care and social work services* | *66 800*  *(0.9)* | *67 300*  *(2.5)* | *65 700*  *(-0.4)* | *66 500*  *(0.5)* | *67 600*  *(0.9)* | *69 900*  *(4.7)* | *68 900*  *(2.4)* | *69 600*  *(5.9)* | *70 200*  *(5.5)* | *71 000*  *(5.0)* |
| *Arts, entertainment, recreation and other services* | *114 500*  *(-3.4)* | *111 900*  *(-5.5)* | *114 300*  *(-2.8)* | *115 000*  *(-3.7)* | *117 000*  *(-1.5)* | *122 600*  *(7.1)* | *119 800*  *(7.1)* | *123 000*  *(7.6)* | *124 900*  *(8.6)* | *122 900*  *(5.1)* |
|  |  |  |  |  |  |  |  |  |  |  |
| Manufacturing | 74 900  (-5.0) | 75 800  (-6.7) | 74 900  (-5.3) | 74 400  (-5.1) | 74 500  (-2.6) | 74 400  (-0.6) | 74 900  (-1.2) | 74 800  (-0.2) | 74 000  (-0.5) | 74 000  (-0.6) |
|  |  |  |  |  |  |  |  |  |  |  |
| Construction sites (covering manual workers only) | 104 700  (-0.7) | 98 300  (-4.3) | 103 400  (-2.5) | 109 700  (3.2) | 107 300  (0.6) | 112 300  (7.3) | 108 400  (10.3) | 111 000  (7.4) | 109 600  (-0.1) | 120 200  (12.0) |
|  |  |  |  |  |  |  |  |  |  |  |
| **All establishments surveyed in the private sector(a)** | **2 685 700**  **(-0.9)** | **2 680 500**  **(-0.4)**  **<-1.2>** | **2 673 200**  **(-1.3)**  **<-0.4>** | **2 686 900**  **(-1.1)**  **<0.3>** | **2 702 000**  **(-0.8)**  **<0.6>** | **2 731 000**  **(1.7)** | **2 719 800**  **(1.5)**  **<1.0>** | **2 738 300**  **(2.4)**  **<0.5>** | **2 743 200**  **(2.1)**  **<-0.1>** | **2 722 800**  **(0.8)**  **<-0.7>** |
|  |  |  |  |  |  |  |  |  |  |  |
| *Civil service(b)* | *174 800*  *(-1.2)* | *176 200*  *(-0.7)* | *175 200*  *(-1.0)* | *174 000*  *(-1.3)* | *173 700*  *(-1.7)* | *172 900*  *(-1.1)* | *173 600*  *(-1.5)* | *172 700*  *(-1.4)* | *172 600*  *(-0.8)* | *172 600*  *(-0.6)* |

Notes : Employment figures enumerated from business establishments, as obtained from the Quarterly Survey of Employment and Vacancies, are somewhat different from those enumerated from households, as obtained from the General Household Survey. This is mainly due to the difference in sectoral coverage: while the former survey covers selected major sectors, the latter survey covers all sectors in the economy.

(a) The total figures on private sector employment cover also employment in mining and quarrying; and in electricity and gas supply, and waste management, besides employment in the major sectors indicated above.

(b) These figures cover only those employed on civil service terms of appointment. Judges, judicial officers, ICAC officers, locally engaged staff working in the Hong Kong Economic and Trade Offices outside Hong Kong, and other government employees such as non‑civil service contract staff are not included.

(  ) % change over a year earlier.

< > Seasonally adjusted % change compared with the level three months ago.

§ Change within ±0.05%.

Sources : Quarterly Survey of Employment and Vacancies, Census and Statistics Department.

Quarterly Employment Survey of Construction Sites, Census and Statistics Department.

**Vacancies**

5.12 Private sector vacancies, at 73 070 in December 2023, was little changed from the level a year ago, though it was 2.7% lower than the level three months ago on a seasonally adjusted comparison. Vacancies in various industries showed diverse movements.

5.13 The manpower balance situation stayed tight in December 2023. The ratio of job vacancies per 100 unemployed persons was 69 in December 2023, slightly lower than 71 three months ago but visibly higher than 57 a year ago. Manpower shortage situation was particularly acute in the human health services sector, the residential care and social work services sector, the accommodation services sector, and the education sector, with their corresponding ratios exceeding 200.

**Table 5.8 : Vacancies by major economic sector**

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 | | | | | | 2023 | | | | |
|  |  |  |  |  |  |  | |  |  |  |  |
|  | Annual |  |  |  |  | Annual | |  |  |  |  |
|  | average | Mar | Jun | Sep | Dec | average | | Mar | Jun | Sep | Dec |
|  |  |  |  |  |  |  | |  |  |  |  |
| Import/export trade and wholesale | 3 740  (-3.7) | 2 920  (-16.9) | 3 600  (-6.3) | 4 110  (1.0) | 4 310  (5.5) | 3 870  (3.5) | | 4 250  (45.8) | 4 220  (17.0) | 3 860  (-6.3) | 3 150  (-27.1) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Retail | 4 900  (19.6) | 3 710  (25.1) | 4 880  (41.3) | 5 000  (6.1) | 6 030  (14.4) | 6 090  (24.1) | | 6 410  (72.5) | 6 600  (35.2) | 5 900  (18.2) | 5 440  (-9.9) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Accommodation services | 1 880  (56.0) | 1 410  (100.7) | 1 790  (63.4) | 2 030  (47.9) | 2 290  (38.7) | 2 570  (36.8) | | 2 830  (100.7) | 2 620  (46.5) | 2 540  (24.9) | 2 300  (0.4) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Food and beverage services | 4 520  (20.6) | 2 410  (17.2) | 4 700  (45.5) | 5 540  (26.4) | 5 420  (1.9) | 6 040  (33.8) | | 5 810  (140.8) | 6 050  (28.7) | 6 220  (12.2) | 6 100  (12.6) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Transportation, storage, postal and courier services | 5 550  (91.5) | 3 550  (41.1) | 3 740  (27.5) | 7 520  (191.6) | 7 390  (107.4) | 6 670  (20.2) | | 7 440  (109.7) | 7 020  (87.7) | 6 850  (-9.0) | 5 370  (-27.3) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Information and communications | 2 850  (36.8) | 2 790  (67.6) | 2 780  (44.2) | 3 020  (31.9) | 2 830  (14.8) | 2 900  (1.7) | | 3 020  (8.3) | 3 040  (9.2) | 2 860  (-5.2) | 2 690  (-4.8) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Financing, insurance, real estate, professional and business services | 17 590  (16.7) | 16 580  (27.7) | 17 020  (21.6) | 18 540  (15.9) | 18 210  (5.1) | 18 990  (8.0) | | 19 410  (17.1) | 20 370  (19.7) | 18 490  (-0.3) | 17 680  (-2.9) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Social and personal services | 22 500  (44.0) | 18 410  (53.8) | 21 370  (57.8) | 26 270  (49.5) | 23 950  (23.2) | 26 230  (16.6) | | 25 290  (37.4) | 26 040  (21.8) | 28 410  (8.1) | 25 200  (5.2) |
| *of which:* |  |  |  |  |  |  | |  |  |  |  |
| *Education* | *7 270*  *(36.1)* | *5 980*  *(44.7)* | *7 440*  *(51.0)* | *7 910*  *(36.5)* | *7 750*  *(19.0)* | *8 540*  *(17.4)* | | *7 990*  *(33.6)* | *9 140*  *(22.8)* | *9 110*  *(15.2)* | *7 920*  *(2.1)* |
| *Residential care and social work services* | *4 930*  *(22.6)* | *4 650*  *(25.3)* | *4 810*  *(18.8)* | *5 180*  *(23.2)* | *5 080*  *(23.3)* | *5 440*  *(10.3)* | | *5 260*  *(13.1)* | *5 460*  *(13.6)* | *5 540*  *(6.9)* | *5 500*  *(8.1)* |
| *Arts, entertainment, recreation and other services* | *3 600*  *(42.2)* | *2 740*  *(58.5)* | *3 260*  *(35.2)* | *3 800*  *(38.9)* | *4 600*  *(41.6)* | *5 410*  *(50.2)* | | *5 450*  *(99.1)* | *5 510*  *(68.9)* | *5 290*  *(39.1)* | *5 380*  *(17.0)* |
|  |  |  |  |  |  |  | |  |  |  |  |
| Manufacturing | 1 690  (63.8) | 1 400  (103.6) | 1 640  (74.8) | 1 830  (59.7) | 1 880  (39.4) | 2 520  (49.0) | | 2 380  (69.5) | 2 480  (51.1) | 2 690  (46.9) | 2 520  (34.0) |
|  |  |  |  |  |  |  | |  |  |  |  |
| Construction sites (covering manual workers only) | 520  (177.1) | 270  (244.9) | 630  (153.6) | 640  (291.5) | 540  (106.9) | 2 090  (302.0) | | 640  (139.4) | 2 760  (335.8) | 2 560  (298.9) | 2 400  (347.2) |
|  |  |  |  |  |  |  | |  |  |  |  |
| **All establishments surveyed in the private sector(a)** | **66 050**  **(31.9)** | **53 700**  **(36.5)**  **<-10.9>** | **62 500**  **(37.5)**  **<13.6>** | **74 840**  **(37.2)**  **<13.6>** | **73 150**  **(20.0)**  **<4.4>** | **78 230**  **(18.5)** | | **77 750**  **(44.8)**  **<7.6>** | **81 460**  **(30.3)**  **<2.3>** | **80 650**  **(7.8)**  **<-6.5>** | **73 070**  **(-0.1)**  **<-2.7>** |
|  |  |  |  |  |  |  | |  |  |  |  |
| *Civil service(b)* | *17 800*  *(13.7)* | *16 800*  *(10.9)* | *17 490*  *(12.5)* | *18 230*  *(14.2)* | *18 690*  *(16.9)* | *19 550*  *(9.8)* | | *19 170*  *(14.1)* | *19 700*  *(12.7)* | *19 450*  *(6.7)* | *19 870*  *(6.3)* |

Notes : (a) The total figures on private sector vacancies cover also vacancies in mining and quarrying; and in electricity and gas supply, and waste management, besides vacancies in the major sectors indicated above.

(b) These figures cover only vacancies for those staff to be employed on civil service terms of appointment.

(  ) % change over a year earlier.

< > Seasonally adjusted % change compared with the level three months ago.

Sources : Quarterly Survey of Employment and Vacancies, Census and Statistics Department.

Quarterly Employment Survey of Construction Sites, Census and Statistics Department.





**Wages and earnings**

5.14 Wages and labour earnings continued to record decent increases in the fourth quarter of 2023 over a year earlier. The average nominal wage rate, as measured by the nominal wage index for all selected industry sections which covers regular payment to employees at the supervisory level or below, rose by 3.8% year-on-year in December 2023, the same as in September 2023. After discounting for *inflation*(7), the average wage rate increased by 1.1% in real terms.

5.15 Nominal *labour earnings*(8), as measured by the index of nominal payroll per person engaged for all selected industry sections which covers basic wage, overtime pay, discretionary bonuses and other irregular payments, increased by 3.6% year-on-year in the fourth quarter of 2023, slightly faster than the increase of 3.5% in the preceding quarter. In real terms, labour earnings increased by 1.0%.

5.16 Nominal payroll per person engaged in all selected industries recorded year-on-year increases in the fourth quarter of 2023, particularly for transportation, storage, postal and courier services (up 9.6%), accommodation and food service activities (up 5.5%), and sewerage, waste management and remediation activities (up 4.7%).



Note : The year-on-year rates of change of the CPIs from the fourth quarter of 2020 onwards are computed from the new 2019/20-based series, and those before are from the old 2014/15-based series.

5.17 More recent statistics compiled from the GHS, though not strictly comparable to those from the business establishment surveys, indicated that employment earnings continued to grow solidly in the first quarter of 2024 over a year earlier. The median monthly employment earnings of full-time employees (excluding foreign domestic helpers) increased by 5.4% in nominal terms or 3.4% in real terms(9) in the first quarter. Separately, the median monthly household income (excluding foreign domestic helpers) increased further by 1.8% in nominal terms in the first quarter over a year earlier, though the rate of increase narrowed somewhat against a higher base of comparison. In real terms(10), the median monthly household income declined slightly by 0.2%, having increased visibly in the past year.

**Highlights of related measures and policy developments**

5.18 On 30 April 2024, the Chief Executive in Council accepted the recommendations of the Minimum Wage Commission on enhancing the review mechanism of the Statutory Minimum Wage (SMW). The recommendations include reviewing the SMW rate once a year (Annual Review), adopting a formula for implementing the Annual Review and reviewing the aforesaid new review mechanism (New Mechanism) five to ten years after its implementation. It is expected that the first SMW rate derived under the New Mechanism will take effect on 1 May 2026.

**Notes :**

(1) Labour force statistics enumerated from the General Household Survey are statistics which involve the use of the population figures in the compilation process. The statistics of the three-month periods from November 2021 – January 2022 to October – December 2022 have been revised to take into account the final end-2022 population estimates.

The classification of occupation adopted by the Census and Statistics Department follows the International Standard Classification of Occupations (ISCO), which is used to classify the occupation of an employed person or the previous occupation of an unemployed person. The occupation classification adopted in the General Household Survey has been enhanced since January – March 2022 to follow the International Standard Classification of Occupations 2008 (ISCO-08) more closely. The series has been backcasted to the quarter of January – March 2016. Starting from the reference quarter of January – March 2016, all the labour force statistics by occupation, unless otherwise specified, are compiled based on the revised classification.

(2) For a person aged 15 or above to be classified as unemployed, he or she should: (a) not have a job and not be performing any work for pay or profit during the reference period (i.e. seven days before enumeration); (b) be available for work during the reference period; and (c) be seeking work during the 30 days before enumeration.

Notwithstanding the above, the following types of persons are also considered unemployed: (a) persons without a job, having sought work but not available for work because of temporary sickness; (b) persons without a job, available for work but not having sought work because they will take up new jobs or start business at a subsequent date, or expect to return to their original jobs; and (c) discouraged workers not having sought work because they believe work is not available to them.

Even at full employment, some frictional unemployment is bound to exist as workers move between jobs in order to obtain better terms of employment. The precise level of unemployment which can be described as purely frictional varies amongst economies, depending on the structure and characteristics of their labour markets.

The seasonally adjusted series is compiled using the X-12 ARIMA method, which is a standard method applied in compiling seasonally adjusted statistical data series.

(3) The main criteria for an employed person aged 15 or above to be classified as underemployed are: involuntarily working less than 35 hours during the reference period (i.e. seven days before enumeration), and either available for additional work during the reference period or seeking additional work during the 30 days before enumeration.

Following these criteria, employed persons taking no‑pay leave due to slack work during the reference period are also classified as underemployed if they had worked less than 35 hours or were on leave for the entire reference period.

(4) The labour force, or the economically active population, is defined to include all persons aged 15 or above who either were engaged in productive work during the reference period (i.e. seven days before enumeration) or would otherwise have been engaged in productive work but were unemployed.

(5) Figures enumerated from household data. The employed population is defined here to include those persons aged 15 or above who performed work for pay or profit or had a formal job attachment during the reference period (i.e. seven days before enumeration).

(6) The low-paying sectors as identified by the Minimum Wage Commission include:   
(i) retail (including supermarkets and convenience stores, and other retail stores);   
(ii) food and beverage services (including Chinese restaurants, non-Chinese restaurants, fast food cafes, Hong Kong style tea cafes, and other food and beverage services);   
(iii) estate management, security and cleaning services (including real estate maintenance management, security services, cleaning services and membership organisations);  
(iv) other low-paying sectors, including  
 - elderly homes;  
 - laundry and dry cleaning services;  
 - hairdressing and other personal services;  
 - local courier services; and  
 - food processing and production.

(7) Different consumer price indices (CPIs) are used for compiling the real indices of labour earnings and wages, taking into account their relevance to the respective occupation coverage. Specifically, the headline Composite CPI, being an indicator of overall consumer prices, is taken as the price deflator for earnings received by employees at all levels of the occupational hierarchy. The headline CPI(A), being an indicator of consumer prices for the relatively low expenditure group, is taken as the price deflator for wages in respect of employees engaged in occupations up to the supervisory level.

(8) In addition to wages, which include all regular and guaranteed payments like basic pay and stipulated bonuses and allowances, earnings also cover overtime pay and other non-guaranteed or irregular bonuses and allowances, except severance pay and long service payment. Because of this difference, as well as the difference in sectoral and occupational coverage, the movements in average earnings, as measured by payroll per person engaged, do not necessarily match closely with those in wage rates.

(9) The headline Composite CPI, being an indicator of overall consumer prices, is taken as the price deflator for the median monthly employment earnings of full-time employees (excluding foreign domestic helpers).

(10) The headline Composite CPI is also taken as the price deflator for the median monthly household income (excluding foreign domestic helpers).