**CHAPTER 5 : THE LABOUR SECTOR**

### Summary

* *The labour market stayed tight in the second quarter of 2024. The seasonally adjusted unemployment rate stayed low at 3.0%, same as the preceding quarter. The underemployment rate was also low at 1.2%, though slightly higher than the level of 1.1% in the preceding quarter. The labour force and total employment both increased over the preceding quarter, and were higher than the levels a year ago.*
* *The unemployment rates of various major sectors were generally low in the second quarter, though showing diverse movements compared with the preceding quarter.*
* *Establishment survey indicated that wages and labour earnings continued to attain decent increases in the first quarter over a year earlier. More recent General Household Survey (GHS) data indicated that employment earnings continued to record solid growth in the second quarter over a year earlier.*

**Overall labour market situation(1)**

5.1 The labour market stayed tight in the second quarter of 2024. The seasonally adjusted *unemployment rate*(2) stayed low at 3.0% in the second quarter, same as the preceding quarter. The *underemployment rate*(3) was also low at 1.2%, though slightly higher than the level of 1.1% in the preceding quarter. The unemployment rates of various major sectors were generally low in the second quarter, though showing diverse movements compared with the preceding quarter. Establishment survey indicated that wages and labour earnings continued to attain decent increases in the first quarter over a year earlier. More recent GHS data indicated that employment earnings continued to record solid growth in the second quarter 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 | 3.0 | 1.1 | 0.9 |
| Q3 | 2.8 | 1.0 | 0.7 |
| Q4 | 2.9 | 1.0 | 0.7 |
|  |  |  |  |
| 2024 Q1 | 3.0 | 1.1 | 0.7 |
|  |  |  |  |
| *Three months ending* |  |  |  |
|  |  |  |  |
| 2024 Apr | 3.0 | 1.1 | 0.8 |
| May | 3.0 | 1.2 | 0.8 |
| Jun | 3.0 | 1.2 | 0.8 |

Notes : The quarterly statistics in 2023 have been revised to take into account the final end-2023 population estimates.

\* 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) rebounded by 0.5% over the preceding quarter to 3 818 000 in the second quarter, and was 0.3% higher than a year earlier. Analysed by contributory factor, the working-age population (i.e. land-based non-institutional population aged 15 and above) increased by 0.3% over the preceding quarter to 6 680 800, and was 0.4% higher than a year ago. Meanwhile, the overall labour force participation rate edged up by 0.1 percentage point over the preceding quarter to 57.1%, though it was slightly lower than a year ago by 0.1 percentage point amid the persistent drag from population ageing.

5.3 *Total employment*(5) likewise rebounded by 0.4% over the preceding quarter to 3 703 300 in the second quarter, and was 0.2% higher than a year earlier. Compared with the preceding quarter, employment of a majority of sectors increased, including the postal and courier activities sector, the social work activities sector, the accommodation services sector, the real estate sector, the arts, entertainment and recreation sector, the transportation sector, and the construction sector. On the other hand, employment in some sectors, such as the food and beverage service activities sector and the retail sector, declined. On a year-on-year comparison, employment of various sectors showed diverse movements.

**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 | 3 808 000 (0.4) | 3 692 300 (2.4) | 115 700 | 47 200 |
| Q2 | 3 808 500 (1.4) | 3 694 300 (3.4) | 114 200 | 41 600 |
| Q3 | 3 838 300 (0.8) | 3 724 400 (2.0) | 113 900 | 37 900 |
| Q4 | 3 820 000 (-0.7) | 3 714 100 (-0.2) | 105 900 | 36 900 |
|  |  |  |  |  |
| 2024 Q1 | 3 800 100 (-0.2) | 3 688 400 (-0.1) | 111 700 | 40 000 |
|  |  |  |  |  |
| *Three months ending* |  |  |  |  |
|  |  |  |  |  |
| 2024 Apr | 3 807 800 (0.2) | 3 694 100 (0.2) | 113 700 | 40 500 |
| May | 3 813 100 (0.2) | 3 696 900 (0.1) | 116 200 | 44 700 |
| Jun | 3 818 000 (0.3) | 3 703 300 (0.2) | 114 700 | 44 500 |
|  | <0.5> | <0.4> |  |  |

Notes : The quarterly statistics in 2023 have been revised to take into account the final end-2023 population estimates.

(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 second quarter of 2024.

Source : General Household Survey, Census and Statistics Department.



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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | 2024 | |
|  |  |  |  |  |  |  |
|  | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
| Male |  |  |  |  |  |  |
| 15-24 | 29.3 | 29.1 | 31.7 | 29.6 | 27.9 | 27.9 |
| *of which:* |  |  |  |  |  |  |
| *15-19* | *6.4* | *6.1* | *9.2* | *7.7* | *6.5* | *6.5* |
| *20-24* | *51.2* | *51.0* | *52.9* | *50.5* | *49.3* | *49.1* |
| 25-29 | 87.8 | 87.3 | 86.9 | 88.9 | 88.3 | 86.9 |
| 30-39 | 93.4 | 93.9 | 94.6 | 94.3 | 94.3 | 94.1 |
| 40-49 | 93.8 | 94.2 | 93.8 | 93.0 | 92.9 | 93.5 |
| 50-59 | 84.9 | 85.1 | 85.1 | 85.2 | 84.6 | 85.1 |
| ≥ 60 | 32.0 | 31.2 | 32.0 | 31.1 | 31.0 | 31.0 |
|  |  |  |  |  |  |  |
| Overall | 63.8 | 63.4 | 63.9 | 63.2 | 62.8 | 62.8 |
|  |  |  |  |  |  |  |
| Female |  |  |  |  |  |  |
| 15-24 | 30.9 | 29.2 | 32.4 | 30.6 | 29.6 | 29.3 |
| *of which:* |  |  |  |  |  |  |
| *15-19* | *6.9* | *6.4* | *9.7* | *6.7* | *6.2* | *6.2* |
| *20-24* | *52.7* | *49.6* | *52.4* | *51.9* | *51.4* | *50.6* |
| 25-29 | 85.5 | 85.1 | 85.3 | 84.4 | 84.0 | 83.4 |
| 30-39 | 79.0 | 79.7 | 79.7 | 80.2 | 80.1 | 80.8 |
| 40-49 | 73.7 | 74.1 | 74.9 | 75.1 | 75.2 | 75.8 |
| 50-59 | 64.7 | 64.0 | 65.0 | 65.8 | 65.7 | 65.3 |
| ≥ 60 | 17.0 | 17.3 | 16.8 | 16.8 | 17.5 | 18.0 |
|  |  |  |  |  |  |  |
| Overall | 52.4 | 52.2 | 52.5 | 52.3 | 52.4 | 52.6 |
|  |  |  |  |  |  |  |
| Both genders  combined |  |  |  |  |  |  |
| 15-24 | 30.1 | 29.2 | 32.0 | 30.1 | 28.7 | 28.6 |
| *of which:* |  |  |  |  |  |  |
| *15-19* | *6.7* | *6.2* | *9.4* | *7.2* | *6.4* | *6.4* |
| *20-24* | *52.0* | *50.3* | *52.7* | *51.2* | *50.4* | *49.8* |
| 25-29 | 86.6 | 86.2 | 86.0 | 86.5 | 86.0 | 85.0 |
| 30-39 | 85.1 | 85.7 | 86.1 | 86.2 | 86.2 | 86.5 |
| 40-49 | 81.8 | 82.2 | 82.6 | 82.4 | 82.4 | 82.9 |
| 50-59 | 73.4 | 73.1 | 73.6 | 74.1 | 73.8 | 73.7 |
| ≥ 60 | 24.1 | 23.8 | 24.0 | 23.5 | 23.9 | 24.1 |
|  |  |  |  |  |  |  |
| Overall | 57.5 | 57.2 | 57.6 | 57.2 | 57.0 | 57.1 |

Note : The quarterly statistics in 2023 have been revised to take into account the final end-2023 population estimates.

Source : General Household Survey, Census and Statistics Department.

**Profile of unemployment**

5.4 The seasonally adjusted unemployment rate stayed at 3.0% in the second quarter, same as the preceding quarter. The number of unemployed persons (not seasonally adjusted) increased by 2.7% or 3 000 to 114 700.

5.5 The unemployment rates of various major sectors (not seasonally adjusted) were generally low in the second quarter, though showing diverse movements compared with the preceding quarter. The unemployment rates of the retail sector and the accommodation services sector went up by 0.6 percentage point and 0.8 percentage point to 3.9% and 3.4% respectively, and the unemployment rate of the food and beverage service activities sector edged up by 0.1 percentage point to 4.7%. The unemployment rate of the transportation sector went up by 0.4 percentage point to 2.6%, and the unemployment rate of the construction sector edged up by 0.1 percentage point to 4.2%. The unemployment rates of a few other sectors also increased, notably the cleaning and similar activities sector (up 0.8 percentage point to 2.8%), and the financing sector (up 0.5 percentage point to 2.8%). On the other hand, the unemployment rates of many sectors declined, in particular for the insurance sector (down 0.5 percentage point to 1.7%). For the *low-paying sectors*(6) as a whole, the unemployment rate edged up by 0.1 percentage point to 2.5%, which was still a low level.

5.6 Analysed by skill segment, the unemployment rates of lower-skilled and higher-skilled workers went up by 0.2 percentage point and 0.1 percentage point over the preceding quarter to 3.1% and 2.3% in the second quarter respectively.

5.7 Analysed by other socio-economic attributes, the unemployment rates of various age and educational attainment groups showed diverse movements in the second quarter compared with the preceding quarter. The unemployment rates of persons aged 15-19, 30-49, 60 and above and those with lower secondary and below increased, whereas the unemployment rates of persons aged 20-29 and 50-59 and those with upper secondary and above decreased.





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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | 2024 | |
|  |  |  |  |  |  |  |
|  | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 |
|  |  |  |  |  |  |  |
| Import/export trade and wholesale | 2.6 | 2.7 | 2.7 | 3.0 | 3.3 | 3.3 |
|  |  |  |  |  |  |  |
| Retail, accommodation and food services | 4.2 | 4.0 | 3.7 | 3.6 | 3.8 | 4.2 |
| *of which:* |  |  |  |  |  |  |
| *Retail* | *3.7* | *3.5* | *3.5* | *3.2* | *3.3* | *3.9* |
|  |  |  |  |  |  |  |
| *Accommodation services* | *3.7* | *3.0* | *2.5* | *2.3* | *2.6* | *3.4* |
|  |  |  |  |  |  |  |
| *Food and beverage service activities* | *4.9* | *4.8* | *4.1* | *4.3* | *4.6* | *4.7* |
|  |  |  |  |  |  |  |
| Transportation, storage, postal and courier services | 3.3 | 3.1 | 2.6 | 2.4 | 2.5 | 3.0 |
| *of which:* |  |  |  |  |  |  |
| *Transportation* | *3.1* | *2.9* | *2.2* | *2.1* | *2.2* | *2.6* |
|  |  |  |  |  |  |  |
| Information and communications | 3.4 | 3.3 | 3.4 | 3.5 | 3.1 | 3.4 |
|  |  |  |  |  |  |  |
| Financing and insurance | 2.1 | 2.0 | 2.3 | 1.9 | 2.3 | 2.5 |
| *of which:* |  |  |  |  |  |  |
| *Financing* | *2.0* | *1.8* | *2.2* | *1.9* | *2.3* | *2.8* |
|  |  |  |  |  |  |  |
| *Insurance* | *2.6* | *2.8* | *2.9* | *2.0* | *2.2* | *1.7* |
|  |  |  |  |  |  |  |
| Real estate | 2.6 | 2.6 | 2.1 | 2.1 | 2.2 | 2.1 |
|  |  |  |  |  |  |  |
| Professional and business services | 2.5 | 2.7 | 2.8 | 2.7 | 3.1 | 3.3 |
| *of which:* |  |  |  |  |  |  |
| *Cleaning and similar activities* | *1.4* | *2.0* | *2.0* | *2.0* | *2.0* | *2.8* |
|  |  |  |  |  |  |  |
| Public administration, social and personal services | 1.5 | 1.6 | 1.4 | 1.3 | 1.4 | 1.3 |
|  |  |  |  |  |  |  |
| Manufacturing | 3.9 | 4.0 | 4.0 | 3.8 | 3.2 | 3.2 |
|  |  |  |  |  |  |  |
| Construction | 4.5 | 4.2 | 3.9 | 3.7 | 4.1 | 4.2 |
|  |  |  |  |  |  |  |
| Overall\* | 3.0 | 3.0 | 3.0 | 2.8 | 2.9 | 3.0 |
|  | (3.1) | (3.0) | (2.8) | (2.9) | (3.0) | (3.0) |

Notes : The quarterly statistics in 2023 have been revised to take into account the final end-2023 population estimates.

\* 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 | | Q2 |
|  |  |  |  |  |  | |  |
| Higher-skilled segment | 2.1 | 2.1 | 2.2 | 2.0 | 2.2 | | 2.3 |
|  |  |  |  |  |  | |  |
| Managers | 1.3 | 1.5 | 1.7 | 1.7 | 2.0 | | 2.1 |
|  |  |  |  |  |  | |  |
| Professionals | 2.0 | 1.6 | 1.8 | 1.6 | 1.9 | | 1.7 |
|  |  |  |  |  |  | |  |
| Associate professionals | 2.7 | 2.9 | 2.8 | 2.5 | 2.7 | | 2.9 |
|  |  |  |  |  |  | |  |
| Lower-skilled segment^ | 3.2 | 3.2 | 2.8 | 2.8 | 2.9 | | 3.1 |
|  |  |  |  |  |  | |  |
| Clerical support workers | 3.3 | 3.1 | 2.9 | 3.3 | 3.4 | | 3.7 |
|  |  |  |  |  |  | |  |
| Service and sales workers | 3.8 | 3.6 | 3.0 | 3.0 | 3.2 | | 3.4 |
|  |  |  |  |  |  | |  |
| Craft and related workers | 4.3 | 4.1 | 3.9 | 3.8 | 4.0 | | 4.0 |
|  |  |  |  |  |  | |  |
| Plant and machine operators and assemblers | 2.4 | 2.3 | 1.9 | 2.3 | 2.1 | | 2.4 |
|  |  |  |  |  |  | |  |
| Elementary occupations | 2.5 | 2.6 | 2.3 | 1.9 | 2.0 | | 2.2 |

Notes : The quarterly statistics in 2023 have been revised to take into account the final end-2023 population estimates.

\* 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 | Q2 |
| Age |  |  |  |  |  |  |
| 15-24 | 7.8 | 9.4 | 10.2 | 8.5 | 9.8 | 8.2 |
| *of which:* |  |  |  |  |  |  |
| *15-19* | *9.6* | *11.2* | *11.5* | *9.2* | *8.1* | *9.8* |
|  |  |  |  |  |  |  |
| *20-24* | *7.6* | *9.2* | *10.0* | *8.4* | *10.0* | *8.0* |
|  |  |  |  |  |  |  |
| 25-29 | 4.5 | 4.0 | 4.4 | 4.5 | 4.6 | 4.4 |
|  |  |  |  |  |  |  |
| 30-39 | 2.5 | 2.3 | 2.2 | 2.1 | 2.1 | 2.4 |
|  |  |  |  |  |  |  |
| 40-49 | 2.4 | 2.5 | 2.3 | 2.2 | 2.2 | 2.7 |
|  |  |  |  |  |  |  |
| 50-59 | 3.2 | 2.9 | 2.8 | 2.6 | 3.0 | 2.9 |
|  |  |  |  |  |  |  |
| ≥ 60 | 2.2 | 2.4 | 2.2 | 2.1 | 2.3 | 2.4 |
| Educational attainment |  |  |  |  |  |  |
| Primary education and below | 2.4 | 2.4 | 1.9 | 2.3 | 1.9 | 2.4 |
|  |  |  |  |  |  |  |
| Lower secondary education | 4.2 | 3.9 | 3.3 | 3.6 | 2.9 | 3.7 |
|  |  |  |  |  |  |  |
| Upper secondary education^ | 2.9 | 3.1 | 2.6 | 2.5 | 3.0 | 2.8 |
|  |  |  |  |  |  |  |
| Post-secondary education | 2.9 | 2.8 | 3.3 | 2.8 | 3.1 | 3.0 |

Notes : The quarterly statistics in 2023 have been revised to take into account the final end-2023 population estimates.

\* 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 generally stable in the second quarter. The long-term unemployment rate (i.e. the proportion of persons unemployed for six months or longer in the labour force) edged up from 0.7% in the preceding quarter to a still-low level of 0.8% in the second quarter, with the number of long-term unemployed persons increasing by 10.6% or 3 000 to 31 300. The median duration of unemployment remained unchanged at 77 days.

**Underemployment situation**

5.9 The underemployment rate edged up from 1.1% in the preceding quarter to a still-low level of 1.2% in the second quarter. The number of underemployed persons increased by 11.2% or 4 500 to 44 500.

**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 March. 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 bounced back by 0.2% over three months ago to 2 728 900 in March, and was 0.3% higher than a year earlier. Employment in a majority of industries increased compared with three months ago, and were higher than the levels a year earlier, particularly for the industries of construction sites (covering manual workers only), residential care and social work services, arts, entertainment, recreation and other services, and human health services. On the other hand, employment in some industries declined, particularly for the industries of import/export trade and wholesale.

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 |
|  | Annual |  |  |  |  |  |
|  | average | Mar | Jun | Sep | Dec | Mar |
| Import/export trade and wholesale | 423 800  (-2.5) | 430 100  (-1.9) | 427 600  (-1.7) | 425 400  (-1.7) | 412 100  (-4.8) | 408 300  (-5.1) |
|  |  |  |  |  |  |  |
| Retail | 249 600  (1.7) | 248 500  (1.4) | 251 900  (2.9) | 252 100  (2.8) | 245 700  (-0.3) | 241 900  (-2.7) |
|  |  |  |  |  |  |  |
| Accommodation services | 35 500  (3.0) | 35 600  (0.6) | 35 200  (5.5) | 35 300  (5.2) | 35 700  (1.2) | 36 300  (2.1) |
|  |  |  |  |  |  |  |
| Food and beverage services | 224 300  (3.5) | 223 900  (9.4) | 224 600  (3.4) | 224 200  (1.0) | 224 500  (0.7) | 225 200  (0.6) |
|  |  |  |  |  |  |  |
| Transportation, storage, postal and courier services | 163 300  (-0.1) | 161 900  (-1.5) | 163 000  (0.3) | 164 800  (0.5) | 163 600  (0.5) | 163 800  (1.2) |
|  |  |  |  |  |  |  |
| Information and communications | 108 300  (1.9) | 107 400  (0.2) | 108 800  (2.5) | 108 600  (3.1) | 108 400  (1.8) | 109 700  (2.1) |
|  |  |  |  |  |  |  |
| Financing, insurance, real estate, professional and business services | 766 900  (1.4) | 763 400  (-0.4) | 769 700  (2.6) | 773 000  (2.8) | 761 600  (0.6) | 762 300  (-0.1) |
|  |  |  |  |  |  |  |
| Social and personal services | 560 700  (4.4) | 553 900  (3.9) | 559 700  (4.8) | 564 100  (5.2) | 565 000  (3.8) | 569 800  (2.9) |
| *of which:* |  |  |  |  |  |  |
| *Human health services* | *153 400*  *(2.8)* | *152 200*  *(2.4)* | *152 900*  *(3.0)* | *154 200*  *(3.3)* | *154 200*  *(2.6)* | *155 900*  *(2.4)* |
| *Residential care and social work services* | *69 900*  *(4.7)* | *68 900*  *(2.4)* | *69 600*  *(5.9)* | *70 200*  *(5.5)* | *71 000*  *(5.0)* | *72 000*  *(4.5)* |
| *Arts, entertainment, recreation and other services* | *122 600*  *(7.1)* | *119 800*  *(7.1)* | *123 000*  *(7.6)* | *124 900*  *(8.6)* | *122 900*  *(5.1)* | *124 200*  *(3.6)* |
|  |  |  |  |  |  |  |
| Manufacturing | 74 400  (-0.6) | 74 900  (-1.2) | 74 800  (-0.2) | 74 000  (-0.5) | 74 000  (-0.6) | 75 900  (1.4) |
|  |  |  |  |  |  |  |
| Construction sites (covering manual workers only) | 112 300  (7.3) | 108 400  (10.3) | 111 000  (7.4) | 109 600  (-0.1) | 120 200  (12.0) | 123 600  (14.1) |
|  |  |  |  |  |  |  |
| **All establishments surveyed in the private sector(a)** | **2 731 000**  **(1.7)** | **2 719 800**  **(1.5)**  **[0.7]**  **<1.0>** | **2 738 300**  **(2.4)**  **[0.7]**  **<0.5>** | **2 743 200**  **(2.1)**  **[0.2]**  **<**§**>** | **2 722 800**  **(0.8)**  **[-0.7]**  **<-0.7>** | **2 728 900**  **(0.3)**  **[0.2]**  **<0.5>** |
|  |  |  |  |  |  |  |
| *Civil service(b)* | *172 900*  *(-1.1)* | *173 600*  *(-1.5)* | *172 700*  *(-1.4)* | *172 600*  *(-0.8)* | *172 600*  *(-0.6)* | *173 100*  *(-0.3)* |

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.

[ ] Non-seasonally adjusted % change compared with the level three months ago.

< > 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 increased by 2.9% over three months earlier to 75 180 in March, though it was 3.3% lower than a year earlier. Vacancies in some industries increased over three months ago, though the levels were lower than a year ago for a majority of industries.

5.13 The manpower balance situation stayed tight in March. The ratio of job vacancies per 100 unemployed persons was at 67 in March, only slightly lower than the high level of 69 three months ago. Manpower shortage situation was particularly acute in the residential care and social work services sector, the human health services sector, and the arts, entertainment and recreation sector, with their corresponding ratios exceeding 200.

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

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 |
|  |  |  |  |  |  |  |
|  | Annual |  |  |  |  |  |
|  | average | Mar | Jun | Sep | Dec | Mar |
|  |  |  |  |  |  |  |
| Import/export trade and wholesale | 3 870  (3.5) | 4 250  (45.8) | 4 220  (17.0) | 3 860  (-6.3) | 3 150  (-27.1) | 4 030  (-5.1) |
|  |  |  |  |  |  |  |
| Retail | 6 090  (24.1) | 6 410  (72.5) | 6 600  (35.2) | 5 900  (18.2) | 5 440  (-9.9) | 4 720  (-26.3) |
|  |  |  |  |  |  |  |
| Accommodation services | 2 570  (36.8) | 2 830  (100.7) | 2 620  (46.5) | 2 540  (24.9) | 2 300  (0.4) | 2 100  (-25.6) |
|  |  |  |  |  |  |  |
| Food and beverage services | 6 040  (33.8) | 5 810  (140.8) | 6 050  (28.7) | 6 220  (12.2) | 6 100  (12.6) | 5 930  (2.2) |
|  |  |  |  |  |  |  |
| Transportation, storage, postal and courier services | 6 670  (20.2) | 7 440  (109.7) | 7 020  (87.7) | 6 850  (-9.0) | 5 370  (-27.3) | 8 820  (18.5) |
|  |  |  |  |  |  |  |
| Information and communications | 2 900  (1.7) | 3 020  (8.3) | 3 040  (9.2) | 2 860  (-5.2) | 2 690  (-4.8) | 3 100  (2.5) |
|  |  |  |  |  |  |  |
| Financing, insurance, real estate, professional and business services | 18 990  (8.0) | 19 410  (17.1) | 20 370  (19.7) | 18 490  (-0.3) | 17 680  (-2.9) | 17 570  (-9.5) |
|  |  |  |  |  |  |  |
| Social and personal services | 26 230  (16.6) | 25 290  (37.4) | 26 040  (21.8) | 28 410  (8.1) | 25 200  (5.2) | 23 810  (-5.9) |
| *of which:* |  |  |  |  |  |  |
| *Human health services* | *6 860*  *(2.3)* | *6 610*  *(30.8)* | *5 940*  *(1.2)* | *8 470*  *(-9.7)* | *6 410*  *(-1.6)* | *6 380*  *(-3.4)* |
| *Residential care and social work services* | *5 440*  *(10.3)* | *5 260*  *(13.1)* | *5 460*  *(13.6)* | *5 540*  *(6.9)* | *5 500*  *(8.1)* | *5 060*  *(-3.8)* |
| *Arts, entertainment, recreation and other services* | *5 410*  *(50.2)* | *5 450*  *(99.1)* | *5 510*  *(68.9)* | *5 290*  *(39.1)* | *5 380*  *(17.0)* | *5 050*  *(-7.2)* |
|  |  |  |  |  |  |  |
| Manufacturing | 2 520  (49.0) | 2 380  (69.5) | 2 480  (51.1) | 2 690  (46.9) | 2 520  (34.0) | 2 750  (15.7) |
|  |  |  |  |  |  |  |
| Construction sites (covering manual workers only) | 2 090  (302.0) | 640  (139.4) | 2 760  (335.8) | 2 560  (298.9) | 2 400  (347.2) | 2 070  (221.1) |
|  |  |  |  |  |  |  |
| **All establishments surveyed in the private sector(a)** | **78 230**  **(18.5)** | **77 750**  **(44.8)**  **[6.3]**  **<5.9>** | **81 460**  **(30.3)**  **[4.8]**  **<2.5>** | **80 650**  **(7.8)**  **[-1.0]**  **<-6.5>** | **73 070**  **(-0.1)**  **[-9.4]**  **<-1.4>** | **75 180**  **(-3.3)**  **[2.9]**  **<2.4>** |
|  |  |  |  |  |  |  |
| *Civil service(b)* | *19 550*  *(9.8)* | *19 170*  *(14.1)* | *19 700*  *(12.7)* | *19 450*  *(6.7)* | *19 870*  *(6.3)* | *19 740*  *(2.9)* |

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.

[ ] Non-seasonally adjusted % change compared with the level three months ago.

< > 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 attain decent increases in the first quarter 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 3.9% year-on-year in March, slightly faster than the increase of 3.8% three months ago. After discounting for *inflation*(7), the average wage rate showed an accelerated increase of 1.5% 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 3.7% year-on-year in the first quarter, also slightly faster than the increase of 3.6% in the preceding quarter. After discounting for inflation, labour earnings showed an accelerated increase of 1.8% in real terms. All selected industries saw increases in payroll per person engaged in both nominal and real terms.



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.

5.16 More recent statistics compiled from the GHS, though not strictly comparable to those from the business establishment surveys, indicated that employment earnings continued to record solid growth in the second quarter over a year earlier. On a year-on-year comparison, the median monthly employment earnings of full-time employees (excluding foreign domestic helpers) increased by 6.8% in nominal terms or 5.5% in real terms(9) in the second quarter. Separately, the median monthly household income (excluding foreign domestic helpers) increased by 1.0% in nominal terms, though it declined slightly by 0.2% in real terms(10).

**Highlights of related measures and policy developments**

5.17 The Government launched the Re-employment Allowance Pilot Scheme (REA Scheme) on 15 July 2024, targeting persons aged 40 or above who have not been in paid employment for three consecutive months or more, with a view to encouraging them to rejoin the workforce. Participants who have worked for six consecutive months will receive a maximum re-employment allowance (REA) of $10,000, and those who have worked for 12 consecutive months will receive an additional maximum REA of $10,000. The three-year REA Scheme is expected to benefit some 6 000 persons.

5.18 The Government launched the Special Scheme to Import Care Workers for Residential Care Homes in June 2023 with an overall quota of 7 000, of which around 3 000 were new quotas. Nearly all the new quotas had been allocated. As a result, the Government will provide additional new quotas and allocate them by batch in the next three years, tentatively 3 000 quotas in the first year, 3 000 in the second year, and 2 000 in the third year.

**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 2022 – January 2023 to October – December 2023 have been revised to take into account the final end-2023 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).