**CHAPTER 5 : THE LABOUR SECTOR**

### Summary

* *The labour market remained tight in the third quarter of 2024. The seasonally adjusted unemployment rate stayed low at 3.0%, same as the preceding quarter. The underemployment rate also remained unchanged at a low level of 1.2%. The labour force and total employment both increased further over the preceding quarter.*
* *The unemployment rates of various major sectors showed diverse movements in the third quarter as compared with the preceding quarter. The unemployment rates of some sectors went up, in particular for the retail sector, the food and beverage service activities sector, and the social work activities sector. On the other hand, the unemployment rates of many sectors declined, in particular for the transportation sector, the financing, insurance, real estate, professional and business services sector, and the import/export trade and wholesale sector.*
* *Establishment survey indicated that wages and labour earnings continued to record decent increases in the second quarter over a year earlier. More recent General Household Survey (GHS) data indicated that employment earnings continued to record solid growth in the third quarter over a year earlier.*

**Overall labour market situation(1)**

5.1 The labour market remained tight in the third quarter of 2024. The seasonally adjusted *unemployment rate*(2) stayed low at 3.0%, same as the preceding quarter. The *underemployment rate*(3) also remained unchanged at a low level of 1.2%. The unemployment rates of various major sectors showed diverse movements in the third quarter as compared with the preceding quarter. The unemployment rates of some sectors went up, in particular for the retail sector, the food and beverage service activities sector, and the social work activities sector. On the other hand, the unemployment rates of many sectors declined, in particular for the transportation sector, the financing, insurance, real estate, professional and business services sector, and the import/export trade and wholesale sector. Establishment survey indicated that wages and labour earnings continued to record decent increases in the second quarter over a year earlier. More recent GHS data indicated that employment earnings continued to record solid growth in the third 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 |
| Q2 | 3.0 | 1.2 | 0.8 |
|  |  |  |  |
| *Three months ending* |  |  |  |
|  |  |  |  |
| 2024 Jul | 3.0 | 1.2 | 0.8 |
| Aug | 3.0 | 1.2 | 0.8 |
| Sep | 3.0 | 1.2 | 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) increased further by 0.3% over the preceding quarter to 3 830 100 in the third quarter, though it was 0.2% lower 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 6 703 700, and was 0.5% higher than a year ago. Meanwhile, the overall labour force participation rate stayed at 57.1%, same as the preceding quarter, though it was 0.5 percentage point lower than a year ago under the persistent drag from population ageing.

5.3 *Total employment*(5) increased further by 0.2% over the preceding quarter to 3 710 200 in the third quarter, though it was 0.4% lower than a year earlier. Employment of various sectors showed diverse movements when compared with the preceding quarter. Specifically, employment of the construction sector and the transportation sector increased further. Many other sectors also saw increases in employment, notably for the arts, entertainment and recreation sector, the financing and insurance sector, the accommodation services sector, and the real estate sector. On the other hand, employment of some sectors decreased. Employment of the information and communications sector, the retail sector, and the food and beverage service activities sector declined further. Employment of the social work activities sector declined somewhat after increasing visibly in the previous several quarters. On a year-on-year comparison, employment of many sectors declined.

**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 |
| Q2 | 3 818 000 (0.3) | 3 703 300 (0.2) | 114 700 | 44 500 |
|  |  |  |  |  |
| *Three months ending* |  |  |  |  |
|  |  |  |  |  |
| 2024 Jul | 3 826 400 (0.2) | 3 708 600 (0.1) | 117 800 | 47 500 |
| Aug | 3 830 800 (0.1) | 3 708 500 (-0.2) | 122 300 | 47 500 |
| Sep | 3 830 100 (-0.2) | 3 710 200 (-0.4) | 119 900 | 46 000 |
|  | <0.3> | <0.2> |  |  |

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 third 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 | Q3 |
| Male |  |  |  |  |  |  |  |
| 15-24 | 29.3 | 29.1 | 31.7 | 29.6 | 27.9 | 27.9 | 30.3 |
| *of which:* |  |  |  |  |  |  |  |
| *15-19* | *6.4* | *6.1* | *9.2* | *7.7* | *6.5* | *6.5* | *8.2* |
| *20-24* | *51.2* | *51.0* | *52.9* | *50.5* | *49.3* | *49.1* | *52.5* |
| 25-29 | 87.8 | 87.3 | 86.9 | 88.9 | 88.3 | 86.9 | 88.7 |
| 30-39 | 93.4 | 93.9 | 94.6 | 94.3 | 94.3 | 94.1 | 94.3 |
| 40-49 | 93.8 | 94.2 | 93.8 | 93.0 | 92.9 | 93.5 | 93.2 |
| 50-59 | 84.9 | 85.1 | 85.1 | 85.2 | 84.6 | 85.1 | 84.9 |
| ≥ 60 | 32.0 | 31.2 | 32.0 | 31.1 | 31.0 | 31.0 | 30.7 |
|  |  |  |  |  |  |  |  |
| Overall | 63.8 | 63.4 | 63.9 | 63.2 | 62.8 | 62.8 | 62.9 |
|  |  |  |  |  |  |  |  |
| Female |  |  |  |  |  |  |  |
| 15-24 | 30.9 | 29.2 | 32.4 | 30.6 | 29.6 | 29.3 | 31.6 |
| *of which:* |  |  |  |  |  |  |  |
| *15-19* | *6.9* | *6.4* | *9.7* | *6.7* | *6.2* | *6.2* | *9.0* |
| *20-24* | *52.7* | *49.6* | *52.4* | *51.9* | *51.4* | *50.6* | *52.5* |
| 25-29 | 85.5 | 85.1 | 85.3 | 84.4 | 84.0 | 83.4 | 83.5 |
| 30-39 | 79.0 | 79.7 | 79.7 | 80.2 | 80.1 | 80.8 | 80.3 |
| 40-49 | 73.7 | 74.1 | 74.9 | 75.1 | 75.2 | 75.8 | 75.5 |
| 50-59 | 64.7 | 64.0 | 65.0 | 65.8 | 65.7 | 65.3 | 66.1 |
| ≥ 60 | 17.0 | 17.3 | 16.8 | 16.8 | 17.5 | 18.0 | 17.4 |
|  |  |  |  |  |  |  |  |
| Overall | 52.4 | 52.2 | 52.5 | 52.3 | 52.4 | 52.6 | 52.5 |
|  |  |  |  |  |  |  |  |
| Both genders  combined |  |  |  |  |  |  |  |
| 15-24 | 30.1 | 29.2 | 32.0 | 30.1 | 28.7 | 28.6 | 31.0 |
| *of which:* |  |  |  |  |  |  |  |
| *15-19* | *6.7* | *6.2* | *9.4* | *7.2* | *6.4* | *6.4* | *8.6* |
| *20-24* | *52.0* | *50.3* | *52.7* | *51.2* | *50.4* | *49.8* | *52.5* |
| 25-29 | 86.6 | 86.2 | 86.0 | 86.5 | 86.0 | 85.0 | 86.0 |
| 30-39 | 85.1 | 85.7 | 86.1 | 86.2 | 86.2 | 86.5 | 86.3 |
| 40-49 | 81.8 | 82.2 | 82.6 | 82.4 | 82.4 | 82.9 | 82.6 |
| 50-59 | 73.4 | 73.1 | 73.6 | 74.1 | 73.8 | 73.7 | 74.1 |
| ≥ 60 | 24.1 | 23.8 | 24.0 | 23.5 | 23.9 | 24.1 | 23.7 |
|  |  |  |  |  |  |  |  |
| Overall | 57.5 | 57.2 | 57.6 | 57.2 | 57.0 | 57.1 | 57.1 |

Source : General Household Survey, Census and Statistics Department.

**Profile of unemployment**

5.4 The seasonally adjusted unemployment rate stayed low at 3.0% in the third quarter, same as the preceding quarter. The number of unemployed persons (not seasonally adjusted) increased by 4.5% or 5 200 to 119 900.

5.5 The unemployment rates of various major sectors showed diverse movements in the third quarter as compared with the preceding quarter. The unemployment rates of some sectors went up, in particular for the retail sector (up 0.5 percentage point to 4.4%), the food and beverage service activities sector (up 0.5 percentage point to 5.2%), and the social work activities sector (up 0.5 percentage point to 2.6%). The unemployment rate of the construction sector also increased (up 0.2 percentage point to 4.4%). On the other hand, the unemployment rates of many sectors declined, in particular for the transportation sector (down 0.7 percentage point to 1.9%), the financing, insurance, real estate, professional and business services sector (down 0.4 percentage point to 2.4%), and the import/export trade and wholesale sector (down 0.4 percentage point to 2.9%). For the *low-paying sectors*(6) as a whole, the unemployment rate went up by 0.2 percentage point to 2.7%, which was still a low level.

5.6 Analysed by skill segment, the unemployment rate of the lower-skilled workers edged up by 0.1 percentage point over the preceding quarter to 3.2% in the third quarter, whereas the unemployment rate of the higher-skilled workers declined by 0.3 percentage point to 2.0%.

5.7 Analysed by other socio-economic attributes, the unemployment rates of various age and educational attainment groups showed diverse movements in the third quarter compared with the preceding quarter. The movements were not large in general except for the unemployment rate for those aged 15-24, which increased visibly by 3.1 percentage points to 11.3% mainly due to the seasonal entry of a new batch of graduates and school leavers into the labour market.





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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | 2024 | | |
|  |  |  |  |  |  |  |  |
|  | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 |
|  |  |  |  |  |  |  |  |
| Import/export trade and wholesale | 2.6 | 2.7 | 2.7 | 3.0 | 3.3 | 3.3 | 2.9 |
|  |  |  |  |  |  |  |  |
| Retail, accommodation and food services | 4.2 | 4.0 | 3.7 | 3.6 | 3.8 | 4.2 | 4.7 |
| *of which:* |  |  |  |  |  |  |  |
| *Retail* | *3.7* | *3.5* | *3.5* | *3.2* | *3.3* | *3.9* | *4.4* |
|  |  |  |  |  |  |  |  |
| *Accommodation services* | *3.7* | *3.0* | *2.5* | *2.3* | *2.6* | *3.4* | *3.4* |
|  |  |  |  |  |  |  |  |
| *Food and beverage service activities* | *4.9* | *4.8* | *4.1* | *4.3* | *4.6* | *4.7* | *5.2* |
|  |  |  |  |  |  |  |  |
| Transportation, storage, postal and courier services | 3.3 | 3.1 | 2.6 | 2.4 | 2.5 | 3.0 | 2.6 |
| *of which:* |  |  |  |  |  |  |  |
| *Transportation* | *3.1* | *2.9* | *2.2* | *2.1* | *2.2* | *2.6* | *1.9* |
|  |  |  |  |  |  |  |  |
| Information and communications | 3.4 | 3.3 | 3.4 | 3.5 | 3.1 | 3.4 | 3.3 |
|  |  |  |  |  |  |  |  |
| Financing, insurance, real estate, professional and business services | 2.4 | 2.5 | 2.5 | 2.4 | 2.7 | 2.8 | 2.4 |
| *of which:* |  |  |  |  |  |  |  |
| *Financing and insurance* | *2.1* | *2.0* | *2.3* | *1.9* | *2.3* | *2.5* | *2.0* |
|  |  |  |  |  |  |  |  |
| *Real estate* | *2.6* | *2.6* | *2.1* | *2.1* | *2.2* | *2.1* | *1.5* |
|  |  |  |  |  |  |  |  |
| *Professional and business services* | *2.5* | *2.7* | *2.8* | *2.7* | *3.1* | *3.3* | *3.0* |
|  |  |  |  |  |  |  |  |
| Public administration, social and personal services | 1.5 | 1.6 | 1.4 | 1.3 | 1.4 | 1.3 | 1.3 |
| *of which:* |  |  |  |  |  |  |  |
| *Social work activities* | *2.9* | *2.8* | *2.5* | *2.1* | *1.8* | *2.1* | *2.6* |
|  |  |  |  |  |  |  |  |
| Manufacturing | 3.9 | 4.0 | 4.0 | 3.8 | 3.2 | 3.2 | 3.3 |
|  |  |  |  |  |  |  |  |
| Construction | 4.5 | 4.2 | 3.9 | 3.7 | 4.1 | 4.2 | 4.4 |
|  |  |  |  |  |  |  |  |
| Overall\* | 3.0 | 3.0 | 3.0 | 2.8 | 2.9 | 3.0 | 3.1 |
|  | (3.1) | (3.0) | (2.8) | (2.9) | (3.0) | (3.0) | (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 | Q2 | Q3 |
|  |  |  |  |  |  |  |  |
| Higher-skilled segment | 2.1 | 2.1 | 2.2 | 2.0 | 2.2 | 2.3 | 2.0 |
|  |  |  |  |  |  |  |  |
| Managers | 1.3 | 1.5 | 1.7 | 1.7 | 2.0 | 2.1 | 1.7 |
|  |  |  |  |  |  |  |  |
| Professionals | 2.0 | 1.6 | 1.8 | 1.6 | 1.9 | 1.7 | 1.7 |
|  |  |  |  |  |  |  |  |
| Associate professionals | 2.7 | 2.9 | 2.8 | 2.5 | 2.7 | 2.9 | 2.4 |
|  |  |  |  |  |  |  |  |
| Lower-skilled segment^ | 3.2 | 3.2 | 2.8 | 2.8 | 2.9 | 3.1 | 3.2 |
|  |  |  |  |  |  |  |  |
| Clerical support workers | 3.3 | 3.1 | 2.9 | 3.3 | 3.4 | 3.7 | 3.5 |
|  |  |  |  |  |  |  |  |
| Service and sales workers | 3.8 | 3.6 | 3.0 | 3.0 | 3.2 | 3.4 | 3.6 |
|  |  |  |  |  |  |  |  |
| Craft and related workers | 4.3 | 4.1 | 3.9 | 3.8 | 4.0 | 4.0 | 4.0 |
|  |  |  |  |  |  |  |  |
| Plant and machine operators and assemblers | 2.4 | 2.3 | 1.9 | 2.3 | 2.1 | 2.4 | 2.5 |
|  |  |  |  |  |  |  |  |
| Elementary occupations | 2.5 | 2.6 | 2.3 | 1.9 | 2.0 | 2.2 | 2.3 |

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 | Q2 | Q3 |
| Age |  |  |  |  |  |  |  |
| 15-24 | 7.8 | 9.4 | 10.2 | 8.5 | 9.8 | 8.2 | 11.3 |
| *of which:* |  |  |  |  |  |  |  |
| *15-19* | *9.6* | *11.2* | *11.5* | *9.2* | *8.1* | *9.8* | *15.2* |
|  |  |  |  |  |  |  |  |
| *20-24* | *7.6* | *9.2* | *10.0* | *8.4* | *10.0* | *8.0* | *10.7* |
|  |  |  |  |  |  |  |  |
| 25-29 | 4.5 | 4.0 | 4.4 | 4.5 | 4.6 | 4.4 | 4.7 |
|  |  |  |  |  |  |  |  |
| 30-39 | 2.5 | 2.3 | 2.2 | 2.1 | 2.1 | 2.4 | 2.3 |
|  |  |  |  |  |  |  |  |
| 40-49 | 2.4 | 2.5 | 2.3 | 2.2 | 2.2 | 2.7 | 2.4 |
|  |  |  |  |  |  |  |  |
| 50-59 | 3.2 | 2.9 | 2.8 | 2.6 | 3.0 | 2.9 | 2.9 |
|  |  |  |  |  |  |  |  |
| ≥ 60 | 2.2 | 2.4 | 2.2 | 2.1 | 2.3 | 2.4 | 2.4 |
| Educational attainment |  |  |  |  |  |  |  |
| Primary education and below | 2.4 | 2.4 | 1.9 | 2.3 | 1.9 | 2.4 | 2.5 |
|  |  |  |  |  |  |  |  |
| Lower secondary education | 4.2 | 3.9 | 3.3 | 3.6 | 2.9 | 3.7 | 3.5 |
|  |  |  |  |  |  |  |  |
| Upper secondary education^ | 2.9 | 3.1 | 2.6 | 2.5 | 3.0 | 2.8 | 3.1 |
|  |  |  |  |  |  |  |  |
| Post-secondary education | 2.9 | 2.8 | 3.3 | 2.8 | 3.1 | 3.0 | 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 improved in the third quarter. The long-term unemployment rate (i.e. the proportion of persons unemployed for six months or longer in the labour force) edged down by 0.1 percentage point from the preceding quarter to 0.7% in the third quarter. The number of long-term unemployed persons decreased by 12.9% or 4 000 to 27 200. The median duration of unemployment shortened by 16 days to 61 days.

**Underemployment situation**

5.9 The underemployment rate stayed low at 1.2% in the third quarter, same as the preceding quarter. The number of underemployed persons increased by 3.5% or 1 500 to 46 000.

**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 June. 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 declined by 0.2% from three months ago to 2 724 100 in June, and was 0.5% lower than a year earlier. Employment of various industries showed mixed movements when compared with three months ago. Specifically, employment in the industries of real estate, and residential care and social work services increased further, while employment in the industries of education, manufacturing, and retail declined. On a year‑on‑year comparison, decline in employment was largely seen in the industries of import/export trade and wholesale, retail, and cleaning and similar services, whereas employment in many other industries increased, notably for the industry of construction sites (covering manual workers only).

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 | |
|  | Annual |  |  |  |  |  |  |
|  | average | Mar | Jun | Sep | Dec | Mar | Jun |
| 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) | 405 500  (-5.2) |
|  |  |  |  |  |  |  |  |
| 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) | 239 100  (-5.1) |
|  |  |  |  |  |  |  |  |
| 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) | 36 500  (3.7) |
|  |  |  |  |  |  |  | (-0.4) |
| 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) | 223 700  (-0.4) |
|  |  |  |  |  |  |  |  |
| 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) | 164 200  (0.7) |
|  |  |  |  |  |  |  |  |
| 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) | 110 100  (1.2) |
|  |  |  |  |  |  |  |  |
| 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) | 765 300  (-0.6) |
| *of which:* |  |  |  |  |  |  |  |
| *Real estate* | *141 200*  *(0.9)* | *141 800*  *(-1.3)* | *142 000*  *(2.7)* | *142 400*  *(2.8)* | *138 900*  *(-0.5)* | *139 300*  *(-1.8)* | *142 200*  *(0.2)* |
| *Cleaning and similar services* | *82 500*  *(§)* | *82 600*  *(-2.0)* | *83 900*  *(2.7)* | *83 000*  *(-0.2)* | *80 700*  *(-0.6)* | *80 700*  *(-2.3)* | *80 300*  *(-4.3)* |
|  |  |  |  |  |  |  |  |
| 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) | 568 100  (1.5) |
| *of which:* |  |  |  |  |  |  |  |
| *Education* | *214 700*  *(4.0)* | *212 900*  *(3.8)* | *214 200*  *(4.2)* | *214 900*  *(4.5)* | *216 900*  *(3.5)* | *217 800*  *(2.3)* | *213 800*  *(-0.2)* |
| *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)* | *72 700*  *(4.3)* |
|  |  |  |  |  |  |  |  |
| 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) | 75 000  (0.3) |
|  |  |  |  |  |  |  |  |
| 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) | 124 100  (11.8) |
|  |  |  |  |  |  |  |  |
| **All establishments surveyed in the private sector(a)** | **2 731 000**  **(1.7)** | **2 719 800**  **(1.5)**  **[0.7]**  **<0.9>** | **2 738 300**  **(2.4)**  **[0.7]**  **<0.6>** | **2 743 200**  **(2.1)**  **[0.2]**  **<**§**>** | **2 722 800**  **(0.8)**  **[-0.7]**  **<-0.6>** | **2 728 900**  **(0.3)**  **[0.2]**  **<0.4>** | **2 724 100**  **(-0.5)**  **[-0.2]**  **<-0.2>** |
|  |  |  |  |  |  |  |  |
| *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)* | *172 400*  *(-0.2)* |

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 declined by 7.6% from three months ago to 69 440 in June, and was 14.8% lower than a year earlier. Vacancies in a majority of industries declined.

5.13 The manpower balance situation eased further in June. The ratio of job vacancies per 100 unemployed persons declined further to 61 in June from 67 three months ago. Yet, manpower shortage situation remained acute in the human health services sector, and the residential care and social work services sector, with their corresponding ratios exceeding 200.

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

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2023 | | | | | 2024 | |
|  | Annual |  |  |  |  |  |  |
|  | average | Mar | Jun | Sep | Dec | Mar | Jun |
|  |  |  |  |  |  |  |  |
| 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) | 4 480  (6.3) |
|  |  |  |  |  |  |  | (-40.2 |
| 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) | 3 940  (-40.2) |
|  |  |  |  |  |  |  |  |
| 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) | 1 580  (-39.8) |
|  |  |  |  |  |  |  |  |
| 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) | 5 680  (-6.2) |
|  |  |  |  |  |  |  |  |
| 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) | 7 640  (8.7) |
|  |  |  |  |  |  |  |  |
| 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) | 3 040  (0.1) |
|  |  |  |  |  |  |  |  |
| 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) | 17 630  (-13.4) |
| *of which:* |  |  |  |  |  |  |  |
| *Real estate* | *4 540*  *(10.9)* | *4 640*  *(20.2)* | *4 730*  *(13.0)* | *4 360*  *(0.5)* | *4 430*  *(11.1)* | *4 410*  *(-4.9)* | *4 440*  *(-6.0)* |
| *Cleaning and similar services* | *1 800*  *(25.0)* | *1 780*  *(47.6)* | *1 920*  *(62.0)* | *1 840*  *(21.6)* | *1 680*  *(-10.1)* | *1 610*  *(-9.5)* | *1 290*  *(-32.5)* |
|  |  |  |  |  |  |  |  |
| 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) | 20 950  (-19.6) |
| *of which:* |  |  |  |  |  |  |  |
| *Education* | *8 540*  *(17.4)* | *7 990*  *(33.6)* | *9 140*  *(22.8)* | *9 110*  *(15.2)* | *7 920*  *(2.1)* | *7 320*  *(-8.3)* | *6 890*  *(-24.6)* |
| *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)* | *5 050*  *(-7.5)* |
|  |  |  |  |  |  |  |  |
| 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) | 2 510  (1.6) |
|  |  |  |  |  |  |  |  |
| 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) | 1 800  (-34.9) |
|  |  |  |  |  |  |  |  |
| **All establishments surveyed in the private sector(a)** | **78 230**  **(18.5)** | **77 750**  **(44.8)**  **[6.3]**  **<5.4>** | **81 460**  **(30.3)**  **[4.8]**  **<4.0>** | **80 650**  **(7.8)**  **[-1.0]**  **<-7.4>** | **73 070**  **(-0.1)**  **[-9.4]**  **<-1.4>** | **75 180**  **(-3.3)**  **[2.9]**  **<1.7>** | **69 440**  **(-14.8)**  **[-7.6]**  **<-8.1>** |
|  |  |  |  |  |  |  |  |
| *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)* | *19 380*  *(-1.6)* |

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 record decent increases in the second 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 further by 3.7% year-on-year in June. After discounting for *inflation*(7), the average wage rate increased by 1.9% 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 further by 3.5% year-on-year in the second quarter. After discounting for inflation, labour earnings increased by 2.2% 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 growth in the third 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 6.7% in nominal terms or 4.2% in *real terms*(9) in the third quarter. Separately, the median monthly household income (excluding foreign domestic helpers) increased by 0.7% in nominal terms, though it declined by 1.7% in *real terms*(10).

**Highlights of related measures and policy developments**

5.17 In the 2024 Policy Address, the Chief Executive (CE) pledged that the Government will continue to build Hong Kong into an international hub for high-calibre talents. Various measures were announced, including the establishment of the Committee on Education, Technology and Talents to co-ordinate and promote the integrated development of education, technology and talents. Moreover, the Government will also reform various aspects of the talent admission regime, including (i) updating the Talent List to include talents required for development of the “eight centres”; (ii) expanding the list of universities under the Top Talent Pass Scheme to 198 universities by adding 13 top Mainland and overseas universities, and extending the validity period of the first visa of high-income talents under the Scheme from two years to three years; (iii) implementing arrangements to allow a certain number of young and experienced non-degree talents with relevant professional and technical qualifications to apply for entry into Hong Kong under the General Employment Policy and the Admission Scheme for Mainland Talents and Professionals to join the skilled trades facing acute manpower shortage; (iv) introducing a new mechanism to proactively invite top-notch talents to come to Hong Kong for development through the Quality Migrant Admission Scheme; and (v) extending for two years the pilot arrangement for graduates from the campuses of Hong Kong universities in the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) to return and work in Hong Kong under the Immigration Arrangements for Non-local Graduates.

5.18 Separately, the Government will reform the Employees Retraining Board (ERB) and vigorously strengthen the training of local workers. The ERB will enhance its role and positioning to devising skills-based training programmes and strategies for the entire workforce. Starting from early 2025, the ERB will introduce a series of measures to enhance its services, including removing from the eligibility criteria the cap on education level of service recipients, and increasing the total number of annual training places by at least 15 000, among others. In addition, the ERB will formulate an action plan within 2025 for reforming its functions, structure and operation mode as well as consolidating its training resources.

5.19 To enhance the support to youth employment, the Government will continue to enhance the GBA Youth Employment Scheme by relaxing eligibility requirements to allow young people aged 29 or below with sub-degree or higher qualifications to join the scheme, increasing the limit of monthly allowance granted to enterprises to $12,000, and exploring reciprocal arrangements. Moreover, the Youth Employment and Training Programme will be refined by raising the upper age limit for its participants to 29 and providing additional workplace attachment opportunities in the GBA.

5.20 To support working parents, the Government will set up one more aided standalone child care centre (CCC), in addition to the 10 aided standalone CCCs as announced in the 2023 Policy Address, providing a total of about 2 000 additional places for day child care services in phases over the three years from 2024. Service places under the Neighbourhood Support Child Care Project will be increased by 25% to 2 500, with the estimated number of beneficiaries increasing to 25 000.

5.21 The Minimum Wage Commission (MWC) submitted its report on reviewing the Statutory Minimum Wage (SMW) rate to the CE in Council on 31 October 2024, pursuant to the Minimum Wage Ordinance. The CE in Council will at an appropriate time announce its decision after considering MWC’s report. Separately, the Government will implement the new annual review mechanism of SMW endorsed by the CE in Council in April 2024. 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 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).