

# **Report on The employment situation of local Ethnic Minorities (EMs) during the outbreak of Covid-19 epidemic**



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Diocesan Pastoral Centre for Workers-Ethnic  
Minorities Service  
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## Content

<b>1. Introduction</b>	-----P.3
<b>2. Background</b>	-----P.5
<b>3. Objective &amp; Significance</b>	----- P.8
<b>4. Methodology</b>	----- P.9
<b>5. Findings</b>	----- P.10
<b>6. Case Study</b>	----- P.24
<b>7. Discussion</b>	----- P.25
<b>8. Policy Recommendations</b>	----- P.26

## 1. Introduction

The world is being profoundly affected by the global virus pandemic. In order to confront public health crisis, Hong Kong government has implemented unprecedented containment measures. However, it has posed a threat on the majority of economic activity and labor market. Hundred thousand of persons are unemployed due to closure of shops, restaurants and the lockdown of tourism-related activities. Although some of those remains employed, they are taking reduced wages, working lesser hours or on no-paid leave. This leads to the direct result of loss of employment earnings and which may further wreak havoc on family incomes and lead to the general fall of living standards.

According to the latest statistics, the unemployment rate of Hong Kong has reached a record high at 6.4% as a result of Covid-19 crisis, surpassing the peak of 5.5% in the aftermath of the global financial crisis in 2003. The unemployment rate is more prominent in Food and beverage service activities, followed by Construction sector and Retail sector, representing at 14.8%, 11% and 8.6% respectively. The unemployment rate of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) have reached a record high level, combined to 11.2% in July -Sept 2020. <sup>1</sup>

**In times of economic crisis, vulnerable groups are more likely to be disproportionately affected.** Deep rooted economic and social inequities are likely to put them at increased risk of health problems and exposure to job losses. South Asians (SAs) are one of the vulnerable groups in Hong Kong being easily exposed to exploitation and discrimination. Many studies have discovered that SAs in Hong Kong are facing a number of barriers in the labor market, including language barriers, racial discrimination, unequal treatment in working conditions and inability in utilizing employment assistance, job training and re-training services. They also encounter great difficulties in accessing public services due to racial discrimination and cultural insensitivity.

At the early onset of virus outbreak, it is reported that more than 300 Hong Kong residents returned from Pakistan and forced to quarantine 14 days in Chun Yeung Estate. The government was accused of neglecting ethnic minorities' practice of eating Halal food and

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<sup>1</sup> Source: HK Census and Statistics Department (2020). Quarterly Report on General Household Survey Aug to Oct 2020.

refraining from pork. Also, breakfast was delivered to them after sunrise, while dinner came after sunset. This has violated those who fast during daytime in the month of Ramadan. (From 24 April to 23 May 2020) Hong Kong government also turned a blind eye to ethnic minorities when it disseminated information on health protection and quarantine measures. Official information on the pandemic was only published in Chinese and English in the early stage. Though information later becomes available in languages more commonly used by ethnic minority communities, the translation is often incomplete and inaccurate.<sup>2</sup>

In addition, there are growing concerns that ethnic minorities, particularly South Asian groups, are being disproportionately affected in terms of job security. In times of economic downturn caused by Covid-19, the work-related racial inequalities tended to be exacerbated in the labour market, posing an unprecedented impact on their capacity to earn a living .

Catholic Diocesan Pastoral Centre for Workers -Ethnic Minority Service, a subsidiary under the Catholic Commission for Labour Affairs, is dedicated to serving grassroots EM workers and their families. Catholic Diocesan Pastoral Centre for Workers surveyed 83 working SAs, from July to Sept 2020, with the intention of exploring their current employment situation, in particular studying how their jobs are affected by the Covid-19 epidemic. Moreover, the survey examines whether the current welfare programs and relief measures could help them to alleviate their living pressure. We believe that the findings will be meaningful to the government in understanding the current situation of SAs and therefore taking appropriate actions to address their needs in times of Covid-19 crisis.

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<sup>2</sup> STANDNEWS(立場新聞) ◦ Hong Kong's COVID-19 response shows room for greater cultural sensitivity. 27 th, November, 2020. <https://www.thestandnews.com/society/hong-kong-s-covid-19-response-shows-room-for-greater-cultural-sensitivity/>

## 2. Background

### Socio-economic characteristics of Working South Asians

The population of ethnic minorities (EMs) has increased by about 70% over the past decade. Excluding some 390,000 foreign domestic helpers, EM population now stands at about 263,000, making up about 3.8% of the whole population of Hong Kong. **About 30% of them (about 80,000) are South Asians (including Indians, Pakistanis and Nepalese).**

Generally, EMs are more likely to join labor force. According the statistics from By-Census 2016<sup>3</sup>, labor force participation rate of EMs (64.5%) and that of SAs (66.7%) were comparatively higher than that of the whole population in Hong Kong (60.8%). Analyzed by industry category, majority of working SAs (19.1%) were engaged in “Accommodation and food services”, followed by 17.8% in “Import and/ Export wholesale and retail trades” and 14.9% in “Construction”. It is also notable that a large proportion of working Nepalese (30%) and Pakistani (19.7%) were found in Construction sector. Further analyzed by occupation, **a large proportion (30.2%) of SAs was engaged in elementary low-wage occupations, which was nearly 10% more than that of whole working population (20.9%).** In particular, **the proportions of elementary workers among Pakistanis (35.2%) and Nepalese (34.8%) all exceeded 30%.** The median monthly income of the working Pakistanis and Nepalese were HK\$12 750 and \$12 250 respectively. In contrast, the median monthly income of the whole working population in Hong Kong was HK \$15 000.

Because of lower employment earnings resulted from the elementary jobs, the SA group had the highest poverty rate of 23% and many of them lived in a situation of “working poor”.<sup>4</sup>The poverty situation of SAs is associated with their relatively low educational attainment and skill level, which result in poor employment earnings. Meanwhile, it is also attributed by a higher proportion of part-timers and unemployment. With reference to Poverty Report on Ethnic Minorities 2016, the unemployment rate of SAs (5.3%) was relatively high as compared to the whole population (3.7%). The unemployment rate of Pakistanis was the highest at 9.2% among SAs.<sup>5</sup>

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<sup>3</sup> Source: 2016 Population By-census, Population By-census Thematic Report : Ethnic Minorities 2016 and the Hong Kong Poverty Situation Report on Ethnic Minorities 2016

<sup>4</sup> Source: Hong Kong Poverty Situation Report on Ethnic Minorities 2016

<sup>5</sup> Source: *ibid*, pp. 112

Besides, it is not easy for SAs looking for jobs and living in Hong Kong. As evidenced by various studies, most of SAs, especially Pakistanis and Nepalese, not only encounter immense difficulties in seeking local employment, they are also discriminated in workplace. They are more likely to be assigned difficult and dirty jobs or paid less than their local counterparts. Due to language barriers and cultural differences, they are also less likely to have equal access to public services and adequate social protection.<sup>6</sup>

### **Employment support for EM job seekers**

Recently, Hong Kong government has attached much importance to EMs employment situation. In addition to job seeking and interpretation services provided to EMs recently, Labor Department has launched a pilot programme in conjunction with non-governmental organizations(NGOs)<sup>7</sup> to provide one-stop employment services for EM job seekers through a case management approach. NGOs will assist EMs job seekers looking for suitable job vacancies and provide support to their job search. The post-placement follow-up services for EMs and their employers will be provided. The pilot programme is expected to be launched in the second half of 2020.

In 2018, the Steering Committee on Ethnic Minority Affairs was also established to enhance supportive services to EMs in the areas of education, employment, social welfare, cultural and social integration. Many of the measures have been implemented progressively by the government so as to improve the EMs' livelihood and build an inclusive society.<sup>8</sup> For examples, the Constitutional & Mainland Affairs Bureau has improved the Administrative Guidelines on Promotion of Racial Equality which is applied to all government bureaus and departments and related organizations providing services for EMs. The Home Affairs Department (HAD) has also enhanced the translation services in the CHEER Centre.

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<sup>6</sup> Source: Policy 21 Limited and Centre for Civil Society and Governance, University of Hong Kong (2018), A Study on Ethnic Minorities' Awareness and Satisfaction towards Selected Public Services, 12 March 2018.

Chinese YMCA of Hong Kong (2015), 《對本港不同行業聘用少數族裔人士情況之研究》, May 2015.

<sup>7</sup> NGOs are a subgroup of organizations founded by citizens, which include clubs and associations which provide services to its members and others. They are usually nonprofit organizations. In this passage, NGOs mainly refers to those organizations subvented by HK government to provide different kinds of social services to needy group.

<sup>8</sup> Source: The HKSAR Government, "More support for ethnic minorities.". News gov.hk. Retrieved on July 2020 [https://www.news.gov.hk/eng/2019/10/20191027/20191027\\_093632\\_116.html](https://www.news.gov.hk/eng/2019/10/20191027/20191027_093632_116.html)

## **Relief Measures in response to the Covid-19 outbreak**

The outbreak of covid-19 has threatened the livelihood of Hong Kong people. In light of stringent containment measures, many workers are impacted and enterprises are facing high risk of serious disruption. Regarding the impact of these measures on the livelihood of individuals and business operation, the HK Government has rolled out rounds of relief measures under the Anti-epidemic Fund in order to provide assistance to enterprises and members of the public affected by the epidemic to reduce the financial hardship and uncertainties.

The core of the government package is the HK\$86 billion “employment supportive scheme”, which provides subsidies to eligible employers for six months. The amount of wage subsidies is calculated based on 50% of actual wages paid to eligible employees in the “specified month”, with a wage cap at \$18,000 per month. The maximum wage subsidy per employee is \$9,000 per month. However, the scheme has stirred up much controversy. The government is accused of paying no attention to employers who receive subsidies, but still layoff staff and exercise pay cuts. At the result, it does not "safeguard jobs" as the government claims. In addition, most of the relief measures are targeted on enterprises and employers for maintaining business. Employees are not eligible for the application. Moreover, those who work part-time and in non-standard employment are totally neglected in those supportive measures rolled out by the government.

Although most of the measures rolled out by the government under the epidemic fund are targeted on employers and enterprises to maintain business, some measures are available for individual application. Below we list out those measures particularly provide direct subsidies or one-off grants to individuals and employees working in specific sectors hit by the epidemic.

- A subsidy of \$1500 to eligible registered construction workers (1st round anti-epidemic fund)
- A subsidy of \$7,500 to each Registered Construction Worker under the Construction Worker (2nd round anti-epidemic fund)s, registered inspector, registered electrical and mechanical trade practitioner, registered plumber and registered installation contractor
- Hardship allowance of \$1000 for 4 months to frontline property management workers (cleaning and security workers)

- A monthly allowance of \$1000 for 4 months to cleaning and security staff engaged by gov't service contracts
- One-off relief grant of \$10,000 for each school bus driver, school private light bus driver and \$10,000 per vehicle for escorts
- A one-off subsidy of \$1000 to tour service coach driver
- One-off lump-sum subsidy of \$7500 to self- employed persons
- A subsidy of \$5000 to eligible licensee of a hawker license holder
- A one-off relief grant of \$7,500 for each instructor, coach, trainer or operator of interests classes engaged by a school
- One-off grant of \$7500 for freelance workers hired by subvented NGOs to provide training and coaching for service users
- one-off grant of \$7,500 to sports coaches registered under NSAs and SOs
- A monthly subsidy of \$5,000 for six months to travel agents staff and freelance accredited practitioners
- Relaxation the asset limits for able bodied applicants of the CSSA
- Special allowance for eligible working family allowance and student financial assistance households

### **3. Objective & Significance**

Being minorities in Hong Kong, SAs are more likely to face immense difficulties in seeking jobs and more easily deprived of the labor rights and social welfare protection.

Hong Kong is now hard hit by Covid-19 epidemic. **Recent survey has showed that a large number of employees are in critical employment situation during the outbreak of Covid-19 epidemic. In order to take a close look on the current employment and living situation of grass-roots SAs during the outbreak of Covid-19,** we therefore conduct a survey on SAs, with primary objective to shed light on their latest employment situation and in particular, examine how they cope with the economic difficulties in times of unemployment and underemployment. Moreover, the survey studies whether the government relief measures would support them to overcome the economic hardship.

As it is an exploratory research regarding the employment situation of SA employees during the Covid-19 epidemic, the findings will be meaningful and insightful for the government of Hong Kong in practical field. **It can let our chief executive and top officials**

**have more understanding on the plight of SA workers during the virus outbreak and enable them formulate specific policy arrangements and take more focused actions to improve SA working and living condition during the economic downturn caused by the epidemic.**

**The objectives of the survey are summarized as follows.**

- 1) To study their current employment status and how their jobs are affected, by looking into their employment status before and after the Covid-19 outbreak in early February and examining whether they suffer pay-cut, lesser working hours and take no paid leave etc.
- 2) To study how they cope with the economic difficulties while their jobs are affected.
- 3) To examine whether the government relief measures and existing welfare programs would assist them in dealing with economic hardship.

#### **4. Methodology**

A survey design was adopted in this research and convenience sampling method was used. The target of the research is SAs who are at the working age. We focus on those of working age given that they are potentially most at risk during economic crisis. Other criteria for the inclusion of the respondents included: (1) aged 18 or above, (2) Hong Kong resident, living in Hong Kong (3) living with at least one family member.

We approached those target interviewees through Catholic Diocesan Pastoral Centre for Workers (Ethnic Minority Service). They came to the Center mainly for seeking jobs, labor law enquiries and application for food bank service, etc. They were invited to a face-to-face interview while they were available. Sometimes, telephone interviews were made when SAs applicants were inconvenient to answer questionnaires on site.

A pilot test was conducted before the questionnaire was finalized. In order to solve the problem of language barriers, SA helpers were deployed to conduct the interviews with the target interviewees. A training workshop was also organized to enable the SA helpers being familiar with questions made in questionnaire. Data collection was taken place from 1 July to 30 Sept 2020. 83 SA working persons were interviewed. The data was analyzed by the computer software, Statistical Package for Social Science (SPSS).

## 5. Findings

### 5.1 Background details of respondents

In this survey, 83 SAs were interviewed. **57 of 83 (68.7%) respondents were being affected financially because of economic downturn caused by Covid-19 outbreak.** 26 (31.3%) respondents said they were not affected economically.

Among those 57 respondents, more than half of them (31, 54.4%) are Nepalese, followed by Pakistani (24, 42.1%) and Indian (2, 3.5%). Male and female respondents were 49.1% separately. 42.1% had attained a lower secondary education and 26.3% had attained an upper secondary education. 15.8% were at primary level or below. As for age distribution, 28.1% were at 40-45 below, 22.8% at 35-40, 12.3% at 30-35, 22.8% aged 45 or above.

### 5.2 The employment situation of SA respondents is worsened after the outbreak of virus

The survey data shows that the employment situation of respondents worsened sharply after the outbreak of virus. Before the Covid-19 outbreak, 58 respondents were employed full time, however, after the outbreak 18 of them (31%) became unemployed. It is remarkable that even some of them remained employed, 4 (6.9%) of them moved to part-time jobs and 3 (5.2%) of them moved to casual work. (Table 1) It implied that they were suffered from shorter working hours and income reductions. Also, the survey finds that 4 respondents who took part in part-time before the virus outbreak switched in temporary job (1) and became jobless (3).

**Table 1 Employment situation before the Covid-19 outbreak in early Feb by current employment situation**

		Current employment situation					Total
		full- time	part-time	Non- standard employment	Self employed	unemployed	
employment situation before the Covid-19 outbreak in early Feb	full- time	<b>33(56.9%)</b>	<b>4(6.9%)</b>	<b>3(5.2%)</b>	0	<b>18(31%)</b>	58(100%/69.9%)
	part-time	1(12.5%)	3(37.5%)	<b>1(12.5%)</b>	0	<b>3(37.5%)</b>	8(100%/9.6%)
	non-standard employment	1(33.3%)	1(33.3%)	1(33.3%)	0	0	3(100%/3.6%)
	self-employed	0	0	0	1(100%)	0	1(100%/1.2%)
	unemployed	3(23.1%)	1(7.7%)	0	0	9(69.2%)	13(100%/15.7%)
Total		38(45.8%)	9(10.8%)	5(6%)	1(1.2%)	30(36.1%)	83(100%/100%)

By conducting a correlation analysis, it unveils that a large proportion of unemployed SA respondents who employed full time previously worked in hard hit sectors. This is consistent with current job market situation. The data shows that most of unemployed respondents were engaged in construction sector (38.8%) previously, followed by accommodation and food service (33.3%) sector and retail sector (11.1%). (Table 2) Further analyzed by occupation, most of them were engaged in “elementary occupations”, they were construction workers (27.8%), cook / waiter / waitress / kitchen helper (22.2%) and shop keepers (22.2%). (Table 3) The findings confirmed that the Covid-19 brought a widespread disruption of work in specific sectors and led to falling consumer demand, employees working in construction sector and retail sector are more vulnerable to job losses as the result.

**Table 2 Job by industry at the time before outbreak by current employment situation**

Job by industry before the outbreak		Country of Origin (no. of case)	Current employment situation unemployed
Construction - foundation and superstructure	full- time	Nepalese (2)	2(11.1%)
Construction - decoration, repair and maintenance	full- time	Nepalese (2) Pakistani (2)*	5(27.7%)
Retail	full- time	Pakistani (2)	2(11.1%)
Accommodation and food service	full- time	Nepalese (6)	6(33.3%)
Transportation and storage	full- time	Pakistani (1)	1(5.6%)
Real estate	full- time	Nepalese (1)	1(5.6%)
Other service	Full-time	Nepalese (1)	1(5.6%)
		17	18(100%)

\*1 missing value

Analyzed by unemployed status and country of origin, the survey shows that **Nepalese encountered a severe employment situation, as compared with Pakistani.** Among 17 unemployed respondents, who worked full time previously, 70.6% (12) were Nepalese and among them 11 were female. **This is mainly due to the fact that more female Nepalese worked in hard hit sectors including accommodation and food services, retail and health services.** (Table 2)

**Table 3 Occupation of main employment before outbreak by current employment situation**

		Current employment situation
Occupation of main employment before outbreak		unemployed
cook / waiter / waitress / kitchen helper	full- time	<b>4(22.2%)</b>
cleaning workers	full-time	1(5.6%)
construction worker	full- time	<b>5(27.8%)</b>
security guard	full- time	1(5.6%)
mechanics / repairer / plumber / craft worker and related worker	full- time	2(11.1%)
shopkeeper / shop assistant / salesperson	full- time	<b>4(22.2%)</b>
Housekeeper	full- time	1(5.6%)
<b>Total</b>	full- time	18(100%)

**Table 4 Current employment situation**

		Frequency	Valid Percent	Cumulative Percent
Valid	full- time	38	45.8	45.8
	part-time	9	10.8	56.6
	non standard	5	6.0	62.7
	self-employed	1	1.2	63.9
	unemployed	30	36.1	100.0
	Total	83	100.0	

### **5.3 One- third of respondents are unemployed and more than 40 % are being dismissed or layoffs**

Out of 83 respondents, **one-third of respondents (36.1%) were unemployed at the time of interview.** 10.8% said they were working part-time, while 6% were engaged in non-standard employment such as casual work or temporary work, which are jobs without standard working hours and days or employed in day-to-day basis. (Table 4)

When asked whether the current employment situation was affected by economic downturn caused by the outbreak of Covid-19, **68.7% (57) agreed their employment situation was affected by economic downturn caused by outbreak of Covid-19.** (Table 5) Among them, **more than 40% (40.4%) respondents were being dismissed or layoffs after the virus outbreak.**

15.8 % were forced to work shorter hours and earn less, 10.5 % took no paid leave. 17.5% said that they confronted difficulties in seeking jobs after the outbreak. (Table 5) **The findings reflects that the pandemic has brought tremendous damages to economic condition and led to immediate and massive loss of jobs and working hours of SAs.**

**Table 5 Job status brought by economic downturn caused by Covid-19**

		Frequency	Valid Percent
Valid	pay-cut	5	8.8
	<b>forced to work shorter hours and earn less</b>	9	15.8
	no paid leave	6	10.5
	<b>layoffs</b>	5	<b>8.8</b>
	<b>dismissed / terminated by employers</b>	18	<b>31.6</b>
	<b>more difficult in seeking jobs</b>	10	<b>17.5</b>
	resigned as need to take care of children at home	1	1.8
	no tourists no business	1	1.8
	contract terminated, not renewed	2	3.5
	Total	57	100.0
Missing	not affected (Finish questionnaire)	26	
Total		83	

**5.4 Most of respondents coping the financial difficulties by spending less on food**

Facing income reductions resulted from job loss and underemployment, 30.2% and 22.6% respondents said they spent less on food and daily expenditure, and on leisure activities respectively, while 17% said they borrowed money from friends and relatives. It is remarkable that **less than 6% of respondents had sought help from subvented NGOs (4.7%) and government departments (0.9%), reflecting SAs tend to be self-reliance and prefer seeking help among their communities rather than from government.** (Table 6)

**Table 6 Coping strategies in times of economic hardship**

		Responses		Percent of Cases
		N	Percent	
	<b>borrow money form friends and relatives</b>	18	<b>17.0%</b>	31.6%
	borrow money from loan company	2	1.9%	3.5%
	<b>spending less on food and daily expenditure</b>	32	<b>30.2%</b>	56.1%
	<b>spending less on leisure activities</b>	24	<b>22.6%</b>	42.1%
	cut extra-curricular activities for children	10	9.4%	17.5%
	seek help form NGOs	5	4.7%	8.8%
	send family members back to home country	2	1.9%	3.5%
	do more than one jobs	3	2.8%	5.3%
	seek help from government and applied for CSSA	1	.9%	1.8%
	No answer	9	8.5%	15.8%
Total		106	100.0%	186.0%

\*106 responses

### **5.5 The majority of respondents have heavily family burden**

The survey data shows that 51.2% of total 83 SA respondents were the sole breadwinner who earn the money from main employment to meet the family basic needs. **Analyzed by current employment status, it discloses that 15 out of 29 (51.7%) unemployed SAs were the main breadwinner in the family.** (Table 7) It implies that loss of employment earnings of such SA group will pose a serious challenge to their family finances and children' welfare, due to absences of income sources from other household members.

**Table 7 Current employment status by whether a main income source of the family**

			Main income source of family		
			Yes	No	Total
Current employment situation	full- time	Count	17	19	36
		% within "current employment situation"	47.2%	52.8%	100.0%
	part-time	Count	3	6	9
		% within "current employment situation"	33.3%	66.6%	100.0%
	non standard employment	Count	5	0	5
		% within "current employment situation"	100.0%	.0%	100.0%
	self-employed	Count	1	0	1
		% within "current employment situation"	100.0%	.0%	100.0%
	unemployed	Count	15	14	29
		% within "current employment situation"	<b>51.7%</b>	48.2%	100.0%
Total		Count	41	33	80
		% within "current employment situation"	<b>51.2%</b>	48.8%	100.0%

3 missing values

While looking into household size of respondents, **nearly half of total 57 respondents (59.7%) lived in larger households, from 4-person family to a family with more than 7 members. Analyzed by employment status, it shows that nearly 86% unemployed SAs came from large households with more than 4 family members**, implying that they have more dependent members and have greater family burden. Coupled with loss of employment incomes and higher percentage of them being a single-earner in the family, it can imagine that those SA families are suffered from severe financial problems. (Table 8)

**Table 8 Household size by current employment situation**

			Household Size								Total
			1	2	3	4	5	6	7	more than 7	
Current employment situation	full-time	Count	2	3	0	7	1	2	0	1	16
		% within "current situation"	12.5%	18.8%	.0%	43.8%	6.3%	12.5%	.0%	6.3%	100.0%
	part-time	Count	0	1	1	2	2	0	1	0	7
		% within "current situation"	.0%	14.3%	14.3%	28.6%	28.6%	.0%	14.3%	.0%	100.0%
	non standard employment	Count	0	1	2	0	1	1	0	0	5
		% within "current situation"	.0%	20.0%	40.0%	.0%	20.0%	20.0%	.0%	.0%	100.0%
	self-employed	Count	0	0	0	0	1	0	0	0	1
		% within "current situation"	.0%	.0%	.0%	.0%	100.0%	.0%	.0%	.0%	100.0%
	unemployed	Count	0	4	9	4	6	5	0	0	28
		% within "current situation"	.0%	14.3%	32.1%	14.3%	21.4%	17.9%	.0%	.0%	100.0%
	Total	Count	2	9	12	13	11	8	1	1	57
		% within "current situation"	3.5%	15.8%	21.1%	22.8%	19.3%	14.0%	1.8%	1.8%	100.0%

**5.6 Nearly 56% of respondents not benefited from gov’t relief measures**

In order to help people to overcome economic hardship brought by containment measures implemented by the government, the Chief executive had rolled out relief measures under Anti-epidemic fund so as to grant one-off subsidies to specific sectors and individuals. The survey finds that **only 40.4% SA respondents had received cash support under Anti-epidemic fund and over half of respondents (56.1%) did not benefit from any relief measures provided by the government.** (Table 9) Among 32 of those who did not benefited from gov’t epidemic fund, 37.8% said that they were not heard of those relief measures, while 32.4% said that they were not eligible for applying the gov’t relief measures and 10.8% didn’t know how to apply. (Table 10) **The relatively large proportion of respondents being unaware of those relief measures may be attributed to insensitivity of SAR government to announce those measures in EM languages in the early stage and as the result they didn’t know how to apply for them.**

**Table 9 Have respondents benefited from gov’t relief measures**

		Frequency	Valid Percent
Valid	Yes	23	40.4
	No	32	56.1
	don't know / no answer	2	3.5
	Total	57	100.0
Missing	System	26	
Total		83	

**Table 10 The reasons why respondents did not apply for gov't relief measures**

		Responses		Percent of Cases
		N	Percent	
	<b>not hear of those relief measures</b>	14	<b>37.8%</b>	43.8%
	don't know Chinese and English	1	2.7%	3.1%
	<b>don't know how to apply</b>	4	<b>10.8%</b>	12.5%
	<b>application procedure is too complicated</b>	3	<b>8.1%</b>	9.4%
	unable/ fail to provide necessary document(s), eg. employer endorsement letter	2	5.4%	6.3%
	Not eligible	12	<b>32.4%</b>	37.5%
	No answer	1	2.7%	3.1%
Total		37	100.0%	115.6%

Among 23 (40.4%) respondents who had received subsidies under Anti-epidemic fund, **a large proportion of them benefited from subsidies offered to individuals working in construction-related occupations**, like registered construction workers (45.2%) and workers (50.0%) registered with the Electrical & Mechanical Services, the Building, the Water Supplies and the Fire Services Departments. **Only 2.4% respondents applied for special allowance for eligible working family allowance and student financial assistance households.** (Table 11) From the experience of EM center, most of working male EM had been registered in Construction Industry Council as licensed workers for easier to get jobs in construction-related industries. This may account for the majority of the respondents being benefited from this particular fund.

**Table 11 Type of measures that respondents had benefited**

		Responses		Percent of Cases
		N	Percent	
	a subsidy of \$1500 to eligible registered construction workers (1 st round anti-epidemic fund)	19	45.2%	82.6%
	a subsidy of \$7,500 to each Registered Construction Worker under the Construction Worker (2nd round anti-epidemic fund)s, registered inspector, registered electrical and mechanical trade practitioner, registered plumber and registered installation	21	50.0%	91.3%
	special allowance for eligible working family allowance and student financial assistance households	1	2.4%	4.3%
	no answer / don't know	1	2.4%	4.3%
Total		42	100.0%	182.6%

42 responses

**5.7 Nearly 80% disagreed the gov't fund could help to deal with economic hardship**

The survey finds that out of 23 respondents who had received subsidies under epidemic fund, **nearly 80% (78.3%) respondents disagreed it could help them to overcome the economic hardship.** (Table 12) The result is not surprising because the government only provided one-off grants to employees, in which the amount is not sufficient for individuals and their family to sustain their basic living over a long period time of unemployment or underemployment.

**Table 12 Do you agree the relief measures would help you to deal with the economic hardship**

		Frequency	Valid Percent	Cumulative Percent
Valid	Totally disagree	7	30.4	30.4
	Disagree	11	47.8	78.3
	Fair	1	4.3	82.6
	Agree	2	8.7	91.3
	Totally Agree	2	8.7	100.0
	Total	23	100.0	
Missing	System	60		
Total		83		

**5.8 Most of the respondents did not applied for WFA and CSSA even though they encountered economic difficulties caused by Covid-19**

The survey reveals that 77.8% and 91.1% respondents didn't apply for Working Family Allowance (WFA) and Comprehensive Social Security Assistance (CSSA) scheme respectively even though they were suffered from economic difficulties in times of virus outbreak.(Table 13) It is largely attributed by their unawareness of these measures provided by the government, reflecting by 66.7% and 56.9% said they did not hear of WFA and CSSA accordingly. (Table 14) Regarding the application of CSSA, the survey shows that a total of 13.7% SA respondents said their assets (3.9%) and income (9.8%) exceeded the limits set by CSSA. **The findings reconfirms that CSSA is only available for the needy. People who are involuntarily unemployed and encounter immediate financial hardship are required to exhaust their household savings before application.**

Meanwhile, it is noteworthy that a total of 15.7% SA respondents did not prefer to apply CSSA (11.1%) and pointed out that "It is only for handicapped and elderly person" (3.9%). It

indicates that SAs are more likely to achieve self-reliance through employment and are less dependent on cash assistance. (Table 14)

**Table 13 Did respondents in financial difficulties applying for WFA and CSSA**

		WFA Frequency (%)	CSSA Frequency(%)
Valid	Yes	11 (20.4%)	3(5.4%)
	No	<b>42(77.8%)</b>	<b>51(91.1%)</b>
	we are recipient(s) already	1(1.9%)	2(3.6%)
	Total	54(100%)	56(100%)
Missing	99	3	1
	System	26	26
	Total	29	27
Total		83	83

**Table 14 Why didn't respondents apply for WFA and CSSA in time of financial difficulties**

		Responses(WFA)		Responses(CSSA)	
		N	Percent of cases	N	Percent of cases
	<b>not hear of it</b>	28	<b>66.7%</b>	29	<b>56.9%</b>
	cannot read and write Chinese and English	1	2.4%	1	2%
	don't know how to apply	4	<b>9.5%</b>	2	3.9%
	No body help in application	1	2.4%	-	-
	application procedure is too complicated	3	<b>7.1%</b>	6	<b>11.8%</b>
	<b>not eligible - over asset limit</b>	3	7.1%	2	<b>3.9%</b>
	<b>not eligible - over income limit</b>	3	7.1%	5	<b>9.8%</b>
	<b>Don't prefer to apply</b>	-	-	6	<b>11.8%</b>
	<b>It is only for handicapped and elderly person</b>	-	-	2	<b>3.9%</b>
	Others	2	4.8%	-	-
	no answer	2	4.8%	1	1.9%(2%)
Total		47		54	

**5.9 41% respondents have applied for food bank service in time of economic difficulties**

41.1% SA respondents have applied for food bank services in our EM center in time of economic difficulties. It implies that they are more willing to receive food service to cope with their daily needs while they are facing immediate financial hardship and sudden change.

**Table 15 Have respondents applied for food bank services from subvented NOGs**

		Frequency	Valid Percent
Valid	No	33	58.9
	yes	23	<b>41.1</b>
	Total	56	100.0
Missing	99	1	
	System	26	
	Total	27	
Total		83	

**5.10 Less than 15% of respondents applied subsidies from private sector**

The survey data shows that only 14% SA respondents have applied for subsidies from private sector, namely Community Chest Anti-NPC Rainbow Fund, emergency fund from Zubin Foundation. A relatively low percentage of SAs applying for private fund may be owing to their unawareness of local service and social resources, causing by language barriers and lack of access to relevant information.

**Table 16 Have respondents applied for subsidies from private sector**

		Frequency	Valid Percent
Valid	yes	8	14.0
	No	49	86.0
	Total	57	100.0
Missing	System	26	
Total		83	

## **6. Case Study**

### **Ms I's story**

Underprivileged groups have long struggled to live in Hong Kong, Ms I and her family has been suffered during the Covid-19 pandemic. Ms I and her family have been living in HK for more than 23 years. She is now residing in a Public Rental Housing with her husband and 4 unmarried children. 1 married daughter with a baby is also living on the same premises. Besides the eldest son, 3 children are receiving full time education. Ms I's husband is paralyzed few years ago and unable to work. Ms I came to our EM office for student

At the early onset of virus, Ms I did not know what happened and she only got the health information from her children. Also, they did not have enough protective masks and hand sanitizers. In order to limit the usage, Ms I had to use her scarf instead when she went to the market and hospital with her husband. The school closure also made her children hard to keep up studies at home as they lack of computers and internet access. They only managed to study online through mobile phones.

Ms I's eldest son, 24, has been working full-time in a company for four years as an operator in call centre with a basic salary of HKD 11000-13000. He is responsible for attending telephone calls and answering enquires. During Covid-19, he was on no pay leave for few months because of shutdown of industry. He worked in Food Panda to survive during no-pay leave time period. The income earned from delivery worker was much less than that of telephone operator. Both parents, 3 unmarried siblings, one married sibling with a daughter are dependent on the eldest son who is working. Due to the larger family size, combined with a single-earner household, Ms I suffered from heavy financial burden. They have no other income source. Facing economic difficulties, Ms I had to deploy her savings to support the family and spent as less as she could in daily necessities. At the same time, she came to our EM center for food bank service. She estimated that the savings could only cover the income loss for 2 to 3 months. Ms I had no options but wanted to apply CSSA once the savings used up. But his son was not willing to take CSSA as he believed that he could able to manage the family expenditures.

As mother and housewife, Ms I felt very worried and exhausted in face of her family difficulties. She did not know what to do and could not control her emotion. But “God” is her major source of strength and energy. She believes “whatever the situation is, it will get better very soon.” Fortunately, his son has resumed the job at the same place after pandemic situation gets better.

### **Mr. K’ story**

Mr. K, Pakistan, has been living in Hong Kong for 15 years. He is now living in Private rental flat with her wife and 3 children. He was a construction worker before pandemic, earning HKD 16000 per month. He was unemployed from the period of November 2019 to January 2020. Mr K has Lumbar pain which makes him more difficult to go to work some days as construction work requires more physical strength. Mr. K found it very difficult to seek jobs due to language barrier, particularly in times of economic downturn because of virus outbreak. Eventually, he found another part-time job. But it was not full time and was on-call basis and salary was paid accordingly. Mr. K is the only breadwinner in the family. The salary earned from a part-time job was not sufficient for him to manage the need of the whole family. In order to curb expenditures, Mr. K needed to cut the food expenses, buy less snacks for kids, take out the kids from tutorial class.

Even though the Hong Kong government has rolled out some measures to help the public to deal with economic hardship, Mr. K did not aware of any measures and supportive services from Hong Kong government. With the referral from friend, Mr. K came to Catholic EM center to get food. Mr. K did not want to take CSSA, he would rather find a new job. The school closure also added burden to Mr. K’s family. They needed to please the kids, stop them from going out due to covid-19. “ It surely adds burden physically and mentally.” said Mr. K. He felt totally depressed. By looking at unemployment situation and his health condition, he did not feel like his financial situation will get better.

## 7. Discussions

It is regrettably a common phenomenon that some ethnic minorities, especially the socially under-privileged groups, tend to confront problems of employment and accessibility to social welfare services in mainstream societies. In times of economic downturn, they are likely to be affected disproportionately due to deep rooted racial inequalities. They are more difficult to change jobs and seek new jobs than local counterparts.

From the above findings, we find that SAs are severely affected by Covid-19 outbreak. A number of full-time SA respondents became jobless or moved to non-standard employment involuntarily after the outbreak of virus. Most of them were engaged in construction sector and accommodation and food service which were hard hit by epidemic. The unemployment rate was more obvious in the case of female Nepalese, in which most of them took part in elementary occupations like construction workers, kitchen helpers and shopkeepers. The result also reflected that job opportunities for EMs are rare and they are too concentrated in specific industries.

In addition, more than one-third of respondents were unemployed at the time of interview and in which 68.7% said their employment situation was affected by economic downturn caused by outbreak of Covid-19. A large proportion of them were being dismissed or layoffs, and some of them encountered difficulties in seeking jobs. The findings reflects that the pandemic has brought tremendous damages to economic condition and led to massive and immediate loss of jobs and working hours of SAs.

Facing income reductions resulted from unemployment and loss of working hours, they tended to spend less on daily expenditure and on leisure activities. But they seldom seek help from the government and NGOs. It should be noted that more than half of unemployed SA respondents were the sole breadwinner from larger households with more dependent members. The loss of employment earnings of such SA group would probably pose an enormous threat to their family finances and children' welfare, due to lack of income sources from other household members.

The government has rolled out relief measures under Anti-epidemic fund since early April. The study reveals that over half of SA respondents did not benefit from any measures because

they were unaware of those benefits. Some reported that were not eligible for application. Also, most of the respondents did not apply for WFA and CSSA even though they were under financial pressure. Majority of respondents indicated they were unaware of such measures, while a number of them said that they were unwilling to apply for CSSA and prefer to earn a living through employment. The findings reconfirms that SAs are more likely to achieve self-reliance through employment and are less dependent on welfare assistance. But it is noteworthy that numbers of SA respondents had applied for food bank services in face of financial difficulties. It implies that food service is critical for them to relieve their pressure on daily expenditure while they are facing economic hardship and sudden change, provided that they are less willing to depend on social welfare.

## **8. Policy Recommendations**

### **A. Investing in and promoting Food Bank service tailored to EM groups**

There are four NGOs commissioned by the government to provide short-term Food Assistance Service to individuals or families who have difficulties in coping with daily food expenditure or have encountered sudden change and facing immediate financial hardship due to unemployment or accidents. In times of economic downturn caused by Covid-19, the service is really a timely measure to address the daily needs of underprivileged groups. We suggest that the government should invest in food bank services tailored to EMs and promote it proactively in EM languages and among their communities. We propose that NGOs suppliers of food service should provide EM applicants with food menu catered their special needs. Items like flour, Basmati rice, tea powder, evaporated milk for making tea, oil and different kinds of beans and so forth should be included in order to accommodate the dining culture of EMs.

### **B. Enhanced Employment supporting services**

In light of the deteriorating economic situation, the number of labour disputes and claims over dispute on wages, also the incidents of unlawful termination of contract are likely to be increased. Meanwhile, the unemployment rate jumps high due to poor economic performance. Regrettably, the job opportunities of SAs are rare and most of them were

engaged in construction sector and accommodation and food service which were hard hit by epidemic. Therefore, Labour Department should take up a more proactive role in labour right protection and should adopt enhancement measures to further strengthen the EM employability. We suggest the LD

1. Disseminate information on labour rights, benefits and also employment claims to EM groups and through their community networks. More importantly, the information should be made available in EM languages.
2. Take reference to the “Youth Employment and Training Programme” to provide retention allowances to ethnic minorities who undergo and complete employment programme, thereby stabilizing employment.
3. Work closely with potential employers, engaging with them to open up vacancies to ethnic minorities and also collaborate with the business sector to explore more diversified range of job opportunities to ethnic minorities, especially in the field where there is a shortage of manpower.
4. To launch incentive and supportive schemes for employers to hire ethnic minority jobseekers. Allowances should be made available to employers to support them in making adaptations and accommodations when they hire ethnic minorities, e.g. translation of internal notices, instructions and safety precautions.
5. Promote the newly launch pilot programme for ethnic minority jobseekers proactively so as to address EMs timely employment needs effectively

### **C. Providing More Training Courses taught in English**

Vocational Training Council (VTC) offers dedicated vocational and training programme to non- Chinese speaking youth and adults to meet their training needs. However, it is concerned that many skill training courses, like programme in engineering and trade tests in certain industries are conducted in Chinese. We propose VTC should open up more training courses to be taught in English so as to broaden the learning horizon of non-Chinese speaking youth. At the same time, we propose Employees Retraining Board (ERB) to collaborate with Construction Industry Council (CIC) to open up programmes for EM adults and engage with employers of construction sector to explore more job opportunities provided to EMs.

#### **D. Providing updated statistics on employment and poverty situation of EMs**

The government released the Hong Kong Poverty Situation Report on Ethnic 2016 since 2018, which analyzed in detail the poverty situation of EMs. We suggest that the government should conduct such report on EM employment and poverty situation regularly in order to provide an updated statistics and in addition to facilitate continuous monitoring of their employment and poverty situation, thereby addressing the specific needs of different ethnic groups having regard to their unemployment and poverty rates.

#### **E. Establishing an unemployment assistance**

Although the government has introduced a wide range of relief measures to reduce the financial hardship general public impacted by the epidemic, those measures are mostly aimed at keeping business operation. The government is indifferent to the vulnerable groups who are impacted by epidemic. We urge the government to establish unemployment assistance in order to provide directly cash support to persons who have been affected by the epidemic and become unemployed, underemployed or take no-paid leave, so they do not need to apply for CSSA or exhaust their savings to meet the eligibility criteria.

We propose the amount of benefits is calculated based on 80% of actual employment income earned previously. The maximum amount of benefits is capped at \$19000<sup>9</sup>. The duration of unemployment benefits is limited to 3 months. In the long run, the government should set up the unemployment Insurance system to protect the persons who are involuntarily unemployed and prevent them from falling into poverty.

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<sup>9</sup> \$19 000 is current medium income of the main employment of an individual.

Source: Census and Statistics Department. Quarterly Report on General Household Survey (April to June (Q2) of 2020)