

# Unemployment and underemployment statistics for December 2018 – February 2019

According to the latest labour force statistics (i.e. provisional figures for December 2018 – February 2019) released today (March 19) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate stood at 2.8% in December 2018 – February 2019, same as that in November 2018 – January 2019. The underemployment rate decreased from 1.1% in November 2018 – January 2019 to 1.0% in December 2018 – February 2019.

Comparing December 2018 – February 2019 with November 2018 – January 2019, movements in the unemployment rate (not seasonally adjusted) in different industry sectors varied, but were generally small in magnitude. Movements in the underemployment rate also varied, with a relatively notable decrease observed in the construction sector.

Total employment decreased by around 5 900 from 3 872 600 in November 2018 – January 2019 to 3 866 700 in December 2018 – February 2019. Over the same period, the labour force also decreased by around 5 200 from 3 974 400 to 3 969 200.

The number of unemployed persons (not seasonally adjusted) increased by around 700 from 101 800 in November 2018 – January 2019 to 102 500 in December 2018 – February 2019. Over the same period, the number of underemployed persons decreased by around 1 900 from 42 200 to 40 300.

## Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market remained in full employment in December 2018 – February 2019. The seasonally adjusted unemployment rate remained unchanged at 2.8%, while the underemployment rate edged down by 0.1 percentage point to 1.0%."

"When compared to the preceding three-month period, movements in unemployment rates varied across sectors, but were mostly small in magnitude. Meanwhile, a visible decline in the number of underemployed persons was seen in the construction sector. When compared with a year earlier, the unemployment situation in many major service sectors improved, notably in the retail, and accommodation and food services sectors amid the sustained expansion in inbound tourism."

Looking ahead, Dr Law said, "The labour market is expected to stay tight in the near term. Nevertheless, the Government will stay vigilant to the external uncertainties and monitor the potential impact on the local labour market closely."

He noted that the Labour Department (LD) has adopted a series of on-going measures to promote the employment of elderly persons. These include setting up special counters at job centres to provide priority registration and job referral services for elderly job seekers, organising tailor-made employment briefings for them, setting up a dedicated webpage for elderly job seekers on the Interactive Employment Service website and enhancing the functions of the vacancy search terminals to facilitate their access to employment information and search for suitable vacancies.

On large-scale job fairs, the LD will co-organise the Hong Kong International Airport Career Expo 2019 with the Airport Authority Hong Kong from May 31 to June 2 at the Hong Kong Convention and Exhibition Centre. Ample vacancies involving the aviation industry and airport operation will be provided. In addition, industry-based or district-based job fairs are regularly organised at the LD's industry-based recruitment centres and job centres located across the territory.

#### Further information

The unemployment and underemployment statistics were compiled from the findings of the continuous General Household Survey.

The survey for December 2018 – February 2019 covered a sample of some 25 000 households or 74 000 persons, selected in accordance with a scientifically designed sampling scheme to represent the population of Hong Kong.

Data on labour force characteristics were obtained from the survey by interviewing each member aged 15 or over in the sampled households.

In the survey, the definitions used in measuring unemployment and underemployment follow closely those recommended by the International Labour Organization.

Detailed analysis of labour force characteristics is given in the "Quarterly Report on General Household Survey" which is published four times a year. The latest issue of the publication contains statistics for the quarter October – December 2018 while the next issue covering the quarter January – March 2019 will be available by end-May 2019. Users can download this publication free of charge at the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=B1050001](http://www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=B1050001)).

For enquiries about labour force statistics, please contact the Household Statistics Analysis Section of the C&SD (Tel: 2887 5508 or email: [ghs@censtatd.gov.hk](mailto:ghs@censtatd.gov.hk)).

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## Composite Interest Rate: End of February 2019

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (March 19) the composite interest rate at the end of February 2019.  $0.80\%$

The composite interest rate, which is a measure of the average cost of funds of banks, decreased by 3 basis points to 0.80 per cent at the end of February 2019, from 0.83 per cent at the end of January 2019 (see Chart 1 in the Annex). The decrease in composite interest rate reflected declines in the weighted funding cost for deposits during the month (see Chart 2 in the Annex).

The historical data of the composite interest rate from the end of the fourth quarter of 2003 to the end of February 2019 are available in the Monthly Statistical Bulletin on the HKMA website ([www.hkma.gov.hk](http://www.hkma.gov.hk)). The next data release is scheduled for April 18, 2019 and will provide the composite interest rate at the end of March 2019.

The composite interest rate is a weighted average interest rate of all Hong Kong dollar interest bearing liabilities, which include deposits from customers, amounts due to banks, negotiable certificates of deposit and other debt instruments, and Hong Kong dollar non-interest bearing demand deposits on the books of banks. Data from retail banks, which account for about 90 per cent of the total customers' deposits in the banking sector, are used in the calculation. It should be noted that the composite interest rate represents only average interest expenses. There are various other costs involved in the making of a loan, such as operating costs (e.g. staff and rental expenses), credit cost and hedging cost, which are not covered by the composite interest rate.

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## Electrical equipment seller convicted of five charges under Product Eco-responsibility Ordinance

EasyTalk Group Company Limited was convicted and fined \$6,500 at Fanling Magistrates' Courts today (March 19) on five charges of contravening the Product Eco-responsibility Ordinance (PERO) when selling a television set. In addition to this case, six other electrical equipment sellers suspected of

violating the PERO are scheduled for hearings in March and April.

A spokesman for the Environmental Protection Department (EPD) said a complaint was received in August last year about a customer purchasing a television set from EasyTalk Group Company Limited through the instant messaging application WhatsApp. Staff of the company claimed that the EPD would collect the used television set for recycling in several days. However, the customer was later requested to make the removal arrangements himself after the purchase. During investigation, EPD enforcement officers found that the seller not only did not arrange the statutory removal service for the complainant, but also did not have a removal service plan (RSP) endorsed by the EPD and did not provide recycling labels as well as a receipt containing the prescribed wording according to the Regulation.

The spokesman explained that according to the PERO, which came into effect on August 1 last year, when distributing regulated electrical equipment (REE), sellers must have an RSP endorsed by the EPD and proactively inform consumers of the sellers' obligation for the provision of a free statutory removal service as well as the relevant removal terms in writing. Moreover, sellers must arrange a free removal service for consumers to dispose of the same type of waste equipment and provide a recycling label and a receipt containing the prescribed wording when distributing REE.

The spokesman reminded all sellers (including physical stores and those selling through the Internet or phones), that they must not make false statements to consumers or offer them a removal service that is contravening the law with a view to avoiding the relevant liabilities and charging consumers for the removal service. Otherwise, they may contravene the PERO. First-time offenders are liable to a maximum fine of \$5,000 to \$100,000. A maximum fine of \$10,000 to \$200,000 may be imposed on second or subsequent convictions.

The spokesman urged members of the public to make a report to the EPD immediately if they find any seller not conforming to the aforementioned requirements when they purchase electrical and electronic equipment. The EPD will take strict enforcement action against sellers who violate the PERO.

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## [SCMA to attend Conghua Racecourse Exhibition Raceday opening ceremony in Guangzhou](#)

The Secretary for Constitutional and Mainland Affairs, Mr Patrick Nip, will depart for Conghua, Guangzhou, in the afternoon on March 22 (Friday) to accompany the Chief Executive, Mrs Carrie Lam, in attending the opening ceremony of the Exhibition Raceday at Conghua Racecourse the next day (March

23) to be held by the Hong Kong Jockey Club in collaboration with the Conghua District Government.

Mr Nip will return to Hong Kong in the evening on March 23. During his absence, the Under Secretary for Constitutional and Mainland Affairs, Mr Andy Chan, will be the Acting Secretary for Constitutional and Mainland Affairs.

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## **Effective Exchange Rate Index**

The effective exchange rate index for the Hong Kong dollar on Tuesday, March 19, 2019 is 103.2 (same as yesterday's index).