Illegal worker jailed

A Pakinstani illegal worker holding a recognisance form was jailed at Shatin Magistrates' Courts on December 24.

Immigration Department (ImmD) investigators received a referral from the Hong Kong Police Force to further investigate an illegal employment case in September. Enforcement officers arrested one male Pakinstani worker, aged 25, conveying goods in Kwun Tong. Upon identity checking, he was found to be a holder of a recognisance form issued by ImmD, which prohibits him from taking employment, and further investigation revealed that he was a non-refoulement claimant. An employer suspected of employing the illegal worker was arrested and the investigation is ongoing.

The illegal worker was charged at Shatin Magistrates' Courts on December 24 with taking employment after landing in Hong Kong unlawfully and remaining in Hong Kong without the authority of the Director of Immigration or while being a person in respect of whom a removal order or deportation order was in force. He pleaded guilty to the charge and was sentenced to 18 months' imprisonment.

The ImmD spokesman warned that, as stipulated in section 38AA of the Immigration Ordinance, illegal immigrants or people who are the subject of a removal order or a deportation order are prohibited from taking any employment, whether paid or unpaid, or establishing or joining in any business. Offenders are liable upon conviction to a maximum fine of \$50,000 and up to three years' imprisonment. The Court of Appeal has issued a guideline ruling that a sentence of 15 months' imprisonment should be applied in such cases.

The spokesman reiterated that it is a serious offence to employ people who are not lawfully employable. The maximum penalty is imprisonment for three years and a fine of \$350,000. The High Court has laid down sentencing guidelines that the employer of an illegal worker should be given an immediate custodial sentence. According to the court sentencing, employers must take all practicable steps to determine whether a person is lawfully employable prior to employment. Apart from inspecting a prospective employee's identity card, the employer has the explicit duty to make enquiries regarding the person and ensure that the answers would not cast any reasonable doubt concerning the lawful employability of the person. The court will not accept failure to do so as a defence in proceedings. It is also an offence if an employer fails to inspect the job seeker's valid travel document if the job seeker does not have a Hong Kong permanent identity card. The maximum penalty for failing to inspect such a document is imprisonment for one year and a fine of \$150,000.

Under the existing mechanism, the ImmD will, as a standard procedure, conduct initial screening of vulnerable persons, including illegal workers, illegal immigrants, sex workers and foreign domestic helpers, who are arrested during any operation with a view to ascertaining whether they are

trafficking in persons (TIP) victims. When any TIP indicator is revealed in the initial screening, the officers will conduct a full debriefing and identification by using a standardised checklist to ascertain the presence of TIP elements, such as threat and coercion in the recruitment phase, and the nature of exploitation. Identified TIP victims will be provided with various forms of support and assistance, including urgent interference, medical services, counselling, shelter, temporary accommodation and other supporting services. The ImmD calls on TIP victims to report crimes to the relevant departments.

External merchandise trade statistics for November 2018

The Census and Statistics Department (C&SD) released today (December 27) the external merchandise trade statistics for November 2018. In November 2018, the value of Hong Kong's total exports of goods decreased by 0.8%, whereas the value of imports of goods increased by 0.5% over a year earlier.

In November 2018, the value of total exports of goods decreased by 0.8% over a year earlier to \$364.3 billion, after a year-on-year increase of 14.6% in October 2018. Concurrently, the value of imports of goods increased by 0.5% over a year earlier to \$409.3 billion in November 2018, after a year-on-year increase of 13.1% in October 2018. A visible trade deficit of \$45.0 billion, equivalent to 11.0% of the value of imports of goods, was recorded in November 2018.

For the first 11 months of 2018 as a whole, the value of total exports of goods rose by 8.6% over the same period in 2017. Concurrently, the value of imports of goods increased by 10.0%. A visible trade deficit of \$511.7 billion, equivalent to 11.8% of the value of imports of goods, was recorded in the first 11 months of 2018.

Comparing the three-month period ending November 2018 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods decreased by 1.4%. Meanwhile, the value of imports of goods decreased by 3.6%.

Analysis by country/territory

Comparing November 2018 with November 2017, total exports to Asia as a whole dropped by 3.6%. In this region, decreases were registered in the values of total exports to some major destinations, in particular India (-29.1%), Vietnam (-8.7%), Taiwan (-5.3%) and the mainland of China (the Mainland) (-5.0%). On the other hand, increases were recorded in the values of total exports to Thailand (+26.8%), Malaysia (+25.1%), Singapore (+20.4%) and Japan (+3.9%).

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular the United Kingdom (+12.1%) and the USA (+5.0%). Concurrently, a decrease was registered in the value of total exports to Germany (-4.9%).

Over the same period of comparison, increases were registered in the values of imports from some major suppliers, in particular Malaysia (+29.4%), Singapore (+19.4%), the USA (+6.3%) and the Mainland (+1.0%). Concurrently, decreases were recorded in the values of imports from Korea (-24.7%), the Philippines (-15.4%) and Taiwan (-14.0%).

For the first 11 months of 2018 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in particular Thailand (+12.1%), Singapore (+11.8%), the Mainland (+10.4%), the Netherlands (+9.5%), the USA (+9.0%) and Vietnam (+6.7%). However, a year-on-year decrease was registered in the value of total exports to India (-13.1%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Malaysia (+71.4%), Korea (+14.4%), Singapore (+9.8%), the USA (+9.0%), the Mainland (+9.0%) and Taiwan (+6.7%). On the other hand, a year-on-year decrease was registered in the value of imports from India (-13.2%).

Analysis by major commodity

Comparing November 2018 with November 2017, decreases were registered in the values of total exports of some principal commodity divisions, in particular "non-metallic mineral manufactures" (by \$4.7 billion or -26.7%), "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$0.6 billion or -0.4%) and "textile yarn, fabrics, made-up articles and related products" (by \$0.5 billion or -10.8%). However, an increase was registered in the value of total exports of "professional, scientific and controlling instruments and apparatus" (by \$1.0 billion or 12.0%).

Over the same period of comparison, increases were registered in the values of imports of some principal commodity divisions, in particular "petroleum, petroleum products and related materials" (by \$2.7 billion or 38.1%), "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$2.4 billion or 1.7%) and "power generating machinery and equipment" (by \$1.2 billion or 21.4%). However, a decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$3.7 billion or -4.9%).

For the first 11 months of 2018 as a whole, year-on-year increases were registered in the values of total exports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$205.3 billion or 16.3%), "office machines and automatic data processing machines" (by \$46.0 billion or 12.6%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$30.2 billion or 16.1%). However, a year-on-year decrease was registered in the value of total exports of "non-metallic

mineral manufactures" (by \$19.5 billion or -10.8%).

Over the same period of comparison, year-on-year increases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$199.8 billion or 14.0%), "office machines and automatic data processing machines" (by \$65.3 billion or 20.5%) and "petroleum, petroleum products and related materials" (by \$24.9 billion or 38.0%).

Commentary

A Government spokesman noted that the performance of merchandise trade has been volatile over the past few months. The value of merchandise exports, after a notable pick-up in October, eased sharply to show a modest year-on-year decline in November. Exports to the major advanced economies including the US grew by various degrees, but the performance of other markets was mixed.

Looking ahead, merchandise exports could be subject to pressures as global economic growth continues to moderate. Despite the recent cooling of the US-Mainland trade tensions following the agreement reached in early December, the situation is still fluid and may add to the downside risks. The Government will continue to monitor the situation closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for November 2018. Table 2 presents the original monthly trade statistics from January 2015 to November 2018, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for November 2018 are shown in Table 4, whereas the values of imports of goods from 10 main suppliers are given in Table 5.

Tables 6 and 7 show the values of total exports and imports of 10 principal commodity divisions for November 2018.

All the merchandise trade statistics described here are measured at current prices and no account has been taken of changes in prices between the periods of comparison. A separate analysis of the volume and price movements of external merchandise trade for November 2018 will be released in mid-January 2019.

The November 2018 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in November 2018 and will be available in mid-January 2019. Users can download the publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp).

Enquiries on merchandise trade statistics may be directed to the Trade Analysis Section (2) of the C&SD (Tel: 2582 5042).

<u>Task Force on Review of Self-financing</u> <u>Post-secondary Education submits</u> <u>review report to EDB</u>

The Task Force on Review of Self-financing Post-secondary Education submitted its review report to the Education Bureau today (December 27).

The Chairman of the Task Force, Professor Anthony Cheung said, "Over the past year or so, the Task Force has looked into issues pertinent to the development of the self-financing post-secondary education sector including the role of the sector, the regulatory regime and support for the sector, and the future of sub-degree education. The Task Force has made reference to the practices in other economies and considered the views of stakeholders and members of the public collected through a two-month public consultation launched in end June 2018."

He added that the review report is themed "Parallel Development, Promoting Diversity" and it re-affirms the Government policy of supporting the parallel development of the publicly funded and self-financing post-secondary education sectors, as the policy is conducive to encouraging the growth and diversity of higher education in Hong Kong.

The Task Force has made a total of 13 recommendations in its report, including the need to set a clear policy on the development of self-financing post-secondary education; more sharply differentiating the positioning of associate degree and higher diploma qualifications; strengthening support for self-financing post-secondary institutions and students; and forging a reformed and unified regulatory framework. A list of the recommendations is at the Appendix.

Having received the review report, the Secretary for Education, Mr Kevin Yeung said, "I would like to thank the Chairman, Professor Anthony Cheung, and all of the members of the Task Force deeply for their hard work and contribution to the review. Since its appointment in October 2017, the Task Force has engaged relevant stakeholders widely in conducting a thorough review of various key issues pertaining to the future development of self-financing post-secondary education sector.

"The Task Force has set a clear direction for the development and positioning of the self-financing sector. The review has suitably incorporated key stakeholders' views as well as drawn reference to practices outside Hong Kong. The Education Bureau will study the review report and consider its recommendations in detail for mapping out the way forward."

The full review report can be viewed on the EDB's website

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Thursday, December 27, 2018 is 105.1 (down 0.1 against Monday's index).

Waste statistics for 2017 published

The Environmental Protection Department (EPD) today (December 27) published the report "Monitoring of Solid Waste in Hong Kong — Waste Statistics for 2017", presenting the 2017 statistics on disposal and recovery/recycling of solid waste generated in Hong Kong, which includes municipal solid waste (MSW) (comprising domestic, commercial and industrial waste), overall construction waste and special waste.

Overall, the quantity of MSW generated in 2017 was 5.75 million tonnes, an annual increase of 0.9 per cent. Domestic MSW generation dropped by 1.9 per cent, suggesting that members of the public have gradually become more aware of reduction of waste at source. Commercial and industrial MSW generation continued to rise, with an annual increase of 4.1 per cent.

In 2017, the average daily quantity of solid waste disposed of at landfills was 15 516 tonnes, representing an increase of 1.2 per cent compared with 2016. Regarding MSW, the average daily quantity of disposal at landfills was 10 733 tonnes in 2017, representing an increase of 3.7 per cent compared with 2016.

As far as the per capita MSW disposal rate per day is concerned, the 2017 figure was 1.45 kilograms, up from 1.41kg in 2016. The increase in the MSW disposal rate was partly caused by an increase in the amount of commercial and industrial waste being disposed of, which was partly attributable to a vibrant local economy in 2017.

Looking at the figures by waste type, non-ferrous metals and glass disposal dropped by 16 per cent and 12 per cent respectively. However, paper disposal increased by 13 per cent and food waste disposal rose by 1.7 per cent.

Regarding special waste, following the commencement of the Sludge Treatment Facility (T \cdot PARK) in Tuen Mun in April 2015 to treat dewatered sewage sludge from major sewage treatment works managed by the Drainage

Services Department, the disposal quantity of dewatered sludge has recorded a cumulative reduction of 88 per cent compared with 2014. However, due to the increase in dewatered sludge originating from other sources, the quantity of special waste being disposed of at landfills in 2017 increased by 1.9 per cent compared with 2016.

Regarding construction waste, the recovery rate of inert construction materials delivered to public fill reception facilities and other outlets remained at a high level of 92 per cent in 2017. The disposal of overall construction waste at landfills registered a decrease of 4.9 per cent compared with 2016. It could be partly attributable to the increase in construction waste disposal charges effective from April 2017 to ensure that the charge can create sufficient incentive for the trade to reduce and reuse construction and demolition materials and reduce disposal.

Hong Kong relies heavily on service industries, and hence has very limited capacity to utilise raw or recycled materials in local production. The value of and outlets for local recyclables have long been dictated by the condition of the market outside Hong Kong. The challenging condition of the market outside Hong Kong for recyclables that has persisted in recent years, together with stricter import controls imposed by nearby jurisdictions, has continued to affect the overall performance of the recycling industry. The MSW recovery rate was 32 per cent in 2017, lower than the 34 per cent of 2016. However, the voluntary glass bottle recycling programme funded by the Environment and Conservation Fund has led to an 18.4 per cent increase in the recovery of waste glass in 2017 compared to 2016.

An EPD spokesman said that the Government will continue to work at full steam in implementing the "Hong Kong: Blueprint for Sustainable Use of Resources 2013-2022". In her Policy Address announced in October this year, the Chief Executive emphasised that the implementation of MSW charging is central to the Government's overall waste reduction strategy. MSW charging will provide the necessary financial incentives to drive behavioural and cultural changes, and to encourage different sectors of the community to proactively practise waste reduction at source and clean recycling, thus reducing overall waste disposal. In Seoul and Taipei City, waste disposal dropped by some 30 per cent in the initial period after quantity-based waste charging was introduced. This demonstrates that a charging scheme can reduce waste effectively. The Government introduced the amendment bill into the Legislative Council (LegCo) for scrutiny in November 2018. After passage of the legislation, there will be a preparatory period of about 12 to 18 months to allow the Government, stakeholders and the public to prepare for the implementation of MSW charging.

The EPD will continue to implement various policies to promote waste reduction, including implementing the two producer responsibility schemes (PRSs) on waste electrical and electronic equipment (WEEE) and glass beverage containers. Regarding food waste, the largest component in MSW, the Organic Resources Recovery Centre Phase 1 (0 \cdot Park 1), which can process up to 200 tonnes of food waste per day, commenced operation in July 2018. The Organic Resources Recovery Centre Phase 2, which can process up to 300 tonnes of food waste per day, will commence operation in 2022, subject to the progress of

funding approval by LegCo. Furthermore, the EPD has been planning to gradually implement "Food Waste — Sewage Sludge Anaerobic Co-digestion" at existing and future Sewage Treatment Works, with a view to raising the total food waste recycling quantity as soon as possible. The EPD will also roll out a free collection service for food waste initially from commercial and industrial sources on a pilot basis.

The EPD is actively supporting the development of the local waste paper recycling industry to reduce the reliance on export to dispose of local waste paper. The EPD recently awarded a lease for four adjacent lots in EcoPark to develop a local waste paper recycling and manufacturing plant capable of processing about 300 000 tonnes a year. The plant will commence design and construction in 2019 and is planned to commence operation around 2022. The EPD is also actively working with other bureaux and departments to identify suitable long-term and short-term sites for developing more recycling facilities to support local recycling activities. The Government will continue to support the recycling industry through various Recycling Fund programmes, and to strengthen the promotion of a "clean recycling" culture in order to enhance the quality, as well as the competitiveness of local waste paper in the export market.

The Policy Address also announced that various actions will be taken to tackle the challenges of waste plastic. Among others, the Government will press ahead with the introduction of the PRS on plastic beverage containers, review the operation of the plastic shopping bag charging scheme and roll out a free collection service for waste plastics from non-commercial and non-industrial sources on a pilot basis. Furthermore, the EPD will carry out a consultancy study in 2018/19 to study the feasibility of introducing regulatory control on the use of disposable plastic tableware in future, as well as the relevant mainstream proposals. Meanwhile, the Government will take the lead in reducing the use of disposable plastic tableware at canteens and restaurants in government venues.

The report and "Hong Kong 2017 Municipal Solid Waste — At a Glance" are both available in electronic format and can be obtained from the EPD website at www.wastereduction.gov.hk/en/assistancewizard/waste_red_sat.htm.