

Unemployment and underemployment statistics for April – June 2018

According to the latest labour force statistics (i.e. provisional figures for April – June 2018) released today (July 19) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate stood at 2.8% in April – June 2018, same as that in March – May 2018. The underemployment rate also remained unchanged at 1.0% in the two periods.

Comparing April – June 2018 with March – May 2018, movements in the unemployment rate (not seasonally adjusted) and underemployment rate in different industry sectors varied, but were generally small in magnitude.

Total employment increased by around 4 900 from 3 864 900 in March – May 2018 to 3 869 800 in April – June 2018. Over the same period, the labour force also increased by around 5 000 from 3 977 200 to 3 982 200.

The number of unemployed persons (not seasonally adjusted) in April – June 2018 was 112 400, about the same as that in March – May 2018 (112 300). The number of underemployed persons in April – June 2018 was 41 400, also about the same as that in March – May 2018 (41 000).

Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong, said, "Labour market stayed tight in April – June 2018, with the seasonally adjusted unemployment rate holding steady at 2.8%. The underemployment rate likewise remained unchanged at 1.0%. Total employment sustained solid growth on a year-on-year basis."

"Changes in jobless rates for most sectors were minimal when compared to the preceding three-month period. On a year-on-year comparison to net out seasonal fluctuations, most of the major service sectors witnessed improvement in unemployment situation, particularly so in the trade- and tourism-related industries such as import and export trade, retail, and accommodation services."

Looking ahead, Dr Law said, "In the near term, the overall labour market is expected to remain tight on the back of a vibrant local economy. Yet, we will stay vigilant to the evolving external uncertainties and monitor their 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, such as 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 the elderly, 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 stage the Kowloon West Job Fair on August 9 and 10 at the Lai Kok Community Hall in Cheung Sha Wan. About 40 employers would participate, offering around 3 400 vacancies from various industries. The LD will also organise the Job Fair for Middle-aged and Elderly Employment on September 20 and 21 at the Tuen Mun Town Hall. 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 April – June 2018 covered a sample of some 25 000 households or 75 000 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 January – March 2018 while the next issue covering the quarter April – June 2018 will be available by end August 2018. 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).

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).

Volume and price statistics of external merchandise trade in May 2018

Further to the external merchandise trade statistics in value terms for May 2018 released earlier on, the Census and Statistics Department (C&SD) released today (July 19) the volume and price statistics of external merchandise trade for that month.

In May 2018, the volume of Hong Kong's total exports of goods increased by 12.9% over May 2017. Concurrently, the volume of imports of goods increased by 13.5%.

Comparing the first five months of 2018 with the same period in 2017, the volume of Hong Kong's total exports of goods increased by 8.1%. Concurrently, the volume of imports of goods increased by 9.3%.

Comparing the three-month period ending May 2018 with the preceding three months on a seasonally adjusted basis, the volume of total exports of goods increased by 2.6%. Concurrently, the volume of imports of goods increased by 2.5%.

Changes in volume of external merchandise trade are derived from changes in external merchandise trade value with the effect of price changes discounted.

Comparing May 2018 with May 2017, the prices of total exports of goods increased by 2.8%. Concurrently, the prices of imports of goods increased by 2.9%.

As regards price changes in the first five months of 2018 over the same period in 2017, the prices of total exports of goods increased by 2.4%. Concurrently, the prices of imports of goods increased by 2.5%.

Price changes in external merchandise trade are reflected by changes in unit value indices of external merchandise trade, which are compiled based on average unit values or, for certain commodities, specific price data.

The terms of trade index is derived from the ratio of price index of total exports of goods to that of imports of goods. Compared with the same periods in 2017, the index decreased by 0.1% in both May 2018 and the first five months of 2018.

Changes in the unit value and volume of total exports of goods by main destination are shown in Table 1.

Comparing May 2018 with May 2017, double-digit increases were recorded for the total export volume to the mainland of China (the Mainland) (+15.6%) and Japan (+10.3%). Concurrently, the total export volume to the USA increased by 9.1%. On the other hand, the total export volume to Taiwan and India decreased by 2.0% and 21.4% respectively.

Over the same period of comparison, the total export prices to the USA, the Mainland, Japan and Taiwan increased by 3.2%, 3.2%, 2.6% and 1.0% respectively. On the other hand, the total export prices to India decreased by 2.1%.

Changes in the unit value and volume of imports of goods by main supplier are shown in Table 2.

Comparing May 2018 with May 2017, the import volume from Korea and Taiwan increased significantly, by 33.6% and 21.2% respectively. Concurrently, the import volume from Singapore, the Mainland and Japan increased by 18.2%, 15.2% and 6.9% respectively.

Over the same period of comparison, the import prices from all main suppliers increased: Korea (+7.2%), the Mainland (+2.8%), Singapore (+2.8%), Japan (+2.3%) and Taiwan (+1.3%).

Further information

Details of the above statistics are published in the May 2018 issue of "Hong Kong Merchandise Trade Index Numbers". Users can download the publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp?productCode=B1020006).

Enquiries on merchandise trade indices may be directed to the Trade Analysis Section (1) of the C&SD (Tel: 2582 4918).

Composite interest rate: End of June 2018

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

The Hong Kong Monetary Authority (HKMA) announced today (July 19) the composite interest rate at the end of June 2018.*

The composite interest rate, which is a measure of the average cost of funds of banks, increased by 16 basis points to 0.62% at the end of June 2018, from 0.46% at the end of May 2018 (see Chart 1 in the Annex). The rise in composite interest rate reflected increases in the weighted funding costs for both deposits and interbank funds, partly as a result of initial public offering straddling the month end (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 June 2018 are available in the Monthly Statistical Bulletin on the HKMA website (www.hkma.gov.hk). The next data release is scheduled for August 17, 2018 and will provide the composite interest rate at the end of July 2018.

* 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% 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.

CFS finds Salmonella in sample of dry noodles

The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department announced today (July 19) that a sample of dry noodles with chicken in chili sauce was found to contain a pathogen, Salmonella. The CFS is following up on the case.

"Following up on a food complaint, the CFS collected the sample of dry noodles from a food premises in Sai Wan Ho for testing. The test result showed the presence of Salmonella in 25 grams of the sample, exceeding the criterion of the Microbiological Guidelines for Food which states that Salmonella should not be detected in 25 grams of food sample," a CFS spokesman said.

The spokesman said that the CFS had notified the food premises concerned of the unsatisfactory test result and instructed it to stop selling the concerned food item immediately. The CFS has also provided health education on food safety and hygiene to the person-in-charge and staff of the food premises, and requested it to review and improve the food production process and carry out thorough cleaning and disinfection.

"Salmonella infection may cause fever and gastrointestinal upset such as vomiting, abdominal pain and diarrhoea. The effects on infants, young children, the elderly and patients with a weak immune system could be more severe and may even lead to death," the spokesman said.

The CFS will continue to follow up on the incident and take appropriate action to safeguard food safety and public health.

SLW visits LD and SWD front-line offices (with photos)

The Secretary for Labour and Welfare (SLW), Dr Law Chi-kwong, visited front-line offices of the Labour Department (LD) and the Social Welfare Department (SWD) in North Point Government Offices this morning (July 19) to learn more about their operations and services.

He first went to the LD's North Point Job Centre and was briefed on its employment and recruitment services for job seekers and employers respectively, including job registration, employment advisory services, district-based job fairs and various job search facilities. He tried out the Job Easy touch-screen Vacancy Searching Terminal to see how it assists job seekers to look for vacancies and apply to employers directly.

Over 121 000 private sector vacancies were received by the LD in June. The LD offers a wide range of employment and recruitment services to job seekers and employers through a total of 13 job centres and three industry-based recruitment centres across the territory. To address the difficulties that may be encountered by job seekers with special needs during job search or employment, employment briefings are organised at job centres to help them better understand the latest situation of the employment market and improve job search skills.

Dr Law also visited the SWD's Causeway Bay Social Security Field Unit (SSFU) to get an update on its caseload and workflow of the handling of applications for Comprehensive Social Security Assistance (CSSA) and Social Security Allowance (SSA). He noted that the 41 SSFUs across the territory now handle over 1.14 million cases per month. He said he was glad to note that, along with the overall local unemployment rate staying low, the number of unemployed CSSA recipients and low-earnings cases in June had decreased by 8.4 per cent and 17.1 per cent respectively year-on-year.

As of the end of June, some 900 000 of 1.2 million elderly persons aged 65 or above in Hong Kong were receiving CSSA or SSA. Among them, about 120 000 were receiving Old Age Living Allowance (OALA) while some 373 000 were receiving Higher OALA. The Government has launched a series of measures to strengthen retirement protection and the Higher OALA can further support elderly persons with more financial needs, he said.

Dr Law then proceeded to the SWD's Adoption Unit to understand its efforts in finding permanent and stable homes for children whose parents are unable or unwilling to take care of them. The unit provides counselling for parents in need and assists them to complete the relinquishment procedure for arranging their children for adoption, and arranges local, overseas or privately arranged adoption as appropriate.

Two secondary school students enrolled under the "Be a Government Official for a Day" programme to shadow the SLW also joined the front-line

visits to gain experience of the SLW's work and understand more about welfare initiatives and public services closely related to people's livelihood.

