

## LegCo committee meetings

The following is issued on behalf of the Legislative Council Secretariat:

The meeting of the Legislative Council (LegCo) Finance Committee originally scheduled at 3pm tomorrow (June 22) in Conference Room 1 of the LegCo Complex will start at 4pm.

Meanwhile, the LegCo Public Accounts Committee will hold a closed meeting at 11.45am tomorrow in Conference Room 4 of the LegCo Complex.

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## Consumer Price Indices for May 2018

The Census and Statistics Department (C&SD) released today (June 21) the Consumer Price Index (CPI) figures for May 2018. According to the Composite CPI, overall consumer prices rose by 2.1% in May 2018 over the same month a year earlier, larger than the corresponding increase (1.9%) in April 2018. Netting out the effects of all Government's one-off relief measures, the year-on-year rate of increase in the Composite CPI (i.e. the underlying inflation rate) in May 2018 was 2.4%. This increase was larger than that in April 2018 (2.2%), mainly due to the enlarged increases in the charges for package tours and private housing rentals.

On a seasonally adjusted basis, the average monthly rate of increase in the Composite CPI for the three-month period from March to May 2018 was 0.1%, and that for the three-month period from February to April 2018 was 0.2%. Netting out the effects of all Government's one-off relief measures, the average monthly rate of increase in the Composite CPI for the three-month period from March to May 2018 was 0.2%, and that for the three-month period from February to April 2018 was 0.3%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 2.3%, 2.0% and 1.9% respectively in May 2018, as compared to 2.2%, 1.8% and 1.7% respectively in April 2018. Netting out the effects of all Government's one-off relief measures, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 2.6%, 2.4% and 2.2% respectively in May 2018, as compared to 2.5%, 2.2% and 2.0% respectively in April 2018.

On a seasonally adjusted basis, for the three-month period from March to May 2018, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were 0.1%, 0.1% and virtually nil respectively. The corresponding rates of change for the three-month period from February to April 2018 were 0.3%, 0.2% and 0.2%. Netting out the effects of all Government's one-off relief measures, the average monthly rates of increase

in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the three-month period from March to May 2018 were 0.2%, 0.2% and 0.1% respectively, and the corresponding rates of increase for the three-month period from February to April 2018 were 0.4%, 0.4% and 0.3% respectively.

Amongst the various CPI components, year-on-year increases in prices were recorded in May 2018 for food (excluding meals bought away from home) (4.7% in the Composite CPI and 4.4% in the CPI(A)); electricity, gas and water (3.4% in the Composite CPI and 3.6% in the CPI(A)); meals bought away from home (3.0% in the Composite CPI and 3.1% in the CPI(A)); housing (2.0% in the Composite CPI and 2.2% in the CPI(A)); clothing and footwear (1.4% in the Composite CPI and 1.6% in the CPI(A)); miscellaneous services (1.4% in the Composite CPI and 0.9% in the CPI(A)); transport (1.2% in the Composite CPI and 1.1% in the CPI(A)); miscellaneous goods (1.1% in the Composite CPI and 1.8% in the CPI(A)) as well as alcoholic drinks and tobacco (0.2% in the Composite CPI and 0.3% in the CPI(A)).

On the other hand, year-on-year decrease in prices was recorded in May 2018 for durable goods (-2.3% in both the Composite CPI and CPI(A)).

Taking the first five months of 2018 together, the Composite CPI rose by 2.3% over a year earlier. The corresponding increases in the CPI(A), CPI(B) and CPI(C) were 2.5%, 2.2% and 2.2%. Netting out the effects of all Government's one-off relief measures, the Composite CPI, CPI(A), CPI(B) and CPI(C) rose by 2.4%, 2.6%, 2.3% and 2.3% respectively in the first five months of 2018 over a year earlier.

For the three months ended May 2018, the Composite CPI rose by 2.2% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 2.4%, 2.1% and 2.1% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.4%, 2.6%, 2.4% and 2.3% respectively.

For the 12 months ended May 2018, the Composite CPI was on average 2.0% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.2%, 1.8% and 1.9%. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.0%, 2.2%, 1.9% and 2.0% respectively.

## Commentary

A Government spokesman said that consumer price inflation remained moderate in May, though picking up somewhat from the earlier part of the year amid favourable economic conditions.

The spokesman commented further that, looking forward, inflationary pressure will likely go up in the period ahead, in view of the robust economic conditions and continued feed-through of earlier rises in fresh-letting residential rentals. Nevertheless, inflation should stay within a moderate range for the year as a whole. The Government will continue to monitor the situation closely, particularly the impact on the lower-income people.

## Further information

The CPIs and year-on-year rates of change at section level for May 2018 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after removing the effects of Government's one-off relief measures are shown in Table 2. For discerning the latest trend in consumer prices, it is also useful to look at the changes in the seasonally adjusted CPIs. The corresponding time series on the average monthly rates of change during the latest three months for the seasonally adjusted CPIs are shown in Table 3. The rates of change in the original and the seasonally adjusted Composite CPI and the underlying inflation rate are presented graphically in Chart 1.

More detailed CPI data (including year-on-year comparison, month-to-month comparison, seasonally adjusted data series and the CPIs by the Classification of Individual Consumption According to Purpose (COICOP)) are available in the monthly reports. Users can download the May 2018 issue of the "Monthly Report on the Consumer Price Index" ([www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001](http://www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001)), the time series of CPIs at a detailed level ([www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600001](http://www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600001)), the time series of CPIs at the COICOP division level ([www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600002](http://www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600002)) and the time series of CPIs after netting out the effects of all Government's one-off relief measures ([www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600003](http://www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600003)) free of charge at the website of the C&SD.

For enquiries about the CPIs, please contact the Consumer Price Index Section of the C&SD (Tel: 3903 7374 or email: [cpi@censtatd.gov.hk](mailto:cpi@censtatd.gov.hk)).

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## [Employment and vacancies statistics for March 2018](#)

According to the figures released today (June 21) by the Census and Statistics Department (C&SD), total employment in the private sector surveyed increased by 1.1% or 30 900 persons in March 2018 compared with a year earlier. The total number of vacancies was 76 880, representing an increase of 9% or 6 420 over the preceding year.

### Employment statistics

In March 2018, the selected industries as a whole employed 2 867 400 persons. The import and export trade engaged 478 000 persons, followed by the professional and business services (excluding cleaning and similar services) engaging 300 200 persons, the retail trade 271 000 persons, and the food and

beverage services 246 600 persons.

Employment increased in many surveyed industries compared with a year earlier. Increases in employment were mainly recorded in the industries of human health services (3.3% or 4 000 persons), accommodation services (covering hotels, guesthouses, boarding houses and other establishments providing short-term accommodation) (3.1% or 1 200 persons), professional and business services (excluding cleaning and similar services) (2.7% or 7 900 persons), construction sites (manual workers only) (2.6% or 3 100 persons), and financing and insurance (2.5% or 5 700 persons). On the other hand, employment decreased mainly in the industries of manufacturing (-3.9% or -3 600 persons), and cleaning and similar services (-1.5% or -1 200 persons). Employment figures for selected major industries are shown in Table 1.

#### Vacancies statistics

Among the 76 880 private sector vacancies, 12 030 were from the industry of food and beverage services, 8 110 from retail trade, 7 670 from professional and business services (excluding cleaning and similar services), 6 290 from import and export trade, and 6 090 from financing and insurance.

Vacancies increased in majority of the selected industries in March 2018 over a year earlier. Increases were mainly observed in the industries of human health services (1 640 or 99%), professional and business services (excluding cleaning and similar services) (750 or 11%), financing and insurance (710 or 13%), and retail trade (570 or 8%). On the other hand, vacancies decreased mainly in the industry of cleaning and similar services (-190 or -9%). Job vacancies figures for selected major industries are shown in Table 2.

Analysed by major occupation category, private sector vacancies were observed mainly in the categories of service and sales workers (23 740 vacancies), associate professionals (14 670 vacancies), elementary occupations (13 870 vacancies), and clerical support workers (9 190 vacancies). Job vacancies figures by major occupation category are shown in Table 3.

#### Seasonally adjusted statistics

For discerning the latest trend in employment and vacancies in the private sector, it is useful to look at changes over a three-month period in the respective seasonally adjusted figures. Compared with December 2017, the seasonally adjusted total employment and total vacancies in the surveyed industries increased by 0.4% and 0.1% respectively in March 2018. The changes over three-month periods in the seasonally adjusted series of employment and vacancies are shown in Table 4.

#### Other information

The above employment and vacancies statistics were obtained from the Quarterly Survey of Employment and Vacancies and the Quarterly Employment Survey of Construction Sites conducted by the C&SD. In the former survey,

some economic activities (e.g. those dominated by self-employment, including taxi operators and hawkers) are not covered. Therefore, the respective employment and vacancies figures relate only to those selected industries included in the survey. In the latter survey on construction sites, employment and vacancies figures relate to manual workers only.

A detailed breakdown of the above statistics is published in the following reports:

"Quarterly Report of Employment and Vacancies Statistics, March 2018"  
([www.censtatd.gov.hk/hkstat/sub/sp452.jsp?productCode=B1050003](http://www.censtatd.gov.hk/hkstat/sub/sp452.jsp?productCode=B1050003))

"Quarterly Report of Employment and Vacancies at Construction Sites, March 2018"  
([www.censtatd.gov.hk/hkstat/sub/sp452.jsp?productCode=B1050004](http://www.censtatd.gov.hk/hkstat/sub/sp452.jsp?productCode=B1050004))

Users can download these publications free of charge at the website of the C&SD.

Enquiries on more detailed employment and vacancies statistics can be directed to the Employment Statistics and Central Register of Establishments Section, C&SD (Tel: 2582 5076; fax: 2827 2296; email: [employment@censtatd.gov.hk](mailto:employment@censtatd.gov.hk)).

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## **Proprietor fined for violation of safety legislation**

Yee Hop Engineering Company Limited was fined \$50,575 at Tuen Mun Magistrates' Courts today (June 21) for violation of the Factories and Industrial Undertakings Ordinance and the Factories and Industrial Undertakings (Lifting Appliances and Lifting Gear) Regulations. The prosecutions were launched by the Labour Department.

The case involved a fatal accident that occurred on April 5, 2017, at a workshop in Yuen Long. While a worker was preparing to cut a large metal pipe, the metal pipe overturned and crushed the worker to death.

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## **Quality Assurance Council releases Audit Report on sub-degree operations**

# of Chinese University of Hong Kong

The following is issued on behalf of the University Grants Committee:

The Quality Assurance Council (QAC) today (June 21) released the Audit Report on the sub-degree operations of the Chinese University of Hong Kong (CUHK).

The Audit Report presents the findings on the quality of learning at the sub-degree providing units of CUHK. The Chairman of the QAC, Mr Lincoln Leong, said, "The QAC is pleased that the Audit Panel concludes that CUHK has developed a well-established and functional quality framework for its sub-degree, professional and continuing education programmes (SPCEPs) in alignment with its undergraduate and postgraduate programmes as well as the Hong Kong Qualifications Framework. CUHK is student-centred in its approach to course delivery and students are appreciative of the learning opportunities provided for them."

The QAC is pleased with the quality of educational provision at the sub-degree operations of CUHK. Its efforts in a range of areas are commended as positive features in the Audit Report. These include the strategic alignment of the School of Continuing and Professional Studies, CUHK and the university; the rationalisation of the university's SPCEP portfolio; the consistent use of re-approval processes using external expertise; and the value and appreciation that the university places on teachers' contributions to the delivery of sub-degree programmes.

The full report (with CUHK's Institutional Response attached) has been uploaded to the website of the University Grants Committee (UGC) ([www.ugc.edu.hk/eng/qac/quality/sub\\_degree/report.html](http://www.ugc.edu.hk/eng/qac/quality/sub_degree/report.html)).

CUHK has agreed to submit a progress report within 18 months on its follow-up actions.

Background of the quality audit on sub-degree operations of CUHK

The quality audit on the sub-degree operations of CUHK was undertaken by an Audit Panel appointed by the QAC. The Audit Panel was chaired by Emeritus Professor Hilary Winchester, and members included Mr Ian Hawke, Professor Marilee Bresciani Ludvik, Dr Louis Ma and Dr Tracy Zou. The Panel reviewed the Institutional Submission, which was prepared by CUHK following a period of self-study, and visited CUHK from November 7 to 9, 2017, to meet with its staff and students. It also met with a number of external stakeholders, such as local employers and graduates of CUHK sub-degree programmes.

Background of the QAC and its auditing activities

The QAC was established in April 2007 as a semi-autonomous non-statutory body under the aegis of the UGC. The UGC is committed to safeguarding and promoting the quality of the UGC-funded universities and their activities. In view of the institutional expansion of university activities and a growing public interest in quality issues, the QAC was established to assist the UGC in providing third-party oversight of the quality of the universities' educational provision. The QAC assists the UGC in assuring the quality of all programmes at the levels of sub-degree, first degree and above (however funded) offered in UGC-funded universities. The QAC fulfils this task primarily by undertaking periodic quality audits of the universities.

Auditing is an external quality assurance process that involves independent peer review by senior academics in the higher education sector. Its principal aims are to confirm that existing arrangements for quality assurance are fit for purpose, that the quality of provision is comparable to international best practices, that universities are committed to continuously improving the quality of their academic programmes, and that students are well taught and well supported so that they are able to achieve the expected academic standards.

Prior to 2016, the QAC's audit activities covered only first degree programmes and above. The first and second QAC audit cycles were completed in 2011 and 2016 respectively. In 2016, the UGC assumed the role of the overseeing body of the quality audits on the sub-degree operations of UGC-funded universities, with the involvement of the QAC as the audit operator. The audit visits to universities in this cycle are being conducted up till early 2019.