<u>Grading of beach water quality</u> released

The Environmental Protection Department (EPD) today (December 27) released the latest grading of water quality for four gazetted beaches that are open all year round for swimming.

Four beaches were rated as Good (Grade 1).

Grade 1 beaches are:

Clear Water Bay Second Beach Deep Water Bay Beach Golden Beach Silverstrand Beach

Compared with the grading released last week, there was no change in the grading for these beaches.

Under the present grading system, beaches are classified into four grades, comprising Good (Grade 1), Fair (Grade 2), Poor (Grade 3) and Very Poor (Grade 4), according to the level of E. coli in the water. Grades are calculated on the basis of the geometric mean of the E. coli counts on the five most recent sampling occasions.

While the ratings represent the general water quality at the beaches, an EPD spokesman reminded members of the public that water quality could be temporarily affected during and after periods of heavy rain. Bathers should avoid swimming at beaches for up to three days after a storm or heavy rainfall.

A summary of beach grades is published weekly before the weekend. The latest beach grades based on the most current data may be obtained from the department's website on Beach Water Quality (www.epd.gov.hk/epd/beach) or the beach hotline, 2511 6666.

Manager of unlicensed guesthouse fined

A man was fined \$8,000 at the Tuen Mun Magistrates' Courts today (December 27) for contravening the Hotel and Guesthouse Accommodation Ordinance.

The courts heard that in May this year, officers of the Office of the Licensing Authority (OLA), the Home Affairs Department, inspected a suspected unlicensed guesthouse on Tin Kwai Road in Tin Shui Wai. During the inspection, the OLA officers posed as lodgers and successfully rented a room in the guesthouse on a daily basis.

According to the OLA's record, the guesthouse did not possess a licence under the Ordinance on the day of inspection. The man responsible for managing the premises was charged with contravening section 5(1) of the Ordinance.

A department spokesman stressed that operating or managing an unlicensed guesthouse is a criminal offence and can lead to a criminal record. Upon conviction, the offender is liable to a maximum fine of \$200,000 and two years' imprisonment.

The spokesman appealed to anyone with information about suspected unlicensed guesthouses to report it to the OLA through the hotline (tel: 2881 7498), by email (hadlaenq@had.gov.hk), by fax (2504 5805) using the report form downloaded from the OLA website (www.hadla.gov.hk), or through the mobile application "Hong Kong Licensed Hotels and Guesthouses".

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Friday, December 27, 2019 is 106.4 (down 0.1 against Tuesday's index).

<u>Wage and payroll statistics for</u> <u>September 2019</u>

Overall wage and payroll statistics

According to the figures released today (December 27) by the Census and Statistics Department (C&SD), the average wage rate for all the selected industry sections surveyed, as measured by the wage index, increased by 3.4% in nominal terms in September 2019 over a year earlier.

About 62% of the companies reported increase in average wage rates in September 2019 compared with a year ago. 36% of the companies recorded decrease in average wage rates over the same period. The remaining 2% reported virtually no change in average wage rates.

After discounting the changes in consumer prices as measured by the Consumer Price Index (A), the overall average wage rate for all the selected industry sections surveyed remained virtually unchanged when compared with that in September 2018.

As for payroll, the index of payroll per person engaged for all the industry sections surveyed increased by 3.0% in nominal terms in the third quarter of 2019 over a year earlier.

After discounting the changes in consumer prices as measured by the Composite Consumer Price Index, the average payroll per person engaged decreased by 0.3% in real terms in the third quarter of 2019 compared with a year earlier.

The wage rate includes basic wages and other regular and guaranteed allowances and bonuses. Payroll includes elements covered by wage rate as well as other irregular payments to workers such as discretionary bonuses and overtime allowances. The payroll statistics therefore tend to show relatively larger quarter-to-quarter changes, affected by the number of hours actually worked and the timing of payment of bonuses and back-pay.

Sectoral changes

For the nominal wage indices, year-on-year increases were recorded in all selected industry sections in September 2019, ranging from 2.3% to 4.1%.

For the real wage indices, year-on-year increases were recorded in all selected industry sections in September 2019, ranging from 0.1% to 0.6%, except the manufacturing section and import/export, wholesale and retail trades section where year-on-year decreases of 0.1% and 1.1% were recorded respectively.

The year-on-year changes in the nominal and real wage indices for the selected industry sections from September 2018 to September 2019 are shown in Table 1.

As for the nominal indices of payroll per person engaged, year-on-year increases were recorded in all selected industry sections in the third quarter of 2019, ranging from 0.1% to 4.9%.

For the real payroll indices, year-on-year increases were recorded in most of the selected industry sections in the third quarter of 2019, ranging from 0.1% to 1.5%. Yet, year-on-year decreases ranging from 0.3% to 3.1% were recorded in the import/export and wholesale trades section, retail trade section, financial and insurance activities section and social and personal services section.

The year-on-year changes in the nominal and real indices of payroll per person engaged for selected industry sections from the third quarter of 2018 to the third quarter of 2019 are shown in Table 2. The quarterly changes in the seasonally adjusted nominal and real indices of payroll per person engaged between the third quarter of 2018 and the third quarter of 2019 are shown in Table 3.

Commentary

A Government spokesman noted that overall nominal wages continued to increase in September 2019 over a year earlier, but at a somewhat decelerated pace as economic conditions worsened further. After discounting for inflation which has been driven up by elevated pork prices, overall real wages remained unchanged from a year earlier.

Payroll per person engaged, which also covers discretionary bonuses and other irregular payments, likewise registered a decelerated year-on-year increase in nominal terms in the third quarter of 2019. Almost all major sectors saw decelerated growth in payroll. In addition to the economic slowdown, the delay in pay adjustment in some subvented organisations, which makes reference to that in civil service pay, has also contributed to the deceleration in overall payroll growth.

The spokesman added that the earnings situation will be subject to even more downward pressure in the near term if the overall economy remains weak. The Government will monitor the developments closely.

Other information

Both wage indices and payroll indices are compiled quarterly based on the results of the Labour Earnings Survey (LES) conducted by the C&SD.

Wage statistics are conceptually different from the payroll statistics. Firstly, wage rate for an employee refers to the sum earned for his normal hours of work. It covers basic wages and other regular and guaranteed allowances and bonuses, but excludes earnings from overtime work and discretionary bonuses, which are however included in payroll per person engaged. Secondly, the payroll index of an industry is an indicator of the simple average payroll received per person engaged in the industry. Its movement is therefore affected by changes in wage rates, number of hours of work and occupational composition in the industry. In contrast, the wage index of an industry is devised to reflect the pure changes in wage rate, with the occupational composition between two successive statistical periods being kept unchanged. In other words, the wage index reflects the change in the price of labour. Thirdly, wage index only covers employees up to the supervisory level (i.e. not including managerial and professional employees), whereas payroll index covers employees at all levels and proprietors actively engaged in the work of the establishment. Because of these conceptual and enumeration differences between payroll and wage statistics, the movements in payroll indices and in wage indices do not necessarily match closely with each other.

It should also be noted that different consumer price indices are used for compiling the real indices of wage and payroll to take into account the differences in their respective occupation coverage. Specifically, the Composite Consumer Price Index, being an indicator of overall consumer prices, is taken as the price deflator for payroll of workers at all levels of the occupational hierarchy. The Consumer Price Index (A), being an indicator of consumer prices for the relatively low expenditure group, is

taken as the price deflator for wages in respect of employees engaged in occupations up to the supervisory level.

Detailed breakdowns of the payroll and wage statistics are published in the "Quarterly Report of Wage and Payroll Statistics, September 2019'. Users can download this publication free of charge from the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp210.jsp?productCode=B1050009).

For enquiries on wage and payroll statistics, please contact the Wages and Labour Costs Statistics Section (1) of the C&SD (Tel: 2887 5550 or email: wage@censtatd.gov.hk).

Update on latest MERS situation in Qatar

The Centre for Health Protection (CHP) of the Department of Health is today (December 27) closely monitoring three additional cases of Middle East Respiratory Syndrome (MERS) reported to the World Health Organization (WHO) by Qatar. The CHP again urged the public to pay special attention to safety during travel, taking due consideration of the health risks in the places they visit.

According to the WHO, this was a cluster affecting three persons aged 32 to 67. The index case is a 67-year-old woman with underlying illnesses who had passed away. The other two cases were identified through contact tracing and both are in a stable condition. Investigations are ongoing.

According to the latest information, 2 497 cases have been reported to the WHO (with 859 deaths), including 2 278 in 10 Middle East countries comprising 2 102 in Saudi Arabia, 88 in the United Arab Emirates, 28 in Jordan, 24 in Oman, 22 in Qatar, six in Iran, four in Kuwait, two in Lebanon, and one each in Yemen and Bahrain.

"We will maintain close communication with the WHO and relevant health authorities," a spokesman for the CHP said.

"As countries in the Middle East, particularly Saudi Arabia, continue to report MERS cases from time to time, travellers should refrain from going to farms, barns or markets with camels and avoid contact with sick persons and animals, especially camels, birds or poultry. Most of the cases reported in the Middle East had a history of exposure to camels, consumption of camel milk or contact with other MERS patients," the spokesman said.

"Scientific evidence has shown that camels are reservoirs for MERS Coronavirus (MERS-CoV). Camels infected with MERS-CoV may not show any signs of infection. Infected animals may shed MERS-CoV through nasal and eye

discharge and faeces, and potentially in their milk and urine. The virus may also be found in the raw organs and meat of infected animals. Therefore, the best protection is to practise good hygiene and avoid direct contact with all of these," the spokesman added.

From time to time, suspected MERS cases reported to the CHP for investigation involve patients with a history of contact with camels in the Middle East. The CHP strongly advises travel agents organising tours to the Middle East to abstain from arranging camel rides and activities involving direct contact with camels, which are known risk factors for acquiring MERS-CoV.

Travellers to affected areas should maintain vigilance, adopt appropriate health precautions and take heed of personal, food and environmental hygiene. The public may visit the MERS page of the CHP and its Travel Health Service, MERS statistics in affected areas, the CHP's Facebook Page and YouTube Channel, and the WHO's Latest news for more information and health advice. Tour leaders and tour guides operating overseas tours are advised to refer to the CHP's health advice on MERS.