

Quarterly business receipts indices for service industries for first quarter of 2018

Business receipts in value terms of all major service industries showed increases of different magnitudes in the first quarter of 2018 when compared with the first quarter of 2017, according to the provisional figures of business receipts indices released today (June 11) by the Census and Statistics Department (C&SD).

Comparing the first quarter of 2018 with the first quarter of 2017, double-digit increases were recorded in business receipts of the financing (except banking) (+28.7%), warehousing and storage (+17.6%), retail (+14.4%), courier (+13.7%), banking (+11.1%), transportation (+10.8%), accommodation services (+10.6%) and food services (+10.0%) industries.

Analysed by service domain, business receipts of the tourism, convention and exhibition services domain increased by 12.3% year-on-year during the same period, while those of the computer and information technology services domain also increased by 4.0% year-on-year.

On a seasonally adjusted quarter-to-quarter comparison, business receipts in value terms of most major service industries recorded increases of different magnitudes in the first quarter of 2018 as well when compared with the fourth quarter of 2017. In particular, business receipts of the financing (except banking) industry increased by 12.8% quarter-to-quarter.

Comparing the first quarter of 2018 with the fourth quarter of 2017 and on a seasonally adjusted basis, business receipts of the tourism, convention and exhibition services domain increased by 7.4%, whereas those of the computer and information technology services domain decreased by 2.4%.

Table 1 presents the business receipts indices and their corresponding year-on-year rates of change in respect of selected service industries and service domains for the recent five quarters, while Table 2 shows the corresponding quarter-to-quarter rates of change in the business receipts indices based on the seasonally adjusted series.

The revised figures of business receipts indices for the first quarter of 2018 will be released at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp70.jsp?subjectID=7&tableID=093&ID=0&productType=8) and relevant publications of the C&SD starting from July 20, 2018.

Data for compiling the business receipts indices are mainly based on the Quarterly Survey of Service Industries conducted by the C&SD, supplemented by relevant data provided by the Hong Kong Monetary Authority and the Hong Kong Tourism Board.

A service domain differs from a service industry in that it comprises those economic activities which straddle different industries but are somehow related to a common theme. It may include all activities carried out by all establishments in a service industry that is closely related to the domain. For a service industry that is less closely related, however, only a portion of the establishments in the industry or even only part of the economic activities of the establishments is related to the domain. Taking the tourism, convention and exhibition services domain as an example, it includes all services of hotels and travel agents, and some (those involving visitors as customers) but not all of the services of restaurants, retailers and transport operators.

The classification of service industries follows the Hong Kong Standard Industrial Classification Version 2.0, which is used in various economic surveys for classifying economic units into different industry classes.

More detailed statistics are given in the report "Quarterly Business Receipts Indices for Service Industries, First Quarter 2018". Users can download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp70.jsp?productCode=B1080006).

Members of the public who have enquiries about the business receipts indices may contact the Business Services Statistics Section of the C&SD (Tel: 3903 7267 or email : business-receipts@censtatd.gov.hk).

[Construction output for first quarter of 2018](#)

The total gross value of construction works performed by main contractors in the first quarter of 2018 increased by 12.1% in nominal terms over a year earlier to \$65.9 billion, according to the provisional results of the Quarterly Survey of Construction Output released today (June 11) by the Census and Statistics Department (C&SD).

After discounting the effect of price changes, the provisional results showed that the total gross value of construction works performed by main contractors increased by 7.4% in real terms over the same period.

Gross value of construction works in real terms is derived by deflating the corresponding nominal value with an appropriate price index to the price level in the base period of 2000.

Analysed by type of construction works, the gross value of construction works performed at private sector sites totalled \$19.8 billion in the first quarter of 2018, up by 8.9% in nominal terms over a year earlier. In real terms, it increased by 7.5%.

The gross value of construction works performed at public sector sites increased by 13.3% in nominal terms over a year earlier to \$23.4 billion in the first quarter of 2018. In real terms, it increased by 8.1%.

The gross value of construction works performed by main contractors at locations other than construction sites amounted to \$22.7 billion in the first quarter of 2018, up by 13.8% in nominal terms compared with a year earlier. In real terms, it increased by 6.6%. Construction works at locations other than construction sites included minor new construction activities and decoration, repair and maintenance for buildings; and electrical equipment installation and maintenance works at locations other than construction sites.

Analysed by major end-use group, the gross value of construction works performed at construction sites in respect of residential buildings projects amounted to \$17.9 billion in the first quarter of 2018, up by 16.2% in nominal terms over a year earlier. Over the same period, the gross value of construction works performed at construction sites in respect of transport projects up by 5.1% in nominal terms to \$12.8 billion in the first quarter of 2018.

On a seasonally adjusted quarter-to-quarter basis, the gross value of construction works performed by main contractors increased by 5.3% in nominal terms and increased by 3.5% in real terms in the first quarter of 2018 compared with the fourth quarter of 2017.

Table 1 shows the provisional figures on the gross value of construction works performed by main contractors in the first quarter of 2018. Tables 2 and 3 show the revised figures for the whole year of 2017 and the fourth quarter of 2017 respectively.

Owing to the widespread sub-contracting practices in the construction industry, a construction establishment can be a main contractor for one contract and a sub-contractor for another contract at the same time. The gross value of construction works performed by main contractors covers only those projects in which the construction establishment takes the role of a main contractor, but not projects in which it takes only the role of a sub-contractor. However, sub-contractors' contribution to projects should have been included in the gross value of construction works performed by main contractors for whom they worked.

The classification of construction establishments follows the Hong Kong Standard Industrial Classification Version 2.0, which is used in various economic surveys for classifying economic units into different industry classes.

More detailed statistics are given in "Report on the Quarterly Survey of Construction Output, 1st Quarter 2018". Users can download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp330.jsp?productCode=B1090002).

For enquiries about the survey results, please contact the Construction

and Miscellaneous Services Statistics Section of the C&SD (Tel: 3903 6965 or email: building@censtatd.gov.hk).

Pesticide residue exceeds legal limit in sample of Chinese chives

The Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department today (June 11) announced that a sample of Chinese chives was found to have pesticide residue at a level exceeding the legal limit. The CFS is following up on the case.

A CFS spokesman said, "The CFS collected the sample of Chinese chives at a supermarket in Quarry Bay for testing under its routine Food Surveillance Programme. The test result showed that the sample contained endosulfan at a level of 0.19 parts per million (ppm), exceeding the maximum residue limit (MRL) of 0.1 ppm.

"Based on the level of pesticide residue detected in the sample, adverse health effects would not be caused under usual consumption."

Generally speaking, to reduce pesticide residues in vegetables, members of the public can rinse vegetables thoroughly under clean running water, and scrub produce with hard surfaces with a clean brush to remove dirt and substances including pesticides and contaminants from the surface and the crevices, when appropriate.

Any person who imports, manufactures or sells any food not in compliance with the requirements of the Pesticide Residues in Food Regulation (Cap 132CM) concerning pesticide residues commits an offence and is liable to a maximum fine of \$50,000 and to imprisonment for six months upon conviction.

Since the regulation came into effect on August 1, 2014, the CFS has taken over 145,500 samples at import, wholesale and retail levels for testing for pesticide residues. Together with the unsatisfactory sample announced today, a total of 222 food samples (including 214 vegetable and fruit samples) have been detected as having excessive pesticide residues. The overall unsatisfactory rate is less than 0.2 per cent.

The spokesman added that excessive pesticide residues in food may arise from the trade not observing Good Agricultural Practice, e.g. using excessive pesticides and/or not allowing sufficient time for pesticides to decompose before harvesting. The MRLs of pesticide residues in food set in the Regulation are not safety indicators. They are the maximum concentrations of pesticide residues to be permitted in a food commodity under Good Agricultural Practice when applying pesticides. In this connection,

consumption of food with pesticide residues higher than the MRLs will not necessarily lead to any adverse health effects.

The CFS will follow up on the unsatisfactory result, including tracing the source of the food in question and taking samples for testing. Investigation is ongoing.

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Monday, June 11, 2018 is 99.6 (down 0.1 against last Saturday's index).

The effective exchange rate index for the Hong Kong dollar on Saturday, June 9, 2018 is 99.7 (same as last Friday's index).

Owner of motorcycle workshop in Wan Chai convicted and fined for illegal handling of spent lubricating oil

The owner of a motorcycle workshop, Safety Motorcycle Accessories Company, located at Wood Road in Wan Chai, illegally handled spent lubricating oil and was fined \$7,000 by Eastern Magistrates' Courts today (June 11) for contravening the Waste Disposal (Chemical Waste) (General) Regulation.

The Environmental Protection Department (EPD) conducted a blitz inspection at Wood Road in Wan Chai last November. It was found that the motorcycle workshop concerned illegally deposited spent lubricating oil, which is classified as chemical waste, on the pavement outside the workshop and the spent lubricating oil was not properly labelled and stored in accordance with the statutory requirements. After the EPD's investigation, it was confirmed that the owner of the maintenance workshop was not registered with the department as a chemical waste producer. After evidence gathering, the EPD initiated prosecution against the owner concerned for contravening the Regulation.

An EPD spokesman explained that spent lubricating oil generated by vehicle maintenance workshops is classified as chemical waste and contains various toxic chemicals. Improper handling of such waste will cause the spent

lubricating oil to leak into nearby drains and soil, which pollutes the environment and causes harm to public health.

The spokesman reminded all garage operators and workers engaged in the vehicle repairing business that they should register as chemical waste producers with the EPD in accordance with the above Regulation. Chemical waste must be properly packaged, labelled and stored, and has to be collected by licensed chemical waste collectors for delivery to licensed chemical waste disposal facilities for treatment. First-time offenders are liable to a maximum fine of \$200,000 and six months' imprisonment.

Members of the public may visit the EPD's website for more information about the control of chemical waste:

www.epd.gov.hk/epd/english/environmentinhk/waste/guide_ref/guide_cwc.html.