

# Wage and payroll statistics for March 2024

## Overall wage and payroll statistics

According to the figures released today (June 28) 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 3.9% in nominal terms in March 2024 over a year earlier.

About 64% of the companies reported increase in average wage rates in March 2024 compared with a year ago. A total of 31% of the companies recorded decrease in average wage rates over the same period. The remaining 5% 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 increased by 1.5% in real terms in March 2024 over a year earlier.

As for payroll, the index of payroll per person engaged for all the industry sections surveyed increased by 3.7% in nominal terms in the first quarter of 2024 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 increased by 1.8% in real terms in the first quarter of 2024 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 March 2024, ranging from 3.1% to 4.7%.

For the real wage indices, year-on-year increases were also recorded in all selected industry sections in March 2024, ranging from 0.8% to 2.4%.

The year-on-year changes in the nominal and real wage indices for the selected industry sections from March 2023 to March 2024 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 first quarter of 2024, ranging from 2.3% to 8.5%.

For the real payroll indices, year-on-year increases were also recorded in all selected industry sections in the first quarter of 2024, ranging from 0.4% to 6.5%.

The year-on-year changes in the nominal and real indices of payroll per person engaged for selected industry sections from the first quarter of 2023 to the first quarter of 2024 are shown in Table 2. The quarterly changes in the seasonally adjusted nominal and real indices of payroll per person engaged in the same period are shown in Table 3.

#### Commentary

A Government spokesman said that wages and labour earnings continued to attain decent increases in the first quarter of 2024 over a year earlier.

The average wage rate for all selected industries rose by 3.9% in nominal terms in March 2024, slightly faster than the increase three months ago. After discounting for inflation, the average wage rate showed an accelerated increase of 1.5% in real terms.

Payroll per person engaged, which includes basic wage, discretionary bonuses and other irregular payments, increased by 3.7% in nominal terms in the first quarter of 2024, also slightly faster than the increase in the preceding quarter. After discounting for inflation, payroll per person engaged showed an accelerated increase of 1.8% in real terms. All selected industries saw increases in payroll per person engaged in both nominal and real terms.

Looking ahead, the tight labour market should continue to render support to growth in wages and labour earnings in the near term.

#### Other information

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

Apart from the differences in employee coverage, 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. 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, March 2024". Users can browse and download the publication at the website of C&SD ([www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1050009&scode=210](http://www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1050009&scode=210)).

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

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## **2024 edition of "Hong Kong as an Information Society" now available**

The Census and Statistics Department (C&SD) published today (June 28) the 2024 edition of the "Hong Kong as an Information Society".

This publication presents statistics compiled from a variety of data sources relevant to the development of an information society in Hong Kong, including the recent developments in information and communication technology services, the external trade of information and communication technology goods and services, and the use and penetration of information technology in the business, household and government sectors. Analyses of the demand for manpower in the information technology field and development of relevant educational programmes are also provided.

Users can download this publication at the website of the C&SD

([www.censtatd.gov.hk/en/EIndexbySubject.html?scode=590&pcode=B1110006](http://www.censtatd.gov.hk/en/EIndexbySubject.html?scode=590&pcode=B1110006)). Enquiries about this publication can be directed to the Science and Technology Statistics Section of the C&SD (Tel: 3903 7291; email: [itsurvey@censtatd.gov.hk](mailto:itsurvey@censtatd.gov.hk)).

## Financial results for two months ended May 31, 2024

The Government announced today (June 28) its financial results for the two months ended May 31, 2024.

Expenditure for the period April to May 2024 amounted to HK\$120.6 billion and revenue HK\$50.9 billion, resulting in a cumulative year-to-date deficit of HK\$77.5 billion after taking into account the repayment of HK\$7.8 billion principal on Government Bonds.

A Government spokesperson said that the cumulative year-to-date deficit for the period was mainly due to the fact that some major types of revenue including salaries and profits taxes are mostly received towards the end of a financial year.

The fiscal reserves stood at HK\$657.1 billion as at May 31, 2024.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended May 31, 2024 HK\$ million	Two months ended May 31, 2024 HK\$ million
Revenue	16,588.9	50,862.4
Expenditure	(58,658.4)	(120,593.3)
Deficit before repayment of Government Bonds	(42,069.5)	(69,730.9)
Repayment of Government Bonds	(7,800.5)	(7,800.5)
Deficit after repayment of Government Bonds	(49,870.0)	(77,531.4)

Financing		
Domestic		
Banking Sector (Note 2)	49,067.6	75,017.2
Non-Banking Sector	802.4	2,514.2
External	–	–
Total	49,870.0	77,531.4

Government Debts as at May 31, 2024 (Note 3)

HK\$184,707 million

Debts Guaranteed by Government as at May 31, 2024 (Note 4)

HK\$143,723 million

TABLE 2. FISCAL RESERVES

	Month ended May 31, 2024 HK\$ million	Two months ended May 31, 2024 HK\$ million
Fiscal Reserves at start of period	706,924.0	734,585.4
Consolidated Deficit after repayment of Government Bonds	(49,870.0)	(77,531.4)
Fiscal Reserves at end of period (Note 5)	657,054.0	657,054.0

Notes:

1. This Account consolidates the General Revenue Account and the following eight Funds: Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund. It excludes the Bond Fund, the balance of which is not part of the fiscal reserves. The Bond Fund balance as at May 31, 2024, was HK\$283,051 million.

2. Includes transactions with the Exchange Fund and resident banks.

3. These were the Green Bonds (equivalent to HK\$184,707 million as at May 31, 2024) issued under the Government Green Bond Programme. They were denominated in US dollars (US\$8,950 million with maturity from January 2026 to January 2053), euros (4,580 million euros with maturity from January 2025 to November

2041), Renminbi (RMB31,500 million with maturity from November 2024 to June 2033) and Hong Kong dollars (HK\$42,000 million with maturity from May 2025 to October 2026). They do not include the outstanding bonds with nominal value of HK\$236,855 million and alternative bonds with nominal value of US\$1,000 million (equivalent to HK\$7,818 million as at May 31, 2024) issued under the Government Bond Programme (with proceeds credited to the Bond Fund). Of these bonds under the Government Bond Programme (including Silver Bonds with nominal value of HK\$124,355 million, which may be redeemed before maturity upon request from bond holders), bonds with nominal value of HK\$68,882 million will mature within the period from June 2024 to May 2025 and the rest within the period from June 2025 to May 2042.

4. Includes guarantees provided under the SME Loan Guarantee Scheme launched in 2001, the Special Loan Guarantee Scheme launched in 2008, the SME Financing Guarantee Scheme launched in 2012, Loan Guarantee Scheme for Cross-boundary Passenger Transport Trade, Loan Guarantee Scheme for Battery Electric Taxis and Loan Guarantee Scheme for Travel Sector launched in 2023, and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

5. Includes HK\$364,974 million, being the balance of the Land Fund held in the name of "Future Fund", for long-term investments up to December 31, 2030. The Future Fund also includes HK\$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.

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## [Exchange Fund Abridged Balance Sheet and Currency Board Account](#)

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

The Hong Kong Monetary Authority (HKMA) announced today (June 28) that the total assets of the Exchange Fund amounted to HK\$3,979.1 billion as at May 31, 2024, HK\$83.8 billion lower than that at the end of April 2024. Hong Kong dollar assets decreased by HK\$69.2 billion and foreign currency assets decreased by HK\$14.6 billion.

The decline in Hong Kong dollar assets was mainly due to the decrease in Exchange Fund Bills and Notes issued but not yet settled at month end. The decline in foreign currency assets was mainly due to withdrawals of Fiscal Reserves placements and reduction in the month-end balances of unsettled purchase of securities, which were partly offset by mark-to-market revaluation of investments.

The Currency Board Account shows that the Monetary Base at the end of May 2024 was HK\$1,919.0 billion, increased by HK\$2.9 billion, or 0.2 per

cent, from the end of April 2024. The increase was mainly due to amortisation of discount on Exchange Fund Bills and Notes issued, which was partly offset by the decrease in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets increased by HK\$12.1 billion, or 0.6 per cent, to HK\$2,135.1 billion at the end of May 2024. The increase was mainly attributable to interest from investments and mark-to-market revaluation of investments, which were partly offset by the redemption of Certificates of Indebtedness. The Backing Ratio increased from 110.79 per cent at the end of April 2024 to 111.26 per cent at the end of May 2024.

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At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of June 2024, the scheduled dates for issuing the press releases are as follows:

June 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
June 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
June 28	SDDS Template on International Reserves and Foreign Currency Liquidity
June 28	Exchange Fund Abridged Balance Sheet and Currency Board Account

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## [International Reserves and Foreign Currency Liquidity](#)

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

The Hong Kong Monetary Authority (HKMA) released today (June 28) the analytical data on the Hong Kong Special Administrative Region's foreign currency reserves and foreign currency liquidity as at the end of May 2024 (Annex). These data are published monthly in the Template on International Reserves and Foreign Currency Liquidity in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS).

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At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's SDDS. The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of June 2024, the scheduled dates for issuing the press releases are as follows:

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                          (Analytical Accounts of the Exchange Fund)
- June 28  
                          SDDS Template on International Reserves and  
                          Foreign Currency Liquidity
- June 28  
                          Exchange Fund Abridged Balance Sheet and  
                          Currency Board Account