

[SDEV expresses condolences over passing of Dr Eddy Li](#)

The Secretary for Development, Ms Bernadette Linn, today (March 26) expressed her deepest condolences over the passing of Dr Eddy Li.

Ms Linn said, "Dr Li took Hong Kong close to his heart all the time, and made tremendous contributions to the promotion of revitalisation of old industrial buildings and innovation in the field of development. His enthusiasm and proactive attitude in serving Hong Kong has earned him much respect. Deeply saddened by the passing of Dr Li, I extend my deepest condolences to his family."

[External merchandise trade statistics for February 2024](#)

The Census and Statistics Department (C&SD) released today (March 26) the external merchandise trade statistics for February 2024. In February 2024, the values of Hong Kong's total exports and imports of goods both recorded year-on-year decreases, at 0.8% and 1.8% respectively.

As the trade flows tend to show greater volatilities in the first two months of a year due to the timing of the Lunar New Year, it is more appropriate to analyse the trade figures for January and February taken together in making year-on-year comparison.

Taking January and February of 2024 together, the value of total exports of goods increased by 16.6% over the same period in 2023. Concurrently, the value of imports of goods increased by 9.7%. A visible trade deficit of \$38.1 billion, equivalent to 5.4% of the value of imports of goods, was recorded in the first two months of 2024.

In February 2024, the value of total exports of goods decreased by 0.8% over a year earlier to \$284.1 billion, after a year-on-year increase of 33.6% in January 2024. Concurrently, the value of imports of goods decreased by 1.8% over a year earlier to \$325.7 billion in February 2024, after a year-on-year increase of 21.7% in January 2024. A visible trade deficit of \$41.7 billion, equivalent to 12.8% of the value of imports of goods, was recorded in February 2024.

Comparing the three-month period ending February 2024 with the preceding three months on a seasonally adjusted basis, the value of total exports of

goods increased by 5.5%. Meanwhile, the value of imports of goods increased by 3.3%.

Analysis by country/territory

Comparing February 2024 with February 2023, total exports to Asia as a whole dropped by 1.3%. In this region, decreases were registered in the values of total exports to some major destinations, in particular Taiwan (-20.3%), Korea (-19.5%), Vietnam (-18.7%) and the mainland of China (the Mainland) (-0.6%). On the other hand, increases were recorded in the values of total exports to Thailand (+62.2%), India (+17.9%) and the Philippines (+11.6%).

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular the USA (+11.8%). On the other hand, decreases were recorded in the values of total exports to Australia (-36.2%) and the Netherlands (-10.9%).

Over the same period of comparison, decreases were registered in the values of imports from some major suppliers, in particular Malaysia (-32.3%), the Mainland (-10.0%) and Taiwan (-8.4%). On the other hand, increases were recorded in the values of imports from Korea (+87.6%), Singapore (+27.8%) and Vietnam (+24.2%).

For the first two months of 2024 as a whole, year-on-year increases were registered in the values of total exports to some major destinations, in particular Thailand (+53.1%), India (+34.7%), the Mainland (+25.7%), the United Arab Emirates (+22.8%) and the USA (+11.7%). On the other hand, a decrease was recorded in the value of total exports to the Netherlands (-34.3%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from some major suppliers, in particular Korea (+53.3%), Vietnam (+28.9%), the USA (+19.8%), Thailand (+16.4%), Singapore (+16.2%) and the Mainland (+13.6%). On the other hand, a decrease was recorded in the value of imports from Malaysia (-14.0%).

Analysis by major commodity

Comparing February 2024 with February 2023, decreases were registered in the values of total exports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$3.5 billion or -2.6%) and "non-ferrous metals" (by \$2.5 billion or -38.1%). On the other hand, an increase was registered in the value of exports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$3.5 billion or +10.1%).

Over the same period of comparison, decreases were registered in the values of imports of some principal commodity divisions, in particular "telecommunications and sound recording and reproducing apparatus and equipment" (by \$3.6 billion or -9.4%) and "power generating machinery and

equipment" (by \$3.1 billion or -24.1%). On the other hand, an increase was registered in the value of imports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$5.8 billion or +4.4%).

For the first two months of 2024 as a whole, year-on-year increases were registered in the values of total exports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$52.1 billion or +19.7%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$13.7 billion or +18.2%).

Over the same period of comparison, year-on-year increases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$33.6 billion or +12.6%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$8.9 billion or +11.7%).

Commentary

A Government spokesman said that taking the first two months of 2024 together, the value of merchandise exports posted double-digit growth against a very low base of comparison a year ago. Exports to the Mainland and the United States rose notably, while those to the European Union fell. Those to other major Asian markets showed mixed performance.

Looking ahead, while slow global economic growth and geopolitical tensions will continue to constrain Hong Kong's export performance in the near term, the expected easing of global monetary conditions later in the year may provide some support. The Government will monitor the situation closely.

Further information

Table 1 presents the analysis of external merchandise trade statistics for February 2024. Table 2 presents the original monthly trade statistics from January 2021 to February 2024, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for February 2024 are shown in Table 4, whereas the values of imports of goods from 10 main suppliers are given in Table 5.

Tables 6 and 7 show the values of total exports and imports of 10 principal commodity divisions for February 2024.

All the merchandise trade statistics described here are measured at current prices and no account has been taken of changes in prices between the periods of comparison. A separate analysis of the volume and price movements of external merchandise trade for February 2024 will be released in mid-April 2024.

The February 2024 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in February 2024 and will be available in early April 2024. Users can browse and download the report at the website of the C&SD (www.censtatd.gov.hk/en/EIndexbySubject.html?pcode=B1020005&scode=230).

Enquiries on merchandise trade statistics may be directed to the Trade Analysis Section of the C&SD (Tel: 2582 4691).

[Wage and payroll statistics for December 2023](#)

Overall wage and payroll statistics

According to the figures released today (March 26) 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 3.8% in nominal terms in December 2023 over a year earlier.

About 64% of the companies reported increase in average wage rates in December 2023 compared with a year ago. A total of 32% of the companies recorded decrease in average wage rates over the same period. The remaining 4% 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 1.1% in real terms in December 2023 over a year earlier.

As for payroll, the index of payroll per person engaged for all the industry sections surveyed increased by 3.6% in nominal terms in the fourth quarter of 2023 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 1.0% in real terms in the fourth quarter of 2023 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 December 2023, ranging from 3.0% to 5.2%.

For the real wage indices, year-on-year increases were also recorded in all selected industry sections in December 2023, ranging from 0.3% to 2.5%.

The year-on-year changes in the nominal and real wage indices for the selected industry sections from December 2022 to December 2023 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 fourth quarter of 2023, ranging from 2.7% to 9.6%.

For the real payroll indices, year-on-year increases were also recorded in all selected industry sections in the fourth quarter of 2023, ranging from 0.1% to 6.8%.

The year-on-year changes in the nominal and real indices of payroll per person engaged for selected industry sections from the fourth quarter of 2022 to the fourth quarter of 2023 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 record decent increases in the fourth quarter of 2023 over a year earlier.

The average wage rate for all selected industries rose by 3.8% in nominal terms in December 2023, the same pace of increase as in September 2023. After discounting for inflation, the average wage rate increased by 1.1% in real terms.

Payroll per person engaged, which includes basic wage, discretionary bonuses and other irregular payments, increased by 3.6% in nominal terms in the fourth quarter of 2023, slightly faster than the increase in the preceding quarter. After discounting for inflation, payroll per person engaged increased by 1.0% in real terms. All selected industries saw increases in nominal payroll per person engaged, and registered increases in real terms in general after discounting for inflation.

Looking ahead, tight labour market conditions will continue to support 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 the 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, December 2023". Users can browse and download the publication at the website of the C&SD (<https://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 the C&SD (Tel: 2887 5550 or email: wage@censtatd.gov.hk).

Effective Exchange Rate Index

The effective exchange rate index for the Hong Kong dollar on Tuesday,

March 26, 2024 is 105.5 (down 0.2 against yesterday's index).

[Home Affairs Department and Hong Kong Police Force conduct joint operation in Yuen Long District \(with photos\)](#)

The Office of the Licensing Authority (OLA) of the Home Affairs Department (HAD) yesterday (March 25) conducted a joint surprise operation with the Hong Kong Police Force to inspect one place of premises in Yuen Long District that was suspected of operating an unlicensed guesthouse in order to ensure the safety of the general public.

A spokesman for the HAD said, "During the operation, the OLA found one place of premises that was suspected of operating an unlicensed guesthouse. The OLA will follow up this case and will initiate prosecution if there is sufficient evidence after completion of the investigation."

The spokesman stressed, "Operating an unlicensed hotel/guesthouse is a criminal offence and it can lead to imprisonment as well as a criminal record upon conviction. According to the Hotel and Guesthouse Accommodation Ordinance, an offender of an unlicensed hotel/guesthouse is liable to a maximum fine of \$500,000 and three years' imprisonment, and a fine of \$20,000 for each day during which the offence continues. A six-month closure order may also be issued for the hotel/guesthouse involved in a repeated offence."

Tourists and members of the public can make use of the search functions on the OLA's website to check whether the hotel/guesthouse concerned is licensed or not. Any suspected unlicensed hotel/guesthouse should be reported to the OLA by the hotline (Tel: 2881 7498), by email (hadlaenq@had.gov.hk), by fax (2504 5805), or through the mobile application "Hong Kong Licensed Hotels and Guesthouses".

