

Company director sentenced to community service order for default on Labour Tribunal award

The director of Bingo S&M Limited has been prosecuted by the Labour Department (LD) for failing to pay employees the sum awarded by the Labour Tribunal under the Employment Ordinance (EO). The director pleaded guilty earlier at Kowloon City Magistrates' Courts and was sentenced to 120 hours' community service order today (June 22). The director was also ordered by the court to compensate the outstanding sum of about \$112,000 to the employees concerned.

Bingo S&M Limited failed to pay three employees the sum of about \$112,000 awarded by the Labour Tribunal within 14 days after the date set out by the Labour Tribunal award in accordance with the requirement of the EO. The director concerned was convicted for her consent, connivance or neglect in the above offence.

"The judgment will disseminate a strong message to all directors and responsible officers of companies that they have to pay employees the sums awarded by the Labour Tribunal or the Minor Employment Claims Adjudication Board in accordance with the EO," a spokesman for the LD said.

"The LD will not tolerate these offences and will spare no effort in enforcing the law and safeguarding employees' statutory rights," the spokesman added.

HAD to open temporary night heat shelters

The Home Affairs Department will open 19 temporary night heat shelters tonight (June 22) for people in need of the service.

The shelters will be open from 10.30pm until 8am tomorrow.

For further information, please call the department's hotline before midnight on 2572 8427.

The 19 night heat shelters are located at:

Hong Kong Districts:

Central and Western –
Sai Ying Pun Community Complex Community Hall
3/F, Sai Ying Pun Community Complex
2 High Street, Sai Ying Pun

Eastern –
Causeway Bay Community Centre
3/F, 7 Fook Yum Road, Causeway Bay

Southern –
Lei Tung Community Hall
Lei Tung Estate, Ap Lei Chau

Wan Chai –
Wan Chai Activities Centre
LG/F, Wan Chai Market, 258 Queen's Road East, Wan Chai

Kowloon Districts:

Kowloon City –
Hung Hom Community Hall
1/F, Kowloon City Government Offices
42 Bailey Street, Hung Hom

Kwun Tong –
Lam Tin (West) Estate Community Centre
71 Kai Tin Road, Lam Tin

Sham Shui Po –
Shek Kip Mei Community Hall
G/F, Block 42, Shek Kip Mei Estate, Sham Shui Po

Wong Tai Sin –
Tsz Wan Shan (South) Estate Community Centre
45 Wan Wah Street, Tsz Wan Shan

Yau Tsim Mong –
Henry G Leong Yaumatei Community Centre
60 Public Square Street, Yau Ma Tei

New Territories Districts:

Islands –
Tung Chung Community Hall
G/F, Tung Chung Municipal Services Building
39 Man Tung Road, Tung Chung

Kwai Tsing –
Kwai Shing Community Hall
Podium, Block 6, Kwai Shing West Estate, Kwai Chung

North –
North District Community Centre
4/F, 2 Lung Wan Street, Sheung Shui

Sai Kung –
Hang Hau Community Hall
G/F, Sai Kung Tseung Kwan O Government Complex
38 Pui Shing Road, Hang Hau, Tseung Kwan O

Sha Tin –
Lung Hang Estate Community Centre
Lung Hang Estate, Sha Tin

Tai Po –
Tai Po Community Centre
2 Heung Sze Wui Street, Tai Po

Tsuen Wan –
Lei Muk Shue Community Hall
G/F, Hong Shue House, Lei Muk Shue Estate, Tsuen Wan

Tuen Mun –
Butterfly Bay Community Centre
Butterfly Estate (near Tip Sum House), Tuen Mun

Yuen Long –
Long Ping Community Hall
Long Ping Estate, Yuen Long

Yuen Long –
Tin Yiu Community Centre
Tin Yiu Estate, Tin Shui Wai

The temporary night heat shelters will resume their functions as either community centres or community halls in the daytime for hire by the local community and cannot continue to be open as heat shelters. People may choose to take refuge from the heat during the daytime in the common areas in any of the 21 designated community centres or community halls. Their opening hours are from 9am to 10pm. For addresses of the community centres or community halls, please browse the following webpage: www.had.gov.hk/file_manager/en/documents/public_services/emergency_services/List_CH_CC_Day_E.pdf.

Employment and vacancies statistics for March 2020

According to the figures released today (June 22) by the Census and Statistics Department (C&SD), total employment in the private sector surveyed decreased by 3.8% or 110 000 persons in March 2020 compared with a year earlier. The total number of vacancies was 42 270, representing a decrease of 47% or 37 310 over the preceding year.

Employment statistics

In March 2020, the selected industries as a whole employed 2 764 300 persons. The import and export trade engaged 420 100 persons, followed by professional and business services (excluding cleaning and similar services) engaging 305 700 persons, retail trade 254 900 persons, financing and insurance 238 200 persons, and food and beverage services 221 500 persons.

Employment decreased in majority of the surveyed industries compared with a year earlier. Decreases in employment were mainly recorded in the industries of food and beverage services (-12.0% or -30 300 persons), accommodation services (covering hotels, guesthouses, boarding houses and other establishments providing short term accommodation) (-10.0% or -4 200 persons), import and export trade (-8.7% or -40 000 persons), wholesale (-6.6% or -3 800 persons), and retail trade (-6.5% or -17 700 persons). On the other hand, employment increased mainly in the industries of human health services (4.3% or 5 700 persons), and residential care and social work services (2.6% or 1 600 persons). Employment figures for selected major industries are shown in Table 1.

Vacancies statistics

Among the 42 270 private sector vacancies, 5 200 were from the industry of financing and insurance, 5 150 from professional and business services (excluding cleaning and similar services), 4 060 from residential care and social work services, 3 690 from education, and 3 580 from import and export trade.

Vacancies decreased in all of the selected industries in March 2020 over a year earlier. Decreases were mainly observed in the industries of food and beverage services (-10 070 or -82%); retail trade (-5 300 or -63%); arts, entertainment, recreation and other services (-4 070 or -76%); and professional and business services (excluding cleaning and similar services) (-3 010 or -37%). 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 associate professionals (9 810 vacancies), service and sales workers (8 870 vacancies), and elementary

occupations (8 270 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 2019, the seasonally adjusted total employment and total vacancies in the surveyed industries decreased by 1.8% and 24.1% respectively in March 2020. 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 2020" (www.censtatd.gov.hk/hkstat/sub/sp452.jsp?productCode=B1050003)

"Quarterly Report of Employment and Vacancies at Construction Sites, March 2020" (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).

Consumer Price Indices for May 2020

The Census and Statistics Department (C&SD) released today (June 22) the Consumer Price Index (CPI) figures for May 2020. According to the Composite CPI, overall consumer prices rose by 1.5% in May 2020 over the same month a year earlier, smaller than the corresponding increase (1.9%) in April 2020.

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 2020 was 1.9%, smaller than that in April 2020 (2.3%). The smaller increase in May was mainly due to the smaller increases in the prices of pork and fresh vegetables, as well as private housing rentals.

On a seasonally adjusted basis, the average monthly rate of change in the Composite CPI for the three-month period ending May 2020 was 0.0%, and the corresponding rate of change for the three-month period ending April 2020 was 0.6%. Netting out the effects of all Government's one-off relief measures, the corresponding rates of change were 0.0% and -0.1%.

Analysed by sub-index, the year-on-year rates of increase in the CPI(A), CPI(B) and CPI(C) were 1.7%, 1.5% and 1.2% respectively in May 2020, as compared to 2.3%, 1.9% and 1.5% respectively in April 2020. 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 2.5%, 1.9% and 1.4% respectively in May 2020, as compared to 3.0%, 2.3% and 1.7% respectively in April 2020.

On a seasonally adjusted basis, for the three-month period ending May 2020, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) were -0.1%, 0.0% and 0.0% respectively. The corresponding rates of change for the three-month period ending April 2020 were 1.8%, 0.1% and -0.1% respectively. Netting out the effects of all Government's one-off relief measures, the average monthly rates of change in the seasonally adjusted CPI(A), CPI(B) and CPI(C) for the three-month period ending May 2020 were -0.1%, 0.0% and 0.0% respectively, and the corresponding rates of change for the three-month period ending April 2020 were -0.1%, 0.0% and -0.1% respectively.

Amongst the various components of the Composite CPI, year-on-year increases in prices were recorded in May 2020 for food (excluding meals bought away from home) (11.0%), miscellaneous goods (2.9%), housing (1.6%), meals bought away from home (1.4%), miscellaneous services (0.7%) and transport (0.6%).

On the other hand, year-on-year decreases in the components of the Composite CPI were recorded in May 2020 for electricity, gas and water (-19.4%); clothing and footwear (-5.4%) as well as durable goods (-2.8%).

As for alcoholic drinks and tobacco, the Composite CPI remained unchanged over a year earlier.

Taking the first five months of 2020 together, the Composite CPI rose by 1.8% over a year earlier. The respective increases in the CPI(A), CPI(B) and CPI(C) were 1.5%, 2.1% and 2.0% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.6%, 3.2%, 2.5% and 2.1% respectively.

For the three months ending May 2020, the Composite CPI rose by 1.9% over a year earlier, while the CPI(A), CPI(B) and CPI(C) rose by 2.2%, 1.9%

and 1.6% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.3%, 2.9%, 2.2% and 1.8% respectively.

For the 12 months ending May 2020, the Composite CPI was on average 2.6% higher than that in the preceding 12-month period. The respective increases in the CPI(A), CPI(B) and CPI(C) were 2.7%, 2.6% and 2.5% respectively. The corresponding increases after netting out the effects of all Government's one-off relief measures were 2.9%, 3.5%, 2.8% and 2.4% respectively.

Commentary

A Government spokesman said that the underlying consumer price inflation rate went down further to 1.9% in May. Prices of basic foodstuffs showed a narrower year-on-year increase as the impact of the surge in pork prices which started in May last year began to wane. Price pressures on many other major CPI components also receded.

Looking ahead, inflation should continue to ease in the near term, as both external and domestic price pressures are expected to abate further amid subdued economic conditions, and food inflation is set to recede visibly against a high base of comparison. The Government will continue to monitor the inflation 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 2020 are shown in Table 1. The time series on the year-on-year rates of change in the CPIs before and after netting out the effects of all 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 2020 issue of the "Monthly Report on the Consumer Price Index"

(www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=B1060001), the time series of CPIs at detailed level

(www.censtatd.gov.hk/hkstat/sub/sp270.jsp?productCode=D5600001), the time series of CPIs at COICOP division level

(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) free of charge at the website of the C&SD.

Hong Kong's Balance of Payments and International Investment Position statistics for first quarter of 2020

The Census and Statistics Department (C&SD) released today (June 22) the preliminary Balance of Payments (BoP) and International Investment Position (IIP) statistics of Hong Kong for the first quarter of 2020. This release also included the preliminary External Debt (ED) statistics of Hong Kong for the same period.

I. Balance of Payments

â&€ Hong Kong recorded a BoP surplus of \$25.8 billion (as a ratio of 3.9% to GDP) in the first quarter of 2020, as against a deficit of \$10.3 billion (as a ratio of 1.4% to GDP) in the fourth quarter of 2019. Reserve assets correspondingly increased by the same amount (\$25.8 billion) in the first quarter of 2020.

Current account

â&€ The current account recorded a deficit of \$9.0 billion (as a ratio of 1.4% to GDP) in the first quarter of 2020, as against a surplus of \$29.1 billion (as a ratio of 4.1% to GDP) in the same quarter of 2019. The drop in the current account balance was due to a decrease in the services surplus and a decrease in the net inflow of primary income, partly offset by a decrease in the goods deficit.

â&€ The goods deficit decreased to \$50.2 billion in the first quarter of 2020, compared with the \$66.2 billion in the same quarter of 2019. Over the same period, the services surplus decreased to \$32.2 billion in the first quarter of 2020, compared with the \$77.4 billion in the same quarter of 2019. The primary income inflow and outflow amounted to \$346.1 billion and \$330.0 billion respectively, thus yielding a net inflow of \$16.0 billion in the first quarter of 2020, compared with a net inflow of \$23.0 billion in the same quarter of 2019.

Financial account

â&€ An overall net inflow of financial non-reserve assets amounting to \$64.2 billion (as a ratio of 9.7% to GDP) was recorded in the first quarter of 2020, as against an overall net outflow of \$81.8 billion (as a ratio of 11.0% to GDP) in the fourth quarter of 2019. The overall net inflow recorded

in the first quarter of 2020 was the result of a net inflow of portfolio investment and a net inflow of other investment, partly offset by a net outflow of direct investment and a net outflow due to the cash settlement of financial derivatives.

â€‹ In the first quarter of 2020, reserve assets increased by \$25.8 billion, as against a decrease of \$10.3 billion in the fourth quarter of 2019.

II. International Investment Position

â€‹ At the end of the first quarter of 2020, both Hong Kong's external financial assets and liabilities stood at a very high level, amounting to \$42,428.7 billion (equivalent to 15.0 times of GDP) and \$30,313.5 billion (equivalent to 10.7 times of GDP) respectively, a typical feature of a prominent international financial centre.

â€‹ After netting out the external financial liabilities from the external financial assets, Hong Kong's net external financial assets amounted to \$12,115.2 billion (equivalent to 4.3 times of GDP) at the end of the first quarter of 2020, compared with \$12,171.7 billion (equivalent to 4.2 times of GDP) at the end of the fourth quarter of 2019. Hong Kong's net external financial assets to GDP ratio is one of the largest in the world, which provides the economy with a strong cushion against sudden external shocks.

III. External Debt

â€‹ At the end of the first quarter of 2020, Hong Kong's gross ED amounted to \$13,086.0 billion (equivalent to 4.6 times of GDP). Compared with \$13,032.4 billion (equivalent to 4.5 times of GDP) at the end of the fourth quarter of 2019, gross ED increased by \$53.5 billion. This was mainly attributable to the increases in ED of the banking sector and other sectors, partly offset by the decrease in debt liabilities in direct investment (intercompany lending).

â€‹ As one of the world's major financial centres, Hong Kong has a significant amount of ED held against the local banking sector arising through normal banking businesses. At the end of the first quarter of 2020, 61.4% of Hong Kong's ED was attributable to the banking sector. Other ED mainly consisted of ED of other sectors (23.6%) and debt liabilities in direct investment (intercompany lending) (14.7%).

Further information

â€‹ BoP is a statistical statement that systematically summarises, for a specific time period (typically a year or a quarter), the economic transactions of an economy with the rest of the world (i.e. between residents and non-residents).

â€‹ IIP is a balance sheet showing the stock of external financial assets and liabilities of an economy at a particular time point. The difference between the external financial assets and liabilities is the net IIP of the economy, which represents either its net claim on or net liability to the

rest of the world.

â€‹ Gross ED, at a particular time point, is the outstanding amount of those actual current, and not contingent, liabilities that are owed to non-residents by residents of an economy and that require payment of principals and/or interests by the debtors at some time points in the future.

â€‹ Table 1 presents Hong Kong's BoP. Table 2 presents the detailed current account, while Table 3 presents the detailed capital and financial account. Table 4 shows Hong Kong's IIP, and Table 5 shows Hong Kong's ED.

â€‹ Statistics on BoP, IIP and ED for the first quarter of 2020 are only preliminary figures and are subject to revision upon the availability of more data.

â€‹ More details of the statistics of BoP (including seasonally adjusted current account), IIP and ED, together with the conceptual and methodological details, are presented in the publication Balance of Payments, International Investment Position and External Debt Statistics of Hong Kong, First Quarter 2020 published by the C&SD. Users can download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp260.jsp?productCode=B1040001).

â€‹ For enquiries about the BoP, IIP and ED statistics, please contact the Balance of Payments Section of the C&SD (Tel: 3903 6979; fax: 2116 0278; email: bop@censtatd.gov.hk).