

## **Hong Kong Customs presses first charge for gold trading money laundering activities**

Hong Kong Customs today (February 18) laid a charge under the Organized and Serious Crimes Ordinance (OSCO) against a 33-year-old man with two counts of "dealing with property known or reasonably believed to represent proceeds of an indictable offence" (commonly known as money laundering). This is the first time for Customs to lay a charge under the OSCO against a person suspected of engaging in money laundering activities through dealing with proceeds of gold trading.

The man was suspected of setting up two companies in 2016 and used the companies' bank accounts to process a total of about \$340 million of suspected crime proceeds through selling gold slabs of unknown sources.

After investigation, the Syndicate Crimes Investigation Bureau of Customs arrested him in December 2017.

The case will be mentioned at Fanling Magistrates' Courts on February 23.

Customs will continue to follow up on relevant money laundering activities. The likelihood of further arrests is not excluded if someone is suspected to have committed relevant crimes.

Under the OSCO, a person commits an offence if he or she deals with any property knowing or having reasonable grounds to believe that such property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence. The maximum penalty upon conviction is a fine of \$5 million and imprisonment for 14 years while the crime proceeds are also subject to confiscation.

Members of the public may report any suspected money laundering activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account ([crimereport@customs.gov.hk](mailto:crimereport@customs.gov.hk)).

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## **SFH authorises COVID-19 vaccine by Sinovac for emergency use in Hong Kong**

The Secretary for Food and Health (SFH) authorised today (February 18) the COVID-19 vaccine by Sinovac Biotech (Hong Kong) Limited (Sinovac) (i.e.

CoronaVac COVID-19 Vaccine (Vero Cell), Inactivated) for emergency use in Hong Kong in accordance with the Prevention and Control of Disease (Use of Vaccines) Regulation (Cap. 599K).

According to the Regulation, the SFH may, with reference to the advice of the Advisory Panel on COVID-19 Vaccines, authorise the use of COVID-19 vaccines which fulfil the criteria of safety, efficacy and quality for specified use in Hong Kong under an emergency situation, which is basically for vaccination programmes led by the Government. The Advisory Panel has submitted its recommendations to the SFH. It considers that, under the current epidemic situation, the benefits of authorising the use of the COVID-19 vaccine by Sinovac for protecting against COVID-19 outweigh the risks.

Having regard to the advice of the Advisory Panel and having considered the threat to public health posed by COVID-19, the SFH considers that the authorisation is necessary and is in the public interest. The SFH has exercised the powers conferred upon her under section 3 of the Regulation to authorise the use of the COVID-19 vaccine by Sinovac in Hong Kong for a specified purpose. The relevant authorisation will take effect on February 18, 2021. To ensure that the relevant vaccine continues to fulfil the criteria of safety, efficacy and quality, the SFH has attached conditions to the aforesaid authorisation, including requiring the applicant to execute a relevant risk management programme, and continue to provide the latest clinical data and laboratory analysis certificates for each batch of vaccines, as well as timely updates of quality reports. With a view to strengthening the transparency of information regarding vaccines, the expert advice on vaccines given by the Advisory Panel has been uploaded to the website of the Food and Health Bureau ([www.fhb.gov.hk/en/our\\_work/health/rr3.html](http://www.fhb.gov.hk/en/our_work/health/rr3.html)).

According to the information provided by the vaccine supplier, the first batch of around 1 million doses of the Sinovac vaccine will be delivered to Hong Kong shortly. The territory-wide vaccination programme led by the Government will be launched as soon as possible after receiving the shipment of the vaccine and completing all necessary quality assurance procedures. The Government will continue to actively follow up on the emergency use authorisation and supply schedule of the remaining vaccines already purchased and make preparations for the arrangements for administration of the relevant vaccines. The Government will also continue to adhere to the vaccine procurement strategy and make advance purchases of vaccines which fulfil the criteria of safety, efficacy and quality, including vaccines which are still in the development stage, with a view to ensuring availability of different types of vaccines and sufficient supplies for the whole of Hong Kong.

The Government spokesman said, "The Government will ensure that vaccines satisfy the criteria of safety, efficacy and quality, and obtain emergency use approval in accordance with the relevant requirements as well as stringent approval procedures under the Regulation, before arranging for members of the public to receive the vaccines. To enhance the public's confidence in vaccines, the Government's work in vaccine administration will

continue to be based on scientific evidence and adhere to the principles of openness and transparency. At the same time, we will continue to monitor the use of the vaccines. The Government will provide members of the public with the latest information on the relevant vaccines through different channels in a timely manner, and make public the views of experts on the vaccines, so that the public can grasp correct and comprehensive information on them."

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## Volume and price statistics of external merchandise trade in December 2020

Further to the external merchandise trade statistics in value terms for December 2020 released earlier on, the Census and Statistics Department (C&SD) released today (February 18) the volume and price statistics of external merchandise trade for that month.

In December 2020, the volume of Hong Kong's total exports of goods and imports of goods increased by 11.6% and 13.7% respectively over December 2019.

Comparing 2020 with 2019, the volume of Hong Kong's total exports of goods and imports of goods decreased by 0.8% and 2.6% respectively.

Comparing the fourth quarter of 2020 with the preceding quarter on a seasonally adjusted basis, the volume of total exports of goods and imports of goods increased by 4.8% and 6.3% respectively.

Changes in volume of external merchandise trade are derived from changes in external merchandise trade value with the effect of price changes discounted.

Comparing December 2020 with December 2019, the prices of total exports of goods and imports of goods both increased by 0.4%.

As regards price changes in 2020 over 2019, the prices of total exports of goods and imports of goods decreased by 0.6% and 0.7% respectively.

Price changes in external merchandise trade are reflected by changes in unit value indices of external merchandise trade, which are compiled based on average unit values or, for certain commodities, specific price data.

The terms of trade index is derived from the ratio of price index of total exports of goods to that of imports of goods. Compared with the same periods in 2019, the index remained virtually unchanged both in December 2020

and in 2020 as a whole.

Changes in the unit value and volume of total exports of goods by main destination are shown in Table 1.

Comparing December 2020 with December 2019, double-digit increases were recorded for the total export volume to Taiwan (25.1%), Vietnam (22.5%) and the mainland of China (the Mainland) (16.6%). Concurrently, the total export volume to the USA (3.9%) and Japan (3.8%) also increased.

Over the same period of comparison, the total export prices to Taiwan (2.8%) and the Mainland (1.4%) increased. On the other hand, the total export prices to the USA (-0.1%), Japan (-1.9%) and Vietnam (-3.2%) decreased.

Changes in the unit value and volume of imports of goods by main supplier are shown in Table 2.

Comparing December 2020 with December 2019, double-digit increases were recorded for the import volume from Korea (37.3%), Taiwan (30.0%), the Mainland (16.8%) and Singapore (15.9%). Concurrently, the import volume from Japan (9.1%) also increased.

Over the same period of comparison, the import prices from Taiwan (3.8%), Singapore (3.6%), Korea (3.2%) and Japan (0.6%) increased. On the other hand, the import prices from the Mainland decreased by 1.9%.

Further information

Details of the above statistics are published in the December 2020 issue of "Hong Kong Merchandise Trade Index Numbers". Users can download the publication at the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp230.jsp?productCode=B1020006](http://www.censtatd.gov.hk/hkstat/sub/sp230.jsp?productCode=B1020006)).

Enquiries on merchandise trade indices may be directed to the Trade Analysis Section (1) of the C&SD (Tel: 2582 4918).

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## **Unemployment and underemployment statistics for November 2020 – January 2021**

According to the latest labour force statistics (i.e. provisional figures for November 2020 – January 2021) released today (February 18) by the Census and Statistics Department (C&SD), the seasonally adjusted unemployment rate increased from 6.6% in October – December 2020 to 7.0% in November 2020

– January 2021. The underemployment rate also increased from 3.4% in October – December 2020 to 3.8% in November 2020 – January 2021.

Comparing November 2020 – January 2021 with October – December 2020, both the unemployment rate (not seasonally adjusted) and underemployment rate increased across almost all major economic sectors, with more distinct increases observed in the retail, accommodation and food services sector; education sector; and arts, entertainment and recreation sector.

Total employment decreased by around 17 100 from 3 647 700 in October – December 2020 to 3 630 600 in November 2020 – January 2021. Over the same period, the labour force also decreased by around 9 400 from 3 893 400 to 3 884 000.

The number of unemployed persons (not seasonally adjusted) increased by around 7 500 from 245 800 in October – December 2020 to 253 300 in November 2020 – January 2021. Over the same period, the number of underemployed persons also increased by around 14 400 from 133 800 to 148 200.

#### Commentary

Commenting on the latest unemployment figures, the Secretary for Labour and Welfare, Dr Law Chi-kwong said, "The labour market was under notable pressure in November 2020 – January 2021 due to the fourth wave of local epidemic. The unemployment rate (not seasonally adjusted) rose by 0.2 percentage point over October – December 2020 to 6.5% in November 2020 – January 2021, and after seasonal adjustment it rose by 0.4 percentage point to 7.0%. The latter is the highest in close to 17 years. The underemployment rate also increased by 0.4 percentage point to 3.8%. Meanwhile, total employment fell by 0.5% from the preceding three-month period to 3 630 600, and the number of unemployed persons increased by 3.1% to 253 300."

"Analysed by sector, the unemployment rate of the consumption- and tourism-related sectors (viz. retail, accommodation and food services sectors) combined increased by 0.7 percentage point over October – December 2020 to 11.3% in November 2020 – January 2021, and the underemployment rate rose by 0.9 percentage point to a record high of 6.6%. Among these sectors, the unemployment rate and underemployment rate for food and beverage service activities increased visibly to 14.7% and 10.0% respectively. Labour market conditions in most other sectors also deteriorated, particularly in education and arts, entertainment and recreation."

Looking ahead, Dr Law said, "Although the fourth wave of local epidemic has shown signs of easing lately, the labour market will remain under pressure in the near term as it will take time for economic activities to return to normal. Keeping the epidemic under control the soonest possible with the concerted efforts of the whole community is of pivotal importance to economic recovery and improvement of the labour market. The Government will continue to monitor the situation closely."

He noted that the Labour Department (LD) has all along provided

comprehensive and free employment services through its job centres, industry-based recruitment centres, on-line platforms, etc, to offer employment support for job-seekers. The LD also raised the ceiling of on-the-job training (OJT) allowance payable to employers under the Employment Programme for the Elderly and Middle-aged, the Youth Employment and Training Programme and the Work Orientation and Placement Scheme in September 2020, with a view to further encouraging employers to hire the elderly and middle-aged, young people and persons with disabilities and provide them with OJT. Moreover, the Employees Retraining Board (ERB) has launched Phase 3 of the Love Upgrading Special Scheme in January 2021 with a doubled quota for 20 000 trainees. The ERB will also continue to assist the unemployed and underemployed by providing around 140 000 places yearly through its regular training courses.

Meanwhile, the LD continues to receive and release information on vacancies from various industries for job-seekers with different educational background and working experience. In January 2021, the LD recorded a total of 43 139 vacancies from the private sector, an increase of 1.6% over the figure in December 2020. Job-seekers may make use of the LD's online platforms such as the Interactive Employment Service website for obtaining such vacancy information.

#### Further Information

The unemployment and underemployment statistics were compiled from the findings of the continuous General Household Survey.

The survey for November 2020 – January 2021 covered a sample of some 26 000 households or 74 000 persons, selected in accordance with a scientifically designed sampling scheme to represent the population of Hong Kong. Labour force statistics compiled from this sample represented the situation in the moving 3-month period of November 2020 to January 2021.

Data on labour force characteristics were obtained from the survey by interviewing each member aged 15 or over in the sampled households.

In the survey, the definitions used in measuring unemployment and underemployment follow closely those recommended by the International Labour Organization.

Statistical tables on the latest labour force statistics can be downloaded at the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=D5250021](http://www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=D5250021)). More detailed analysis of the labour force characteristics is given in the "Quarterly Report on General Household Survey" which is published four times a year. The latest issue of the publication contains statistics for the quarter July – September 2020 while the next issue covering the quarter October – December 2020 will be available by end February 2021. Users can also download this publication at the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=B1050001](http://www.censtatd.gov.hk/hkstat/sub/sp200.jsp?productCode=B1050001)).

For enquiries about labour force statistics, please contact the

## Year-end population for 2020

According to the statistics released by the Census and Statistics Department today (February 18), the provisional estimate of the Hong Kong population was 7 474 200 at end-2020, representing a decrease of 46 500 or 0.6% from 7 520 800 at end-2019 (Table 1).

The population decrease at end-2020 comprised a natural decrease (i.e. deaths surpassing births) and net outflow of Hong Kong residents (i.e. inflow less than outflow). A natural decrease of 6 700 was recorded for the first time in 2020, with 43 100 births and 49 800 deaths. Meanwhile, a net outflow of 39 800 persons was recorded during 2020, with an inflow of 10 100 One-way Permit holders and a net outflow of 49 900 other Hong Kong residents.

"Largely due to the border control and quarantine measures in place in Hong Kong and other places around the world, as well as the severe interruption of international travel amidst the COVID-19 pandemic, we see a substantial drop in the inflow of people into Hong Kong, such as One-way Permit holders, foreign domestic helpers and those coming to work or study in Hong Kong under various admission schemes in 2020. Among others, the number of One-way Permit holders who arrived in Hong Kong in 2020 showed a year-on-year decrease of 74%. Meanwhile, Hong Kong residents who had left Hong Kong before the pandemic may have chosen to remain outside Hong Kong. All these might have contributed to the net outflow of Hong Kong residents in 2020," a government spokesperson said.

"Net movement, which includes the movement of Hong Kong residents into and out of Hong Kong for various purposes including work and study, is conceptually different from immigration and emigration. Being an international city, Hong Kong's population has always been mobile. In the last five years from 2016 to 2020, net outflows of Hong Kong residents other than One-way Permit holders were recorded in all years except 2018," the government spokesperson added.

The Hong Kong population is measured on the definition of Resident Population, which comprises Usual Residents and Mobile Residents. Among the total population at end-2020, 7 401 000 (provisional) were Usual Residents and 73 200 (provisional) were Mobile Residents.

Usual Residents refer to two categories of people: (1) Hong Kong Permanent Residents who have stayed in Hong Kong for at least three months during the six months before or for at least three months during the six months after the reference time-point, regardless of whether they are in Hong

Kong or not at the reference time-point; and (2) Hong Kong Non-permanent Residents who are in Hong Kong at the reference time-point.

For those Hong Kong Permanent Residents who are not Usual Residents, they are classified as Mobile Residents if they have stayed in Hong Kong for at least one month but less than three months during the six months before or for at least one month but less than three months during the six months after the reference time-point, regardless of whether they are in Hong Kong or not at the reference time-point.

The revised figure for the mid-year population for 2020 was 7 481 800. The number of Usual Residents was revised to 7 391 600 and the number of Mobile Residents to 90 200. The population growth rate from mid-2019 to mid-2020 was also revised to -0.3%.

The population figures for recent years are shown in Table 2.

Under the current practice, the latest population figure is released on a provisional basis in each round. The revised figure will be released six months later. In other words, while the provisional population figure for end-2020 is released today, the corresponding revised figure will be released in August 2021.