

## **Club-house Subsidy Scheme opens for application**

The Club-house Subsidy Scheme opened for application today (December 28), following the approval of the fourth round of the Anti-epidemic Fund by the Legislative Council Finance Committee. The Scheme aims to provide immediate financial relief to Certificate of Compliance (CoC) holders whose businesses have been directly affected by the anti-epidemic and social distancing measures imposed by the Government. The Scheme provides a subsidy of \$100,000 to eligible holders of a valid CoC issued under the Clubs (Safety of Premises) Ordinance (Cap. 376), and an additional subsidy of \$50,000 for CoC holders who also operate karaoke establishments, nightclubs or bars/pubs in their clubhouse premises.

Existing holders of CoCs with validity falling within any period since November 26, 2020, when the relevant directions issued pursuant to the Prevention and Control of Disease (Requirements and Directions) (Business and Premises) Regulation (Cap. 599F) are in effect may apply for the subsidy. Eligible CoC holders should submit their applications to the Office of the Licensing Authority (OLA) under the Home Affairs Department. The deadline for application is January 28, 2021. Upon submission of the completed application form and supporting documents, the disbursement of subsidies could generally be made in around two weeks.

The application form and guidelines can be downloaded from the website of the OLA ([www.hadla.gov.hk](http://www.hadla.gov.hk)) or obtained from the office of the OLA (address: 10/F, 14 Taikoo Wan Road, Taikoo Shing, Hong Kong). For details, please contact the OLA at 3620 3062 or visit the website of the OLA.

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## **External Merchandise Trade Statistics for November 2020**

The Census and Statistics Department (C&SD) released today (December 28) the external merchandise trade statistics for November 2020. In November 2020, the values of Hong Kong's total exports and imports of goods both recorded year-on-year increases, at 5.6% and 5.1% respectively.

In November 2020, the value of total exports of goods increased by 5.6% over a year earlier to \$379.6 billion, after a year-on-year decrease of 1.1% in October 2020. Concurrently, the value of imports of goods increased by 5.1% over a year earlier to \$405.2 billion in November 2020, after a year-on-year increase of 0.6% in October 2020. A visible trade deficit of \$25.6

billion, equivalent to 6.3% of the value of imports of goods, was recorded in November 2020.

For the first 11 months of 2020 as a whole, the value of total exports of goods decreased by 2.8% over the same period in 2019. Concurrently, the value of imports of goods decreased by 5.0%. A visible trade deficit of \$296.6 billion, equivalent to 7.7% of the value of imports of goods, was recorded in the first 11 months of 2020.

Comparing the three-month period ending November 2020 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods increased by 7.7%. Meanwhile, the value of imports of goods increased by 7.2%.

#### Analysis by country/territory

Comparing November 2020 with November 2019, total exports to Asia as a whole grew by 5.7%. In this region, increases were registered in the values of total exports to some major destinations, in particular Taiwan (+19.4%), Vietnam (+14.3%), the Philippines (+10.5%), the mainland of China (the Mainland) (+8.0%) and Japan (+1.5%). On the other hand, decreases were recorded in the values of total exports to Singapore (-21.2%) and India (-14.3%).

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular Germany (+7.1%) and the USA (+1.5%).

Over the same period of comparison, increases were registered in the values of imports from some major suppliers, in particular Korea (+20.8%), Taiwan (+19.4%), Vietnam (+15.3%), Singapore (+8.1%) and the Mainland (+4.3%). Concurrently, decreases were recorded in the values of imports from Malaysia (-9.9%) and the USA (-7.7%).

For the first 11 months of 2020 as a whole, year-on-year decreases were registered in the values of total exports to some major destinations, in particular Singapore (-17.9%), India (-17.2%), the USA (-16.3%), Germany (-15.2%), Japan (-10.7%) and Korea (-9.9%). However, year-on-year increases were registered in the values of total exports to Taiwan (+9.8%), Vietnam (+4.1%) and the Mainland (+3.9%).

Over the same period of comparison, year-on-year decreases were registered in the values of imports from some major suppliers, in particular the USA (-19.1%), the Mainland (-8.6%) and Japan (-6.4%). However, year-on-year increases were registered in the values of imports from Vietnam (+29.4%), Taiwan (+21.5%), Korea (+9.4%) and Singapore (+6.8%).

#### Analysis by major commodity

Comparing November 2020 with November 2019, increases 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 \$15.3 billion or 10.5%), "non-ferrous metals" (by \$5.0

billion or 177.2%) and "office machines and automatic data processing machines" (by \$2.3 billion or 6.1%). However, decreases were registered in the values of total exports of "power generating machinery and equipment" (by \$3.2 billion or 33.2%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$3.1 billion or -4.2%) and "articles of apparel and clothing accessories" (by \$1.9 billion or -25.5%).

Over the same period of comparison, 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 \$20.7 billion or 14.0%), "essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations" (by \$3.3 billion or 78.9%), "non-ferrous metals" (by \$2.8 billion or 54.7%) and "office machines and automatic data processing machines" (by \$2.5 billion or 8.2%). However, a decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$4.4 billion or -6.3%).

For the first 11 months of 2020 as a whole, year-on-year decreases were registered in the values of total exports of some principal commodity divisions, in particular "telecommunications and sound recording and reproducing apparatus and equipment" (by \$74.6 billion or -11.1%), "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$39.2 billion or -19.0%), "non-metallic mineral manufactures" (by \$32.7 billion or -22.8%) and "articles of apparel and clothing accessories" (by \$30.4 billion or -34.2%). However, year-on-year increases were registered in the values of total exports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$103.0 billion or 7.2%) and "office machines and automatic data processing machines" (by \$25.5 billion or 7.1%).

Over the same period of comparison, year-on-year 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 \$56.1 billion or -8.9%), "non-metallic mineral manufactures" (by \$53.2 billion or -32.2%), and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$42.1 billion or -17.4%). However, year-on-year increases were registered in the values of imports of "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$89.5 billion or 5.9%), "essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations" (by \$13.9 billion or 28.7%) and "non-ferrous metals" (by \$9.7 billion or 19.7%).

## Commentary

A Government spokesman said that the value of merchandise exports resumed growth on a year-on-year basis in November, mainly reflecting an improved external trading environment. This was particularly evidenced by the strong performance in exports to the Mainland. Exports to the US reverted to a modest increase, and those to the EU picked up further. Exports to many major Asian markets also showed improvement of varying degrees.

Looking ahead, while the continued strengthening of the Mainland economy should render support to Hong Kong's exports, the sharp deterioration of epidemic situations in many advanced economies of late may slow the pace of global economic recovery in the coming months and constrain Hong Kong's export performance. The development of China-US relations, geopolitical tensions, and the Brexit process also warrant attention. The Government will monitor the developments closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for November 2020. Table 2 presents the original monthly trade statistics from January 2017 to November 2020, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for November 2020 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 November 2020.

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 November 2020 will be released in mid-January 2021.

The November 2020 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in November 2020 and will be available in mid-January 2021. Users can download the publication at the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp230.jsp](http://www.censtatd.gov.hk/hkstat/sub/sp230.jsp)).

Enquiries on merchandise trade statistics may be directed to the Trade Analysis Section (2) of the C&SD (Tel: 2582 5042).

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## [Wage and payroll statistics for September 2020](#)

Overall wage and payroll statistics

According to the figures released today (December 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 1.0% in nominal terms in September 2020 over a year earlier.

About 51% of the companies reported increase in average wage rates in September 2020 compared with a year ago. 46% of the companies recorded decrease in average wage rates over the same period. The remaining 3% 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 7.3% in real terms in September 2020 over a year earlier.

As for payroll, the index of payroll per person engaged for all the industry sections surveyed increased by 2.0% in nominal terms in the third quarter of 2020 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 3.6% in real terms in the third quarter of 2020 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 of 0.6% to 2.5% were recorded in all selected industry sections surveyed in September 2020, except the transportation section where a year-on-year decrease of 1.7% was recorded.

For the real wage indices, year-on-year increases were recorded in all selected industry sections in September 2020, ranging from 4.5% to 9.0%.

The year-on-year changes in the nominal and real wage indices for the selected industry sections from September 2019 to September 2020 are shown in Table 1.

As for the nominal indices of payroll per person engaged, the year-on-year changes recorded by different industry sections surveyed in the third quarter of 2020 varied. While year-on-year increases ranging from 1.2% to 4.6% were recorded in the industry sections of sewerage, waste management and remediation activities; information and communications; financial and insurance activities; real estate activities; professional and business services; and social and personal services, year-on-year decreases of 0.3% to 5.4% were recorded in the industry sections of manufacturing; retail trade; transportation, storage, postal and courier services; and accommodation and food service activities. Meanwhile, the import/export and wholesale trades

section remained virtually unchanged.

For the real payroll indices, year-on-year increases ranging from 0.4% to 6.3% were recorded in all selected industry sections surveyed in the third quarter of 2020, except the transportation, storage, postal and courier services section and accommodation and food service activities section where year-on-year decreases of 3.9% and 2.5% were recorded respectively.

The year-on-year changes in the nominal and real indices of payroll per person engaged for selected industry sections from the third quarter of 2019 to the third quarter of 2020 are shown in Table 2. The quarterly changes in the seasonally adjusted nominal and real indices of payroll per person engaged between the third quarter of 2019 and the third quarter of 2020 are shown in Table 3.

#### Commentary

A Government spokesman said that overall wages continued to increase in nominal terms in September 2020 over a year earlier, but the rate of increase decelerated further to the slowest in nearly 11 years amid the difficult labour market conditions. After discounting for inflation, overall wages increased visibly in real terms over a year earlier, due to the sharp decline in the headline Consumer Price Index (A) that reflected the effect of the Government's one-off relief measures in that month.

The nominal growth in payroll per person engaged, which also covers discretionary bonuses and other irregular payments, likewise decelerated in the third quarter of 2020 to the slowest in a decade. Payroll per person engaged in transportation, storage, postal and courier services, accommodation and food service activities, and manufacturing saw enlarged declines, and that in retail trade switched from increase to modest decline. Those in many other major sectors saw decelerated growth. Nevertheless, those in professional and business services, and social and personal services saw their rates of increase remain unchanged, and that in sewerage, waste management and remediation activities recorded a slightly accelerated increase.

The spokesman added that looking ahead, given the fourth wave of local epidemic of late, the earnings situation will continue to face downward pressure in the near term. The Government will continue to monitor the developments closely.

#### 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 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. Thirdly, 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. 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, September 2020". Users can download this publication free of charge from the website of the C&SD ([www.censtatd.gov.hk/hkstat/sub/sp210.jsp?productCode=B1050009](http://www.censtatd.gov.hk/hkstat/sub/sp210.jsp?productCode=B1050009)).

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](mailto:wage@censtatd.gov.hk)).

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## **Effective Exchange Rate Index**

The effective exchange rate index for the Hong Kong dollar on Monday, December 28, 2020 is 101.1 (same as last Thursday's index).

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# **Detainee at Ma Tau Kok Detention Centre tests positive for COVID-19**

An Immigration Department (ImmD) spokesman today (December 28) revealed that the department was notified by the Centre for Health Protection (CHP) yesterday (December 27) afternoon that a Vietnamese illegal immigrant detained at Ma Tau Kok Detention Centre (MTKDC) had tested positive for COVID-19.

In view of the latest developments of the COVID-19 epidemic, all persons newly admitted to MTKDC will undergo deep throat saliva testing. In addition, according to the advice of the CHP, the above-mentioned persons should be tested again for COVID-19 within 14 days of detention after the first test.

One Vietnamese illegal immigrant was sent to MTKDC on December 14 for detention pending removal. The Vietnamese person concerned was required to undergo deep throat saliva testing when newly admitted and tested negative. On December 26, the Vietnamese person concerned was required to undergo a second deep throat saliva test and was confirmed as testing positive for COVID-19 in the afternoon yesterday. The Vietnamese person concerned was admitted to hospital for treatment immediately. The other six detainees being isolated in the same confinement with the Vietnamese person concerned were classified as close contacts and arranged to stay in quarantine centres for quarantine and medical surveillance.

The ImmD will actively co-operate with the CHP's measures and instructions for disease prevention and control including arranging COVID-19 testing for all detainees and ImmD staff members at MTKDC as soon as possible. MTKDC has also immediately suspended all visits until further notice. The ImmD had carried out thorough cleaning and disinfection for the detention facilities concerned.