



Explanatory Notes on Main Statistical Indicators

Mid-year Population is compiled using the “resident population” approach. The population estimate compiled under the “resident population” approach is referred to as the Hong Kong Resident Population, which comprises “Usual Residents” and “Mobile Residents”. “Usual Residents” include two categories of people: (a) Hong Kong Permanent Residents who have stayed in Hong Kong for at least 3 months during the 6 months before or for at least 3 months during the 6 months after the reference time-point, regardless of whether they are in Hong Kong or not at the reference time-point; and (b) 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 1 month but less than 3 months during the 6 months before or for at least 1 month but less than 3 months during the 6 months after the reference time-point, regardless of whether they are in Hong Kong or not at the reference time-point. Under the “resident population” approach, visitors are not part of the Hong Kong population.

Crude Birth Rate refers to the number of live births in a given year per 1000 mid-year population of that year.

Crude Death Rate refers to the number of deaths in a given year per 1000 mid-year population of that year.

Infant Mortality Rate refers to the number of deaths of age under one in a given year per 1000 live births in that year.

Total Fertility Rate refers to the average number of children that would be born alive to 1000 women during their lifetime if they were to pass through their childbearing ages 15-49 experiencing the age specific fertility rates prevailing in a given year.

Expectation of Life at Birth refers to the number of years of life that a person born in a given year is expected to live if he/she was subject to the prevalent mortality conditions as reflected by the set of age-sex specific mortality rates for that year.

Labour Force refers to the land-based non-institutional population aged 15 and over who satisfy the criteria for being classified as employed population or unemployed population.

Labour Force Participation Rate refers to the proportion of labour force in the total land-based non-institutional population aged 15 and over.

Employed Persons refer to those persons aged 15 and over who have been engaged in performing work for pay or profit during the 7 days before enumeration or have had formal job attachment. Unpaid family workers and employed persons who were on leave/holiday during the 7 days before enumeration are included.

Unemployed Persons refer to those persons aged 15 and over who (a) have not had a job and have not performed any work for pay or profit during the 7 days before enumeration; and (b) have been available for work during the 7 days before enumeration; and (c) have sought work during the 30 days before enumeration. If a person aged 15 and over

fulfils the conditions (a) and (b) above but has not sought work during the 30 days before enumeration because he/she believes that work is not available, he/she is still classified as unemployed, being regarded as a so-called “discouraged worker”. Unemployed population also includes persons without a job who have sought work but have not been available for work because of temporary sickness; and persons without a job who have been available for work but have not sought work because they have made arrangements to take up a new job or to start business on a subsequent date; or were expecting to return to their original jobs.

Unemployment Rate refers to the proportion of unemployed persons in the labour force.

Monthly Employment Earnings refer to earnings (before deduction of Mandatory Provident Fund contributions) from all jobs during the month before enumeration. For employees, they include wage and salary, bonus, commission, tips, housing allowance, overtime allowance, attendance allowance and other cash allowances. However, back pays are excluded. For employers and self-employed, they refer to amounts drawn from the self-owned enterprise for personal and household use. If information on the amounts drawn for personal and household use is not available, data on net earnings from business would be collected instead.

Gross Domestic Product (GDP) is a measure of the total value of production of all resident producing units of an economy in a specified period (typically a year or a quarter), before deducting the consumption of fixed capital.

Per Capita GDP is obtained by dividing the total GDP in a year by the mid-year population of that economy in the same year.

Gross National Income (GNI) is a measure of the total income earned by residents of an economy from engaging in various economic activities, irrespective of whether the economic activities are carried out within the economic territory of the economy or outside. In other words, in compiling GNI, income earned by residents from engaging in various economic activities within or outside the economic territory are included, whereas income earned by non-residents from engaging in economic activities within the economic territory are excluded. GNI is computed as follows:

$$\begin{aligned} \text{GNI} &= \text{GDP} + \text{Net external primary income flows} \\ &= \text{GDP} + \text{Primary income earned by residents} \\ &\quad \text{from outside the economic territory} - \\ &\quad \text{Primary income earned by non-residents} \\ &\quad \text{from within the economic territory} \end{aligned}$$

Primary income comprises investment income and compensation of employees (CE). Investment income includes direct investment income (DII), portfolio investment income (PII) and other investment income (OII) as well as income on reserve assets (RA).

Per capita GNI of an economy is obtained by dividing GNI in a year by the mid-year population of that economy in the same year.

Balance of Payments (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). A BoP account comprises three broad accounts : (a) the current account-, (b) the capital account and (c) the financial account.

Current Account measures the flows of goods, services, primary income and secondary income between residents and non-residents.

Goods under the BoP current account mainly cover general merchandise, net exports of goods under merchanting and non-monetary gold.

Services under the BoP current account mainly cover manufacturing services, transport, travel, insurance and pension services, financial services and other services.

Primary Income Account shows the amounts receivable and payable abroad in return for providing/obtaining use of labour, financial resources or natural resources to/from non-residents. The concepts and definitions of primary income under the current account of the BoP are the same as those of the external primary income flows under GNI.

Secondary Income Account records current transfers between residents and non-residents. Current transfers are transactions in which real or financial resources that are likely to be consumed immediately or shortly are provided without the receipt of equivalent economic values in return. Current transfers are unilateral in nature and are offsetting entries in the BoP account for one-sided transactions. Examples include workers' remittances, donations, official assistance and pensions.

Capital Account measures external transactions in capital transfers, and the acquisition and disposal of non-produced, non-financial assets (such as trademarks and brand names). Examples of capital transfers include forgiveness of debts by creditors, and cash transfers involving the acquisition or disposal of fixed assets.

Financial Account records transactions in financial assets and liabilities between residents and non-residents. It shows how an economy's external transactions are settled. Transactions in the financial account are classified by function (i.e. the purpose of the investment) into direct investment, portfolio investment, financial derivatives, other investment and reserve assets.

Direct Investment refers to external investment in which an investor of an economy acquires a lasting interest and a significant degree of influence or an effective voice in the management of an enterprise located in another economy. For statistical purpose, an effective voice is taken as being equivalent to a holding of 10% or more of the voting power in an enterprise.

Portfolio Investment refers to investment in non-resident equity securities and debt securities (e.g. bonds and notes, money market instruments), other than that included in direct investment or reserve assets. Compared with direct investors, portfolio investors have no lasting interest or influence in the management of the enterprises concerned. A holding of less than 10% of the voting power in an enterprise is regarded as portfolio investment.

Financial Derivatives are financial instruments that are linked to another specific financial instrument, indicator or commodity, and through which specific financial risks (such as interest rate risk, foreign exchange risk, equity and commodity price risks, credit risk, and so on) can be traded in their own right in financial markets. Financial derivatives include option-type contracts (e.g. warrants and options) and forward-type contracts (e.g. futures, interest rate swaps, currency swaps, forward rate agreements, forward foreign exchange contracts).

Other Investment refers to other financial claims on and liabilities to non-residents that are not classified as direct investment, portfolio investment, financial derivatives or reserve assets. Other investment includes non-marketable loans, currency and deposits, trade credits and advances, and other assets/liabilities.

Reserve Assets are external assets that are readily available to and controlled by the monetary authority of an economy (which refers to the Hong Kong Monetary Authority in the case of Hong Kong) for meeting balance of payments financing needs, for intervention in exchange markets to regulate the currency exchange rate of that economy, and for other related purposes (such as maintaining confidence in the currency and the economy, and serving as a basis for foreign borrowing).

International Investment Position (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. Being fully consistent with the BoP financial account, IIP is also categorised by type of investment. Assets and liabilities are classified into direct investment, portfolio investment, financial derivatives and other investment. The asset side of IIP also includes the reserve assets. For detailed explanation on investment components, please refer to the explanatory notes on the components of the financial account of the BoP account.

Net IIP is the difference between total external financial assets and total external financial liabilities.

Index of Industrial Production measures the changes in local industrial output in real terms, i.e. changes in the volume of local production after discounting the effect of price changes.

Usable Floor Area is defined as the aggregate of the areas of the floor or floors in a storey or a building excluding any staircases, public circulation space, lift landings, lavatories, water-closets, kitchens and any space occupied by machinery for any lift, air-conditioning system or similar service provided for the building.

Buildings with Consents to Commence Work refer to buildings with "Consents" to commence building works issued by the Buildings Department. Such "Consents" are issued to private development projects (including Hong Kong Housing Society's projects).

First Submission refers to plans for a building project which are first submitted to the Building Authority for approval.

Major Revision refers to building plans which have



been so extensively revised that they must be fundamentally re-assessed.

Owner-occupier refers to a household which owns the quarters it occupies.

Sole Tenant refers to a household which rents the whole quarters it occupies from someone who lives outside the quarters without sharing it with other household(s) or subletting.

Co-tenant refers to two or more households each of which rents part of the quarters from someone who lives outside the quarters.

Main Tenant refers to a household which rents the whole quarters it occupies from someone who lives outside the quarters and sublets part of it to other household(s).

Sub-tenant refers to a household which rents part of the quarters from someone who lives in the same quarters.

Rent Free refers to a household which occupies an accommodation for free, with or without the owner's permission. This does not include owner-occupiers or households occupying accommodation provided by employers.

Accommodation Provided by Employer refers to a household which occupies an accommodation provided by the employer of one of the household members. This also includes households occupying quarters leased from employer at a nominal rent. If a household member uses housing allowance given by his/her employer for renting accommodation, the tenure is not regarded as "accommodation provided by employer".

Imports are goods which have been produced or manufactured in places outside the jurisdiction of Hong Kong and brought into Hong Kong for local use or for subsequent re-export as well as Hong Kong products re-imported. Their values are recorded on cost, insurance and freight (c.i.f.) basis.

Total Exports comprise domestic exports and re-exports. Domestic exports are the natural produce of Hong Kong or products of a manufacturing process in Hong Kong which has changed permanently and substantially the shape, nature, form or utility of the basic materials used in manufacture. Processes such as simple diluting, packing, bottling, drying, simple assembling, sorting, decorating, etc., do not confer Hong Kong origin. Re-exports are products which have previously been imported into Hong Kong and which are re-exported without having undergone in Hong Kong a manufacturing process which has changed permanently and substantially the shape, nature, form or utility of the basic materials used in the manufacture. Their values are recorded on free-on-board (f.o.b.) basis.

Exports to the Mainland of China for Outward Processing refer to raw materials or semi-manufactures exported from or through Hong Kong to the mainland of China for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

Imports from the Mainland of China Related to Outward Processing in the Mainland refer to processed goods imported to Hong Kong from the mainland of China, of which all or part of the raw materials or semi-manufactures have been under contractual arrangement exported from or through Hong Kong to the mainland of China for processing.

Re-exports of the Mainland of China Origin to Other

Places (excluding the Mainland of China) Involving Outward Processing in the Mainland of China refer to processed goods re-exported through Hong Kong, of which all or part of the raw materials or semi-manufactures have been exported from or through Hong Kong to the mainland of China for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

Direct Investment refers to external investment in which an investor of an economy acquires a lasting interest and a significant degree of influence or an effective voice in the management of an enterprise located in another economy. For statistical purpose, an effective voice is taken as being equivalent to a holding of 10% or more of the voting power in an enterprise. Direct investment comprises equity and investment fund shares and debt instruments. Equity and investment fund shares include equity in branches, shares in subsidiaries and associates, investment fund shares and reinvestment of earnings (which refers to the investors' share of earnings not distributed by branches, subsidiaries, associates or investment funds). Debt instruments mainly involve inter-company debt transactions. These include short-term and long-term borrowing and lending of funds between parent companies and their branches, subsidiaries and associates.

Inward Direct Investment refers to direct investment by a non-Hong Kong resident on a Hong Kong resident enterprise. Typical examples of inward direct investment are multinational corporations' branches and subsidiaries operating in Hong Kong.

Outward Direct Investment refers to direct investment by a Hong Kong resident on a non-resident enterprise.

Position of Direct Investment refers to the value of investment abroad or investment received from abroad of Hong Kong residents at a specified date.

Flow of Direct Investment refers to the additions/withdrawals of investment abroad or investment received from abroad of Hong Kong residents during a period.

Loan Fund finances loans and advances for such schemes as housing loans and education loans. The main sources of income are appropriations from the General Revenue Account, loan repayments and interest on loans.

Effective Exchange Rate Index (EERI) for the Hong Kong Dollar (HKD) is an index which measures movements in the weighted average of the exchange rate of the HKD against the currencies of major trading partners of Hong Kong. It serves as an indicator for measuring the overall strength of the HKD relative to selected currencies. The index currently uses January 2020 as the base and includes 18 currencies.

Exchange Rates Between the Hong Kong Dollar and Other Currencies refer to the closing middle market telegraphic transfer rates or notes rates.

Authorized Institutions include licensed banks, restricted licence banks and deposit-taking companies. Licensed banks can accept deposits of any size and any term of maturity. With the final phase of interest rate deregulation came into effect on 3 July 2001, there is no restriction on interest rate payable. As for restricted licence banks, they can accept time deposits in amounts of not less than HK\$500,000 with any term of maturity. Deposit-taking companies can however accept time deposits in amounts of not less than HK\$100,000 with a term

of maturity of at least three months. Both restricted licence banks and deposit-taking companies have no restriction on interest rate payable.

Foreign Currency Swap Deposits refer to deposits involving customers buying foreign currencies in the spot market and placing them as deposits with authorized institutions, while at the same time entering into a contract to sell such foreign currencies (principal plus interest) forward in line with the maturity of such deposits. For most analytical purpose, they should be regarded as Hong Kong dollar time deposits.

Money Supply M₁ refers to the sum of legal tender notes and coins held by the public plus customers' demand deposits placed with licensed banks.

Money Supply M₂ refers to the sum of M₁ plus customers' savings and time deposits with licensed banks, plus negotiable certificates of deposit issued by licensed banks held by non-authorized institutions.

Money Supply M₃ refers to the sum of M₂ plus customer deposits with restricted licence banks (RLBs) and deposit-taking companies (DTCs) plus negotiable certificates of deposit issued by RLBs and DTCs held by non-authorized institutions.

Hang Seng Index is a freefloat-adjusted market capitalisation-weighted index with capping on individual constituent weighting. The constituent stocks of the Hang Seng Index are grouped under four sub-indexes, namely Finance, Utilities, Properties, and Commerce and Industry.

Consumer Price Index (CPI) measures the changes over time in the price level of consumer goods and services generally purchased by households. The year-on-year rate of change in the CPI is widely used as an indicator of the inflation affecting consumers. Different CPI series are compiled to reflect the impact of consumer price changes on households in different expenditure ranges. The CPI(A), CPI(B) and CPI(C) are compiled based on the expenditure patterns of households in the relatively low, medium and relatively high expenditure ranges respectively. A Composite CPI is compiled based on the overall expenditure pattern of all the above households taken together to reflect the impact of consumer price changes on the household sector as a whole.

Educational Attainment refers to the highest level of education ever attained by a person in school or other educational institution, regardless of whether he/she had completed the course. Only formal courses are counted as educational attainment. A formal course shall be one that lasts for at least one academic year, requires specific academic qualifications for entrance (except sub-degree, associate degree, degree and post-graduate courses offered by the Open University of Hong Kong) and includes examinations or specific academic assessment procedures.

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for at least one academic year, requires specific academic qualifications for entrance (except non-degree, degree and post-graduate courses offered by the Hong Kong Metropolitan University) and includes examinations or specific academic assessment procedures.

Social Security Schemes aim to provide for the basic and special needs of the members of the community who are in need of financial or material assistance. The non-contributory social security system comprises Comprehensive Social Security Assistance Scheme, Social Security Allowance Scheme, Criminal and Law Enforcement Injuries Compensation Scheme, Traffic Accident Victims Assistance Scheme and Emergency Relief.

Comprehensive Social Security Assistance Scheme provides a safety net for those who cannot support themselves financially. It is designed to bring their income up to a prescribed level to meet their basic needs. An applicant must satisfy the residence requirements and pass both the income and assets tests.

Social Security Allowance Scheme includes Normal Disability Allowance, Higher Disability Allowance, Old Age Allowance (OAA), Old Age Living Allowance (OALA), Guangdong (GD) Scheme and Fujian (FJ) Scheme. The OAA and Disability Allowance provide a monthly allowance to Hong Kong residents who are 70 years of age or above or who are severely disabled to meet their special needs arising from old age or disability respectively. The OALA (renamed as Normal OALA), launched in April 2013, and the Higher OALA, launched in June 2018, are to provide a monthly allowance to supplement the living expenses of Hong Kong residents aged 65 or above who are in need of financial support. The GD Scheme was launched in October 2013 and the FJ Scheme was launched in April 2018. The OALA (including Normal OALA and Higher OALA) under the GD Scheme and the FJ Scheme were launched in January 2020. In September 2022, the Normal and Higher OALAs under the SSA Scheme were merged. The merged OALA adopted the more lenient asset limits of the Normal OALA and the payment rate of the Higher OALA.

Criminal and Law Enforcement Injuries Compensation Scheme aims to provide financial assistance to persons (or to their dependants in cases of death) who are injured as a result of a crime of violence, or by a law enforcement officer using a weapon in the execution of his duty. The Scheme is non-means-tested.

Traffic Accident Victims Assistance Scheme aims to provide speedy financial assistance to road traffic accident victims (or to their dependants in cases of death) on a non-means tested basis, regardless of the element of fault leading to the occurrence of the accident. Payments are made for personal injuries, while loss of or damage to property is not covered.

Emergency Relief is provided for victims of natural and other disasters such as fire, typhoon, flood, rainstorm, landslide, house collapse, and also for evacuees of buildings and premises considered to be dangerous under Closure Orders.