

LegCo Public Accounts Committee to hold short public hearings tomorrow

The following is issued on behalf of the Legislative Council Secretariat:

The Legislative Council (LegCo) Public Accounts Committee (PAC) will hold short public hearings on "Employees Retraining Board" (Chapter 3), "Management of insolvency services" (Chapter 6) and "Management of short term tenancies by the Lands Department" (Chapter 7) of the Director of Audit's Report No.74 tomorrow (June 12) in Conference Room 2 of the LegCo Complex.

Eleven witnesses have been invited to appear before the above short hearings respectively to respond to points raised in the Report and answer questions asked by the PAC members. The programmes are as follows:

Date: June 12 (Friday)

Time: 11.15am

Venue: Conference Room 2

Subject: Employees Retraining Board (Chapter 3 of the Director of Audit's Report No.74)

Witnesses:

Dr Law Chi-kwong

Secretary for Labour and Welfare

Mr Daniel Fong

Principal Assistant Secretary for Labour and Welfare (Manpower)

Mr Byron Ng

Executive Director,

Employees Retraining Board

Mr Patrick Pang

Deputy Executive Director (Training Services),

Employees Retraining Board

Time: 11.55am

Venue: Conference Room 2

Subject: Management of insolvency services (Chapter 6 of the Director of Audit's Report No.74)

Witnesses:

Mr Christopher Hui

Secretary for Financial Services and the Treasury

Mr Sam Hui

Deputy Secretary for Financial Services and the Treasury (Financial Services)3

Ms Phyllis McKenna

Official Receiver

Mr Ronald Fu
Assistant Official Receiver (Case Management)

Time: 12.30pm
Venue: Conference Room 2
Subject: Management of short term tenancies by the Lands Department (Chapter 7 of the Director of Audit's Report No.74)

Witnesses:
Mr Michael Wong
Secretary for Development

Ms Karen Chan
Acting Director of Lands

Ms Angela Chan
Assistant Director (Specialist 2)
Lands Department

The PAC is chaired by Mr Abraham Shek, and its Deputy Chairman is Mr Kenneth Leung. Other members include Mr Paul Tse, Mr Steven Ho, Mr Lam Cheuk-ting, Mr Shiu Ka-fai and Ms Tanya Chan.

S for S speaks on national security law

Following is the transcript of remarks by the Secretary for Security, Mr John Lee, at a media session after attending the Legislative Council meeting today (June 11):

Reporter: Two other questions, so the national security law will be enforced the first day it will come into effect. So there will be no time for people and law enforcement to kind of get used to the law and understand more about the law. Are you concerned about that point? And second question, critics said there is a lack of transparency concerning the group that the Police will set up in charge of the national security law, so how will the task force work with Mainland body set up to enforce the law? Will the Government in charge make the whole process of setting up this body more transparent so the public will know what is actually happening?

Secretary for Security: We will have to wait for the law to be written and then promulgated and then we will know what exactly the law will say. But it is important for the law enforcement agency to get prepared now with the number of people to be ready to discharge their duties as required by the

law. It is because once the law is promulgated, then it becomes effective law. So the responsible law enforcement agency will have to get prepared now. It is true that we will only know exactly what the wording of the law will be so as to ensure that we know how exactly we can enforce the law. But the Hong Kong Police is well experienced in law enforcement over the years. I have confidence that they can very quickly develop their skill and knowledge in this regard. It is important that they start preparation now. I think what is more important is that people should know that when the law is promulgated, then it becomes effective law. So it is important that all of us pay attention to what will be said in the law, so that we know what is allowed and what will not be allowed, that is the most important. Of course, the Government as well as the law enforcement agency will do public education. Once the law is made public, then we will be explaining more about the details of the law.

Reporter: Can you give more details about the number of personnel that you will recruit for the unit? And what trainings, as you have mentioned, are ongoing to prepare for the law enforcement? Thank you.

Secretary for Security: The number of people will have to be decided according to the need. We are making preparations but we have to look at the exact law, to see what will be required of the law enforcement agencies to do, so as to actually decide on the number of people. As regards preparation, we have already been starting to look into what personal qualities, what experience will be required of the people who will be working in this new set-up unit. The second thing is, although (the national) security law is going to be enacted, it doesn't mean that the Police have no experience at all. Although relatively the national security matters involve complex issues but they already have some experience in enforcing the law in regard to some aspects of national security such as we have prohibited one "Hong Kong independence" society. So the Police have some experience already in that regard. But this is important that because of the new law, there will be new areas that they will have to look into. So training in other regards is important. We of course will be liaising with counterparts in the Mainland, to see how training can be done with their assistance. In fact in the same way as the Police go about counter-terrorism, the Police will be making opportunities to learn from counterparts overseas. So they will have of course a lot of things to do but I have good faith in their ability to discharge their function effectively.

(Please also refer to the Chinese portion of the transcript.)

[Public hospitals daily update on](#)

COVID-19 cases

The following is issued on behalf of the Hospital Authority:

As at noon today (June 11), four COVID-19 confirmed patients (case numbers: 312, 713, 1056 and 1086) were discharged from hospital in the past 24 hours. So far, a total of 1 055 patients with confirmed or probable infection have been discharged.

At present, there are 644 negative pressure rooms in public hospitals with 1 199 negative pressure beds activated. A total of 49 confirmed patients are currently hospitalised in eight hospitals, among which four patients are in critical condition (case numbers: 595, 1084, 1092 and 1100), and the remaining 45 patients are in stable condition.

The Hospital Authority will maintain close contact with the Centre for Health Protection to monitor the latest developments and to inform the public and healthcare workers on the latest information in a timely manner.

Construction output for first quarter of 2020

The total gross value of construction works performed by main contractors in the first quarter of 2020 decreased by 6.5% in nominal terms over a year earlier to \$52.3 billion, according to the provisional results of the Quarterly Survey of Construction Output released today (June 11) by the Census and Statistics Department (C&SD).

After discounting the effect of price changes, the provisional results showed that the total gross value of construction works performed by main contractors decreased by 9.4% in real terms over the same period.

Gross value of construction works in real terms is derived by deflating the corresponding nominal value with an appropriate price index to the price level in the base period of 2000.

Analysed by type of construction works, the gross value of construction works performed at private sector sites totalled \$15.3 billion in the first quarter of 2020, down by 7.8% in nominal terms over a year earlier. In real terms, it decreased by 8.0%.

The gross value of construction works performed at public sector sites decreased by 9.5% in nominal terms over a year earlier to \$13.9 billion in

the first quarter of 2020. In real terms, it decreased by 12.1%.

The gross value of construction works performed by main contractors at locations other than construction sites amounted to \$23.1 billion in the first quarter of 2020, down by 3.8% in nominal terms compared with a year earlier. In real terms, it decreased by 8.5%. Construction works at locations other than construction sites included minor new construction activities and decoration, repair and maintenance for buildings; and electrical equipment installation and maintenance works at locations other than construction sites.

Analysed by major end-use group, the gross value of construction works performed at construction sites in respect of residential buildings projects amounted to \$12.0 billion in the first quarter of 2020, down by 19.0% in nominal terms over a year earlier. Over the same period, the gross value of construction works performed at construction sites in respect of transport projects dropped by 8.7% in nominal terms to \$5.7 billion in the first quarter of 2020.

On a seasonally adjusted quarter-to-quarter basis, the gross value of construction works performed by main contractors decreased by 12.6% in nominal terms and decreased by 13.2% in real terms in the first quarter of 2020 compared with the fourth quarter of 2019.

Table 1 shows the provisional figures on the gross value of construction works performed by main contractors in the first quarter of 2020. Tables 2 and 3 show the revised figures for the whole year of 2019 and the fourth quarter of 2019 respectively.

Owing to the widespread sub-contracting practices in the construction industry, a construction establishment can be a main contractor for one contract and a sub-contractor for another contract at the same time. The gross value of construction works performed by main contractors covers only those projects in which the construction establishment takes the role of a main contractor, but not projects in which it takes only the role of a sub-contractor. However, sub-contractors' contribution to projects should have been included in the gross value of construction works performed by main contractors for whom they worked.

The classification of construction establishments follows the Hong Kong Standard Industrial Classification Version 2.0, which is used in various economic surveys for classifying economic units into different industry classes.

More detailed statistics are given in "Report on the Quarterly Survey of Construction Output, 1st Quarter 2020". Users can download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp330.jsp?productCode=B1090002).

For enquiries about the survey results, please contact the Construction and Miscellaneous Services Statistics Section of the C&SD (Tel: 3903 6965 or

email: building@censtatd.gov.hk).

Statistics on trade involving outward processing in the mainland of China, first quarter 2020

In the first quarter of 2020, 24.1% of Hong Kong's total exports to the mainland of China (the Mainland) were for outward processing in the Mainland. On the other hand, 36.5% of Hong Kong's imports from the Mainland were related to outward processing in the Mainland, according to statistics released today (June 11) by the Census and Statistics Department (C&SD). Over the same period, 64.0% of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland.

In the first quarter of 2019, the corresponding proportions were 25.7% for total exports to the Mainland, 36.9% for imports from the Mainland and 64.7% for re-exports of Mainland origin to other places.

In value terms, \$113.7 billion of Hong Kong's total exports to the Mainland in the first quarter of 2020 were for outward processing in the Mainland, representing a decrease of 7.9% compared with the first quarter of 2019. On the other hand, the value of imports from the Mainland related to outward processing in the Mainland decreased by 17.8% compared with the first quarter of 2019 to \$142.8 billion. Meanwhile, \$160.5 billion of Hong Kong's re-exports of Mainland origin to other places were produced through outward processing in the Mainland, representing a decrease of 21.1% compared with the first quarter of 2019.

The statistics for the first quarter of 2020 are given in the attached tables.

Information on trade involving outward processing in the Mainland is collected in a sample survey conducted by the C&SD. For the purpose of the survey, exports to the Mainland for outward processing refer to raw materials or semi-manufactures exported from or through Hong Kong to the Mainland for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

Imports from the Mainland related to outward processing refer to processed goods imported from the Mainland, 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 for processing.

Re-exports of Mainland origin to other places involving outward

processing in the Mainland 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 for processing with a contractual arrangement for subsequent re-importation of the processed goods into Hong Kong.

In interpreting the statistics, it should be noted that all imports and exports of goods (not including transshipments and goods-in-transit) are recorded as external trade, irrespective of whether the goods are associated with outward processing or not. Moreover, the value and proportion of imports from the Mainland and re-exports of Mainland origin to other places involving outward processing in the Mainland refer to those of the entire goods instead of just the value added contributed by outward processing in the Mainland.

A sample of import/export declarations in respect of Hong Kong's trade with the Mainland and Hong Kong's re-exports originated in the Mainland to other places is selected for enumeration to obtain the required information from the establishments concerned. The findings of the survey facilitate a more informed analysis of the nature of Hong Kong's trade with the Mainland. In this respect, the survey results are a useful supplement to the regular trade statistics.

The above survey results will be included in the June 2020 issue of the "Hong Kong External Merchandise Trade". The publication will be available in August 2020. Users can download this publication free of charge from the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp230.jsp?productCode=B1020005).

Enquiries on the survey results may be directed to the Outward Processing and Shipping Statistics Section of the C&SD (Tel: 2582 2126 or email: ops@censtatd.gov.hk).