

Transcript of remarks by FS at media session (with video)

Following is the transcript of remarks by the Financial Secretary, Mr Paul Chan, at a media session after attending a radio programme this morning (July 14):

Reporter: Mr Chan, does the government has any plan to tighten regulations on resale of HOS flats? Can we expect any concrete measures any time soon? And for the trade war, can you tell us that you think Hong Kong is ready to brace any impact both on a short and long term?

Financial secretary: The measures you mentioned in relation to the housing market is in the context of home ownership scheme, right? On home ownership scheme, the policy consideration is to assist people to acquire their residence for self-occupation purpose. But on the other hand, we recognise that due to change in circumstances or career development, people may need to, say for example, trade up in the market. That's why, in the mechanism, they are allowed to resell the property to other buyers subject to certain restrictions. But the policy objective remains primarily for people to buy an affordable housing for self-occupation. In relation to trade war, the immediate impact on our GDP for the first round of the measures is estimated to be limited, but that is only the direct impact. But the indirect impact would be much wider, and with the heightening tension and the increasing coverage of the trade war, we expect the impact would be larger and this will hang around for a considerable period. Apart from affecting the real economy, it also affects the capital market and financial market as well as investment sentiment. That indirect impact on Hong Kong will be more significant but that remains to be seen because trade war involves multiple parties and the reaction of other parties are still unclear yet. We will continue to monitor this very closely and to roll out measures to support our small and medium-sized enterprises as needed.

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