Appointment of directors of Hong Kong Cyberport Management Company Limited

The Government today (March 29) announced the appointment of three new Directors and the re-appointment of three serving Directors to the Board of Directors of Hong Kong Cyberport Management Company Limited from April 1, 2019, to March 31, 2021.

The three new Directors are Mr Victor Ng Chi-keung, Dr Charleston Sin Chiu-shun and Mr Eric Yeung Chuen-sing. All of them have strong expertise in innovation and technology and other professional fields.

The three re-appointed Directors are Mr Lau Chun-kong, Mr Ling Kar-kan and Ms Rosana Wong Wai-man.

Welcoming the appointments, the Secretary for Innovation and Technology, Mr Nicholas W Yang, said, "With their wealth of experience and expertise in a wide range of businesses, the Board Directors will no doubt continue to lead Cyberport in making Hong Kong a leading innovation and digital technology hub."

Mr Yang also expressed gratitude to the outgoing Directors, Dr Edwin Lee Kan-hing and Dr Gregg G Ka-lok Li, for their invaluable contributions to Cyberport over the years.

The full membership of the Board with effect from April 1, 2019, is as follows:

Dr George Lam (Chairman)
Professor Philip Chan Ching-ho
Ms Karen Chan Ka-yin
Mr Duncan Chiu
Mr Humphrey Choi Chor-ching
Mr Lau Chun-kong
Mr Ling Kar-kan
Mr Victor Ng Chi-keung
Dr Charleston Sin Chiu-shun
Mr Hendrick Sin
Ms Rosana Wong Wai-man
Mr Eric Yeung Chuen-sing
Permanent Secretary for Innovation and Technology

Monetary Statistics for February 2019

The following is issued on behalf of the Hong Kong Monetary Authority:

According to statistics published today (March 29) by the Hong Kong Monetary Authority, total deposits with authorized institutions edged up by 0.1 per cent in February 2019. Hong Kong-dollar deposits grew by 0.2 per cent during the month, as the increase in demand and savings deposits exceeded the decline in time deposits. Overall foreign-currency deposits stayed virtually unchanged in February. Renminbi deposits in Hong Kong grew by 1.5 per cent to RMB608.3 billion at the end of February. The total remittance of renminbi for cross-border trade settlement amounted to RMB338.6 billion in February, compared with RMB408.1 billion in January 2019.

Total loans and advances grew by 0.2 per cent in February. Among the total, loans for use in Hong Kong (including trade finance) remained virtually unchanged from a month ago, while loans for use outside Hong Kong picked up by 0.7 per cent (Note). The Hong Kong-dollar loan-to-deposit ratio picked up to 87.3 per cent at the end of February from 86.8 per cent at the end of January, as Hong Kong-dollar loans grew at a faster pace than Hong Kong-dollar deposits.

On a seasonally-adjusted basis, Hong Kong-dollar M1 rose by 1.5 per cent in February but declined by 3.8 per cent year-on-year. Seasonally unadjusted Hong Kong-dollar M3 edged up by 0.1 per cent during the month and grew by 1.4 per cent from a year earlier.

Note: The December 2018 figures for loans for use in/outside Hong Kong have been restated to reflect authorised institutions' reclassification of working capital loans. The reported month-on-month growth rates are calculated based on the reclassified loan data. As reclassified loan data before December 2018 are not available, quarter-on-quarter and year-on-year growth rates of loans for use in/outside Hong Kong (including their sub-components) as shown in Table 1H of the Annex are calculated based on the data without such reclassification.

Exchange Fund Abridged Balance Sheet and Currency Board Account

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) announced today (March 29) that the total assets of the Exchange Fund amounted to HK$4,165.4 billion as at

February 28, 2019, HK$16.2 billion lower than that at the end of January 2019. Foreign currency assets decreased by HK$1.7 billion and Hong Kong dollar assets decreased by HK$14.5 billion.

The decline in foreign currency assets was mainly due to the redemption of Certificates of Indebtedness and a decrease in unsettled purchases of securities, which were partly offset by income from foreign currency portfolios. The decline in Hong Kong dollar assets was mainly due to withdrawals of placements by Fiscal Reserves and HKSAR government funds and statutory bodies, which were partly offset by an increase in market value of Hong Kong equities.

The Currency Board Account shows that the Monetary Base at the end of February 2019 was HK$1,646.6 billion, decreased by HK$9.1 billion, or 0.6 per cent, from the end of January 2019. The decline was mainly due to the decrease in the outstanding amount of Certificates of Indebtedness.

The amount of Backing Assets decreased by HK$6.2 billion, or 0.3 per cent, to HK$1,816.6 billion. The decrease was mainly attributable to the redemption of Certificates of Indebtedness, which was partly offset by interest from investments. The backing ratio increased from 110.09 per cent at the end of January 2019 to 110.33 per cent at the end of February 2019.

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At present, four press releases relating to the Exchange Fund's data are issued by the HKMA each month. Three of these releases are issued to disseminate monetary data in accordance with the International Monetary Fund's Special Data Dissemination Standard (SDDS). The fourth press release, on the Exchange Fund's Abridged Balance Sheet and Currency Board Account, is made in accordance with the HKMA's policy of maintaining a high level of transparency. For the month of March 2019, the scheduled dates for issuing the press releases are as follows:

March 7 (Issued)	SDDS International Reserves (Hong Kong's Latest Foreign Currency Reserve Assets Figures)
March 14 (Issued)	SDDS Analytical Accounts of the Central Bank (Analytical Accounts of the Exchange Fund)
March 29	SDDS Template on International Reserves and Foreign Currency Liquidity
March 29	Exchange Fund Abridged Balance Sheet and Currency Board Account

[Speech by CS at Symposium on Early Childhood Intervention (English only) (with photos/video)]

Following is the speech by the Chief Secretary for Administration, Mr Matthew Cheung Kin-chung, at the Symposium on Early Childhood Intervention hosted by the Boys' and Girls' Clubs Association of Hong Kong (BGCA) today (March 29):

Dr Roy Chung (President of the BGCA), Dr Ng Yin-ming (Chairman of the Executive Committee of the BGCA), council members of the BGCA, distinguished guests, ladies and gentlemen,

It is my great pleasure to join you all here today. I would like first to express my deep gratitude to the Boys' and Girls' Clubs Association of Hong Kong for organising this meaningful and timely Symposium and to warmly welcome all overseas speakers and participants from different sectors and disciplines to share the latest trends, policies and possible cross-sector, cross-discipline collaboration on early child development and intervention.

The theme of this Symposium is "Nurture the Early Years for a Stronger Foundation and Better Tomorrow", which echoes well with the children policy of the current-term Hong Kong Special Administrative Region (HKSAR) Government.

We believe that children are the future and hope of our society. Early stage development is of paramount importance because it is the period in life when the brain develops most rapidly and has high capacity for change and thus it is the best time to lay the foundation for health and well-being throughout life. A continuum of care is therefore needed to safeguard and maximise children's development outcomes. In addition, early childhood education also plays a crucial role in children's all-round development and life-long learning.

Maternal and Child Health Services

The Family Health Service (FHS) established under the Department of Health provides a comprehensive range of health promotion and disease prevention services for children from birth to 5 years and women at or below 64 years of age. Maternal Health Service (Antenatal and Postnatal), Family Planning Service, Cervical Cancer Screening Service, Woman Health Service and Child Health Service are delivered by FHS. These services are provided by a dedicated team of medical and nursing professionals and supporting staff, through a network of Maternal and Child Health Centres and Woman Health Centres.

Hong Kong's maternal mortality ratio (MMR) is among the best in the world. In 2015, the figure for MMR was only 1.6 per 100 000 registered live births, as compared with the average of 14 per 100 000 live births among the OECD (Organisation for Economic Co-operation and Development) countries. In 2017, Hong Kong's MMR was 1.8 per 100 000 registered live births. Quality and accessible maternal health services are delivered by health professionals in both public and private sectors.

Public maternal health services are provided free of charge to Hong Kong residents by eight birthing hospitals of the Hospital Authority and Maternal and Child Health Centres under a comprehensive antenatal shared-care programme to monitor the whole process of pregnancy. The programme includes antenatal health assessment, check-ups, relevant investigations and health advice. Pregnant women with high risk factors or suspected to have antenatal problems will be referred to the Obstetric Department of Hospital Authority for follow-up, management, and delivery care.

After delivery, mothers are provided with postnatal physical check-ups, advice on breastfeeding, child care and contraception by public hospitals or Maternal and Child Health Centres. Mothers with postnatal mood or adjustment problems are given counselling and provided with support from specialists or social services as appropriate.

Over 90 per cent of newborns of local mothers register with Maternal and Child Health Centres each year for child health services. The service is provided free of charge to eligible children in Hong Kong. The components of the child health service include immunisation, health and developmental surveillance, as well as parenting.

To ensure timely identification and referral of children with health or developmental problems to relevant public health units, health care professionals work in partnership with parents and caregivers to monitor children on an ongoing basis. This component of child health service includes physical examination of the newborn child, monitoring of the child's growth parameters and nutrition, newborn hearing screening for children who did not receive the screening test at the birthing hospitals, preschool vision screening, and developmental surveillance conducted at scheduled ages. In addition, pre-primary teachers, with parental consent, can also refer children with suspected physical, developmental or behavioural problems to Maternal and Child Health Centres for preliminary assessment.

Parenting programmes are also provided by Maternal and Child Health Centres to equip parents of children with necessary knowledge and skills, including anticipatory guidance on child development, childcare, breastfeeding and nutrition and more during the antenatal period and throughout the preschool years of children. For parents of children with early signs of behavioural problems or those who encounter difficulties in parenting, a group training programme on positive parenting skills is offered.

To identify at an early stage various health and social needs of children aged 0 to 5, the HKSAR Government has introduced the cross-bureau and cross-department Comprehensive Child Development Service. It is a joint effort of the Labour and Welfare Bureau, Education Bureau, Department of Health, Hospital Authority and Social Welfare Department and their frontline service units to help identify at-risk pregnant women, including teenage mothers, mothers with substance misuse and mental health problems, mothers with postnatal depression, families with psychosocial needs, and pre-primary children with health, developmental and behavioural problems. Needy children and families identified are referred to relevant service units for appropriate health or social services.

Services for Pre-school Children

To enable pre-school children with special needs to receive necessary training early in their prime learning period, the Government launched a Pilot Scheme in November 2015 to provide Onsite Pre-school Rehabilitation Services to children attending kindergartens or kindergarten-cum-child care centres through inter-disciplinary service teams co-ordinated by non-governmental organisations.

The inter-disciplinary service teams comprising occupational therapists, physiotherapists, speech therapists, psychologists, social workers and special child care workers are tasked to provide early intervention service for children and offer professional advice and support to kindergarten teachers, child care workers and parents.

Given the positive results of the Pilot Scheme and full recognition by parents and kindergartens teachers, the Onsite Pre-school Rehabilitation Services have been regularised since October 2018 with the number of service places increased from about 3 000 to about 5 000, which will be further increased to 7 000 in October 2019.

To identify at an early stage and to provide assistance to pre-primary children and their families with welfare needs, the HKSAR Government has allocated HK$990 million from the Lotteries Fund to launch a three-year pilot scheme to provide social work services in phases for about 150 000 pre-primary children and their families in subsidised or aided child care centres, kindergartens and kindergarten-cum-child care centres. The first phase of services was launched last month (February 2019).

Furthermore, the Budget for 2019/20 announced last month proposed to allocate an additional funding of about HK$156 million from 2019-20 onwards to increase the level of subsidy for services provided by child care centres to alleviate parents' financial burden, improve the manning ratio of qualified child care workers in day and residential child care centres and enhance training to improve service quality, and provide in phases about 400 additional aided standalone child care centre places to provide long full-day child care services for children aged below 3.

We also believe that quality kindergarten education fosters in children an inquisitive mind, inculcates in them an interest in learning and exploration, promotes their balanced development and develops their healthy self-concept and confidence. To this end, the current-term Government has implemented the new kindergarten education policy starting from the 2017/18 school year with a substantial increase in government funding to enhance teachers' remuneration, reduce parents' financial burden and improve the quality of teaching.

A professional development framework for kindergarten teachers has also been developed to provide more structured in-service training for them. The purpose is to equip them with the knowledge and skills necessary for fostering a supportive and motivating environment, as well as applying evidence-based intervention strategies. We also encourage collaboration between tertiary education institutions and non-governmental organisations to jointly provide programmes on professional development for teachers. We are glad to note that positive feedback has been received from teacher participants.

Parents also play a vital role in children's learning. To promote parent education and home-school co-operation, starting from the 2019/20 school year, the HKSAR Government will increase recurrent funding by about HK$30 million so that additional resources can be provided to federations of parent-teacher associations and parent-teacher associations of schools for organising more community-based and school-based parent education programmes or activities.

Ladies and gentlemen, as you can see, child development tops the policy agenda of the current-term HKSAR Government. Indeed, the government set up Hong Kong's first-ever high-level Commission on Children last year to co-ordinate holistically government and community efforts in protecting and enhancing the well-being of children throughout their various stages of growth. This advisory body is chaired by myself as the Chief Secretary for Administration and comprises both senior officials and knowledgeable non-official members.

I would like to close by thanking the Boys' and Girls' Clubs Association of Hong Kong again for their relentless efforts in promoting early childhood care and education for children and families in Hong Kong for over 80 years. Today's Symposium offers a valuable platform for scholars, practitioners and policymakers to share views and insights on effective intervention for optimal development of young children. I wish all of you a fruitful discussion and our overseas speakers and participants an enjoyable stay in Hong Kong. Thank you.

[Financial results for the 11 months ended February 28, 2019]

The Government announced today (March 29) its financial results for the 11 months ended February 28, 2019.

There was a deficit of HK$8.3 billion in the month of February. Expenditure for the 11-month period amounted to HK$465.5 billion and revenue HK$565.3 billion, with the cumulative year-to-date surplus at HK$99.8 billion.

A government spokesperson said that the expenditure in March is expected to exceed revenue, resulting in a deficit for the month and reducing the cumulative surplus.

The fiscal reserves stood at HK$1,202.7 billion as at February 28, 2019.

Detailed figures are shown in Tables 1 and 2.

TABLE 1. CONSOLIDATED ACCOUNT (Note 1)

	Month ended February 28, 2019 HK$ million	11 months ended February 28, 2019 HK$ million
Revenue	34,697.7	565,256.5
Expenditure	(42,985.0)	(465,453.9)
(Deficit)/Surplus	(8,287.3)	99,802.6
Financing		

Domestic		
Banking Sector (Note 2)	7,867.1	(102,399.1)
Non-Banking Sector	420.2	2,596.5
External	–	–
Total	8,287.3	(99,802.6)

Government Debts as at February 28, 2019 (Note 3)
HK$1,500 million
Debts Guaranteed by Government as at February 28, 2019 (Note 4)
HK$24,227.9 million

TABLE 2. FISCAL RESERVES

	Month ended February 28, 2019 HK$ million	11 months ended February 28, 2019 HK$ million
Fiscal Reserves at start of period	1,211,023.6	1,102,933.7
Consolidated (Deficit)/ Surplus	(8,287.3)	99,802.6
Fiscal Reserves at end of period (Note 5)	1,202,736.3	1,202,736.3

Notes:

1. This Account consolidates the General Revenue Account and the following eight Funds: Capital Works Reserve Fund, Capital Investment Fund, Civil Service Pension Reserve Fund, Disaster Relief Fund, Innovation and Technology Fund, Land Fund, Loan Fund and Lotteries Fund. It excludes the Bond Fund, the balance of which is not part of the fiscal reserves. The Bond Fund balance as at February 28, 2019, was HK$137,917 million.

2. Includes transactions with the Exchange Fund and resident banks.

3. These were the outstanding institutional notes as at February 28, 2019, which were denominated in Hong Kong dollars with maturity in July 2019. They do not include the outstanding bonds with nominal value of HK$94,154 million and alternative bonds with nominal value of US$3,000 million (equivalent to HK$23,549 million as at February 28, 2019) issued under the Government Bond Programme (with proceeds credited to the Bond Fund). Of these bonds under the Government Bond Programme (including Silver Bonds with nominal value of HK$8,754 million, which may be redeemed before maturity upon request from

bond holders), bonds with nominal value of HK$32,259 million and alternative bonds with nominal value of US$1,000 million (equivalent to HK$7,850 million as at February 28, 2019) will mature within the period from March 2019 to February 2020 and the rest within the period from March 2020 to March 2032.

4. Includes guarantees provided under the SME Loan Guarantee Scheme launched in 2001, the Special Loan Guarantee Scheme launched in 2008, the Special Concessionary Measures under the SME Financing Guarantee Scheme launched in 2012, and a commercial loan of the Hong Kong Science and Technology Parks Corporation.

5. Includes HK$219,730 million being the balance of the Land Fund held in the name of "Future Fund" as from January 1, 2016, for long-term investments initially up to December 31, 2025. As from July 1, 2016, the Future Fund also includes HK$4,800 million, being one-third of the actual surplus in 2015-16 as top-up.