

WHC and Route 3 to maintain present actual toll levels

The Government announced today (July 26) that, notwithstanding the new statutory tolls of the Western Harbour Crossing (WHC) and Route 3 (Country Park Section) (Route 3) coming into effect on July 31 and August 1 respectively, the current actual toll levels payable by motorists will remain unchanged as the tunnel companies will continue to offer concessions to all types of vehicles.

The toll adjustment mechanisms for the WHC and Route 3 are specified in the Western Harbour Crossing Ordinance (Cap. 436) and the Tai Lam Tunnel and Yuen Long Approach Road Ordinance (Cap. 474) respectively. The franchisees of the WHC and Route 3 can effect statutory toll increases under the law if the companies' actual net revenues fall short of the minimum estimated net revenues specified in the law.

A spokesman for the Government said, "The two franchisees recently notified the Government of the dates on which they would like the new statutory toll levels to take effect. However, the two companies will continue to offer concessions to all types of vehicles so that current actual toll levels payable by motorists will remain unchanged."

The Commissioner for Transport will publish notices in the Gazette tomorrow (July 27) on the new statutory tolls of the WHC and Route 3. The relevant Legislative Council Briefs are at Annexes 1 and 2 respectively.

Survey on Small and Medium-Sized Enterprises' Credit Conditions for second quarter 2018

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

The Hong Kong Monetary Authority (HKMA) published today (July 26) the results of Survey on Small and Medium-Sized Enterprises (SMEs)' Credit Conditions for the second quarter of 2018.

Regarding SMEs' perception of banks' credit approval stance relative to six months ago, 72 per cent of respondents perceived similar or easier credit approval stance in the second quarter of 2018, compared with 77 per cent recorded in the previous quarter (Chart 1 in the Annex). 28 per cent of

respondents perceived more difficult credit approval stance in the second quarter of 2018, as compared to 23 per cent in the previous quarter.

Of those respondents with existing credit lines, 94 per cent reported that banks' stance on existing credit lines was easier or unchanged in the second quarter of 2018, up from 88 per cent recorded in the previous quarter (Chart 2 in the Annex). 6 per cent of respondents reported tightened banks' stance in the second quarter of 2018, down from 12 per cent in the previous quarter.

The Survey also gauged the results of new credit applications from SMEs. 2.3 per cent of respondents reported that they had applied for new bank credit during the second quarter of 2018. Of those with known application outcomes, 98 per cent reported fully or partially successful applications; the proportion of respondents that reported fully successful applications increased to 67 per cent from 50 per cent in the survey of the previous quarter (Chart 3 in the Annex). The proportion of respondents that reported unsuccessful application declined from 9 per cent to 2 per cent. It should be noted that owing to a small sample size (i.e. 2.3 per cent of surveyed SMEs), the results on new credit applications from SMEs could be prone to large fluctuations. Care should be taken when interpreting the survey results.

About Survey on SMEs' Credit Conditions

In light of the importance of SMEs to the Hong Kong economy and concerns about potential funding difficulties facing SMEs over the past few years, the HKMA has appointed the Hong Kong Productivity Council (HKPC) to carry out this Survey, starting from the third quarter of 2016. This Survey is conducted on a quarterly basis, covering about 2 500 SMEs from different economic sectors each time. The results of this Survey can help monitor the development of SMEs' access to bank credit from a demand-side perspective.

The results of this Survey should be interpreted with caution. Similar to other opinion surveys, views collected in this Survey may be affected by changes in sentiment due to idiosyncratic events that occurred over the Survey period, which can make the results prone to fluctuations. Readers are advised to interpret the results together with other economic and financial information. In addition, views collected are limited to the expected direction of inter-quarter changes (e.g. "tighter", "similar" or "easier") without providing information about the magnitude of these changes.

Detailed tables and technical information of this Survey are published on the website of the HKPC (smecc.hkpc.org).

[World Breastfeeding Week 2018 rallies](#)

support for breastfeeding

The Department of Health, in collaboration with the Baby Friendly Hospital Initiative Hong Kong Association (BFHIHKA), the Hong Kong Committee for UNICEF (UNICEF HK) and the Hospital Authority (HA) today (July 26) held an event to celebrate World Breastfeeding Week (WBW) 2018 with a view to raising the community's awareness on breastfeeding and calling for their support.

WBW is celebrated annually in the first week of August in more than 170 countries. The theme for this year is "Breastfeeding: Foundation of Life". Addressing the event, the Secretary for Food and Health, Professor Sophia Chan, said breastfeeding offers the finest and the most natural nutrition for babies, benefits babies' growth and development and promotes emotional bonding between mothers and babies. Benefits of breastfeeding are also proportional to duration and exclusiveness.

She pointed out that the World Health Organization (WHO) recommends that babies should be breastfed exclusively in the first six months. Thereafter, solid foods should be introduced while breastfeeding can continue until the child is 2 years old or beyond.

Professor Chan said that the local breastfeeding rate has been increasing steadily in the past 20 years. The breastfeeding rate on hospital discharge recorded a significant increase from 43 per cent in 1997 to 87 per cent in 2016 while the exclusive breastfeeding rate among 4-month-old babies grew from 6 per cent to 31 per cent in the same period. The result is encouraging, she added.

She emphasised that sustained breastfeeding relies not only on the hard work and perseverance of breastfeeding mothers but their family members and the community as a whole as well.

The Government has all along endeavoured to promote and support breastfeeding. Since the establishment of the Committee on Promotion of Breastfeeding under the Food and Health Bureau in 2014, the Committee has set various strategies. The Department of Health, in collaboration with various sectors, implements the relevant measures, including strengthening support for breastfeeding in healthcare institutions, encouraging adoption of the Breastfeeding Friendly Workplace Policy, encouraging public places to become Breastfeeding Friendly Premises and to provide baby-care facilities as way to facilitate breastfeeding and lactation for breastfeeding mothers, promulgate and evaluate the effectiveness of the Hong Kong Code of Marketing of Formula Milk and Related Products, and Food Products for Infants & Young Children, and strengthen surveillance on the local breastfeeding situation.

In addition, the Government has been proactively promoting the provision of baby-care facilities in government premises and public venues. The Government will include a mandatory requirement for the provision of baby-

care facilities and lactation rooms in the sale conditions of government land sale sites for new commercial developments comprising office premises and/or retail outlets, eating places and more. The Government will also take corresponding measures to mandate the provision of baby-care facilities and lactation rooms in certain new government premises.

Professor Chan said, "To date, there are already 301 government premises with baby-care facilities and lactation rooms. The Government also proactively encourages public transport facilities to support breastfeeding. Currently, some routes of New World First Ferry, MTR stations and passenger terminals of Hong Kong International Airport have already been providing baby-care facilities. The Government will continue to work with various sectors and organisations to promote and support breastfeeding initiatives on various fronts."

Professor Chan added, "Apart from community support, professional support from healthcare facilities is of particular importance to breastfeeding mothers. Healthcare facilities provide antenatal education and offer comprehensive and timely professional support during their pregnancy, labour, birth and postnatal period, facilitating the effectiveness of breastfeeding. The implementation of Baby Friendly Hospital (BFH) Initiative in healthcare facilities is one of the key measures to support breastfeeding."

Since August 2013, the HA has been implementing the initiative in its eight public hospitals with maternity wards and encouraging them to become BFH in phases. Queen Elizabeth Hospital and Queen Mary Hospital were awarded BFH in May 2016 and January this year respectively. The DH has also launched a pilot scheme of the Baby-Friendly Maternal and Child Health Centre (MCHC) Designation in three MCHCs in June 2016. The MCHCs are Sai Ying Pun MCHC, Kowloon City MCHC and Yaumatei MCHC.

Also attending the event, the Vice-chairperson of the BFHIHK, Dr Patricia Ip, said, "The BFHIHK conducts an annual survey of hospitals' practices on the implementation of the WHO's Ten Steps to Successful Breastfeeding with maternity units in Hong Kong and we have found that an increasing number of nurses are trained to support breastfeeding, while training for doctors could be strengthened. Currently, around 17 per cent of births take place in baby-friendly hospitals in Hong Kong."

The Chairman of the Advocacy and Public Relations Committee of UNICEF HK, Miss Au King-chi, said, "UNICEF HK aims to launch a new 'Breastfeeding Welcome' pledge by the end of the year. Through this, we hope to encourage more restaurants and hotels to join hands with us in creating a welcoming environment for breastfeeding mums. Moreover, UNICEF HK is concerned about baby formula companies' non-compliance with the voluntary Hong Kong Code, especially in deploying misleading marketing practices. We urge the trade to observe the Hong Kong Code and the Government to take positive action for the effective implementation of the Code."

Breastfeeding not only provides the best nutrition for babies and

strengthens their immunity, but also protects babies against childhood obesity and diabetes or other non-communicable diseases (NCDs) in later life.

To combat the threat of NCDs, the Government this year announced "Towards 2025: Strategy and Action Plan to Prevent and Control Non-communicable Diseases in Hong Kong", setting out nine local targets to be achieved by 2025 which include halting the rise in prevalence of diabetes and obesity. Successful prevention and control of NCDs relies on collaborative efforts by various sectors including the Government, non-governmental organisations, the private sector, academia and each and every member of society. The Government commends all parties for taking measures to protect, promote and support breastfeeding to combat childhood obesity.

More information on breastfeeding is available at the DH's Family Health Service [designated webpage](#). Members of the public can also download the DH's ["Info for Nursing Mum" mobile app](#) to access information on breastfeeding anytime and anywhere.

Hospital Authority announces senior appointment (with photo)

The following is issued on behalf of the Hospital Authority:

The Hospital Authority (HA) spokesperson today (July 26) announced the following senior appointment.

Dr Pang Fei-chau will be appointed as the Head of Human Resources at the HA Head Office, succeeding Dr Theresa Li, who will take up the post of Cluster Chief Executive (Hong Kong West) and Hospital Chief Executive (HCE) of Queen Mary Hospital and Tsan Yuk Hospital from October 1.

Dr Pang is a physician by background. He has been the HCE of Grantham Hospital (GH) since May 2016 and, additionally, the HCE of Tung Wah Hospital since November 2017. Dr Pang steers the Phase One redevelopment of GH and has successfully engaged key stakeholders such as the parent board, academic partners, the local community and cluster staff throughout the process.

Dr Pang possesses extensive management experience both at the corporate and cluster levels. Prior to his current role, Dr Pang served as Chief Manager (Medical Grade) and Chief Manager (Quality and Standards) at the HA Head Office. In his previous roles, he formulated the simulation training framework for medical staff and revamped the training curriculum for medical interns in collaboration with the two medical schools in Hong Kong as well as piloted the Hospital Accreditation Programme in five public hospitals.

The HA Chairman, Professor John Leong, and the HA Chief Executive, Dr Leung Pak-yin, congratulated Dr Pang on his new appointment and wished him every success in his new role.



External merchandise trade statistics for June 2018

The Census and Statistics Department (C&SD) released today (July 26) the external merchandise trade statistics for June 2018. In June 2018, the values of Hong Kong's total exports and imports of goods both recorded year-on-year increases, at 3.3% and 4.4% respectively.

In June 2018, the value of total exports of goods increased by 3.3% over a year earlier to \$340.3 billion, after a year-on-year increase of 15.9% in May 2018. Concurrently, the value of imports of goods increased by 4.4% over a year earlier to \$394.5 billion in June 2018, after a year-on-year increase of 16.5% in May 2018. A visible trade deficit of \$54.1 billion, equivalent to 13.7% of the value of imports of goods, was recorded in June 2018.

For the first half of 2018 as a whole, the value of total exports of goods rose by 9.3% over the same period in 2017. Concurrently, the value of imports of goods increased by 10.5%. A visible trade deficit of \$273.7 billion, equivalent to 12.2% of the value of imports of goods, was recorded in the first half of 2018.

Comparing the second quarter of 2018 with the preceding quarter on a seasonally adjusted basis, the value of total exports of goods increased by 1.5%. Meanwhile, the value of imports of goods increased by 1.7%.

Analysis by country/territory

Comparing June 2018 with June 2017, total exports to Asia as a whole grew by 1.1%. In this region, increases were registered in the values of total exports to some major destinations, in particular Vietnam (+19.4%), Thailand (+19.3%), Malaysia (+14.9%), the Philippines (+8.1%), Japan (+4.9%) and the mainland of China (the Mainland) (+2.9%). On the other hand, decreases were recorded in the values of total exports to Taiwan (-25.0%) and India (-23.7%).

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular Germany (+12.7%) and the USA (+10.3%). Concurrently, a decrease was registered in the value of total exports to the United Kingdom (-23.6%).

Over the same period of comparison, increases were registered in the values of imports from most major suppliers, in particular Malaysia (+77.5%), Korea (+17.3%), Singapore (+12.2%), the Philippines (+6.1%), Thailand (+5.4%), the USA (+2.0%) and the Mainland (+1.2%). Concurrently, a decrease was registered in the value of imports from India (-15.9%).

For the first half of 2018 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in particular Singapore (+13.2%), Germany (+12.8%), the Mainland (+11.9%), the USA (+9.5%), Thailand (+9.1%) and the Netherlands (+8.6%). However, a year-on-year decrease was registered in the value of total exports to India (-21.4%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Malaysia (+88.7%), Korea (+20.9%), Taiwan (+14.9%), the Philippines (+9.7%), Singapore (+9.1%) and the Mainland (+8.6%). On the other hand, a year-on-year decrease was registered in the value of imports from India (-20.5%).

Analysis by major commodity

Comparing June 2018 with June 2017, 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 \$13.6 billion or 11.5%), "office machines and automatic data processing machines" (by \$2.0 billion or 5.6%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$1.3 billion or 7.3%). However, a decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$3.5 billion or -19.8%).

Over the same period of comparison, increases were registered in the values of imports of some principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$13.4 billion or 9.7%), "petroleum, petroleum products and

related materials" (by \$5.0 billion or 99.6%) and "office machines and automatic data processing machines" (by \$3.9 billion or 12.1%). However, a decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$4.8 billion or -7.9%).

For the first half of 2018 as a whole, year-on-year 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 \$115.9 billion or 18.4%), "office machines and automatic data processing machines" (by \$34.6 billion or 18.9%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$19.3 billion or 20.1%). However, a year-on-year decrease was registered in the value of total exports of "non-metallic mineral manufactures" (by \$17.1 billion or -16.5%).

Over the same period of comparison, year-on-year 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 \$123.4 billion or 17.1%), "office machines and automatic data processing machines" (by \$39.0 billion or 24.8%) and "petroleum, petroleum products and related materials" (by \$13.1 billion or 38.1%). However, a year-on-year decrease was registered in the value of imports of "telecommunications and sound recording and reproducing apparatus and equipment" (by \$7.1 billion or -2.1%).

Commentary

The value of merchandise exports grew further over a year earlier in June, albeit at a decelerated pace against a high base of comparison. Exports to many major markets registered growth of varying degree.

Looking ahead, while growth momentum of the global economy has been sustained so far this year, rising trade conflicts between the US and other major economies could weigh on global economic sentiment and trade expansion going forward, posing downside risks to Hong Kong's export outlook. The Government will continue to monitor the situation closely.

Further information

Table 1 at the annex presents the analysis of external merchandise trade statistics for June 2018. Table 2 presents the original monthly trade statistics from January 2015 to June 2018, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for June 2018 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 June 2018.

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 June 2018 will be released in mid-August 2018.

The June 2018 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in June 2018 and will be available in mid-August 2018. Users can download the publication free of charge at the website of the C&SD (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).