

Meetings of Legislative Council Committees

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

No open or closed meetings of the Legislative Council (LegCo) Committees will be held in the LegCo Complex during the week from August 6 to 10.

Interest on Tax Reserve Certificates

Government Gazette published today (August 3) contains a Legal Notice to the effect that the Secretary for Financial Services and the Treasury has authorised a change in the rate of interest payable on Tax Reserve Certificates. From August 6, 2018, the new annual rate of interest will be 0.0767% against the current rate of 0.0433%; that is, the new rate will be \$0.0064 per month per \$100.

Tax Reserve Certificates bear simple interest and interest is calculated monthly (including part of a month) from the date of purchase to the date of payment of tax.

Interest is only credited when certificates are used to pay tax and no interest is due where the principal value of a certificate is repaid to its holder.

The rate of interest payable on Tax Reserve Certificates is periodically revised in line with the market trend. Currently, it is reviewed every month based on the average prevailing interest rate for the six-month time deposit below \$100,000 offered by the three note-issuing banks.

The new rate will apply to all certificates purchased on or after August 6, 2018. Certificates purchased before August 6, 2018, will continue to earn interest at the rates prevailing on their respective purchase dates. More interest rate information can be found in the Inland Revenue Department website (www.ird.gov.hk). The public can also obtain a copy of Tax Reserve Certificate Interest Rate Table from our 24-hour information hotline at 1878033. Below is a summary of the interest rates for past periods:

For certificates purchased on or after January 5, 2009 and before February 2, 2009;	0.3667% per annum

For certificates purchased on or after February 2, 2009 and before June 1, 2009;	0.2667% per annum
For certificates purchased on or after June 1, 2009 and before August 3, 2009;	0.1167% per annum
For certificates purchased on or after August 3, 2009 and before December 7, 2009;	0.0833% per annum
For certificates purchased on or after December 7, 2009 and before January 4, 2010;	0.0667% per annum
For certificates purchased on or after January 4, 2010 and before August 6, 2018; and	0.0433% per annum
For certificates purchased on or after August 6, 2018, until further notice.	0.0767% per annum

This is always subject to the general rule that interest ceases to accrue after 36 complete months.

[Provisional statistics of restaurant receipts and purchases for second quarter of 2018](#)

The Census and Statistics Department (C&SD) released the latest provisional figures on restaurant receipts and purchases today (August 3).

The value of total receipts of the restaurants sector in the second quarter of 2018, provisionally estimated at \$28.8 billion, increased by 6.6% over a year earlier. Over the same period, the provisional estimate of the value of total purchases by restaurants increased by 5.8% to \$9.3 billion.

After netting out the effect of price changes over the same period, the provisional estimate of the volume of total restaurant receipts increased by 3.6% in the second quarter of 2018 compared with a year earlier.

Analysed by type of restaurant and comparing the second quarter of 2018 with the second quarter of 2017, total receipts of Chinese restaurants

increased by 4.3% in value and 1.7% in volume. Total receipts of non-Chinese restaurants increased by 9.4% in value and 6.6% in volume. Total receipts of fast food shops increased by 5.7% in value and 1.3% in volume. Total receipts of bars increased by 11.0% in value and 12.0% in volume. As for miscellaneous eating and drinking places, total receipts increased by 11.5% in value and 7.9% in volume.

Based on the seasonally adjusted series, the provisional estimate of total restaurant receipts decreased by 1.7% in value and 2.4% in volume in the second quarter of 2018 compared with the preceding quarter.

Comparing the first half of 2018 with the same period in 2017, total restaurant receipts increased by 8.3% in value and 5.3% in volume.

To facilitate further understanding of the short-term business performance of the restaurants sector, statistics in respect of the restaurant receipts and purchases in individual months of the reference quarter are also compiled.

Analysed by month, it was provisionally estimated that the value of total receipts of the restaurants sector increased by 6.2%, 6.5% and 7.1% respectively in April, May and June 2018, compared with the corresponding months a year earlier.

After discounting the effect of price changes, it was provisionally estimated that total restaurant receipts increased by 3.2%, 3.5% and 4.1% in volume respectively in April, May and June 2018, compared with the corresponding months a year earlier.

Further information

Table 1 presents the revised figures of restaurant receipts by type of restaurant and total purchases by the restaurants sector for the first quarter of 2018 as well as the provisional figures for the second quarter of 2018.

Table 2 and Table 3 present the revised value and volume indices respectively of restaurant receipts by type of restaurant for the first quarter of 2018 and the provisional indices for the second quarter of 2018.

Table 4 presents the year-on-year rate of change in total restaurant receipts in value and volume terms based on the original quarterly series, as well as the quarter-to-quarter rate of change based on the seasonally adjusted series.

The revised figures on restaurant receipts and purchases for the second quarter of 2018 (with breakdown by month) will be released through the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/bbs.jsp) and relevant publications of the Department from September 20, 2018.

The classification of restaurants follows the Hong Kong Standard Industrial Classification (HSIC) Version 2.0, which is used in various economic surveys for classifying economic units into different industry

classes.

More detailed statistics are given in the "Report on Quarterly Survey of Restaurant Receipts and Purchases". Users can download this publication free of charge at the website of the C&SD (www.censtatd.gov.hk/hkstat/sub/sp320.jsp?productCode=B1080002).

Users who have enquiries about the survey results may contact the Distribution Services Statistics Section of the C&SD (Tel: 3903 7401; email: qsr@censtatd.gov.hk).

[Qualified person heavily fined for contravening mandatory window inspection law](#)

A qualified person (QP) who contravened the related law when performing mandatory window inspections was fined a total of \$75,000 at Eastern Magistrates' Courts this Wednesday (August 1). The convicted QP consisted of a registered minor works contractor and its director.

In July 2016, the Buildings Department (BD) issued notices under section 30C(4) of the Buildings Ordinance (BO) to the owners of a private estate in Po Man Street, Shau Kei Wan, requiring them to appoint a QP to carry out window inspections of their premises and supervise the required repair. From August 2016 to March 2017, a QP submitted a total of 97 certificates involving different premises to the BD, certifying that the window inspections of those premises had been completed.

Afterwards, in response to reports of improper repair at the premises of the estate, BD staff conducted an investigation which revealed that inspection of all of the 97 cases was not carried out personally by the QP, contravening the requirement under section 30E(4) of the BO.

The QP and its director were subsequently prosecuted for the offences under section 40(2A)(c) and 40(6) of the BO respectively for knowingly misrepresenting a material fact in the certificates submitted to the BD. They pleaded guilty to the charge in the plea hearing at Eastern Magistrates' Courts on July 5 this year and were totally fined \$75,000 on August 1, after the Court has considered their mitigation submission.

"Misrepresentation to the BD is a serious offence. The BD will conduct audit checks on certificates of window inspections received. Upon receipt of reports or arising from audit checks, the BD will conduct an investigation and take appropriate action against irregularities committed by the relevant persons, including instigating prosecution and/or disciplinary action," a

spokesman for the BD said today (August 3).

Regarding the case in question, the BD is considering taking disciplinary action against the convicted QP involved.

Pursuant to section 40(2A)(c) of the BO, a QP who knowingly misrepresents a material fact in any plan, certificate, form, report, notice or other documents given to the BD for prescribed window inspection is punishable on conviction with a fine of \$500,000 and imprisonment for 18 months.

Moreover, pursuant to section 40(6) of the BO, where an offence committed by a body corporate is proved to have been committed with the consent or connivance of any director, manager, or other officer concerned in the management of the body corporate, or any person purporting to act in any such capacity, he/she, as well as the body corporate, is guilty of the offence.

Red tide sighted

A red tide has been sighted over the past week, an inter-departmental red tide working group reported today (August 3).

The red tide was spotted by staff of the Agriculture, Fisheries and Conservation Department (AFCD) on August 1 in Tolo Harbour including the Yim Tin Tsai fish culture zone.

The red tide still persists. No associated death of fish has been reported.

A spokesman for the working group said, "The red tide was formed by *Scrippsiella trochoidea*, which is commonly found in Hong Kong waters and non-toxic."

The AFCD urged mariculturists at Yim Tin Tsai, Yim Tin Tsai (East), Yung Shue Au and Lo Fu Wat fish culture zones to monitor the situation closely and increase aeration where necessary.

Red tide is a natural phenomenon. The AFCD's proactive phytoplankton monitoring programme will continue to monitor red tide occurrences to minimise the impact on the mariculture industry and the public.