

### Foreign Exchange Situation (cont'd)

China and Japan were the two principal suppliers of imports in 1983, providing 24% and 23% respectively of the total. China alone supplied 46% of Hong Kong's imported foodstuffs. The U.S.A. ranked third, providing 11% of the total imports followed by Taiwan, Singapore, U.K., Republic of Korea and German Fed. Rep.

In 1983, 63% of all domestic exports went to the U.S.A., and E.E.C. Domestic exports to Japan and Canada increased to US \$538.9 million and US \$514.3 million respectively.

Re-exports continued to increase in 1983, accounting for 35% of the combined total of domestic exports and re-exports. The principal commodities re-exported were textiles (US \$1,078 million), electrical machinery, apparatus and appliances (US \$679.7 million), clothing (US \$619.6 million), photographic apparatus, equipment, supplies of optical goods, watches and clocks (US \$587 million). The main countries of origin of these re-exports were China, Japan, U.S.A. and Taiwan. The largest of these re-exports were China, U.S.A., Singapore and Indonesia.

In the financial year 1982-83, total expenditure on the General Revenue Account was US \$4,769.2 million, comprising recurrent expenditure of US \$2,825.7 million and capital expenditure of US \$1,943.5 million. Estimated expenditure in 1983-84 is US \$4,890 million comprising recurrent expenditure of US \$3,281.8 million and capital expenditure of US \$1,608.2 million. In 1982-83, there was a deficit of US \$482.5 million and for 1983-84 a deficit of US \$441.8 million was anticipated in the budget. At March 31, 1983, the accumulated reserves stood at about US \$2,628.8 million and at the same date, the public debt amounted to US \$43 million.

Imports of food and agricultural products will continue to be handled by individual traders to meet the needs of the entire population due to laissez-faire policy of the Hong Kong Government. As Hong Kong is financially self-supporting, it is unlikely that aid will be needed in any form from outside sources.

### 3. Fertilizer Situation

As there is no local production of fertilizers, Hong Kong has to import requirements from various sources. The following are import statistics covering the calendar year 1983:

<u>Type</u>	<u>Source of Supply</u>	<u>Tonnes</u>
Dicalcium phosphate	Japan, U.S.A., Belgium/Luxem.	3,515
Trisodium phosphate	Japan, France	4,015
Nitrogen/phosphate/potash	No imports on record	