

**Speaking Note for the Secretary for Food and Health  
at the Special Meeting of the Finance Committee  
on 8 April 2020**

<b>Health</b>
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**Chairman and Honourable Members,**

In 2020-21, the estimated recurrent government expenditure on healthcare is \$87.1 billion<sup>1</sup>, which accounts for 17.9% of the Government's total recurrent expenditure. From 2017-18 to 2020-21, the recurrent provision on healthcare has recorded a cumulative growth of 39%.

2. New and additional resources available in this financial year are mainly used for various enhanced or newly introduced public healthcare services. On the support for the Hospital Authority (HA), the Government will continue to increase progressively the recurrent provision for the HA having regard to population growth rates and demographic changes. In 2020-21, a recurrent provision of \$75 billion, which represents an increase of 35% over the provision in 2017-18, will be provided for the HA to implement, inter alia, major staff retention initiatives as follows:

(1) enhancing the Special Retired and Rehire Scheme to encourage

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<sup>1</sup> An increase of about \$4.4 billion or 5.4% as compared with the previous year.

experienced doctors to continue their service on contract terms in the HA after retirement until the age of 65;

- (2) creating opportunities for around 200 Associate Consultants to be promoted to Consultants within the next five years; and
- (3) providing additional allowance for registered nurses who have attained specialty qualifications.

It is estimated that the additional expenditure for the above initiatives will increase substantially from around \$160 million in 2021-22 to around \$1.2 billion in 2025-26. The Government has already committed resources on this front.

3. Besides, a recurrent provision of \$10.9 billion, which represents an increase of 3.8% over the 2019-20 revised estimate, will be provided to the Department of Health (DH) for enhancing services and implementing key measures, including:

- (1) new initiatives, namely implementing a pertussis vaccination programme for pregnant women, prevention of mother-to-child transmission of Hepatitis B and extension of the Baby-Friendly Maternal and Child Health Centres designation, which will involve an estimated expenditure of about \$20 million;
- (2) implementing the Colorectal Cancer Screening Programme, which was

launched in full scale earlier this year;

- (3) continuing with enhanced measures to improve the uptake rate of seasonal influenza vaccination; and
- (4) providing school girls with human papillomavirus vaccination in schools to prevent cervical cancer.

### **“Anti-epidemic Fund” – Enhancing Support to the HA in Combating the Epidemic**

4. In light of the development of the novel coronavirus infection in Hong Kong, the Government would allocate \$4.7 billion from the Anti-epidemic Fund to the HA for enhancing support in combating the epidemic. The HA will deploy the funding in different aspects in response to the epidemic. With regards to manpower, the HA announced on 24 February that it would provide frontline staff engaging in high risk duties under the public hospitals’ Emergency Response Level with a special allowance, in order to show appreciation and recognition to them. The HA will deploy the resources flexibly having regard to the development of the situation, so as to provide optimal support to frontline healthcare staff.

### **Healthcare Facilities**

5. In 2016, the Government introduced the first 10-year Hospital Development Plan (HDP) and earmarked \$200 billion for its implementation. Various projects are under way. The entire plan is expected to provide over 6 000 additional beds and more than 90 additional operating theatres. We plan to seek funding approval from the Finance Committee (FC) for four projects<sup>2</sup> in the current legislative session and look forward to Members' support. Meanwhile, the HA is actively taking forward the planning of the second 10-year HDP. It is expected that over 9 000 additional beds and other new healthcare facilities can be provided to meet the projected service demands up to 2036.

6. To expand the capacity for professional healthcare training, the Government has earmarked around \$20 billion to upgrade and increase the teaching facilities of the University of Hong Kong, Chinese University of Hong Kong and Hong Kong Polytechnic University. Around \$180 million was allocated to the three universities in 2018-19 for carrying out short-term renovation and enhancement of facilities. The Government will seek to re-submit the projects of the three universities, totalling some \$1.7 billion, to the FC as soon as possible in the current legislative session. The Government will continue to follow up with the three universities on the remaining medium and long-term works projects with a view to further upgrading and increasing their healthcare-relevant teaching facilities.

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<sup>2</sup> The four projects include the main works for the expansion of United Christian Hospital; the demolition, site formation and foundation works for the redevelopment of Grantham Hospital, phase 1; a community health centre cum social welfare facilities at Pak Wo Road, North District; and a Hospital Authority Supporting Services Centre.

### **Primary Healthcare**

7. The Government will continue to allocate resources to vigorously promote district-based primary healthcare services, with a view to enhancing the public's capability in self health management and providing community support for chronic patients. The first District Health Centre (DHC) in Hong Kong was set up in the Kwai Tsing District last year.

8. In the 2019 Policy Address, the Chief Executive announced that the setting up of DHCs in all 18 districts will be expedited. It is expected that within the term of the current government, DHCs in six more districts and smaller interim "DHC Expresses" in the remaining 11 districts will be established. The Government has earmarked a recurrent expenditure of \$650 million for setting up DHCs in six districts in the coming two years. Another sum of around \$600 million will be allocated to subsidise the establishment of "DHC Expresses" by non-governmental organisations (NGOs) to provide district health promotion, consultation and chronic disease care services.

### **Mental Health Services**

9. The social incidents in the last six months or so and the recent outbreak of epidemic have inevitably affected the mental health of some people in Hong Kong. Against this background, the DH launched the

Mental Health Infostation, a one-stop portal clustering mental health information for people who need support. The Government has also earmarked an annual recurrent provision of \$50 million for an on-going mental health promotion and public education initiative, under which a series of publicity activities will be organised to promote the importance of mental health and encourage people to seek professional help when needed. Meanwhile, we have contacted some NGOs to provide free services through their mental health programmes, such as “Care4ALL” and “Time to Heal”, for people suffering from mental distress triggered by the social incidents or the epidemic. Besides, we will continue to work closely with the Advisory Committee on Mental Health to co-ordinate and follow up with relevant bureaux/departments for taking forward measures for the enhancement of mental health services

### **Development of Chinese Medicine**

10. The Government has incorporated Chinese medicine (CM) into the healthcare system of Hong Kong and allocated more recurrent resources to develop CM services.

11. On the development of the CM hospital, we are in the course of tendering and expect to commence the second stage of the tender process in the middle of this year. We hope to identify a non-profit-making organisation by the end of the year for the operation of the hospital.

12. The Government will increase the recurrent subvention for the 18 district CM clinics administered by the HA. Starting from March this year, the Government will provide in these 18 clinics an annual quota of about 620 000 for subsidised CM general consultation, tui-na and acupuncture services, at a standard fee of \$120. In addition, starting from March 2020 the additional daily fee for integrated Chinese-Western medicine inpatient services available at seven public hospitals will be reduced from \$200 to \$120.

13. Since the launch of the \$500 million Chinese Medicine Development Fund (CMDf) in June last year, a total of about \$10 million have been approved under the CMDf to provide funding for the sector in such aspects as nurturing CM talent, and conducting CM-related research and projects relating to the promotion of CM. The CMDf has benefited different levels of CM practitioners and the CM drug sector, as well as those non-profit-making and academic institutions promoting CM development in Hong Kong. The CMDf will continue to approve applications and launch different funding projects to further facilitate CM development in Hong Kong.

14. Chairman, my colleagues and I are now happy to answer questions from Members.