

# Budget Speech by the Financial Secretary (4)

## Strengthening the Healthcare System

### Fight the Epidemic

38. Currently, the most pressing tasks for the Government are to control the epidemic and stabilise our economy. On epidemic prevention and control, the Government is proactively sourcing anti-epidemic supplies worldwide, while subsidising and facilitating local production of these supplies to meet part of the demand. The Anti-epidemic Fund will help strengthen such efforts. I will also provide sufficient financial support for the Hospital Authority (HA) and the Department of Health (DH) in combating the epidemic.

39. We should plan ahead to enhance the capability of our healthcare system in preventing and treating infectious diseases, such as building additional medical and quarantine facilities, increasing our stock of medical supplies as well as strengthening scientific research on infectious disease prevention and control, pathology and medication. At the same time, we should also pay more attention to environmental hygiene so as to reduce the risk of infectious diseases spreading in the community. I will provide resource support on this front.

### Enhance Services

40. In my last two Budgets, I announced, among others, the second 10-year Hospital Development Plan (HDP), enhancement of healthcare manpower training, expediting the upgrading and acquisition of medical equipment, introduction of advanced medical devices for treating cancer and other diseases requiring specialty services, expansion of the scope of the HA Drug Formulary, establishment of a public healthcare stabilisation fund, development of Chinese medicine (CM) services, and promotion of primary healthcare services. In sum, I have devoted substantial resources to healthcare and public health services.

### Development of Healthcare Facilities

41. In 2016, the Government proposed the first 10-year HDP and earmarked \$200 billion for its implementation. Various projects are under way. The whole project is expected to provide a total of over 6 000 additional beds and more than 90 operating theatres.

42. The HA is also actively taking forward the planning of the second 10-year HDP. It is expected that the provision of over 9 000 additional beds and other new hospital facilities can meet the projected service demand up to 2036.

43. Around \$180 million has been allocated to the University of Hong Kong, the Chinese University of Hong Kong and the Hong Kong Polytechnic University

in 2018-19 for carrying out short-term renovation works, enhancing facilities and strengthening professional healthcare training. Furthermore, the DH will renovate its clinics in phases.

#### Healthcare Manpower

44. Given a surge in demand for public hospital services in recent years, it is our top priority to provide sufficient manpower.

45. The HA established a Task Group on Sustainability in December 2019 to focus on reviewing, among other things, strategies for retaining staff. Three major proposals have been put forward as follows:

(a) the HA will enhance the Special Retired and Rehire Scheme to encourage experienced doctors to continue their service on contract terms in the HA after retirement until 65;

(b) the HA will consider creating opportunities for around 200 Associate Consultants to be promoted to Consultants within the next five years so as to retain experienced medical personnel; and

(c) the HA will provide registered nurses who have attained specialty qualifications with additional allowance so as to retain manpower and encourage their continuing professional development in nursing.

It is estimated that the additional expenditure for the above three initiatives will increase substantially by 6.5 times, from around \$160 million in 2021-22 to around \$1.2 billion in 2025-26. The Government has already committed resources on this front. The HA will continue to look into other possible proposals for retaining manpower.

46. In the coming year, the Government will continue to increase the recurrent funding for the HA by \$3 billion, having regard to population growth and demographic changes. An additional funding of about \$600 million will also be provided to the HA for increasing manpower to implement new measures and enhance existing services. Overall, a total recurrent funding of \$75 billion will be provided to the HA in 2020-21, representing an increase of 35 per cent over the provision of \$55.6 billion in 2017-18.

#### Primary Healthcare

47. On the other hand, the Government will continue to allocate resources to 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 Kwai Tsing District last year. The Government plans to set up DHCs in six other districts in the coming two years. I have earmarked \$650 million for meeting their recurrent expenditure. For the remaining 11 districts where DHCs have yet to be set up, I will allocate about \$600 million to subsidise the setting up of smaller interim "DHC Express" by non-governmental organisations (NGOs).

#### Development of Chinese Medicine

48. The Government has incorporated CM into Hong Kong's healthcare system and increased the provision of recurrent resources to provide the public with more desirable and subsidised CM services. The Food and Health Bureau (FHB) is undergoing the open tender process in identifying an operator for the first CM hospital in Hong Kong, and intends to launch the tender process for the construction works later this year. On the other hand, FHB established in 2019 a dedicated fund with \$500 million for promoting CM development in Hong Kong. Since its operation in less than a year, the fund has approved a total of about \$10 million to provide funding for the CM sector to nurture talent, conduct research and studies, and promote CM.

#### Mental Health Services

49. The social incidents and the novel coronavirus epidemic have affected the mental health of many people in Hong Kong. I will allocate sufficient resources to the FHB, the Labour and Welfare Bureau and the Education Bureau for providing appropriate support to people suffering from mental distress.

(To be continued.)