

Transcript of remarks by FS (with photos/video)

Following is the transcript of remarks by the Financial Secretary, Mr Paul Chan, at a media session after attending a radio programme this morning (March 2):

Reporter: The Government said it will inject about \$10 billion to the public healthcare system. Could you explain are there any concrete measures that actually help improve the services and the public hospital right now? What are the concrete measures? And secondly, the Government said it brings the housing reserve back to the fiscal reserve. What's the point of doing that? And why didn't the Government inject the money instead into the Housing Authority to build more public housing? Why you bring back the money to the fiscal reserve?

Financial Secretary: The Housing Authority's financial position is very strong. Their forecast is that even a few years later, they still have a reserve of over \$40 billion. So there is no immediate need in the foreseeable future that the Housing Authority needs an injection from the Government. At the moment, the Housing reserve is outside the accounts of the Government. So in order to promote transparency and also to enable the public to have a better understanding of the strength of the financial position of the Government, we think it is appropriate to bring back this off-account item back to the financial accounts of the Government. We bring this figure back not in one year, but in four instalments because we do not want individual year's account to be unduly affected. That's why we use the remaining term of this Government to bring back the reserve.

As to your question about concrete measures to improve services in the public hospitals, you would realise that we utilised a total sum of \$16.1 billion. The \$10 billion is a stabilisation fund, which can be deployed whenever the Hospital Authority finds it necessary. Among the rest, about \$700 million is to improve the allowances for medical doctors, nurses and also the remuneration of supporting staff at the Hospital Authority. Another \$5 billion is to help the Hospital Authority to update their medical equipment and to acquire state-of-the-art medical equipment to improve services for our people, in particular in those cancer centres and also specialist centres. Also, we'll utilise a few hundred million dollars to expand the types of drugs subsidised by the government. So all in all, these are short-term and medium-term measures to help improve the medical services.

(Please also refer to the Chinese portion of the transcript.)

