



The 2019-20 Budget

Speech by the Financial Secretary, moving the
Second Reading of the Appropriation Bill 2019

27 February 2019

**Enhance Healthcare Services
Better Use of Resources to
Serve our Citizens**

Food and Health Bureau

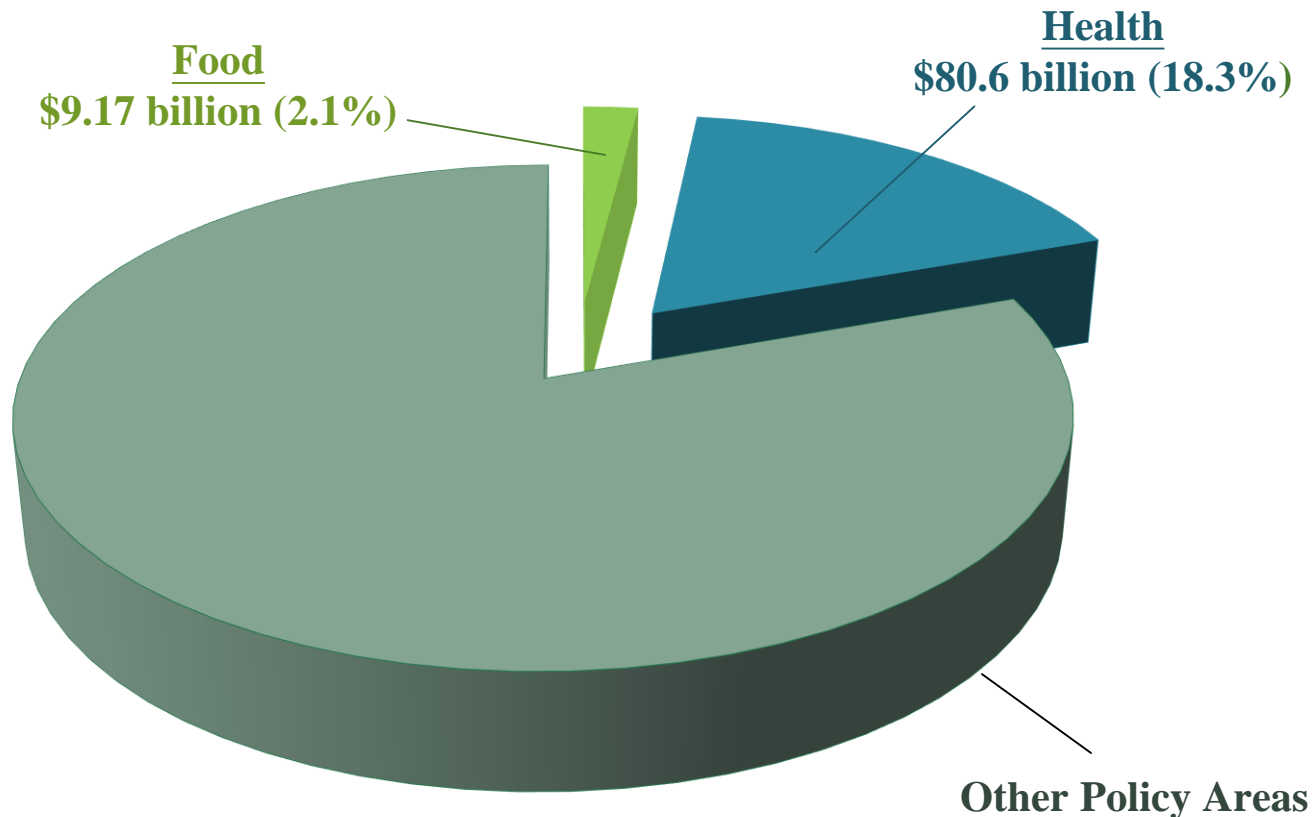
1 March 2019

Content

- **Government's financial commitment on Health and Food**
- **Major policy area : Health**
 - Improve public healthcare services and facilities
 - Take forward long-term planning and invest in the future
- **Major policy area: Food**
 - Improve environmental hygiene and cleansing
 - Enhance market development and management
 - Safeguard food safety
 - Promote sustainable development of agriculture and fisheries

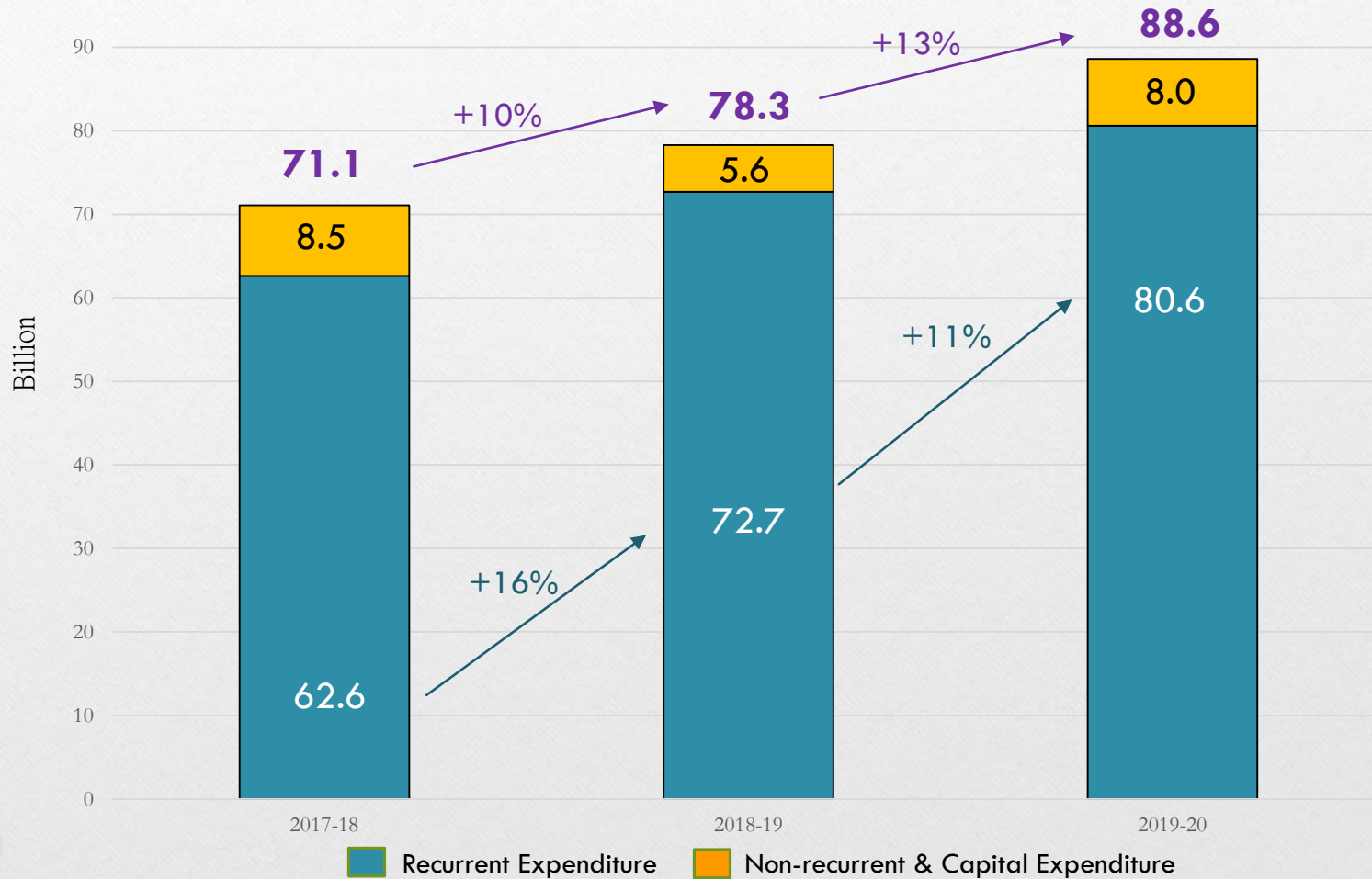
Continuous increase in Government's financial commitment

Recurrent Government Expenditure on Food and Health (2019-20 Estimates)

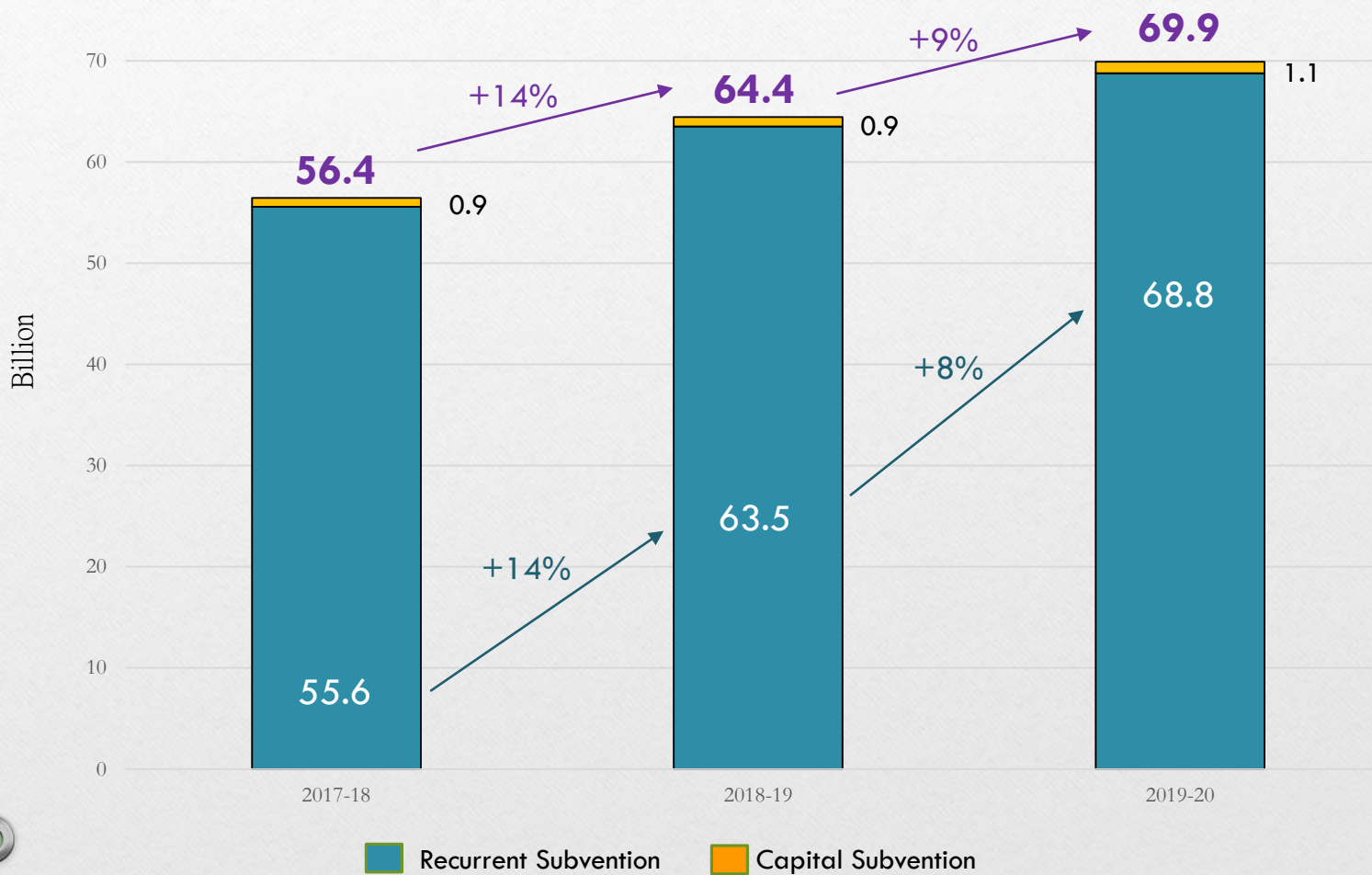


Total Recurrent Government Expenditure: \$441 billion

Expenditure on Health: increase by over 10%



Financial commitment to Hospital Authority: continuous increase



Major Policy Initiatives - Health

- (a) Improve public healthcare services
and facilities**
- (b) Take forward long-term planning
and invest in the future**

Improve public healthcare services and facilities

Subvention to the Hospital Authority



醫院管理局
HOSPITAL
AUTHORITY

- Providing sufficient resources to fully support the operation of the public healthcare system
- Increasing the funding progressively **on a triennium basis**, having regard to population growth rates and demographic changes
- **Funding earmarked** for the Hospital Authority –
 - \$5 billion for enhancing technology adoption, improving healthcare quality and efficiency
 - \$10 billion for establishing stabilization fund for public healthcare

Improve public healthcare services and facilities

Hospital Authority: Major New Initiatives



醫院管理局

HOSPITAL
AUTHORITY

- Enhancing staff retention measures (around \$720 million)
- Phase I service commencement of Hong Kong Children's Hospital (around \$480 million)
- Providing subsidised Chinese Medicine out-patient services in 18 Chinese Medicine Centres for Training and Research (around \$130 million)
- Strengthening the nursing roles in clinical care (\$74 million)
- Providing multi-disciplinary team care for patients with infantile and childhood onset of spinal muscular atrophy and re-engineering the business process for special drug programmes (\$24 million)

Improve public healthcare services and facilities

Subsidising Drug Treatments



➤ Additional **recurrent subvention of \$400 million** to expand the HA Drug Formulary

- HA's total expenditure on drugs will increase to \$6 billion in 2019-20

➤ Measures implemented to **strengthen the drug subsidy safety net**

- Relaxed means test mechanism for Samaritan Fund (SF) and Community Care Fund (CCF) Medical Assistance Programmes
- Increased frequency of including self-financed drugs in the safety net to twice a year
- Total subsidy under SF and CCF Medical Assistance Programmes doubles to \$1.5 billion in 2019-20

Improve public healthcare services and facilities



醫院管理局
HOSPITAL
AUTHORITY

Hospital Authority: Enhancing Existing Services

- Strengthen the nursing roles in clinical care, including improving manpower provision, clinical supervision and specialty training
- Increase about 500 additional hospital beds
- Increase operating theatre sessions, general outpatient clinics and specialist outpatient clinics service quotas
- Strengthen the services for chronic diseases
- Enhance the management and treatment of life-threatening diseases

Take forward long-term planning and invest in the future

Primary Healthcare

- Push ahead district-based primary healthcare service
- Prepare for the first District Health Centre (DHC) in Kwai Tsing, which is expected to commence operation in third quarter this year
- Earmarked over \$150 million in 2019-20 to meet the operating expenditure and staff cost of the centre
- Provide resources to expand future network of DHCs

Subvention to the Department of Health

- Allocating additionally \$2.4 billion for recurrent expenditure
- Setting up a full-fledged Office for Regulation of Private Healthcare Facilities, providing free Human Papillomavirus Vaccination to school girls, improving the uptake rate of seasonal influenza vaccination, regularising the Colorectal Cancer Screening Programme, enhancing the existing services and manpower resources, shortening the waiting time, etc.

Enhancement of Elderly Health Care Voucher Scheme

- Provide an additional **\$1000** worth of vouchers on a one-off basis in 2019
- **Increase the accumulation limit from \$5000 to \$8000** as a regular measure
- Estimated expenditure involved is around \$1.02 billion. **More than 1.3 million elders aged 65 or above will benefit**
- We are reviewing the Scheme, and will announce the results upon completion

Take forward long-term planning and invest in the future

Take forward long-term planning and invest in the future

- \$300 billion long-term planning: continue to implement two 10-year Hospital Development Plans
- Pushing ahead with district-based primary healthcare service
- \$500 million Dedicated Fund to promote the development of Chinese Medicine
- Healthcare manpower planning to cope with the provision of sustainable healthcare services and development

Take forward long-term planning and invest in the future

Hong Kong Genome Project

- Allocate about \$1.2 billion to establish the Hong Kong Genome Institute and take forward the project, under which 40 000 to 50 000 whole genome sequencing will be performed in the next six years.
- Promote the clinical application and innovative scientific research on genomic medicine to cater for future medical development in Hong Kong.

Major Policy Initiatives – Food

- (a) Improve environmental hygiene and cleansing**
- (b) Enhance market development and management**
- (c) Safeguard food safety**
- (d) Promote sustainable development of agriculture and fisheries**

Expenditure on Food-related Policy Area: Increase by over 10%



Enhanced Funding

In the financial year 2019-20 :

- Estimated recurrent expenditure for **Food Branch** amounts to around **\$160 million**, \$14 million higher than the 2018-19 revised estimate (RE) (+9.4%)
- Estimated recurrent expenditure for **Food and Environmental Hygiene Department** (FEHD) amounts to around \$8.08 billion, **\$800 million** higher than the 2018-19 RE (+11%)
- Estimated recurrent expenditure for **Agriculture, Fisheries and Conservation Department** (AFCD) amounts to around **\$740 million**, \$39 million higher than the 2018-19 RE (+5.6%)

Major New Initiatives: Public Toilets Refurbishment

- Refurbish public toilets managed by FEHD by phases
- Commence refurbishment works, with facilities renewed, for about 240 public toilets in the coming 5 years
- Incur an expenditure of over \$600 million
- Improve daily management and ongoing maintenance to ensure cleanliness and hygiene

Environmental Hygiene Improvement

- Estimated expenditure for environmental hygiene and related services for FEHD in 2019-20 is about **\$4.83 billion**
- Estimated expenditures for street cleansing and refuse collection services in 2019-20 are \$2.58 billion and \$830 million respectively
- Estimated expenditure for pest control in 2019-20 is \$680 million
- Estimated expenditure for application of technologies in environmental hygiene and pest control in 2019-20 is around \$100 million

Public Markets

- **“Market Modernisation Programme”**
 - Pioneering project: overhaul of Aberdeen Market
 - Progressively kick-start this year:
 - ❑ Overhaul for three public markets;
 - ❑ Improvement works for at least three public markets
- **Construction of markets :**
 - ❑ Tin Shui Wai; Tung Chung Town Centre
 - ❑ Other markets under planning

Food Safety

- To allocate a **provision of \$25 million** for the Centre for Food Safety (CFS) of the Food and Environmental Hygiene Department to enhance its work effectiveness.
- CFS is following up the recommendations in the Audit Report published at the end of last year and the LegCo Public Accounts Committee report concerned, reviewing proactively its daily operation and work procedures and enhancing the use of information technology, so as to implement specific improvement measures in various aspects.

Agriculture and Fisheries

- Construction of the Agricultural Park Phase 1 is expected to commence in 2019
- The Sustainable Agricultural Development Fund and the Sustainable Fisheries Development Fund have approved in total over \$150 million
- Will explore the establishment of new fish culture zones and issuance of new mariculture licences