

**立法會**  
***Legislative Council***

LC Paper No. FC305/15-16

(These minutes have been  
seen by the Administration)

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**Finance Committee of the Legislative Council**

**Minutes of the 53<sup>rd</sup> meeting**  
**held at Conference Room 1 of the Legislative Council Complex**  
**on Saturday, 19 March 2016, at 4:40 pm**

**Members present:**

Hon CHAN Kin-por, BBS, JP (Chairman)  
Hon CHAN Kam-lam, SBS, JP (Deputy Chairman)  
Hon Albert HO Chun-yan  
Hon LEE Cheuk-yan  
Hon LEUNG Yiu-chung  
Hon Emily LAU Wai-hing, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Tommy CHEUNG Yu-yan, GBS, JP  
Hon WONG Kwok-hing, BBS, MH  
Prof Hon Joseph LEE Kok-long, SBS, JP, PhD, RN  
Hon Jeffrey LAM Kin-fung, GBS, JP  
Hon Andrew LEUNG Kwan-yuen, GBS, JP  
Hon WONG Ting-kwong, SBS, JP  
Hon Cyd HO Sau-lan, JP  
Hon Starry LEE Wai-king, JP  
Hon CHAN Hak-kan, JP  
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP  
Hon IP Kwok-him, GBS, JP  
Hon Paul TSE Wai-chun, JP  
Hon Alan LEONG Kah-kit, SC  
Hon LEUNG Kwok-hung  
Hon Albert CHAN Wai-yip  
Hon Claudia MO  
Hon James TIEN Pei-chun, GBS, JP

Hon NG Leung-sing, SBS, JP  
Hon Steven HO Chun-yin, BBS  
Hon Frankie YICK Chi-ming, JP  
Hon YIU Si-wing, BBS  
Hon Gary FAN Kwok-wai  
Hon MA Fung-kwok, SBS, JP  
Hon Charles Peter MOK, JP  
Hon CHAN Chi-chuen  
Hon CHAN Han-pan, JP  
Dr Hon Kenneth CHAN Ka-lok  
Hon CHAN Yuen-han, SBS, JP  
Hon LEUNG Che-cheung, BBS, MH, JP  
Hon Alice MAK Mei-kuen, BBS, JP  
Dr Hon KWOK Ka-ki  
Hon Dennis KWOK  
Dr Hon Helena WONG Pik-wan  
Hon IP Kin-yuen  
Dr Hon Elizabeth QUAT, JP  
Hon Martin LIAO Cheung-kong, SBS, JP  
Hon POON Siu-ping, BBS, MH  
Dr Hon CHIANG Lai-wan, JP  
Hon CHUNG Kwok-pan  
Hon Tony TSE Wai-chuen, BBS  
Hon Alvin YEUNG Ngok-kiu

**Members absent:**

Hon James TO Kun-sun  
Dr Hon LAU Wong-fat, GBM, GBS, JP  
Hon Abraham SHEK Lai-him, GBS, JP  
Hon Frederick FUNG Kin-kee, SBS, JP  
Hon Vincent Fang Kang, SBS, JP  
Dr Hon LAM Tai-fai, SBS, JP  
Dr Hon LEUNG Ka-lau  
Hon CHEUNG Kwok-che  
Hon WONG Kwok-kin, SBS  
Hon Mrs Regina IP LAU Suk-yee, GBS, JP  
Hon WONG Yuk-man  
Hon Michael TIEN Puk-sun, BBS, JP  
Hon WU Chi-wai, MH  
Hon Kenneth LEUNG  
Hon KWOK Wai-keung

Hon Christopher CHEUNG Wah-fung, SBS, JP  
Dr Hon Fernando CHEUNG Chiu-hung  
Hon SIN Chung-kai, SBS, JP  
Hon TANG Ka-piu, JP  
Ir Dr Hon LO Wai-kwok, SBS, MH, JP  
Hon Christopher CHUNG Shu-kun, BBS, MH, JP

**Public officers attending:**

Ms Elizabeth TSE Man-yee, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Esther LEUNG, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Mr Alfred ZHI Jian-hong	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr Richard YUEN, JP	Permanent Secretary for Food and Health (Health)
Prof Sophia CHAN, JP	Under Secretary for Food and Health
Ms Wendy AU	Acting Deputy Secretary for Food and Health (Health) 2
Dr Teresa LI	Assistant Director of Health (Family and Elderly Health Services)
Ms Natalie CHAN	Chief Executive Officer (Health Care Voucher), Department of Health
Dr CHEUNG Wai-lun, JP	Director (Cluster Services), Hospital Authority
Ms Clara CHIN	Director (Finance), Hospital Authority
Dr Leo CHAN	Deputizing Chief Manager (Service Transformation), Hospital Authority
Ms Kitty CHOI, JP	Director of Administration
Mrs DO PANG Wai-yee, JP	Deputy Director of Administration

**Clerk in attendance:**

Ms Anita SIT	Assistant Secretary General 1
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**Staff in attendance:**

Mr Derek LO	Chief Council Secretary (1)5
Mr Ken WOO	Senior Council Secretary (1)5
Mr Keith WONG	Council Secretary (1)5
Mr Raymond SZETO	Council Secretary (1)6
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Michelle NIEN	Legislative Assistant (1)5

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Action

**Item No. 1 – FCR(2015-16)40**  
**HEAD 37 – Department of Health**  
**Subhead 000 – Operational Expenses**

The Finance Committee ("the Committee") continued with the deliberation on the application of proposed supplementary provision for the Elderly Health Care Voucher ("EHV") Scheme.

Lowering the eligibility age

2. Ms Cyd HO, Ms Claudia MO, Dr KWOK Ka-ki and Mr LEUNG Yiu-chung urged the Administration to lower the eligibility age for receiving the subsidy under the EHV Scheme to 65. Mr CHAN Chi-chuen proposed that even if the Administration ruled out the "regardless of rich or poor" principle in implementing the Scheme, it could still consider introducing a means test in order to extend the EHV Scheme to those aged between 65-69 who had the need.

3. Permanent Secretary for Food and Health (Health) ("PSFH") reiterated that the Administration could only consider lowering the eligibility age for the subsidy subject to the Government's decision on the overall allocation of resources. The Permanent Secretary for Financial Services and the Treasury (Treasury) ("PSFST") explained that lowering the eligibility age for enjoying the service was a policy change that would have an implication on the recurrent expenditure. The Government had to consider whether it could shoulder the additional expenses in a sustainable manner before it decided whether such a policy change should be made.

Principle of using the subsidy and accumulating the unspent subsidy

4. Ms Claudia MO, Mr CHAN Chi-chuen and Mr Albert CHAN asked whether the elderly could use the subsidy for buying supplementary daily necessities and whether the Administration could issue a clear guideline in respect of such items. Mr CHAN Chi-chuen considered that the Administration imposed restrictions on the scope of using the subsidy while the principle of accumulating the unspent part of the subsidy also lacked flexibility. He suggested the Administration to provide cash to the eligible elders to let them make use of the money on their own to achieve the effect of enhancing their health. Assistant Director of Health (Family and Elderly Health Services) ("ADH") pointed out that under the existing EHV Scheme, the elderly could use EHV to pay for the medical products prescribed by healthcare service providers to meet their healthcare needs when receiving healthcare services provided by such providers. PSFH indicated that the Administration would consider the concern of members in this regard when carrying out the comprehensive review.

5. Dr KWOK Ka-ki and Mr LEUNG Kwok-hung asked whether it was possible for the authorities to relax the policy to allow an eligible person to transfer his unspent subsidy to his spouse or parents who was also eligible. In addition, Dr KWOK said whether the Administration would issue physical health care vouchers ("vouchers") as preferred by individual elders. PSFH said that vouchers could not be transferred to others for use, and changing the current arrangements would involve complicated procedures. Regarding the proposal of issuing physical vouchers, it lacked flexibility in implementation when compared with the existing EHV Scheme implemented through electronic mode. Besides, there was a risk of losing the physical vouchers. Hence, the Administration would not consider issuing physical vouchers for retention by the elders themselves at present.

Monitoring mechanism

6. Ms Cyd HO pointed out that the "Director of Audit's Report No. 63" ("Audit Report") stated that the Department of Health detected 1 950 "improper" voucher claims made by enrolled healthcare service providers ("EHCPs") during routine checks which did not tally with the number of anomalous cases mentioned in the Administration paper. She invited the Administration to give an account of the nature of such cases, whether the claims were made in the Mainland and in what way the Administration would monitor the mainland EHCPs participating in the EHV Scheme.

7. ADH explained that after the Audit Report was published, the cumulative number of those "anomalous" voucher claims referred in the Audit Report had increased from 1 950 to around 2 400. She pointed out the claims concerned were all made in Hong Kong and most of the errors were mistakes made in the process of compiling documents or records. The Department of Health had already requested the EHCPs concerned to return the overpaid amounts to the Government. The monitoring mechanism adopted for the Pilot Scheme at the University of Hong Kong - Shenzhen Hospital was substantially the same as that in Hong Kong. A regular inspection was already carried out by the Department of Health to that hospital in February this year. PSFH reiterated that, in light of the experience gained from the pilot scheme, the Administration would consider further introducing the EHV Scheme in the Mainland only after a proper monitoring mechanism had been formulated.

8. Mr CHAN Chi-chuen enquired about the measures for preventing EHCPs from overcharging the elderly. ADH explained that the Administration had set up a complaint mechanism for handling complaints which included overcharging the elders using vouchers. In addition, it was clearly specified in the agreement signed with participating EHCPs that no fee should be charged for creating an EHV account for the elderly and the EHV amounts levied on the elders should not exceed the fee for the medical service provided.

#### Take-up rate of the elderly

9. Dr CHIANG Lai-wan noted that around 180 000 eligible elderlies had never made use of the EHV, she asked whether the Administration knew the underlying reasons, the take-up rates of the various types of services covered by the Scheme, the situations in which the elders had their accumulated unspent amount in excess of the ceiling forfeited. She considered that the Administration should introduce measures to boost the take-up rate. Mr CHAN Chi-chuen asked whether the Administration would notify the elders when their accumulated voucher amounts were going to expire very soon.

10. ADH said that according to the interim review conducted in 2010, the elders who did not make use of vouchers fell under three main categories: the first type was those who had been using public medical services, the second type was those who did not seek treatment from the EHCPs under the Scheme, the third type was those who had no need for medical services. The Administration would examine the habitual practice of the elders in using the vouchers at present when conducting the comprehensive review. As regards the medical services most frequently used by the elderly with vouchers, the

order of preference in 2015 was western medical practitioners, Chinese medical practitioners and dentists. The vouchers could not be used for in-patient services. In addition, in January 2016, 291 000 elderly had their accumulated voucher amount exceeded the \$4,000 ceiling and the exceeded amount was forfeited as a result, representing an average of \$1,289 in voucher amount being forfeited for each person. The Administration would step up its promotion effort before the end of every calendar year to remind the elderly to make good use of the vouchers, so as to avoid their exceeded voucher amounts from being forfeited as a result of their accumulated amount having exceeded the limit when new vouchers were issued to them after 1 January next year. Nevertheless, individual notices would not be issued to the elderly.

#### Proposal to provide mobile dental clinics

11. Dr Priscilla LEUNG supported this funding application. She was concerned about the problem that public dental services were in acute shortage while the subsidy amount of the voucher was inadequate for meeting the dental care costs for the elderly. Dr LEUNG called upon the Administration to provide mobile dental clinics to make up for the inadequacy in the existing services and voucher amount, and to expand the services so as to benefit those elderly under the age of 70 as well. Dr LEUNG asked about the number of mobile dental clinics that had been put into operation.

*[Post-meeting note: The supplementary information provided in respect of members' enquiries was issued to members vide LC Paper No. FC180/15-16(01) on 1 April 2016.]*

12. PSFH responded that the Community Care Fund already implemented the Elderly Dental Assistance Programme to provide free dentures and related dental services to elders who were recipients of the Old Age Living Allowance and aged 80 or above. Some non-profit-making organizations ("NPO") were currently providing mobile dental clinic services and the Administration would continue to encourage them and assist them to provide such services. Dr Priscilla LEUNG opined that the Administration should take a leading role, instead of just relying on NPOs for the provision of mobile dental services.

#### Waiting time for elderly medical service

13. Dr KWOK Ka-ki requested the Administration to provide information on the waiting time for enrolment as a new member of Elderly Health Centres.

[*Post-meeting note:* The supplementary information provided in respect of members' enquiries was issued to members vide LC Paper No. FC180/15-16(01) on 1 April 2016.]

14. There being no further questions from members, the Chairman put the item to vote. At the request of members, the Chairman ordered a division and the division bell was rung for five minutes. The Chairman announced that 36 members voted for and one member voted against the item. The votes of individual members were as follows –

*For:*

Mr LEE Cheuk-yan	Mr CHAN Kam-lam
Ms Emily LAU Wai-hing	Mr TAM Yiu-chung
Mr Tommy CHEUNG Yu-yan	Mr WONG Kwok-hing
Prof Joseph LEE Kok-long	Mr Jeffrey LAM Kin-fung
Mr WONG Ting-kwong	Ms Cyd HO Sau-lan
Ms Starry LEE Wai-king	Mr CHAN Hak-kan
Dr Priscilla LEUNG Mei-fun	Mr IP Kwok-him
Mr Alan LEONG Kah-kit	Mr LEUNG Kwok-hung
Ms Claudia MO	Mr NG Leung-sing
Mr Steven HO Chun-yin	Mr Frankie YICK Chi-ming
Mr YIU Si-wing	Mr Gary FAN Kwok-wai
Mr Charles Peter MOK	Mr CHAN Chi-chuen
Mr Kenneth CHAN Ka-lok	Miss CHAN Yuen-han
Mr LEUNG Che-cheung	Miss Alice MAK Mei-kuen
Dr KWOK Ka-ki	Mr Dennis KWOK
Dr Helena WONG Pik-wan	Dr Elizabeth QUAT
Mr Martin LIAO Cheung-kong	Mr POON Siu-ping
Dr CHIANG Lai-wan	Mr Tony TSE Wai-chuen
(36 members)	

*Against:*

Mr Albert Chan Wai-yip  
(1 member)

15. The Chairman declared that the Committee approved the item. Soon after the Chairman had announced the voting results, Mr Albert CHAN requested to put down in record that his intention was "in favour of" this proposed provision.



**Item No. 2 – FCR(2015-16)39**

**HEAD 140 – GOVERNMENT SECRETARIAT: FOOD AND HEALTH  
BUREAU (HEALTH BRANCH)**

**Subhead 700 – General non-recurrent**

**New Item – \$10 Billion Endowment Fund to the Hospital Authority for  
Public-Private Partnership Initiatives**

16. The Chairman said that the allocation proposal invited the Committee to approve a new commitment of \$10 billion for the Hospital Authority ("HA") to establish an endowment fund for Public-Private Partnership ("PPP") Initiatives. The Administration consulted the Panel on Health Services on 16 November, 2015 and the Panel supported the Administration to submit the funding proposal to the Committee. At the request of the Chairman, the Panel Chairman Prof Joseph LEE briefed the Committee on the main points of discussion. Prof LEE indicated that members were concerned about how the returns on investment of endowment fund would be used to implement the various PPP initiatives effectively in order to make use of the service capacity and capability of the private sector to share out the burden of the public medical sector and offer the patients with more choices. In addition, members were very concerned that, in line with the investment environment, the actual annual investment returns from the endowment fund in the Exchange Fund might fluctuate, and it might affect the fund available to HA for implementing the related initiatives. Members also requested the authorities to maintain communication with the stakeholders to explore the feasibility of developing more PPP programmes in the future.

The sustainability of the PPP Initiatives Fund

17. Miss Alice MAK, Miss CHAN Yuen-han, Mr YIU Si-wing and Dr KWOK Ka-ki supported the introduction of PPP Initiatives, but they were concerned about the stability and sustainability of the returns on investment of the endowment fund and whether such returns would be sufficient to finance the projects which the Administration proposed to implement. Miss MAK asked about the number of projects that could be supported by the Fund and whether the PPP Initiatives would strengthen the provision of primary care services, including the universal body check-up programme. Miss CHAN was concerned whether the investment returns from the endowment fund would be sufficient to cope with the increase in medical expenses associated with the aging population, as such, she suggested the authorities increase the amount of the principal.

18. Under Secretary for Food and Health ("USFH") said that the Administration planned to invest \$0.2 billion to \$0.4 billion in PPP Initiatives each year. It also intended to invest \$10 billion seed money in the Exchange Fund for a period of 6 years and make use of the returns to implement these initiatives. She said that by making reference to the estimated investment return for fiscal reserves on the placement with the Exchange Fund as adopted in the Medium Range Forecast of the 2015-16 Budget, HA assumed that the annual rate of returns on the placement of the endowment fund was 4.3%. Based on this assumption, the returns should be sufficient to pay for the above expenses without making use of the principal. Under the principle of prudent financial management, the Administration would take into account the overall financial situation, special needs and cash flow each year in considering whether it was necessary to make use of the principal to maintain the operation of PPP Initiatives.

19. Regarding the proposal of enhancing primary care services at the district level, Director (Cluster Services) ("DCS") of HA said that under the PPP Initiatives, HA expected to extend the General Outpatient Clinic ("GOPC") PPP Programme to the 18 districts in the territory within 3 years. Depending on the responses of various stakeholders to the Programme then, HA would examine the types of services to be expanded. He said that in the past the pilot scheme of this Programme could only be funded by a one-off allocation. However, supported by the investment returns from the endowment fund, the Programme could be implemented in future on a continuous basis.

#### GOPC PPP Programme under the PPP Initiatives

20. Ms Emily LAU was of the view that there were not many medical practitioners participating in the GOPC PPP Programme, she asked for the reason. She also considered that the GOPC PPP Programme only benefited those patients with hypertension and diabetes, the scope of service was confined. Ms LAU asked the Administration how it would effectively reduce the frequency of patients switching doctors through the implementation of the Programme. Dr Helena WONG asked the Administration about the specific details for expanding the GOPC PPP Programme and the way to boost the participation of private medical practitioners.

21. Miss CHAN Yuen-han thought that the clinics under the GOPC PPP Programme were situated in remote locations. Dr KWOK Ka-ki considered the Programme ineffective as the patient participation rate was low.

22. DCS of HA replied that the number of medical practitioners participating in the pilot GOPC PPP Programme accounted for 20-30% of the local medical practitioners in the districts. Medical practitioners told the Administration that, if they participated in the Programme, they were required to input the patient and diagnostic information into the computer programme designated for use by the Programme but the designated computer programme was incompatible with those in use by these medical practitioners, so they had to repeat the data input procedure. This made them unwilling to join the Programme. Some medical practitioners also considered the procedures for ordering drugs from the Administration complicated. To encourage more medical practitioners participating in the Programme, the Administration was streamlining the input procedures for the computer programme which was expected to be implemented by late 2016. Moreover, the Administration intended to cover more types of diseases under the GOPC PPP Programme, including those commonly associated with patients suffering from hypertension and diabetes. A patient participating in this Programme had to register with a medical practitioner and seek medical treatment and follow-up consultation for his chronic or acute diseases with the same doctor. Expanding the GOPC PPP Programme to the 18 districts of the territory was the major project among the PPP initiatives. Apart from continuing with the GOPC PPP Programme in the 3 districts where the Programme had been implemented under a pilot scheme, the Administration intended to extend the GOPC PPP Programme to 9 more districts in phases in 2016-2017, while the remaining 6 districts would introduce this Programme gradually in 2017-2019. By then, it was expected that the total number of persons benefited from the Initiatives would increase to 35 000.

#### Other proposed services

23. Dr KWOK Ka-ki considered that the scope of services provided by the PPP Initiatives was confined, neglecting those areas in the public medical system with inadequate services, e.g. juvenile psychiatric services. He opined that the Administration should include those services which became well-developed under the PPP pilot initiatives as recurrent expenditure items and allocate the Endowment Fund for the provision of services with pressing needs at the present moment.

24. In response, USFH said that the types of services provided under the PPP Initiatives were those which were in acute shortage and had long waiting time under the public healthcare system. However, HA held an open stance regarding the types of services that could be covered by the PPP Initiatives.

25. DCS of HA said that the Administration intended to provide psychiatric and senile dementia services under the PPP Initiatives. The Administration would liaise with the trade and patient organizations in order to determine the service types and scope.

26. Mr LEE Cheuk-yan suggested that for those services in the public medical system with waiting time exceeding one year, they should be included into the service scope of the PPP Initiatives, and he also requested the Administration to provide a checklist of the Initiatives. Moreover, Mr LEE pointed out that under the Initiatives, the Administration intended to work together with non-government organizations ("NGOs") in carrying out the "Infirmity Service PPP Programme". However, Mr LEE considered that NGOs were not private organizations; hence, he asked whether it would be more appropriate for the Administration to include this infirmity service programme under recurrent expenditure.

*[Post-meeting note: The supplementary information provided in respect of members' enquiries was issued to members vide LC Paper No. FC180/15-16(01) on 1 April 2016.]*

27. DCS of HA said that some services which were in acute shortage or had long waiting time under the public healthcare system, e.g. CT scanning and MRI scanning, had been incorporated into the PPP Initiatives. To cope with the development of medical and social integration policy, it was considered necessary to implement the "Infirmity Service PPP Programme" proposed for cooperation with NGOs under the PPP Initiative on a trial basis.

28. Dr CHIANG Lai-wan was concerned that those patients who had been using private medical services all along would switch to the public system in order to make use of the services provided by the PPP Initiatives. She asked how the services of PPP Initiatives could help alleviate the pressure faced by the accident and emergency departments of public hospitals when there was an upsurge in patients under special circumstances liked the peak flu season. Besides, she asked whether the Administration would include in-patient services under the PPP Initiatives to further relieve the pressure on the public system. She requested for the inclusion of psychiatric evening clinic service into the PPP Initiatives.

29. In response, DCS of HA said that those patients referred to receive treatment under the PPP Initiatives often experienced long waiting time, while the services required were also in acute shortage in the public medical system. He believed that those who always made use of the private medical system would not find switching to the public medical system attractive. He explained that patients participating in the GOPC PPP Initiatives could enjoy subsidized out-patient services covering chronic diseases and episodic illnesses, and they would be prescribed with drugs for treating their chronic diseases and episodic illnesses (such as influenza) in private clinics under the Programme. He thought that such arrangement would also effectively alleviate the upsurge of patients in public hospitals under special circumstances.

#### Monitoring the operation of endowment fund

30. Mr Albert CHAN questioned that the PPP Initiatives would fail to achieve the expected effect of benefiting the public, as a result of transfer of interests. He asked whether the accounts of the endowment fund would be made known to the public in due course. Basing on the rationale that only a handful of people could be benefited by the PPP Initiatives, Mr LEUNG Kwok-hung considered that the PPP Initiatives were not cost-effective. Moreover, he opined that there might be the risks of conflict of interests and private organizations raising the charges. Dr KWOK Ka-ki expressed dissatisfaction towards the arrangement of having the Chief Executive of HA and an official from the Food and Health Bureau to co-chair the proposed PPP Fund Management Committee under HA. He pointed out that such a governance structure deprived patients and their families and the public of the opportunity to participate in the Programme.

31. DCS of HA responded that the expenses of PPP Initiatives were made for reimbursing accountable items of expenditure; the accounts had to be endorsed by auditors before tabling to the Legislative Council and making public.

32. Taking the "Pilot Project on Enhancing Radiological Investigation Services through Collaboration with the Private Sector" as an example, Mr YIU Si-wing asked about the comparison of costs for providing the same services by the public medical system and private medical system. He asked whether the Administration had room for price negotiation when the provision of services was entrusted in bulk to the private medical institutions. Mr YIU noted that PPP Initiatives would be implemented until 2021, he was concerned whether the Administration would conduct an interim review.

33. DCS of HA replied that the Administration had compiled statistics on the costs of treating different diseases. However, the complexity of different cases for the same disease could vary greatly. The cases currently referred to the PPP Initiatives for treatment by HA were of low complexity in general. Therefore, it was difficult to compare the treatment costs between the public and private medical systems. Under normal circumstances, the Administration would pay the private medical institutions selected as partners in accordance with the prices of the successful tenders or reasonable reference prices. The reasonable reference prices were fixed upon consultation with the trade basing on the market survey findings. The prices were close to market prices. The Administration was now conducting a review on the implementation of the PPP Initiatives up to the end of 2015, and the report was expected to be published in late 2016. The Administration would carry out another review in two to three years' time.

#### Service level of public medical system

34. Mr CHAN Chi-chuen asked the Administration, after having implemented the PPP Initiatives, whether it would reduce the non-emergency services provided by public hospitals or even stop allocating resources to expand the non-emergency services.

35. USFH and DCS of HA said that under special circumstances such as the peak flu season, the public hospitals would have to reduce its non-emergency services to release manpower and resources to take care of patients requiring emergency services and patients with other pressing needs. However, this was only a short-term contingency measure rather than a long-term policy direction. The annual fund allocation to HA was always showing a continual rising trend.

36. There being no further questions from members, the Chairman put the item to vote. The Chairman announced that the Committee approved the item.

37. At 6:17 pm, the Chairman accused Mr Albert CHAN of fictitiously vilifying the Chairman and Mr CHAN Han-pan at the meeting. Mr LEUNG Kwok-hung supported the remarks made by Mr Albert CHAN. The Chairman advised Mr LEUNG not to talk about matters unrelated to the agenda.

38. At 6:30 pm, the Chairman put forth Mr Dennis KWOK's proposal and extended the meeting by 15 minutes in the hope of completing the deliberation of FCR(2015-16)43, i.e. 2015-16 Judicial Service Pay Adjustment in the current meeting. No members objected to it.

**Item No. 3 – FCR(2015-16)43**  
**2015-16 JUDICIAL SERVICE PAY ADJUSTMENT**

39. The Chairman said that this funding proposal invited the members to approve with effect from 1 April 2015, an increase in pay by 4.41% for judges and judicial officers. The Administration consulted the Panel on Administration of Justice and Legal Services in respect of the salary adjustment for judicial service in 2015-16 on 23 November 2015. At the invitation of the Chairman, Mr Dennis KWOK, the Deputy Chairman of the Panel, briefed members on the main points of discussion. Mr KWOK said that the Panel had no objection to the proposed pay rise for judges and judicial officers. However, members were concerned about the manpower of judges and judicial officers and urged the Administration to strengthen the various supports rendered for the judicial officers and review the judicial establishment in order to cope with the increasing number of cases and shorten the waiting time for court cases.

40. Ms Emily LAU was concerned with the problems of inadequate judges and judicial officers and shortage of courts.

41. Director of Administration replied that the Administration was aware that the Judiciary faced recruitment difficulty in recent years. The Judiciary was examining proposals to attract suitable persons to join grades in the Judiciary through improving conditions and terms of service and deferring the retirement age. The West Kowloon Law Courts Building would be completed by mid-2016 and there would be 12 magistrate courts available for service by then. Upon the Department of Justice moving out of the office in Queensway Government Offices, the space vacated would be reserved for the High Court for housing its non-court facilities, so as to increase the space available for conversion as court rooms in the High Court Building. In addition, the Lands Tribunal could continue to operate at Gascoigne Road, while the space vacated by the Small Claims Tribunal upon its relocation from the Wanchai Law Courts Building to the West Kowloon Law Courts Building would be converted into court rooms.

42. Mr Dennis KWOK asked when the study on the extension of retirement age of judges would be completed. Director of Administration replied that as advised by the Judiciary, the study was expected to be completed in 2017.

43. There being no further question from members, the Chairman put the item to vote. The Chairman declared that the Committee approved the item.

44. The meeting was adjourned at 6:47 pm.

Legislative Council Secretariat

13 September 2016