

Review on Regulation of Private Healthcare Facilities

Kellie Wong

Chairman,

In 1971, Sir John Cowperthwaite observed that the Hong Kong economy had done well in the absence of government intervention, and decided upon positive non-interventionism as the city's economic policy going forward. Subsequently, along with the introduction of other free market policies, postwar Hong Kong has turned into the world class financial centre that it is today, with the highest AAA-credit rating, at par with London and New York. The first question that came to mind upon reading this proposal was - Are you doing this for the Hong Kong people? Or to advance your own political agenda?

It doesn't take a genius to realize this proposal makes no economic sense whatsoever - How many billions of our taxpayers money do you plan to spend just to offer what you suddenly decided is better healthcare for Hong Kong people? Our healthcare services are already second most expensive in the world, after the US. Now we want to outdo the Americans?! The increased restrictions against new or foreign-trained doctors, the many 'inspectors' needed, new equipment, new procedures, new drugs, new tests - where will the first \$50 billion come from? Your own pocket?! The last time I checked, that pocket money comes from the people of Hong Kong.

You would think that the honourable leaders of Hong Kong would learn from the mistakes of others, rather than repeat them, half a century later. The respected Hong Kong government either has been too busy trying to buy goodwill from voters or they have ignored the healthcare costs that threaten to bankrupt the US, the largest economy in the world. Commitment to the bottomless pit of healthcare budget - a can of worms they simply cannot put a lid back on - is one of the many black holes swallowing the US whole right now. I quote the great Lyndon Johnson in his 1963 Great Society speech, 'This administration here and now declares unconditional war on poverty.' Hm.

Fast forward half a century, and we have the American families that have not worked for three generations, because, conveniently, they 'earn' more receiving monthly cheques in the mail than working AND paying tax. US healthcare spending has also gone from 37\$ billion (5% of GDP) in 1960 to over 450\$ billion (over 17% of GDP) today. So why aren't Americans clapping their hands? Wasn't this an unconditional war on poverty? Why is Obama growing white hair trying to mend this broken healthcare wagon?

Think a little harder before entertaining this proposal. Doesn't seem to me that we need increased facility regulation in the healthcare sector, given that Hong Kong people live the longest on Earth. The WHO didn't just measure life expectancies of those using public hospitals. The proposal looks the beginning of financial suicide and bankruptcy of Hong Kong!

Thank you Chairman.