

**Speaking Notes for the Secretary for Health  
at the Special Meeting of the Finance Committee  
on 17 April 2024**

**Chairman and Honourable Members,**

With the ageing of Hong Kong's population, the increasing prevalence of chronic diseases, and the rapid development of medical technology, the demand for medical services has been growing. In 2024-25, the estimated recurrent expenditure on healthcare is \$109.5 billion, accounting for 18.9% of the recurrent government expenditure, an increase of 4.6% compared with the revised recurrent expenditure in 2023-24.

2. New and additional resources available in this financial year are mainly used for the following enhanced or newly introduced public healthcare services:

- The Government will continue to provide funding for the Hospital Authority (HA) to meet projected demand growth based on the triennium funding arrangement agreed in 2017, having regard to population growth rates and demographic changes. In 2024-25, a recurrent subvention of \$93.5 billion will be provided to the HA, representing an increase of about 2% as compared with the 2023-24 revised estimate.
- The HA will use the funding to optimise a series of its healthcare services, which include:
  - (i) enhancing the clinical services for patients suffering from diseases such as cancer;
  - (ii) providing additional public hospital beds, as well as additional operating theatre and endoscopy sessions;
  - (iii) enhancing service planning and commissioning redeveloped/expanded hospitals and community health centres;

- (iv) improving patient experience, operational workflow, surgical outcome and patient safety through the application of advanced technology and the development of smart hospitals; and
- (v) attracting and retaining staff through providing additional promotion opportunities, enhancing various training programmes, etc. to alleviate manpower shortage.

3. In 2024-25, the Government will allocate to the Department of Health (DH) an additional time-limited provision of about \$254 million<sup>1</sup>. The provision is allocated for meeting the cash flow requirement under the Elderly Health Care Voucher Scheme (EHVS), and for facilitating the DH's engagement of additional manpower to tackle the increasing workload for implementing various enhancement measures of the EHVS, including the Elderly Health Care Voucher (EHCV) Greater Bay Area (GBA) Pilot Scheme. Meanwhile, the DH will also continue to strengthen its existing services by, inter alia:

- (i) implementing Human Papilloma Virus vaccination catch-up programme; and
- (ii) continuing to implement the Vaccination Subsidy Scheme, the Seasonal Influenza Vaccination School Outreach Programme and the Residential Care Home Vaccination Programme.

### **Developing into a Health and Medical Innovation Hub**

4. Having regard to the National 14th Five-year Plan, which has indicated clear support for Hong Kong's development into an international innovation and technology hub, as well as the Development Plan for Shenzhen Park of Hetao Shenzhen-Hong Kong Science and Technology Innovation Co-operation Zone announced in August last year, the HKSAR Government highlighted in the 2023

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<sup>1</sup> The total time-limited provision allocated for the five-year period from 2023-24 to 2027-28 amounts to \$6,578 million.

Policy Address (2023 PA) that it will enhance the current approval and registration mechanism of drugs and medical devices, develop a health and medical innovation hub, move towards the “primary evaluation” approach and concurrently promote the development of clinical trials.

5. Following the accession to the International Council for Harmonisation of Technical Requirements for Pharmaceuticals for Human Use as an observer under the name of Hong Kong, China on 31 October last year and the establishment of the new “1+” mechanism for registration of new drugs since 1 November, the HKSAR Government plans to set up a preparatory office for the Hong Kong Centre for Medical Products Regulation under the DH in the first half of this year so as to study the potential restructuring and strengthening of the regulatory and approval regimes for medicine, medical devices and medical technology in the long run.

6. The HKSAR Government also plans to establish the Greater Bay Area International Clinical Trial Institute (Institute) in the Hetao Area by end of this year to provide a one-stop clinical trial support platform for medical research institutions, with a view to further enhancing the capacity and efficiency of clinical trials in Hong Kong and transforming our city into a leading clinical trial hub in Asia. The Institute will facilitate cooperation with the clinical trial networks in the Mainland, in particular the GBA, and coordinate the clinical trial work between the two places in order to comply with national and international standards.

### **Healthcare Manpower**

7. To cope with the future demand for healthcare manpower, the Government has all along encouraged universities funded by the University Grants Committee and self-financing post-secondary institutions to offer training programmes in healthcare professions. In the 2023/24 academic year, the total

number of training places for various healthcare professions exceeded 6 600, indicating a significant increase of more than 50% from about 4 400 in the 2016/17 academic year.

8. Earlier on, the Government has introduced the Nurses Registration (Amendment) Bill 2023 and the Dentists Registration (Amendment) Bill 2024 to the Legislative Council (LegCo) and announced in the 2023 PA that the Government will explore amending the Supplementary Medical Professions Ordinance (Cap. 359), on the premise of maintaining professional standards, to create new pathways for admitting non-locally trained nurses, dentists and supplementary medical professionals to practise in Hong Kong, so as to meet the rising demand for medical services.

### **Primary Healthcare**

9. Primary healthcare is an integral part of the entire healthcare system, accounting for about 20% of the expenditure on public healthcare. The Government put forward the Primary Healthcare Blueprint (the Blueprint) at the end of 2022 and is progressively taking forward various recommendations of the Blueprint over the short, medium and long term.

10. The Government launched the three-year Chronic Disease Co-Care Pilot Scheme last year, extended the EHVS to cover more healthcare professionals and allowed shared use of vouchers between spouses, and launched the EHCV Pilot Reward Scheme. The Government will continue to advocate the concept of “Family Doctor for All”. As at 29 February 2024, there are 3 700 doctors enrolled in the Primary Care Directory. The Government will also gradually reposition the General Out-patient Clinics to focus on taking care of low-income persons and the socially disadvantaged groups, and orderly migrate some primary healthcare services under the DH, including Woman Health Centres and Elderly Health Centres, to the primary healthcare system. The Government has

begun exploring the setting up of a community drug formulary and planning of the community pharmacy programme, and is actively planning for the establishment of the Primary Healthcare Commission.

11. Furthermore, to provide greater convenience for Hong Kong elderly persons, it has been promulgated in the 2023 PA that the EHCV GBA Pilot Scheme will be implemented this year to extend the vouchers' coverage to include suitable medical institutions in the GBA. The Government has announced in February this year the list of seven medical institutions selected for inclusion in the pilot scheme. These pilot medical institutions are expected to launch the relevant arrangements respectively under the pilot scheme starting from the third quarter of this year.

### **Development of Chinese Medicine**

12. The Government is committed to promoting the development of Chinese medicine (CM) in Hong Kong so as to enable Hong Kong to play a more significant role under the construction of the CM highlands in the GBA, thereby assisting the national drive for CM to go global. The key policy initiatives include:

- (i) the two flagship institutions, namely the Chinese Medicine Hospital and the Government Chinese Medicines Testing Institute are expected to commence services in phases from the end of next year;
- (ii) enhancing the functions of the Chinese Medicine Unit. The Commissioner for Chinese Medicine Development, who would assume office on the 20th day next month, will collaborate with the CM sector to formulate the Chinese Medicine Development Blueprint to map out the vision and strategies for future development;
- (iii) further expanding and strengthening the integrated Chinese-

Western Medicine services, boosting the establishment of CM talent pool, refining the funding arrangement of the Chinese Medicine Development Fund; and

- (iv) promoting scientific research and standard-setting for Chinese medicines testing, including the launch of the Digital Herbarium for Chinese Medicines last month.

### **Tobacco Control**

13. The Government has announced in the 2024-25 Budget an increase of tobacco duty on cigarettes by 80 cents to \$3.306 per stick, following a raise of 60 cents in the previous year to ensure that cigarette prices are maintained at a certain level. The Government will continuously review the effectiveness of tobacco control measures as a whole and the pace of future adjustments in tobacco duty, with a view to achieving the target of 75% duty proportion as recommended by the World Health Organization.

14. Preliminary findings of the Thematic Household Survey conducted by the Census and Statistics Department on smoking pattern in 2023 show that there are indeed signs of a decline in smoking prevalence after the increase in tobacco duty last year, with preliminary data indicating that the smoking prevalence further dropped from 10.2% in 2019 and 9.5% in 2021 to 9.1% last year. It is evident from such a decline that the various tobacco control measures, including increasing tobacco duty are effective. The Government will continue to take forward tobacco control measures with a view to achieving a smoking prevalence of 7.8% as promulgated under the “Towards 2025: Strategy and Action Plan to Prevent and Control Non-communicable Diseases in Hong Kong” by the end of next year.

15. The Customs and Excise Department has stepped up enforcement in combatting illicit cigarette activities over the past two months by mounting large-

scale anti-illicit cigarette operations across the territory, and will continue to take stringent enforcement actions on all fronts through risk assessment and intelligence analysis. The DH will also step up enforcement in combatting illegal tobacco advertisements including conducting joint operations against the distribution of tobacco advertisements in public housing estates.

16. The Government conducted the Vibrant, Healthy and Tobacco-free Hong Kong public consultation on tobacco control strategies last year. We are exploring the rollout of different tobacco control measures in a phased approach, and plan to give an account of the next step of work in due course, with the ultimate aim to make Hong Kong a smoke-free, healthy and vibrant city.

### **Oral Health**

17. The Government has introduced into the LegCo the Dentists Registration (Amendment) Bill 2024 which, among other things, proposes to create new pathways for admitting qualified non-locally trained dentists to practise in Hong Kong, and to modernise the regulatory framework for dental hygienists and dental therapists, with a view to increasing dental manpower in Hong Kong, as well as enhancing the overall standards of dental professionals to better serve the citizens.

18. The Government will increase the number of training places for dental hygienists and dental therapists and provide tuition sponsorship, while introducing new initiatives to strengthen public dental services. Such initiatives include the enhancement of the Healthy Teeth Collaboration programme and emergency dental services, and the launch of the Primary Dental Co-care Pilot Scheme for Adolescents.

19. Chairman, the above is my key introduction. My colleagues and I are happy to answer questions from Members.