

Healthcare, environmental protection and housing highlight Budget's liveable city focus

In announcing the 2020-21 Budget today (February 26), the Financial Secretary, Mr Paul Chan, highlighted the importance of creating a liveable city, with particular focus on measures targeting healthcare, environmental protection and housing.

Beyond the immediate need to control the coronavirus epidemic, Mr Chan said it was essential to plan ahead to enhance Hong Kong's healthcare system by "building additional medical and quarantine facilities, increasing stock of medical supplies, as well as strengthening scientific research on infectious disease prevention and control, pathology and medication."

Equally important, he said, was providing sufficient healthcare professionals. Mr Chan said that the Hospital Authority (HA) would encourage retiring experienced doctors to continue to work, on contract terms, until 65. In addition, the HA will consider creating opportunities for promoting about 200 Associate Consultants to Consultants over the next five years, while providing additional allowances to registered nurses with specialty qualifications. It is estimated that the additional expenditure for these three initiatives would expand to about \$1.2 billion in 2025-26 from \$160 million in 2021-22.

Mr Chan also announced that the HA's recurrent funding would increase by \$3 billion. An additional \$600 million will be provided to boost staffing and enhance existing services. The HA's recurrent funding this fiscal year will rise to \$75 billion, up 35 per cent from 2017-18 funding.

Mr Chan said that Hong Kong's first District Health Centre (DHC), which opened last year in Kwai Tsing District, will be joined by six additional District Health Centres in the coming two years, with \$650 million set aside to meet their recurrent expenditure. An additional \$600 million will be allocated to establish interim "DHC Express" by non-governmental organisations for the remaining 11 districts.

A variety of environmental-protection measures were also announced by the Financial Secretary. They include the launching of a \$2 billion pilot scheme to subsidise the installation of charging-enabling infrastructure for electric vehicles in car parks of private residential buildings, with a view to facilitating the installation of chargers by owners of individual parking spaces.

In addition, the Government will update its Clean Air Plan, giving consideration, among other things, to the further promotion of electric vehicles.

Mr Chan added that \$80 million will be earmarked to fuel a pilot plan for electric public light buses. A \$350 million pilot programme for electric ferries is also planned.

Underlining the Government's commitment to non-polluting vehicles, Mr Chan said about 40 000 Euro IV diesel commercial vehicles would be phased out, beginning in the second half of this year, with \$7.1 billion earmarked as ex-gratia payment for affected vehicle owners.

To promote recycling, it is proposed that a sum of not less than \$300 million will be set aside annually, beginning 2020-21, to develop a waste-paper recycling scheme.

An additional \$300 million will be provided to extend the Cleaner Production Partnership Programme, which encourages Hong Kong-owned factories to adopt cleaner production technologies, for five years.

Moreover, a \$200 million Green Tech Fund will be established to support research and development and the application of decarbonisation and green technologies.

Mr Chan underlined the Government's continuing commitment to resolving Hong Kong's land and housing challenges, noting that various new development area projects would add more than 210 000 housing units in the medium to long term.

He said that 135 sites had been rezoned for housing, providing more than 147 000 public housing units and about 44 000 private housing units over the past six years. Another dozen sites are now being rezoned and will add 11 000 housing units, more than 90 per cent of which will be public housing. Another 25 sites will be rezoned in the coming year. They will yield nearly 85 000 units, over 90 per cent of which will be public housing.

Mr Chan said that total public housing production for the five-year period from 2019-20 to 2023-24 is expected to provide about 100 400 units, including about 74 400 public rental housing and Green Form Subsidised Home Ownership Scheme units.

As for private housing, Mr Chan said that about 19 600 residential units would be completed annually from this year to 2024, up some 25 per cent over the annual average of the previous five years.

He added that the 2020-21 Land Sale Programme will feature 15 residential sites, providing about 7 500 residential units. The Programme also includes six commercial sites, offering about 830 000 square metres of floor area.

Mr Chan said that infrastructure investment was central to building a better city and improving Hong Kong people's quality of life.

The annual capital works expenditure is expected to reach \$100 billion, on average, in the next few years, with total construction output increasing to about \$300 billion a year.

The Government has also allocated \$6.5 billion for a number of harbourfront development initiatives, including expanding the promenades along both sides of the Victoria Harbour to 24 kilometres.

Cultural initiatives include an additional \$900 million allocated to the Art Development Matching Grants Scheme to promote the sponsorship of culture and arts from all sectors.

A liveable city, said Mr Chan, means a caring society.

"The current-term Government spares no effort to enhance social welfare services," he added, noting that recurrent expenditure in social welfare reached \$82.3 billion in 2019-20, up 26 per cent from 2017-18.

Mr Chan noted that the Chief Executive, last month, had announced a variety of recurrent measures created to benefit the elderly, as well as workers, low-income families, the unemployed, underemployed and underprivileged people.