

2019-20 Budget

(1) Public Finance

The 2019-20 Budget has adhered to the new fiscal philosophy of the current-term Government of adopting forward-looking and strategic financial management principles to invest for Hong Kong and relieve people's burden on the premise of ensuring healthy public finances. The broad direction is to "support enterprises, safeguard jobs, stabilise the economy, strengthen livelihoods".

(2) Overview

1. Key Figures

	2018-19 Revised Estimate (\$ billion)	2019-20 Estimate (\$ billion)	Increase/ Decrease
Operating expenditure	434.6	501.5	15.4%
- of which, recurrent government expenditure	404.7	441.0	9.0%
Capital expenditure	103.1	106.3	3.0%
- of which, capital works expenditure	81.5	78.6	-3.6%
Government expenditure	537.7	607.8	13.0%
Government revenue	596.4	626.1	5.0%
Consolidated surplus after repayment of bonds and notes	58.7	16.8	-71.4%

GDP in nominal terms is forecast to increase by 4.5% to 5.5% in 2019.

2. The cumulative growths and trend growths for government expenditure, revenue and nominal GDP from 2014-15 to 2019-20 are as follows –

	2014-15	2019-20	2019-20 Versus 2014-15	
	(\$ billion)	Estimate (\$ billion)	Cumulative Growth	Trend Growth
Recurrent government expenditure, of which	305.1	441.0	44.5%	7.6%
- Education	67.8	90.6	33.6%	6.0%
- Social Welfare	54.3	84.3	55.3%	9.2%
- Health	54.1	80.6	49.0%	8.3%
Government expenditure	396.2	607.8	53.4%	8.9%
Government revenue	478.7	626.1	30.8%	5.5%
Nominal GDP	2,260.0	2,987.6	32.2%	5.7%

3. The comparison of the growth of government expenditure with nominal GDP from 1997-98 and 2014-15 to 2019-20 is as follows –

	2019-20 Versus	
	1997-98	2014-15
Government expenditure - cumulative growth	+212.7%	+53.4%
Nominal GDP - cumulative growth	+117.6%	+32.2%

4. It is estimated that the 2019-20 Budget would have a stimulus effect of about 2% on the growth of GDP.

(3) Recurrent Government Expenditure

5. Recurrent government expenditure in 2019-20 is \$441.0 billion, higher than the 2018-19 revised estimate by 9.0% or \$36.3 billion. The comparisons with 1997-98 and 2014-15 are as follows –

	2019-20 Versus	
	1997-98	2014-15
Recurrent government expenditure - cumulative growth	+195.2%	+44.5%

6. The continued increase in recurrent government expenditure provides resources for implementing new and existing services, reflecting Government’s long term commitment towards the development of the economy and well-being of the community.
7. Education, Social Welfare and Health account for nearly 60% of recurrent government expenditure. The increase in recurrent government expenditure for these three policy area groups is as follows –

	2017-18 Actual (\$ billion)	2018-19 Revised Estimate (\$ billion)	2019-20		
			Estimate (\$ billion)	versus 2018-19	versus 2014-15
Education	80.2	85.5	90.6	+5.9%	+33.6%
Social Welfare	65.3	80.1	84.3	+5.2%	+55.3%
Health	62.6	72.7	80.6	+10.9%	+49.0%
Total	208.1	238.3	255.5	+7.2%	+45.0%

For details of the expenditure of the above three policy area groups, please see Appendices 1 to 3.

(4) Capital Works Expenditure

8. It is Government's commitment to invest in capital works projects to set the foundation for Hong Kong's social and economic development, enhance our competitiveness and improve our quality of life.
9. By end March 2019, the estimated total outstanding commitment for on-going capital works projects will be about \$376.4 billion.
10. The estimated expenditure for 2019-20 is \$78.6 billion. The revised estimate for 2018-19 is \$81.5 billion (which includes \$10.3 billion for the establishment of the Hostel Development Fund). It is estimated that the annual capital works expenditure for the next few years will continue to stay at a high level.
11. In 2018-19 LegCo session, the Government intends to seek LegCo's funding approval to implement the following projects, amongst others, which are closely linked with people's daily lives—
 - (a) On **healthcare**, the Government earmarked \$200 billion for the ten-year Hospital Development Programme and plans to seek funding approval from the Finance Committee (FC) for four of the hospital projects under the Programme within this year (about \$13.8 billion). The Government also earmarked \$300 billion for the Healthcare Facilities Development Programme. The Government plans to seek FC's funding approval for three healthcare teaching facilities in the current legislative session (about \$1.6 billion);
 - (b) On **housing and land supply**, the Government plans to seek FC's funding approval for infrastructural and ancillary works related to 16 housing developments in the current legislative session (about \$47.3 billion);
 - (c) On **recreation and district facilities**, the Government plans to seek FC's funding approval for eight cultural and community recreational projects in the current legislative session (about \$21.2 billion); and
 - (d) On **education**, the Government plans to seek FC's funding approval for eight school related projects in the current legislative session (about \$2.3 billion).

(5) Key Expenditure and Revenue Proposals in the 2019-20 Budget

Proposal	Annual/ Total Amount \$m	Beneficiary
I. Policy Address Major Initiatives		
1. Abolish the arrangement of using employers' mandatory contributions under the Mandatory Provident Fund System to offset severance payment (SP) and long service payment (LSP); and provide a two-tier subsidy scheme to employers for sharing their expenses on SP and LSP after the abolition	^29,300	Employers and employees
2. Inject \$20 billion into the Research Endowment Fund	^20,000	Higher education sector
3. Launch a Research Matching Grant Scheme	^3,000	Higher education sector
4. Launch the Lift Modernisation Subsidy Scheme	^2,500	Eligible owners of private residential / composite buildings ¹
5. Launch a Re-industrialisation Funding Scheme through the Innovation and Technology Fund	+2,000	Local manufacturers
6. Allocate \$2 billion for the Hong Kong Science and Technology Parks Corporation to build manufacturing facilities required by dedicated advanced manufacturing sector	+2,000	Innovation & Technology sector and manufacturers

¹ Buildings held by eligible owners should have average rateable values not exceeding the prescribed level and lifts that have not been equipped with any or all of the specified safety devices.

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^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
7. Subject to the Legislative Council's approval of legislative amendments and funding, lower the actual tolls payable by private cars, taxis and motorcycles for using the Western Harbour Crossing (WHC) as part of the toll adjustment proposal to rationalise traffic distribution among the three road harbour crossings	^1,800 #6	General public
8. Upgrade and increase the teaching facilities of The University of Hong Kong, the Chinese University of Hong Kong and the Hong Kong Polytechnic University to expand the capacity for the training of relevant healthcare training professionals	+1,628	Students attending healthcare related programmes in the relevant universities
9. Lantau Development –	1,550 (details below)	General public
(a) Earmark \$1 billion for setting up the Lantau Conservation Fund to promote and carry out conservation projects and local improvement works for Lantau; and	^500 +500	
(b) Carry out studies related to artificial islands in the central waters	+550	
10. Implement the all-graduate teaching force policy in public sector primary and secondary schools	*1,499	Over 9 400 teachers in public sector primary and secondary schools
11. Implement Hong Kong Genome Project	^682 #561	General public

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^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
12. Ease public transport fare increase pressure—	1,238 (details below)	General public
(a) Exempt the tolls charged on franchised buses for using government tunnels and roads; and	*280 ²	
(b) Pay for franchised bus operators the tolls for using WHC (which forms an integral part of the Government’s in-principle agreement with the WHC franchisee to rationalise traffic distribution among the three road harbour crossings)	^ 956 *2	
13. Strengthen support on waste reduction and recycling to complement the implementation of Municipal Solid Waste charging	#998 *62 ^10	General public
14. Purchase an additional 5 000 EA1 places under the Enhanced Bought Place Scheme in the next five years	*1,027	Elderly persons and their carers
15. Inject \$1 billion into the Film Development Fund	^1,000	The film sector, people interested in pursuing a career in the film sector and film audiences
16. Provide a Life-wide Learning Grant to public sector schools	*904	Public sector schools and schools under the Direct Subsidy Scheme (DSS)
17. Leverage technology to provide innovative public library services as well as to enhance the facilities, service quality, cost effectiveness and customer friendliness of the libraries	+877 #21 *4	General public

² Based on the 2017 figures, the revenue foregone by the Government for exempting the toll of all Government tunnels and the Tsing Ma and Tsing Sha Control Areas on franchised buses is about \$280 million per year.

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Proposal	Annual/ Total Amount \$m	Beneficiary
18. Continue with the comprehensive review of the strategy of handling non-refoulement claims	#810 *3	General public
19. Enhance the effectiveness of the integrated education policy and quality of support to students with special educational needs	*800	Students with special educational needs in public sector ordinary primary and secondary schools as well as DSS schools
20. Extend the Old Age Living Allowance to Guangdong and Fujian to provide monthly payment for eligible elderly persons	*697	Eligible elderly persons aged 65 or above who are residing in Guangdong or Fujian
21. Strengthen the administrative support for public sector schools, DSS schools and their management committees	*569	All public sector schools, DSS schools and their management committees
22. Subsidise franchised bus operators in retrofitting existing buses with appropriate safety devices	^500 #23	General public
23. Earmark \$500 million to rationalise the salaries for principals and vice-principals and improve the manpower at the middle management level in primary schools	*500	All public sector primary schools
24. Organise an annual “City Innovation and Technology (I&T) Grand Challenge” in the next five years	^500	General public, especially I&T companies / start-ups and students
25. Allocate another \$500 million to the TechConnect Block Vote to promote technology adoption by government departments	+500	General Public

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Proposal	Annual/ Total Amount \$m	Beneficiary
26. Implement programmes and measures in support of the directions pinned down by the Youth Development Commission to support youth development	^300 #200	Young people
27. Develop vocational and professional education and training –	^342 *101	
(a) Enable trainees to join industries which require specialised skills under the “Earn & Learn” model; and		1 200 trainees per year
(b) Continue to provide tuition fee subsidy for three years to students admitted to designated professional part-time programmes offered by the Vocational Training Council		5 600 students studying in architecture, town planning, engineering and technology programmes, and 2 500 students studying in creative industry related programmes
28. Combat climate change and promote the development of renewable energy	+300 #99 *15	General public
29. Provide seed capital to the Financial Reporting Council	^400	The Financial Reporting Council, all investors of securities, listed entities and listed entity auditors
30. Implement the pilot Multi-functional Smart Lamppost scheme	+272 #96	General Public
31. Provide the Hong Kong Examinations and Assessment Authority with a non-recurrent funding in four years to support its effective operation	^361	Hong Kong Examinations and Assessment Authority
32. Establish the Travel Industry Authority	^350	Travel industry

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Proposal	Annual/ Total Amount \$m	Beneficiary
33. Strengthen support for ethnic minorities	*120 #117 ^75	Ethnic minorities, and stakeholders providing services to them
34. Strengthen the community care and support services for the elderly	*252 +54	Elderly persons and their carers
35. Incorporate Chinese medicine into the healthcare system in Hong Kong through subsidising defined Chinese medicine services	*299	Hong Kong residents
36. Enhance seasonal influenza vaccination uptake rate in 2018/19 season through implementation of a pilot programme to roll out free outreach seasonal influenza vaccination for primary school students, increase in subsidy under the Vaccination Subsidy Scheme and expansion of its eligible groups under the Scheme to cover people aged between 50 and 64, etc.	*272	<u>Pilot Programme</u> Primary school students <u>Vaccination Subsidy Scheme</u> Children aged six months to less than 12 years, pregnant women, persons with intellectual disability, persons receiving disability allowance and persons aged 50 or above
37. Provide 1 200 training places under an enhanced Navigation Scheme for Young Persons in Care Services	#266	Social welfare care sector for elderly and rehabilitation services; and young people who are interested in working in the sector
38. Inject \$200 million into the Maritime and Aviation Training Fund	^200	Students and in-service practitioners of the maritime and aviation sectors

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^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
39. Enhance community support for persons with disabilities	*183 #13	Over 30 000 persons with disabilities living in the community
40. Enhance child care services to integrate care and development	*187	Children, their families, child care workers, home based-child carers and the community at large
41. Support the Research Grants Council in introducing three regular Fellowship Schemes	*185	Higher education sector
42. Develop the Agricultural Park Phase 1	+177	Agricultural Sector
43. Enhance district-based primary healthcare services, including subsidising the operation of the District Health Centre (DHC) in Kwai Tsing District and setting up DHCs in other districts	*167 #4	General Public
44. Allocate additional resources to improve cityscape	*167	General Public
45. Strengthen support for children with special needs, including – (a) Enhancing On-site Pre-school Rehabilitation Services; (b) Strengthening manpower in special child care centres; and (c) Providing psychological treatment for persons with special needs (especially children) and their parents	*167	Over 10 000 pre-school children with special needs and adults with intellectual disabilities as well as their families
46. Set up a full-fledged Office for Regulation of Private Healthcare Facilities	*158	General Public

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^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
47. Further expand the network of Economic and Trade Offices and strengthen external promotion work	*123 ^30	Various sectors
48. Subsidise about 2 000 students per cohort to pursue designated self-financing sub-degree programmes through the Study Subsidy Scheme for Designated Professions / Sectors	*124	Students pursuing designated full-time locally accredited self-financing sub-degree programmes in selected disciplines
49. Set up a Greater Bay Area Development Office and appoint a Commissioner for the Development of the Greater Bay Area to implement the relevant work	#111	Various sectors
50. Continue to implement the Hong Kong Biodiversity Strategy and Action Plan	#100 *5	General public
51. Increase subvention to further promote the development of arts in Hong Kong	*54	Nine major performing arts groups, small and medium-sized arts groups funded by the Hong Kong Arts Development Council, and the Hong Kong Arts Festival Society
52. Disburse a Promotion of Reading Grant to all public sector schools	*50	Public sector schools and DSS schools
53. Conduct a trial on retrofitting Euro IV and Euro V double-deck franchised buses with enhanced selective catalytic reduction systems	^38 #2	General public

Proposal	Annual/ Total Amount \$m	Beneficiary
54. Provide additional resources to Federations of Parent-Teacher Associations and Parent-Teacher Associations of schools to organise more community-based and school-based parent education programmes or activities	*26	Parents

**Total financial implications of
Policy Address major initiatives**

84,131

Involving –	
Operating expenditure	75,273
- <i>Recurrent measures</i>	12,429
- <i>Non-recurrent measures</i>	62,844
Capital expenditure	8,858

Proposal	Annual/ Total Amount \$m	Beneficiary
II. Budget Proposals		
(A) One-off Relief Measures		
Expenditure measures		
55. Provide an extra allowance to social security recipients, equal to one month of the standard rate Comprehensive Social Security Assistance (CSSA) payments, Old Age Allowance, Old Age Living Allowance or Disability Allowance	^3,842	Eligible social security recipients
56. Provide an additional \$1,000 worth of vouchers to the elderly eligible for the Elderly Health Care Voucher Scheme (EHVS) ³	#1,024	All eligible elders under EHVS
57. Provide to each student in need a one-off grant of \$2,500 to support learning	^893	Around 357 000 financially needy students from pre-primary to post-secondary levels who are eligible for receiving – (a) means-tested student financial assistance; or (b) the grant for selected items of school related expenses under the CSSA Scheme in 2019/20 school year
58. Pay the examination fees for school candidates sitting for the 2020 Hong Kong Diploma of Secondary Education Examination (HKDSE)	^160	About 45 900 HKDSE school candidates

³ The accumulation limit of Elderly Health Care Vouchers will be raised from \$5,000 to \$8,000.

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^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
59. Provide one-month extra payment to households receiving the Working Family Allowance (WFA)	^130	Eligible households receiving WFA
60. Provide one-month extra payment to Work Incentive Transport Subsidy (WITS) recipients	^19	Eligible WITS recipients
Sub-total for expenditure measures	6,068	
Revenue measures		
61. Reduce salaries tax and tax under personal assessment for the year of assessment 2018/19 by 75%, subject to a ceiling of \$20,000	17,000	1.91 million taxpayers
62. Waive rates for four quarters of 2019-20 subject to a ceiling of \$1,500 per quarter for each rateable property ⁴	15,000	3.29 million properties liable to rates
63. Waive the business registration fees for 2019-20	2,900	1.4 million business operators
64. Reduce profits tax for the year of assessment 2018/19 by 75%, subject to a ceiling of \$20,000	1,900	145 000 taxpayers
Sub-total for revenue measures	36,800	
Total for one-off relief measures	42,868	

⁴ CSSA recipients who do not have to bear rates will not obtain any pecuniary advantage from the rates waiver.

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^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
(B) Budget expenditure measures with long-term effects		
65. Purchase properties for accommodating welfare facilities	+20,000	Elderly, persons with disabilities, and children, etc. (about 86 000 people)
66. Develop Cyberport 5	+5,500	Innovation and technology sector
67. Expedite the upgrading and acquisition of medical equipment by the Hospital Authority (HA)	+5,000	Public health sector and general public
68. Support non-governmental organisations in constructing transitional housing	^2,000	Families awaiting Public Rental Housing and the inadequately housed
69. Provide additional resources for HA to –		Public healthcare sector and general public
(a) boost morale of frontline healthcare workers and retain talent; and	*721	
(b) expand the scope of the Drug Formulary and enhance medical device management	*#419	
70. Inject \$1 billion into the Dedicated Fund on Branding, Upgrading and Domestic Sales to extend its geographical scope and increase the funding ceiling	^1,000	Small and medium enterprises (SMEs)
71. Provide additional resources for departments to install renewable energy facilities	+600 #400	General public
72. Implement the IT Innovation Lab in Secondary Schools Programme	^500	Publicly funded secondary schools

*: annual amount for recurrent measure; #: total for time-limited recurrent measure;
^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
73. Continue to implement the Development Blueprint for Hong Kong's Tourism Industry, including additional funding for the Hong Kong Tourism Board and the Travel Industry Council of Hong Kong	353 ⁵	Tourism industry
74. Implement the measure of “two school social workers for each school” and increase supervisory manpower accordingly	*313	Secondary school students
75. Expedite the development of digital infrastructure to facilitate the dissemination, utilisation and innovative application of geospatial data	^300	Industry, academia and general public
76. Inject \$250 million into the Hong Kong Athletes Fund	^250	Hong Kong athletes
77. Provide Wi-Fi service to service units operated by subvented organisations under the Social Welfare Department (funded by the Lotteries Fund)	+205	1 350 subsidised service units and their clients
78. Set up an Urban Forestry Support Fund	^200	Young people, arboriculture and horticulture industry, and general public
79. Expand the Construction Industry Council's apprenticeship programme, increase the allowances for new trainees pursuing Hong Kong Institute of Construction's one-year full-time programmes, and encourage and attract in-service general workers to upgrade their skill level	^200	New trainees and in-service general workers

⁵ The additional \$353 million proposed to be allocated for supporting the tourism industry as mentioned in the Budget Speech comprises (i) the 2019-20 additional funding of \$326 million for the Hong Kong Tourism Board to step up promotion in overseas and Mainland source markets, and (ii) the 2019-20 additional funding of \$27 million for the Tourism Commission to launch various new initiatives for promoting the development of tourism industry (including the 2019-20 additional funding of \$6 million for the Travel Industry Council of Hong Kong to support the trade in rolling out more tourism products and enhancing professional services (the total allocation of which is \$20 million for three years)).

*: annual amount for recurrent measure; #: total for time-limited recurrent measure;
^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
80. Consolidate Hong Kong's position as an international cultural metropolis, including hosting large-scale world-class performing arts programmes in the coming five years	#176	General public
81. Support the ongoing operation of the Enhancing Self-Reliance Through District Partnership Programme	^150	Socially disadvantaged persons
82. Provide funding to non-government organisation for the development and initial operation of a cross-boundary, efficient, secure and cost-effective dispute resolution and deal making online platform	^150	Businesses including local micro-enterprises, SMEs, and those in the Belt & Road economies, members of the Asia-Pacific Economic Cooperation and Association of Southeast Asian Nations and beyond
83. Extend the public electric vehicle charging networks at government car parks	#120	General public
84. Strengthen support for "national sports associations" (NSAs) ⁶	#50 *25	60 NSAs
85. Increase professional and supporting manpower for the Neighbourhood Support Child Care Project and deploy additional social workers and supporting staff for the Mutual Help Child Care Centres	*33 ⁷	(1) Neighbourhood Support Child Care Project: 13 000 children; (2)193 914 pre-primary children (estimated attendance) for after-school care programme for pre-primary children; and (3) 600 home-based child carers

⁶ The additional resources to be allocated to NSAs in the coming two years will amount to \$100 million, comprising a time-limited provision of \$50 million and a recurrent provision of \$50 million (i.e. \$25 million per year).

⁷ The additional annual recurrent provision of this measure together with other related initiatives is around \$52 million in total.

*: annual amount for recurrent measure; #: total for time-limited recurrent measure;

^: total for non-recurrent measure; +: total for capital item.

Proposal	Annual/ Total Amount \$m	Beneficiary
86. Preserve Hong Kong's film heritage through digital conversion of sole copies of films and celluloid films in urgent need of archiving	+ [#] 20	Local film sector and general public
Total for Budget expenditure measures with long-term effects	38,685	
(C) Funding earmarked		
87. Take forward the first batch of projects under the “single site, multiple use” initiative	22,000	General public
88. Enhance or refurbish campus facilities (such as laboratories) of University Grants Committee (UGC)-funded universities	16,000	UGC-funded universities
89. Set up a public healthcare subvention stabilisation fund	10,000	Public health sector and general public
90. Develop new harbourfront promenades and open space, and improve harbourfront facilities	6,000	General public
Total for funding earmarked	54,000	
Total financial implications of Budget Measures	135,553	
Grand Total (Policy Address Initiatives and Budget Measures)		
	219,684	

[Note: The above amount has not taken into account the \$82.4 billion⁸ earmarked in the Budget for supporting the development of public housing.]

⁸ To clearly reflect the prevailing Government financial position, the Housing Reserve, now standing at \$82.4 billion, will be brought back to the Government's accounts over four years from 2019-20 to 2022-23 as investment income. At the same time, an equivalent amount has been earmarked for public housing development under the 2019-20 Budget.

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^: total for non-recurrent measure; +: total for capital item.

(6) Medium Range Forecast

(\$ billion)	2018-19 Revised Estimate	2019-20 Estimate	2020-21 Forecast	2021-22 Forecast	2022-23 Forecast	2023-24 Forecast
Operating Surplus (Deficit)	17.5	(34.5)	17.6	7.6	8.6	3.2
Capital Surplus (Deficit)	41.2	52.8	10.0	(2.7)	(3.1)	5.0
Repayment of bonds and notes		(1.5)				
Consolidated surplus after repayment of bonds and notes	58.7	16.8	27.6	4.9	5.5	8.2
Fiscal reserves at 31 March	1,161.6	1,178.4	1,206.0	1,210.9	1,216.4	1,224.6
In terms of no. of months of government expenditure	26	23	23	21	20	19
In terms of % of GDP	40.8%	39.4%	38.4%	36.8%	35.2%	33.7%

Appendices – Major Policy Area Group Expenditure

1. Education
2. Social Welfare
3. Health

Education

1. Estimated government expenditure on education amounts to \$124.0 billion in 2019-20, accounting for 20.4% of estimated total government expenditure, and is 12.2% or \$13.5 billion higher than the 2018-19 revised estimate (RE).
2. Estimated recurrent government expenditure on education is \$90.6 billion in 2019-20, accounting for 20.5% of estimated recurrent government expenditure and is 5.9% or \$5.1 billion higher than the 2018-19 RE.
3. The key initiatives are highlighted below –

Initiatives under recurrent government expenditure

(a) New initiatives

- (i) \$325 million in 2019-20 (\$800 million full-year provision w.e.f. 2024-25) is for improving the support initiatives under the integrated education policy by restructuring the additional resources provided for all public sector ordinary schools under the Learning Support Grant, Intensive Remedial Teaching Programme and Integrated Education Programme in primary schools, upgrading the rank of Special Educational Needs Coordinators in schools with comparatively large number of students with special educational needs (SEN), extending the Enhanced School-based Educational Psychology Service and enhancing the School-based Speech Therapy Services.
- (ii) \$877 million in 2019-20 (\$1,499 million full-year provision w.e.f. 2020-21) is for implementing the all-graduate teaching force policy in public sector primary and secondary schools (including special schools) in the 2019/20 school year. Schools may, taking into account their school-based circumstances, achieve full implementation by the 2020/21 school year.
- (iii) \$680 million in 2019-20 (\$904 million full-year provision w.e.f. 2023-24) is for providing a recurrent Life-wide Learning Grant, starting from the 2019/20 school year, to provide enhanced support for public sector schools to promote life-wide learning.
- (iv) \$50 million in 2019-20 (\$251 million full-year provision w.e.f. 2024-25) is for taking forward initiatives in enhancing the research development of the higher education sector including increasing the annual quota for the existing Hong Kong PhD Fellowship Scheme and introducing three new fellowship schemes for outstanding academics w.e.f. the 2019/20 academic year.

Appendix 1 (Cont'd)

- (v) \$332 million in 2019-20 (\$569 million full-year provision w.e.f. 2023-24) is for providing additional resources starting from the 2019/20 school year to strengthen the administrative support for public sector and Direct Subsidy Scheme (DSS) schools, and their management committees.
- (vi) \$31 million in 2019-20 (\$110 million full-year provision w.e.f. 2022-23) is for providing funding for the Vocational Training Council (VTC) to regularise the Pilot Training and Support Scheme with enhanced subsidy for 1 200 training places per cohort and enhancing support services to SEN students from the 2019/20 academic year.
- (vii) \$23 million in 2019-20 (\$26 million full-year provision w.e.f. 2023-24) is for providing more funding to Federations of Parent-Teacher Associations and Parent-Teacher Associations of schools from the 2019/20 school year for organising more parent education programmes or activities.
- (viii) \$54 million in 2019-20 (\$73 million full-year provision w.e.f. 2021-22) is for regularisation of the Mainland University Study Subsidy Scheme.
- (ix) \$14 million in 2019-20 (\$124 million full-year provision w.e.f. 2021-22) is for expanding the coverage of the Study Subsidy Scheme for Designated Professions/Sectors to subsidise about 2 000 students per cohort to pursue designated full-time locally accredited self-financing sub-degree programmes in selected disciplines w.e.f. the 2019/20 academic year.
- (x) \$95 million in 2019-20 (\$164 million full-year provision w.e.f. 2023-24) is for including the teaching posts converted from the Senior Secondary Curriculum Support Grant and the Career and Life Planning Grant in the calculation of promotion posts in public sector secondary schools starting from the 2019/20 school year.
- (xi) \$21 million in 2019-20 (\$40 million full-year provision w.e.f. 2020-21) is for enhancing the subsidy for kindergartens joining the new kindergarten education scheme and admitting non-Chinese speaking (NCS) students by providing tiered subsidies for these kindergartens starting from the 2019/20 school year.
- (xii) \$13 million in 2019-20 (\$22 million full-year provision w.e.f. 2023-24) is for providing additional resources under a 3-tiered structure to public sector ordinary primary and secondary schools admitting NCS students with SEN.

(b) Existing initiatives

- (i) \$363 million in 2019-20 (2018-19 RE: \$273 million; \$367 million full-year provision w.e.f. 2022-23) is for providing recurrent air-conditioning grant for all public sector schools to cover the daily expenses of air-conditioning systems installed in related facilities starting from the 2018/19 school year.
- (ii) \$756 million in 2019-20 (2018-19 RE: \$470 million; \$849 million full-year provision w.e.f. 2021-22) is for regularising the Study Subsidy Scheme for Designated Professions/Sectors and increasing the number of subsidised places from about 1 000 to about 3 000 per cohort w.e.f. the 2018/19 academic year.
- (iii) \$114 million in 2019-20 (2018-19 RE: \$58 million; \$170 million full-year provision w.e.f. 2023-24) is for regularising Pilot Scheme on Promoting Interflows between Sister Schools in Hong Kong and the Mainland and increasing the grant received by participating schools from \$120,000 to \$150,000 per annum from the 2018/19 school year.
- (iv) \$97 million in 2019-20 (2018-19 RE: \$48 million; \$138 million full-year provision w.e.f. 2032-33) is for strengthening and enhancing social work and counselling services in public sector primary schools and improving the provision of social workers in special school.
- (v) \$50 million in 2019-20 (2018-19 RE: \$41 million; \$50 million full-year provision w.e.f. 2019-20) is for providing a Promotion of Reading Grant to all public sector schools w.e.f. the 2018/19 school year.
- (vi) \$25 million in 2019-20 (2018-19 RE: \$14 million; \$26 million full-year provision w.e.f. 2020-21) is for enhancing school nursing support in special schools.
- (vii) \$3.2 billion in 2019-20 (2018-19 RE: \$3.0 billion) is for implementing the \$3.6 billion package of priority initiatives to support quality education at various levels with effect from the 2017/18 academic/school year.
- (viii) The new kindergarten education policy has been implemented since the 2017/18 school year. The recurrent expenditure on pre-primary education is estimated to be \$6.8 billion in 2019-20 (2018-19 RE: \$6.5 billion).

Initiatives under non-recurrent and capital expenditure

(a) New initiatives

- (i) \$20 billion in 2019-20 is for injection into the Research Endowment Fund.
- (ii) A total commitment of \$3 billion (with \$750 million cash flow in 2019-20) is for implementing a new Research Matching Grant Scheme.
- (iii) A total commitment of \$2.5 billion (with \$2.2 billion cash flow in 2019-20) is for the eighth Matching Grant Scheme in the publicly-funded post-secondary institutions.
- (iv) A total commitment of \$361 million (with \$91 million cash flow in 2019-20) is for funding the Hong Kong Examinations and Assessment Authority to enable it to sustain the administration of the Hong Kong Diploma of Secondary Education Examination from the 2018/19 to 2021/22 school years.
- (v) A total commitment of \$108 million (with \$36 million cash flow in 2019-20) is for providing pilot incentive to employers participating in the workplace assessment under the regularised Pilot Training and Support Scheme for three years from 2019-20 to 2021-22.
- (vi) A total commitment of \$45 million (with \$10 million cash flow in 2019-20) is for commissioning school-based professional support services for about 200 schools (including kindergartens) admitting NCS students in the three school years from 2019/20 to 2021/22 to enhance the professional competency of teachers in teaching Chinese to NCS students.
- (vii) A total commitment of \$30 million (with \$29 million cash flow in 2019-20) is for public sector and DSS secondary schools which admit NCS student(s) to support NCS student(s) to use Chinese in learning Chinese History as an independent compulsory subject in junior secondary level in the 2018/19 and 2019/20 school years.

(b) Existing initiatives

- (i) An additional commitment of \$234 million is for continuing to implement the Pilot Subsidy Scheme for Students of Professional Part-time Programmes to provide tuition fee subsidy for students admitted to designated part-time “Architecture and Town Planning” and “Engineering and Technology” programmes from the 2019/20 to the 2021/22 academic years with expanded scope of the Scheme covering practitioners in the creative industries undertaking creative industries programmes offered by the VTC.
- (ii) \$46 million in 2019-20 is for supporting students in public sector and DSS schools with financial needs to participate in life-wide learning activities.
- (iii) \$1.5 billion in 2019-20 (2018-19 RE: \$1.5 billion) is for school maintenance (Major Repairs for aided and DSS schools and Emergency Repairs for aided schools).
- (iv) \$25 million in 2019-20 (total provision of \$2 billion by 2026-27) is for expediting installation of lifts for public sector schools without such provisions, starting from 2019-20.

Social Welfare

1. Estimated government expenditure on social welfare amounts to \$97.2 billion in 2019-20, accounting for 16.0% of estimated total government expenditure, and is 7.1% or \$6.4 billion higher than the 2018-19 revised estimate (RE¹).
2. Estimated recurrent government expenditure on social welfare is \$84.3 billion in 2019-20, accounting for 19.1% of estimated recurrent government expenditure and is 5.2% or \$4.2 billion higher than the 2018-19 RE¹.
3. The key initiatives are highlighted below –

Initiatives under recurrent government expenditure(a) New initiatives

- (i) \$298 million in 2019-20 (\$1,027 million full-year provision w.e.f. 2023-24) is for providing additional 1 000 subsidised care-and-attention places for the elderly under the Enhanced Bought Place Scheme (EBPS) each year for five years from 2019-20 to 2023-24 as well as for increasing the subsidy amount of all the purchase places under the EBPS starting from 2019-20, thereby increasing the supply of subsidised residential care places for the elderly and enhancing the overall service quality of private Residential Care Homes for the Elderly (RCHEs).
- (ii) \$142 million in 2019-20 (\$252 million full-year provision w.e.f. 2020-21) is for strengthening the community care and support services for the frail elderly through the additional provision of 2 000 service quota under the Enhanced Home and Community Care Services, around 120 day care places in Day Care Units for the Elderly to be set up at qualified private and self-financing RCHEs, and designated residential respite places in private RCHEs participating in the EBPS.
- (iii) Additional provision of \$184 million in 2019-20 (\$697 million additional full-year provision w.e.f. 2021-22) is for extending the Old Age Living Allowance to the Guangdong (GD) Scheme and Fujian (FJ) Scheme with a special one-off arrangement (SOOA) in the first year of implementation to waive the one-year continuous residence requirement immediately before application; and

¹ While the Higher Old Age Living Allowance (Higher OALA) was launched in June 2018, its payment took retrospective effect from 1 May 2017. The 2018–19 RE includes the retrospective payment to eligible Higher OALA recipients dated back to May 2017 amounting to about \$7 billion.

re-launching the SOOA for one year for Old Age Allowance under the GD Scheme and FJ Scheme.

- (iv) Additional provision of \$116 million in 2019-20 (\$217 million additional full year provision w.e.f. 2024-25) is for enhancing child care services to integrate care and development and strengthening support for children and families in need, mainly including –
- \$87 million in 2019-20 (\$150 million full-year provisions w.e.f. 2020-21) is for enhancing the existing manning ratio in day and residential child care centres to improve service quality and increasing the level of subsidy for child care centre service so as to alleviate parents' financial burden in paying service fees;
 - \$17 million in 2019-20 (\$52 million full-year provisions w.e.f. 2024-25) is for enhancing service quality of the Neighbourhood Support Child Care Project and re-engineering the existing Mutual Help Child Care Centres to further meet the child care needs in the community; and
 - \$11 million in 2019-20 (\$15 million full-year provisions w.e.f. 2020-21) is for setting up four new small group homes and an aided standalone child care centre.
- (v) Additional provision of \$183 million in 2019-20 (\$313 million additional full-year provisions w.e.f. 2020-21) is for increasing the number of school social workers for each secondary school to two, together with a concomitant increase in supervisory support.

(b) Existing initiatives

- (i) Additional provision of \$85 million in 2019-20 (\$167 million additional full year provision w.e.f. 2020-21) is for strengthening support for children with special needs, mainly including –
- \$65 million in 2019-20 (\$126 million full-year provisions w.e.f. 2020-21) is for enhancing the manpower support for on-site pre-school rehabilitation services; and
 - \$20 million in 2019-20 (\$41 million full-year provisions w.e.f. 2020-21) is for enhancing social work services of special child care centres and residential special child care centres, strengthening care and nursing support for children with severe disabilities receiving residential care services, providing direct psychological treatment on top of consultation service for persons with special needs (especially children) and their parents.

Appendix 2 (Cont'd)

- (ii) Additional provisions of \$9 million in 2019-20 (\$67 million additional full-year provision w.e.f. 2024-25) is for enhancing community and residential care services for the elderly by providing additional 124 day care places and 134 residential care places for the elderly, setting up a new Neighbourhood Elderly Centre, and providing additional resources for existing contract-RCHEs.
- (iii) Additional provision of \$7 million in 2019-20 (\$97 million additional full-year provision w.e.f. 2021-22) is for providing additional 705 day rehabilitation service places and 130 residential rehabilitation service places.
- (iv) Additional provision of \$69 million in 2019-20 (\$182 million additional full-year provision w.e.f. 2022-23) is for enhancing the community support for persons with disabilities, mainly including –
- \$32 million in 2019-20 (\$110 million full-year provisions w.e.f. 2022-23) is for setting up five additional District Support Centres (DSC) for Persons with Disabilities and strengthening the rehabilitation training and service by DSCs;
 - \$13 million in 2019-20 (\$26 million full-year provisions w.e.f. 2020-21) is for setting up two new Support Centres for Persons with Autism (SPAs) and strengthening the manpower for all SPAs;
 - \$11 million in 2019-20 (\$19 million full-year provisions w.e.f. 2020-21) is for enhancing the provision of home-based rehabilitation services; and
 - \$13 million in 2019-20 (\$25 million full-year provisions w.e.f. 2020-21) is for enhancing the speech therapy services for ageing service users or service users with severe disabilities of the home-based support services, DSC services and Residential Care Homes for Persons with Disabilities (RCHDs).
- (v) Additional provision of \$1 million in 2019-20 (\$266 million in total from 2019-20 to 2024-25) is for providing 1200 training places in the coming years under an enhanced Navigation Scheme for Young Persons in Care Services.
- (vi) Additional provision of \$12 million in 2019-20 (\$61 million in total from 2019-20 to 2023-24) is for strengthening elderly services and rehabilitation services for persons with disabilities by providing training subsidy for RCHEs and RCHDs to support their Health Workers and Care Workers for participating in a five-year Qualifications Frame-based training programme.

(c) Social Security

The expenditure on social security since 2014-15 is as follows –

	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Actual)	2017-18 (Actual)	2018-19 ⁽¹⁾⁽²⁾ (Revised Estimate)	2019-20 ⁽¹⁾⁽³⁾ (Estimate)
CSSA (\$ million)	19,548 (20,669)^	20,037 (22,313)#	21,164 (22,308)^	20,551 (21,700)^	20,042 (22,454) ⁽⁴⁾ #	21,035 (22,370) ⁽⁴⁾ ^
SSA (\$ million)	17,179 (18,585)^	18,668 (21,673)#	20,508 (22,123)^	21,884 (23,632)^	34,411 (40,010) ⁽⁵⁾ #	32,596 (35,271)^
Total (\$ million)*	36,727 (39,255)^	38,704 (43,987)#	41,672 (44,431)^	42,434 (45,332)^	54,453 (62,464) ^(4&5) #	53,631 (57,641) ⁽⁴⁾ ^

^ Includes the one-month additional payment as announced in the Budget.

Includes the two-month additional payment as announced in the Budget.

* Figures may not add up due to rounding.

- (1) The CSSA estimates include the financial provision required for implementing the redefinition of CSSA old age (e.g. the monthly Employment Support Supplement for eligible persons w.e.f. 1 Feb 2019).
- (2) While the Higher OALA was launched in June 2018, its payment took retrospective effect from 1 May 2017. The SSA estimates include the retrospective payment to eligible Higher OALA recipients dated back to May 2017 **amounting to about \$7 billion**.
- (3) The SSA estimates include the financial provision required for extending OALA to Guangdong and Fujian.
- (4) Includes the one-off support grant for each eligible CSSA student in the 2018/19 and 2019/20 school years.
- (5) Includes the one-month additional 2017-18 back-payment for Higher OALA recipients.

Initiatives under non-recurrent and capital expenditure

New initiatives

- (i) A total commitment of \$989 million (with \$243 million cash flow in 2019-20) under the Lotteries Fund is for launching a three-year pilot scheme from the 2018/19 school year to provide social work services for early identification of and provision of assistance to pre-school children and their families with welfare needs.
- (ii) An allocation of \$20 billion to implement an initiative for the Government to purchase suitable premises from the market for the provision of accommodation in operating welfare facilities, with a view to commencing or enhancing services and shortening the waiting time in the near future. Part of the \$20 billion allocated for purchase of premises will be drawn from the \$30 billion earmarked for strengthening elderly services and rehabilitation services for persons with disabilities in the 2017-18 Budget.
- (iii) An allocation of about \$205 million through the Lotteries Fund to implement a four-year pilot project for providing Wi-Fi services at about 1 350 service units subvented by the Social Welfare Department.

Health

1. Estimated government expenditure on health amounts to \$88.6 billion in 2019-20, accounting for 14.6% of estimated total government expenditure, and is 13.2% or \$10.3 billion higher than the 2018-19 revised estimate (RE).
2. Estimated recurrent government expenditure on health is \$80.6 billion in 2019-20, accounting for 18.3% of estimated recurrent government expenditure and is 10.9% or \$7.9 billion higher than the 2018-19 RE.
3. The key initiatives are highlighted below –

Initiatives under recurrent government expenditureA. Hospital Authority (HA)

The Government will continue to invest in health services. The 2019-20 financial provision for HA totals \$69.9 billion (comprising \$68.8 billion recurrent subvention and \$1.1 billion capital subvention) representing an increase of 8.5% over the 2018-19 revised estimate (\$64.4 billion).

The recurrent subvention at \$68.8 billion represents an increase of 8.3% over the 2018-19 revised estimate (\$63.5 billion). The following key measures will be implemented –

(a) New initiatives(i) **\$721 million** for enhancing **staff retention measures** below –

- enhancing the Fixed Rate Honorarium for doctors, the rate of Special Honorarium Scheme allowance and the remuneration of ward supporting staff;
- increasing Advanced Practice Nurse posts to enhance night shift supervision and granting an increment to Registered Nurses who have attained specialty qualification;
- increasing the posts of allied health staff for enhancing promotion prospect;
- increasing the resources for the continued implementation of the Special Retired and Rehire Scheme;

Appendix 3 (Cont'd)

- (ii) **\$419 million** in 2019-20 (\$400 million full-year provision w.e.f. 2020-21) for **widening the scope of the HA drug formulary** to improve the drug treatment for patients in public hospitals and enhancing **medical device management** to ensure patients' continued and augmented access to the benefits of new technology;
- (iii) \$485 million for continuing phase I service commencement and commencing new services for Hong Kong Children's Hospital;
- (iv) \$131 million in 2019-20 (\$299 million full-year provision w.e.f. 2024-25) for providing subsidised outpatient Chinese medicine services at the 18 Chinese Medicine Centres for Training and Research and further developing the Integrated Chinese-Western Medicine Programme;
- (v) \$74 million for strengthening the nursing roles in clinical care by improving manpower provision, clinical supervision as well as specialty training;
- (vi) \$25 million for setting up the HA Data Collaboration Lab to facilitate healthcare research projects in collaboration with external parties and enhance the Big Data Analytics Platform;
- (vii) \$24 million for 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;
- (viii) \$19 million for HA to assist in taking forward primary healthcare development; and
- (ix) \$3 million for enhancing the deliverables of the Hong Kong Cancer Registry to support the surveillance of cancer data as recommended by the Cancer Coordinating Committee.

(b) Existing initiatives

Key measures for enhancing existing services are highlighted below –

- (i) increasing around 500 additional hospital beds, operating theatres and endoscopy sessions;
- (ii) supporting healthcare training and enhancing proficiency of healthcare professionals;
- (iii) increasing radiological imaging services such as mammogram, Magnetic Resonance Imaging and Computed Tomography by providing additional attendances;

Appendix 3 (Cont'd)

- (iv) increasing the quota for general out-patient clinics by 44 000 in five clusters (namely Kowloon Central Cluster, Kowloon East Cluster, Kowloon West Cluster, New Territories East Cluster, and New Territories West Cluster) in 2019-20 and further increasing to 99 000 from 2020-21 onwards, and providing additional 7 000 specialist out-patient clinic attendances;
 - (v) enhancing laboratory, pharmacy, psychology and allied health services;
 - (vi) enhancing non-clinical support services such as patient transport, food and laundry services;
 - (vii) strengthening the services for chronic diseases, including cancer, end stage renal failure and diabetes mellitus;
 - (viii) strengthening the manpower of Child and Adolescent Psychiatric Service. HA will designate five extra doctors to handle child and adolescent psychiatric cases. HA would strengthen the multi-disciplinary service model under which paediatric doctors, psychiatric nurses and allied health professionals (including clinical psychologists and occupational therapists) would assist psychiatric doctors in handling relatively mild and stable child and adolescent psychiatric cases;
 - (ix) enhancing the management and treatment of life-threatening diseases, including acute cardiac disease and acute stroke; and
 - (x) enhancing physiotherapy services, improving the peri-operative management of acute geriatric fragility fracture patients and strengthening palliative care consultative services.
- (c) Earmarking
- (i) \$10 billion earmarked as stabilisation fund for public healthcare provision of HA.

B. Department of Health

(a) New initiatives

- (i) \$4,207 million in 2019-20 (\$2,709 million full-year provision w.e.f. 2023-24 and \$5,907 million time-limited provision for four years from 2019-20 to 2022-23) is for the Elderly Health Care Voucher Scheme. Of this, about \$1,024 million is for the new initiatives of providing a one-off \$1,000 voucher amount to eligible elders in 2019 and increasing the accumulation limit from \$5,000 to \$8,000;
- (ii) \$125 million in 2019-20 (\$158 million full year provision w.e.f. 2022-23) is for setting up of a full-fledged Office for Regulation of Private Healthcare Facilities;
- (iii) \$74 million in 2019-20 (\$342 million time-limited provision for three years from 2019-20 to 2021-22) is for controlling a surging HIV epidemic and aligning current HIV treatment to international standards;
- (iv) \$61 million in 2019-20 (\$79 million full year provision w.e.f. 2023-24) is for providing free Human Papillomavirus (HPV) Vaccination to school girls;
- (v) \$19 million in 2019-20 (and in full year) is for strengthening pest prevention and control; and
- (vi) \$15 million in 2019-20 (\$12 million full year provision w.e.f. 2020-21) is for establishing a new Student Health Service Centre cum Special Assessment Centre in the West Kowloon Government Offices.

(b) Existing initiatives

- (i) Additional provision of \$190 million in 2019-20 (\$272 million additional full year provision w.e.f. 2022-23) is for improving uptake of seasonal influenza vaccine;
- (ii) Additional provision of \$64 million in 2019-20 (\$150 million full year provision w.e.f. 2022-23) is for regularising the Pilot Colorectal Cancer Screening Programme;
- (iii) Additional provision of \$27 million in 2019-20 (\$95 million additional time-limited provision for five years from 2019-20 to 2023-24) is for implementing the IT enhancement project of “Strategic Plan to Re-engineer and Transform Public Services” (SPRINT-1);

- (iv) Additional provision of \$18 million in 2019-20 is for measures to improve the waiting time of Child Assessment Service by recruiting an additional 22 nurses, senior allied health professionals and supporting staff to assist doctors to handle cases in order to expedite the assessment progress; and
- (v) Additional provision of \$14 million in 2019-20 (\$10 million additional full year provision w.e.f. 2020-21 and \$16 million time-limited provision for four years from 2019-20 to 2022-23) is for (a) strengthening the directorate support for developing and regulating Chinese Medicine in Hong Kong; (b) implementing various initiatives, including developing Hong Kong into an international hub for scientific research on Chinese medicines testing and quality control, promoting wider use of technology and strengthening the regulation of Chinese Medicines; and (c) continuing to provide the secretariat support to the Chinese Medicine Development Committee as well as its sub-committees.

C. Health Branch

(a) New initiatives

- (i) A total allocation of \$1.2 billion (comprising a total non-recurrent commitment of \$682 million and time-limited recurrent provision of \$523 million) for implementing the Hong Kong Genome Project (HKGP) over a period of six years from 2019-20 to 2024-25 led by the Hong Kong Genome Institute. A provision of \$133 million in 2019-20 (comprising \$53 million time-limited recurrent provision and \$80 million non-recurrent provision) is for the project cost of HKGP including the establishment of the Hong Kong Genome Institute; and
- (ii) Additional provision of \$13 million in 2019-20 (\$38 million time-limited provision for three years from 2019-20 to 2021-22) for supporting the policy work of development of genomic medicine.

(b) Existing initiatives

- (i) Additional provision of \$155 million in 2019-20 (\$167 million full year provision w.e.f. 2023-24 and \$4 million time-limited provision for three years from 2019-20 to 2021-22) for taking forward primary healthcare development. The 2019-20 provision includes \$19 million under new initiative (viii) of HA.

Initiatives under non-recurrent and capital expenditure

(a) Existing initiatives

- (i) A provision of \$1,128 million in 2019-20, including **\$200 million** initially allocated for topping up the normal annual provision in 2019-20 out of the \$5 billion earmarked for **enhancing technology adoption** (2018-19 RE: \$925 million), is for HA to procure equipment and implement computerization projects;
- (ii) A total commitment of \$2,915 million with provision of \$270 million in 2019-20 (2018-19 RE: \$205 million) is for meeting the cash flow requirement of Health and Medical Research Fund; and
- (iii) A total commitment of \$500 million with provision of \$70 million in 2019-20 (2018-19 RE: \$25 million) is for meeting the cash flow requirement of Chinese Medicine Development Fund.