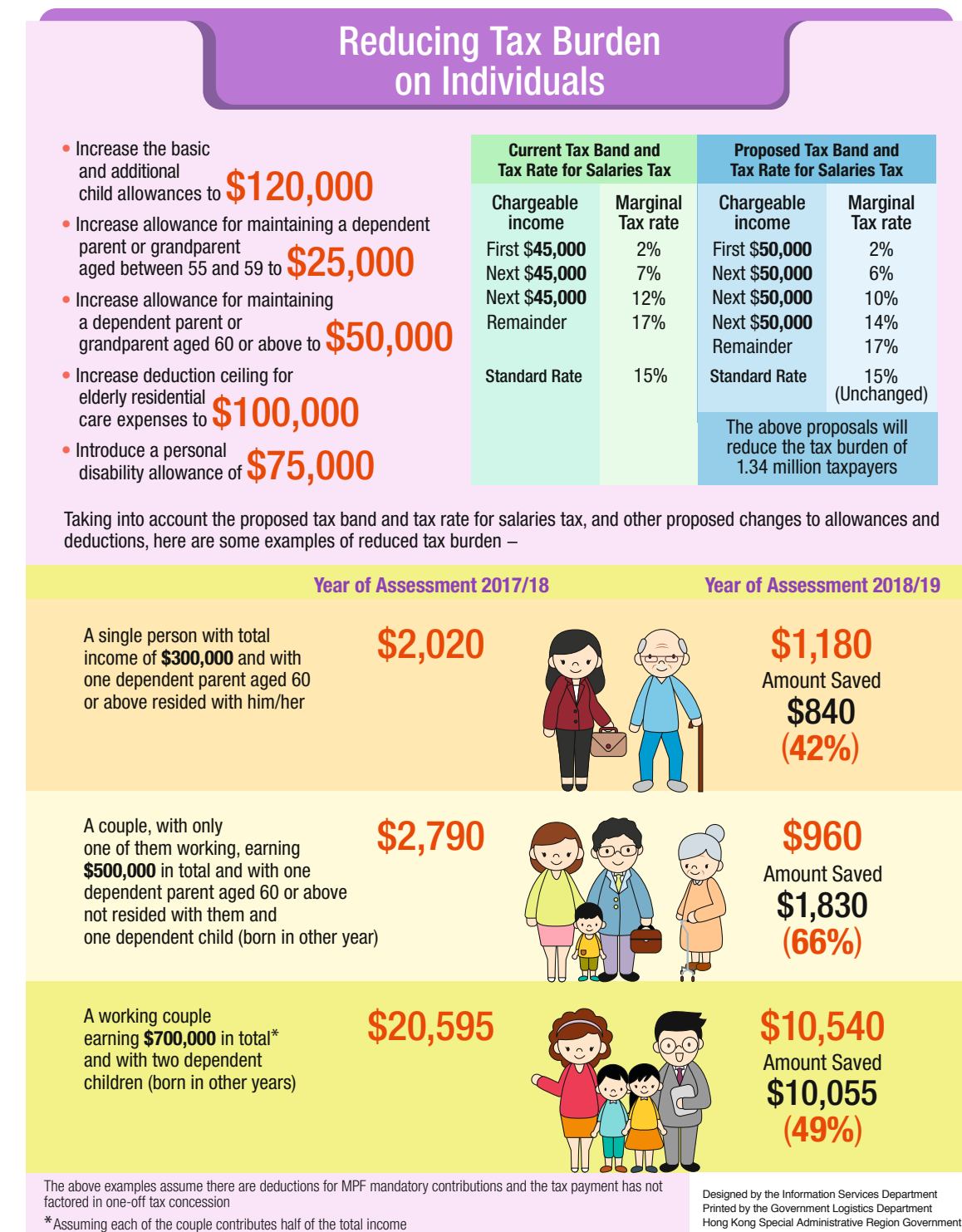
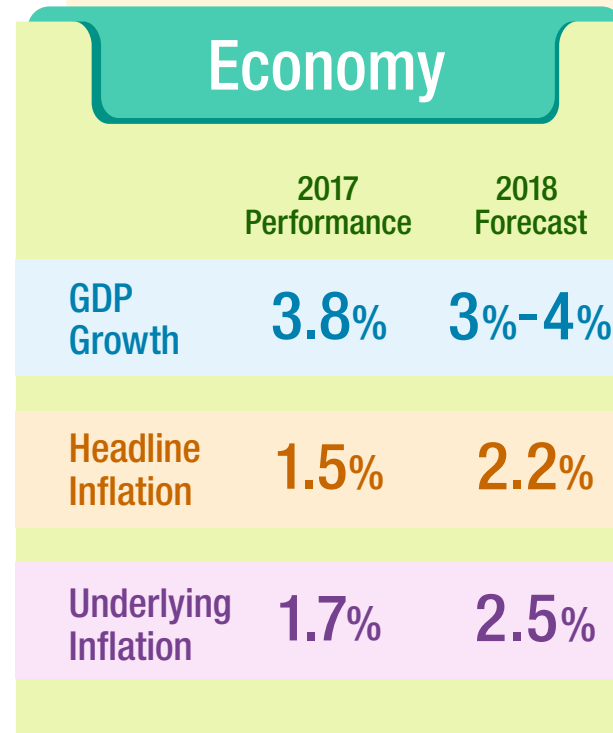
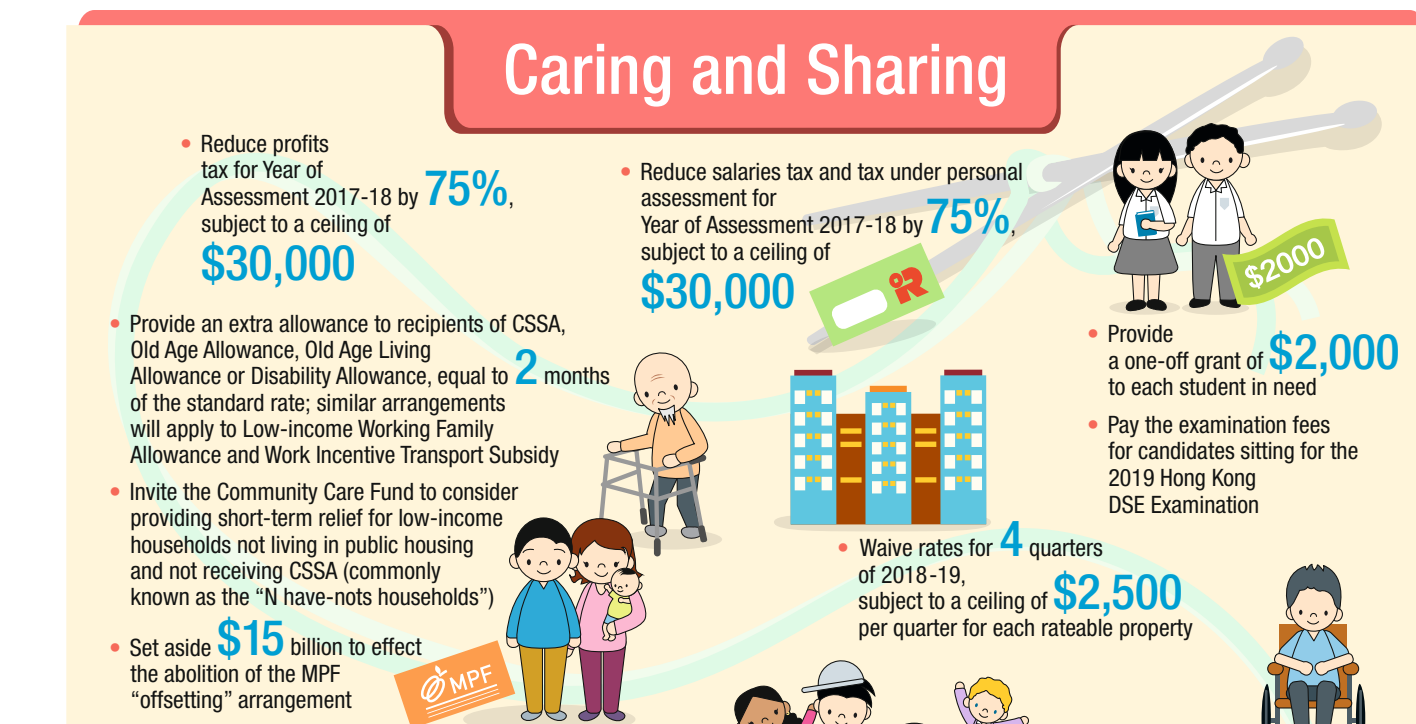
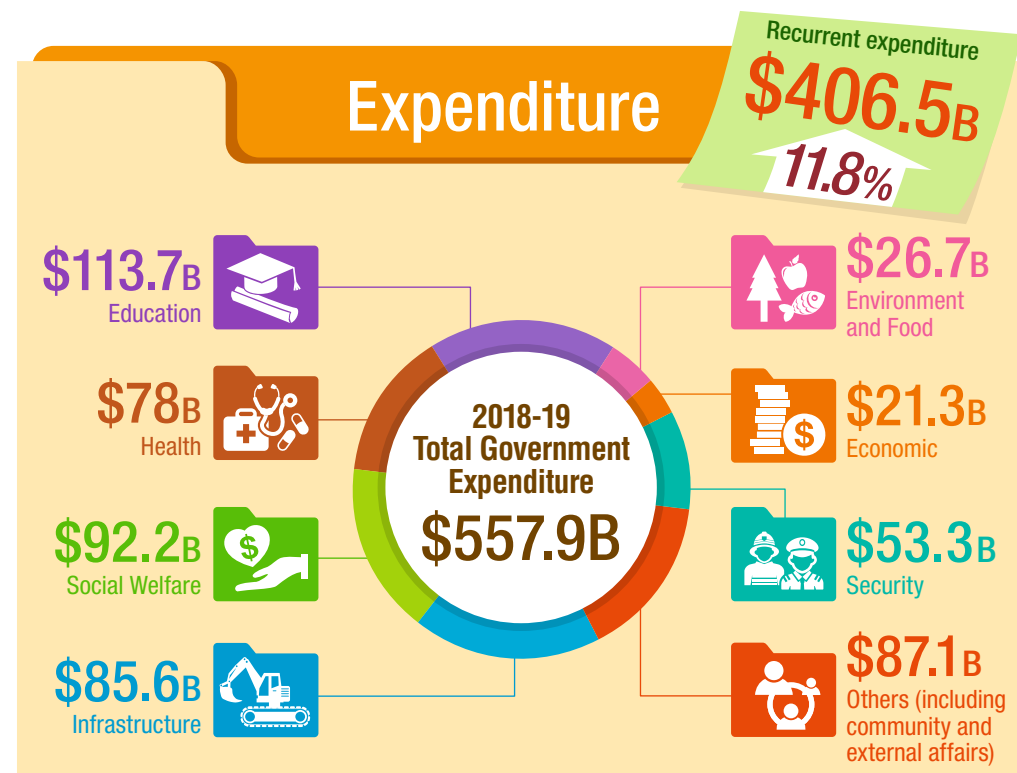
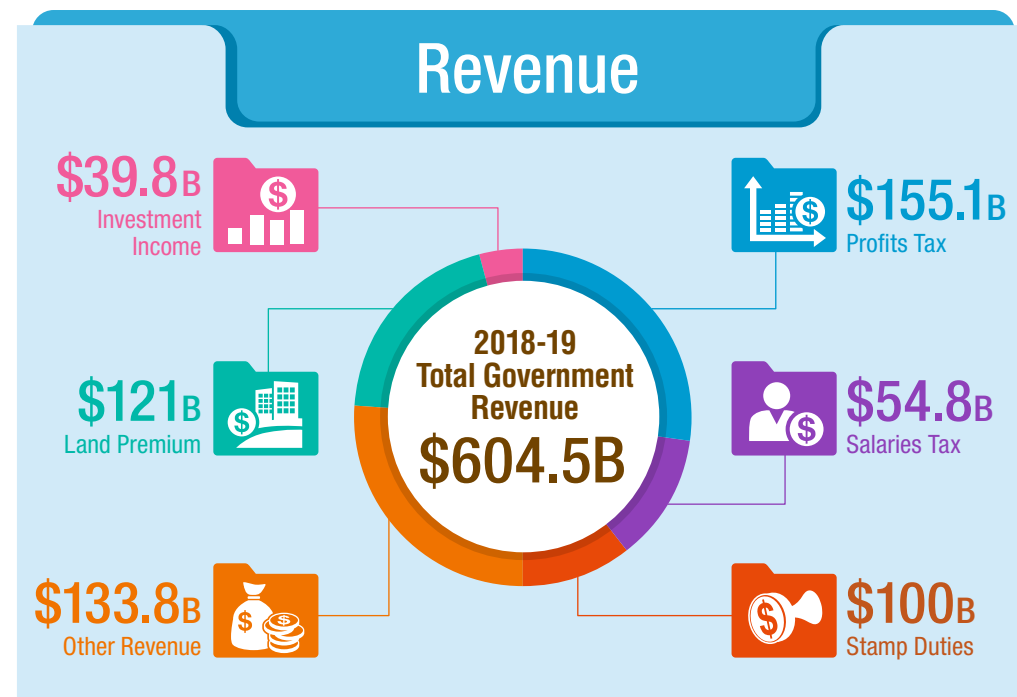




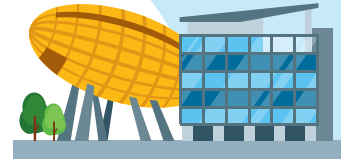
# 2018-19 Budget Highlights



## Diversified Economy

### Innovation and Technology

- Focus on 4 areas: biotechnology, artificial intelligence (A.I.), smart city and financial technologies
- Set aside **\$20** billion for the first phase of the Hong Kong-Shenzhen Innovation and Technology Park in the Lok Ma Chau Loop
- Inject **\$10** billion into the Innovation and Technology Fund to support applied research and development
- Earmark **\$10** billion for the establishment of two research clusters on healthcare technologies and on A.I. and robotics technologies, to attract top scientific research institutions and technology enterprises
- Allocate **\$10** billion to upgrade facilities of the Science Park and enhance support for enterprises in the Park
- Allocate **\$200** million to Cyberport to enhance support for start-ups, and another **\$100** million to develop e-sports



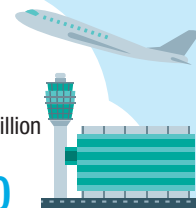
### Tourism

- Allocate **\$226** million for the Hong Kong Tourism Board to implement the Development Blueprint for Hong Kong's Tourism Industry to broaden markets and attract high value-added overnight visitors
- Allocate **\$310** million to support Ocean Park in developing education and tourism projects
- Allocate **\$30** million for enhancing the Pilot Information Technology Development Matching Fund Scheme for Travel Agents



### Trading and Logistics Industry

- Expand trade, investment and tax treaty networks to open up new markets
- Consider redeveloping the Air Mail Centre at the Hong Kong International Airport and set aside **\$5** billion for the project
- Cap trade declaration charge at **\$200** to enhance competitiveness and develop high-value added logistics services



### Creative Industries

- Inject **\$1** billion into the CreateSmart Initiative to support development of the creative industries



### Financial Services Industry

- Set aside a dedicated provision of **\$500** million to develop financial services industry
- Launch a Pilot Bond Grant Scheme to attract local, Mainland and overseas enterprises to issue bonds in Hong Kong; and continue to issue Silver Bonds in 2018 and 2019
- Launch a green bond issuance programme for Government's green public works projects to promote green finance
- Launch a Faster Payment System to provide real-time, round-the-clock, cross-institution payment and fund transfer service



### Business and Professional Services

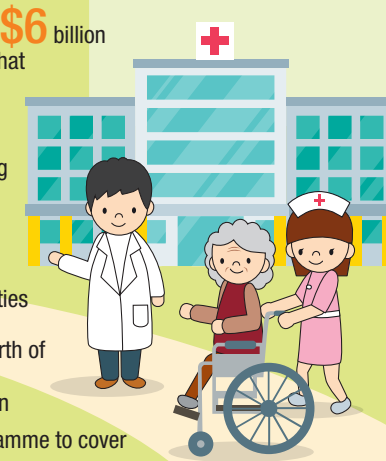
- Enhance the network of ETOs to open up new opportunities
- Inject **\$1.5** billion into the Dedicated Fund on Branding, Upgrading and Domestic Sales and enhance the relevant programmes, to boost SMEs' competitiveness
- Provide a total of **\$250** million to Hong Kong Trade Development Council to assist local enterprises in seizing opportunities arising from the Belt and Road Initiative and Bay Area, and to promote development of e-commerce



## Enhancing Liveability

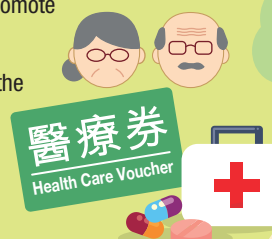
### Healthcare

- Allocate additional recurrent funding of nearly **\$6** billion to Hospital Authority in 2018-19, and ensure that it has adequate resources to employ all local medical graduates; allocate **\$200** million to enhance the healthcare professional training
- Set aside **\$300** billion to support the second 10-year hospital development plan, improve facilities of Department of Health's clinics, and upgrade healthcare teaching facilities
- Provide a one-off additional **\$1,000** worth of elderly health care vouchers, involving an expenditure of **\$796** million
- Extend the Colorectal Cancer Screening Programme to cover individuals aged between 50 and 75, involving a total expenditure of **\$940** million over the coming 5 years
- Establish a **\$500** million fund to promote development of Chinese medicine
- Set aside **\$500** million to support the improvement of patient's co-payment mechanism for purchasing drugs



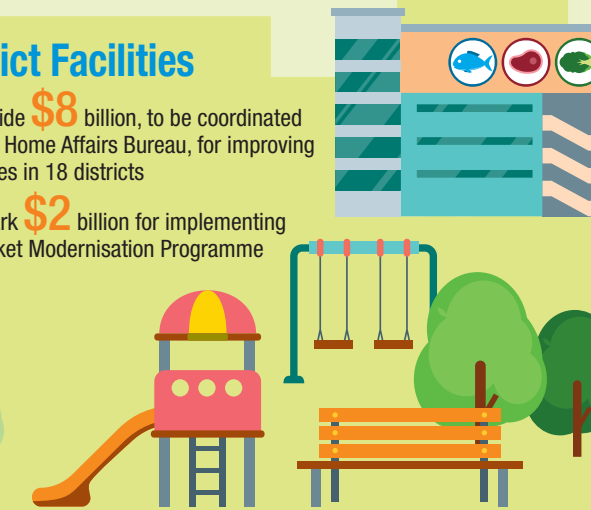
### Arts and Culture

- Set aside **\$20** billion for the improvement and development of cultural facilities, include the construction of the New Territories East Cultural Centre, expansion of the Hong Kong Science Museum and Hong Kong Museum of History; and allocate **\$500** million for acquisition of museum collections and holding exhibitions
- Inject an additional **\$500** million into the Art Development Matching Grants Pilot Scheme; and allocate a total of about **\$370** million to support arts groups and artists
- Allocate **\$300** million to strengthen promotion of Intangible Cultural Heritage of Hong Kong



### District Facilities

- Set aside **\$8** billion, to be coordinated by the Home Affairs Bureau, for improving facilities in 18 districts
- Earmark **\$2** billion for implementing a Market Modernisation Programme



### Sports

- Inject another **\$5** billion into the Elite Athletes Development Fund
- Inject **\$1** billion into the sports portion of the Arts and Sport Development Fund for training and hosting competitions
- Allocate **\$500** million for a Major Sports Events Matching Grant Scheme to encourage business sponsorship for large-scale sports events
- Allocate **\$100** million to launch a District Sports Programmes Funding Scheme to encourage wider community participation



## Nurturing Talent

- Provide additional **\$2** billion recurrent expenditure to strengthen support for teachers, kindergartens, integrated education and life-wide learning
- Allocate **\$2.5** billion for the Matching Grant Scheme to support the 10 publicly-funded post-secondary institutions
- Provide **\$2** billion to expedite installation of lifts in public sector schools
- Inject **\$800** million into both the Gifted Education Fund and the HKSAR Government Scholarship Fund to enhance the development of gifted students and increase the number of scholarships respectively
- Earmark **\$2.5** billion to set up a Student Activities Support Fund to support students in need to participate in life-wide learning activities



### Continuing Education

- Further inject an additional **\$8.5** billion into the Continuing Education Fund, and raise the subsidy ceiling to **\$20,000** per applicant



### Youth Development

- Set aside **\$1** billion to support the work of the Youth Development Commission

## Land Resources

- Public Housing: estimated production for the next five years is about **100 000** units
- Private Housing: projected supply of first-hand private residential property in the next 3 to 4 years is about **97 000** units
- Annual production of private residential units in the next 5 years is estimated to be about **20 800** units on average, up by 50% over the past 5 years
- Potential land supply for private housing in 2018-19 is expected to have a capacity to produce about **25 500** units
- 2018-19 Land Sale Programme includes 4 commercial/hotel sites, capable of providing about **530 000** square metres of floor area
- Set aside **\$1** billion to subsidise eligible projects, to optimise the use of vacant government sites or school premises

