

J. C. W. P.

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# \$223.7 million boost for hospital

Yan Chai Hospital in Tsun Wan received a \$223.7 million boost yesterday when the Finance Committee approved the money for the hospital's extension programme.

The grant is for the construction of a 21-storey clinical block to accommodate an extra 512 beds.

The hospital will have to contribute at least another \$34 million for the project although the committee made an exception to the 20:80 per cent rule in this grant.

Subvented organisations are generally required to contribute a minimum of 20 per cent of the estimated cost of medical projects and Government capital subventions do not normally exceed 80 per cent.

Under these circumstances, Yan Chai would have had to raise \$51.5 million instead of the \$34 million, which is 13.22 per cent of the total cost.

The grant was made on condition that no Government payment would be made until the hospital had spent its \$34 million contribution.

On completion of the phase IV projects in 1987/88, the hospital will have 697 beds, including 10 additional

beds following a reshuffle at the existing hospital.

Other facilities will include an accident and emergency department and a full range of clinical and ancillary facilities.

Chairing his last Finance Committee meeting before retirement, the Chief Secretary, Sir Philip Haddon-Cave, said projections showed there would be a shortage of hospital beds in Hongkong in 1994 and the upgrading of the Yan Chai Hospital would help to ease some of the pressure.

Speaking in favour of the grant, Miss Maria Tam, who is on the hospital's board of directors, said there was a genuine need in the region for better medical services and the extension programme would help to meet the growing demand for hospital beds in the territory as a whole.

The hospital had now raised \$22 million and its directors were confident of raising the balance in the near future.

Mr Peter C. Wong said it would be cheaper to support the extension programme than to build another clinic.

However, Miss Lydia Dunn was not satisfied with the reasons given by the

hospital in its funding proposal.

She said the proposal should single out the needs for the extension rather than giving "maximising the use of the site" as one of its reasons, which did not justify the grant.

She found the suggestion that the site allows a higher block to be built a strange reason.

The Secretary for Lands and Works, Mr Nicky Chan, assured the committee that the Government would vet and carefully examine the cost-effectiveness of this project as it did with other public projects to ascertain economical and effective use of public funds.

Mr Chan said recurrent expenditure on this project was, on average, less than in other public projects, such as Tuen Mun Hospital and Eastern Hospital, and the more economic terms would help to justify the grant.

He said the cost per bed was estimated at \$500,000, which was comparatively cheap compared with other new hospitals now under construction.

The Government had granted a total of \$75.83 million for the first three phases of the hospital's extension programme.



Miss Tam