

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

**Controlling officers:** expenditure under this Head will be accounted for as follows—

Permanent Secretary for Economic Development and Labour (Economic Development) (Subheads 429, 443, 870 and 955)

Permanent Secretary for Commerce, Industry and Technology (Commerce and Industry) (Subhead 444)

Permanent Secretary for Health, Welfare and Food (Subheads 514, 539, 899, 940 and 979)

Commissioner for Innovation and Technology (Subheads 441, 533, 905 and 930)

Permanent Secretary for Home Affairs (Subheads 415, 459, 523, 524, 525, 865, 916, 918, 941, 942 and 973)

Director of Administration (Subhead 526)

Permanent Secretary for Education and Manpower (Subheads 520, 537, 871 and 976)

**Estimate 2003–04** ..... **\$33,956.8m**

**Capital Account commitment balance** ..... **\$275.5m**

These subheads are listed below in the order of Policy Area together with a report by the respective controlling officers.

### Controlling Officers' Reports and Analysis of Financial Provision

This Head provides for subventions to major public bodies which are supported financially by the Government.

#### Policy Area 4: Posts, Power, Competition Policy and Consumer Protection

*Consumer Council (Subheads 429 and 955)*

#### Permanent Secretary for Economic Development and Labour (Economic Development)

##### Programme

Subvention: Consumer Council

##### Detail

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	68.4	71.8 (+5.0%)	70.3 (–2.1%)	67.5 (–4.0%)

##### Aim

2 The aim is to protect and promote the interests of consumers of goods and services, and purchasers, mortgagors and lessees of immovable property in Hong Kong.

##### Brief Description

3 The Consumer Council is an independent body established under the Consumer Council Ordinance to discharge its functions by:

- collecting, receiving and disseminating information concerning goods, services and immovable property;
- examining complaints by and giving advice to consumers;
- tendering advice to the Government on ways to enhance consumer protection;
- conducting product tests and research; and
- encouraging business and professional associations to establish codes of practice to regulate the activities of their members.

4 The above activities are largely financed by government subvention on a discretionary basis.

5 In 2002, the Consumer Council generally met its targets.

6 The key performance measures in respect of protection and promotion of consumer interests are:

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### *Targets*

	Target time	2001 (Actual)	2002 (Actual)	2003 (Plan)
handling consumer enquiries				
telephone calls .....	immediate	immediate	immediate	<b>immediate</b>
in person .....	10 mins	immediate to 10 mins	immediate to 10 mins	<b>immediate to 10 mins</b>
in writing				
issued reply (simple case) .....	7 working days	7 working days	7 working days	<b>7 working days</b>
issued preliminary reply (complex case) .....	5 working days	5 working days	5 working days	<b>5 working days</b>
issued reply (complex case) .....	1–3 weeks	1–3 weeks	1–3 weeks	<b>1–3 weeks</b>
handling consumer complaints				
telephone calls .....	immediate	immediate	immediate	<b>immediate</b>
in writing				
issued acknowledgement .....	2 working days	2 working days	2 working days	<b>2 working days</b>
issued preliminary reply .....	7 working days	9 working days§	7 working days	<b>7 working days</b>
notified complainants of results/progress .....	24 working days	26 working days§	24 working days	<b>24 working days</b>
publication of ‘CHOICE’ and release of product testing, research and survey results .....	monthly	monthly	monthly	<b>monthly</b>

§ A slightly longer time has been caused by the substantial increase in the number of consumer complaints lodged with the Council.

### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
consumer complaints .....	20 798	22 890	<b>25 000</b>
consumer enquiries .....	116 872	119 673	<b>150 000</b>
product tests .....	38	39	<b>38</b>
consumer surveys .....	16	16	<b>16</b>
in-depth studies .....	52	52	<b>52</b>
response to consultation from the Government and other public bodies .....	41	28	<b>30</b>
consumer education programmes .....	185	192	<b>185</b>
press interviews and enquiries .....	5 200	5 300	<b>5 300</b>
circulation of publications .....	352 000	375 000	<b>380 000</b>
distribution of pamphlets .....	49 000	35 000	<b>50 000</b>

### *Matters Requiring Special Attention in 2003–04*

7 During 2003–04, the Council will:

- step up efforts to promote the best market practice with a view to enhancing consumer confidence;
- conduct study on issues of consumer interest;
- conduct researches and educate consumers on consumer credit matters;
- step up exchanges with consumer organisations in the Mainland to enhance consumer awareness;
- continue to work closely with the Legislative Council, the Government and other organisations on consumer policy matters;
- continue to work closely with the relevant government bureaux and business associations in promoting a competitive and fair marketplace and sustainable consumption;
- continue to collaborate with the relevant government departments on testing of food and electrical products; and
- improve the Council’s web-based services and network infrastructure for computer applications.

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### Analysis of Financial Provision

8 Provision for 2003–04 is \$2.8 million (4.0%) lower than the revised estimate for 2002–03. This is mainly due to the full-year effect of a reduction in subvention arising from the civil service pay reduction in 2002 and the achievement of efficiency savings by the Council.

### Policy Area 5: Travel and Tourism

*Hong Kong Tourism Board (Subheads 443 and 870)*

#### Permanent Secretary for Economic Development and Labour (Economic Development)

#### Programme

Subvention: Hong Kong Tourism Board

#### Detail

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	<b>2003–04 (Estimate)</b>
Financial provision (\$m)	515.1	528.3 (+2.6%)	520.4 (–1.5%)	<b>509.3 (–2.1%)</b>

#### Aim

9 The aim is to promote inbound tourism and maximise the socio-economic contribution that tourism makes to Hong Kong.

#### Brief Description

10 The Hong Kong Tourism Board (HKTB), established by the Hong Kong Tourism Board Ordinance, came into being on 1 April 2001. It was formerly known as Hong Kong Tourist Association which was a statutory body established in 1957 under the Hong Kong Tourist Association Ordinance. The objectives of the HKTB are:

- to increase the contribution of tourism to Hong Kong;
- to promote Hong Kong globally as a leading international city in Asia and a world class tourist destination;
- to promote the improvement of facilities for visitors;
- to support the Government in promoting to the community the importance of tourism;
- to support, as appropriate, the activities of persons providing services for visitors to Hong Kong; and
- to make recommendations to the Government on measures which may further any of the foregoing matters.

11 Funds invested by the HKTB in promotional activities will help to stimulate the growth in the number of visitors to Hong Kong and maximise their spending.

12 The effectiveness of the performance of the HKTB cannot be assessed entirely in quantifiable terms. However, the statistics below help to illustrate the overall position and forecasts of the Hong Kong tourism industry.

#### Indicators

	2001 (Actual)	2002 (Revised Estimate)	<b>2003 (Estimate)</b>
visitor arrivals (m) .....	13.7	16.6	<b>17.9</b>
increase on previous year (%).....	+5.1	+20.7	<b>+8.4</b>
tourism receipts (\$b).....	64.3	N.A.#	<b>N.A.#</b>
increase on previous year (%).....	+4.5	N.A.#	<b>N.A.#</b>
expenditure per capita visitor (\$)§ .....	4,532	N.A.#	<b>N.A.#</b>
increase on previous year (%).....	–0.2	N.A.#	<b>N.A.#</b>

§ Spending by servicemen, aircrew and transit passengers is excluded.

# The raw data required to compile tourism receipts and expenditure per capita visitor is collected through surveys conducted with departing visitors. Due to the changes and instability detected in our visitor mix and behaviour as a result of the tremendous growth in arrivals and other global effects, substantial data is required for accurate assessment. However, owing to unexpected complication in the collection of 2002 data caused by problems on the part of HKTB's commissioned research agency, the accumulation of statistically

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representative data and the analysis process have been delayed. The reporting of per capita spending and tourism receipts will be postponed to mid 2003.

### *Matters Requiring Special Attention in 2003–04*

13 During 2003–04, the HKTB will:

- develop, enhance and repackage products/attractions in a new dimension of “diversity & sophistication” in shopping, dining, culture, heritage, festival, city vibrancy and green attractions to provide unique experience to our visitors;
- develop growth markets such as the Mainland, South Korea and India, continue to cultivate priority markets such as Taiwan, Japan and USA with flexibility to react to political or economical impact, and maintain share in other key short haul and long haul markets;
- target marketing towards specific market segments, such as the family segment, the convention & exhibition segment, business visitors, same day visitors and transit passengers, in order to increase arrivals and/or spending;
- reinforce our leading position in the convention and exhibition sector, and revitalize awareness and image of Hong Kong as a centre of excellence for convention and exhibition;
- strengthen Hong Kong’s attractiveness and competitiveness through destination partnership, especially developing Pearl River Delta excursion itineraries and packages catering to specific market and segment needs as well as partnering with other selected Mainland cities and neighbouring countries;
- continue to work closely with the trade, establish partnership with major non-trade consumer brands and explore new channels such as the Internet to expand sales channel and consumer reach;
- increase and stimulate visitor spending through proven programmes such as shopping festival, Must Buy and Best of the Best Culinary Award and other new initiatives;
- improve visitor satisfaction with enhanced service and information provision, and expand and relaunch the Quality Tourism Services scheme;
- continue to implement the Tourism Orientation Programme, review its effectiveness and recommend a way forward to the Government;
- implement the datawarehouse and further expand the scope and depth of data analysis as part of the information capability development exercise; and
- improve HKTB productivity through continuous work process re-engineering, integration and automation.

### **Analysis of Financial Provision**

14 Provision for 2003–04 is \$11.1 million (2.1%) lower than the revised estimate for 2002–03. This is mainly due to the full-year effect of a reduction in subvention arising from the civil service pay reduction in 2002 and the achievement of efficiency savings by HKTB.

### **Policy Area 6: Commerce and Industry**

*Hong Kong Trade Development Council (Subhead 444)*

#### **Permanent Secretary for Commerce, Industry and Technology (Commerce and Industry)**

#### **Programme**

Subvention: Hong Kong Trade Development Council

#### **Detail**

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	<b>2003–04 (Estimate)</b>
Financial provision (\$m)	353.1	377.3 (+6.9%)	374.3 (–0.8%)	<b>368.2 (–1.6%)</b>

#### **Aim**

15 The aim is to promote Hong Kong’s external trade, particularly exports.

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### *Brief Description*

**16** The Hong Kong Trade Development Council (HKTDC) is the statutory organisation that promotes Hong Kong's external trade. With a global network of 42 offices in 27 countries, HKTDC:

- creates global marketing and sales opportunities for Hong Kong's merchandise and services industries through its international trade promotion events, staging of trade fairs in Hong Kong and publication of product/service magazines;
- connects Hong Kong companies with their potential buyers and sellers around the world through its databank and trade matching services, including the HKTDC cyber-marketplace (*hkenterprise.com*);
- provides business information and market intelligence through a wide range of services, including the Internet portal (*tdctrade.com*);
- enhances and promotes the capability of Hong Kong industries through a comprehensive development/training programme, international image/brand name promotion activities and the running of a Design Gallery to showcase innovative Hong Kong products; and
- reinforces Hong Kong as a global marketplace in the Asia-Pacific region through corporate relations and business promotion activities around the world, including support for bilateral committees and Hong Kong business associations in major markets.

**17** The key performance measures in respect of promoting Hong Kong's external trade are:

### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
trade & services promotion			
events .....	343	248	<b>282</b>
companies participating .....	18 098	19 406	<b>20 000</b>
local fairs			
no. of overseas buyers.....	120 202	149 494#	<b>157 000</b>
no. of fairs.....	19	20	<b>22</b>
trade enquiries			
no. of enquiries worldwide .....	2 334 669	3 988 693§	<b>4 400 000</b>
average no. of trade enquiries processed per minute .....	21.5	36.7	<b>40.5</b>
trade publications			
worldwide circulation (m) .....	2.05	2.15	<b>2.20</b>
no. of advertisements .....	39 000	38 413	<b>39 000</b>
no. of issues .....	88	90	<b>92</b>

# Significant increase over 2001 because of a general increase in the number of overseas buyers attending local fairs, including SME Market Day.

§ Significant increase over 2001 is due to a complete revamping of HKTDC's on-line business matching service.

### *Matters Requiring Special Attention in 2003–04*

**18** During 2003–04, HKTDC will:

- help Hong Kong businesses develop the Mainland market, particularly opportunities arising from:
  - China's market liberalisation after accession to the World Trade Organisation;
  - the combined advantages of Hong Kong and the Pearl River Delta region;
  - links with private enterprises in the Yangtze River Delta;
  - development in the central and western regions; and
  - Beijing's hosting of the 2008 Summer Olympic Games;
- build the critical mass of Hong Kong's global trade platform by strengthening the premier position of HKTDC fairs, exploring ways to expand exhibition and convention capacity, broadening the reach of TDC trade media/publications, further growing *tdctrade.com* (the Council's Internet portal) as a powerful cyber-marketplace and information hub for global commerce, and promoting Hong Kong as a regional licensing centre;
- enhance and promote the competitive advantages of Hong Kong's small and medium enterprises through proactive outreach and business matching, and by providing expanded access to trade-support services, networking opportunities, and information/training resources; and
- strive to improve the reach, effectiveness, quality and efficiency of our core activities by focusing on customer and stakeholder needs, actively managing our resources and branch network, and implementing sustainable corporate governance practices.

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### Analysis of Financial Provision

19 The Administration agreed with HKTDC in 2001 a funding arrangement commencing 2002–03 under which annual subvention for HKTDC is set at 60% of the total amount of the trade declaration charge on imports, domestic exports and re-exports received in the preceding financial year. In view of the Government's stringent fiscal position, however, the subvention payable to HKTDC in 2003–04 will be \$368.2 million, or 1.6% lower than the revised estimate for 2002–03, which is slightly less than what HKTDC should have otherwise obtained under the agreed arrangement.

### Policy Area 15: Health

*Hospital Authority (Subheads 514 and 979)*

#### Permanent Secretary for Health, Welfare and Food

#### Programme

Subvention: Hospital Authority

#### Detail

	2001–02 (Actual) (\$m)	2002–03 (Approved) (\$m)	2002–03 (Revised) (\$m)	<b>2003–04 (Estimate) (\$m)</b>
<i>Subhead 514</i>				
Operating cost				
Personal emoluments .....	17,116.5	17,311.5	17,099.2	<b>17,104.9</b>
Staff on-costs .....	7,592.4	7,669.2	7,560.3	<b>7,410.4</b>
Other charges .....	5,540.1	5,901.7	5,901.7	<b>5,849.0</b>
Less : Income .....	(956.5)	(1,001.8)	(1,021.2)	<b>(1,126.3)</b>
	29,292.5	29,880.6	29,540.0	<b>29,238.0</b>
<i>Subhead 979</i>				
Equipment and information systems (block vote) .....	370.0	395.0	395.0	<b>370.0</b>
	29,662.5	30,275.6	29,935.0	<b>29,608.0</b>

#### Aim

20 The main aims of the Hospital Authority are to advise the Government on the needs of the public for hospital services and resources required to meet those needs as well as to provide adequate, efficient and effective public hospital services of the highest standard recognised internationally within the resources available.

#### Brief Description

21 The Hospital Authority is a statutory body established on 1 December 1990 under the Hospital Authority Ordinance to manage all public hospitals in Hong Kong. The Authority with about 53 000 staff (full-time equivalents as at 31 December 2002), manages 43 public hospitals and institutions as well as 46 specialist outpatient clinics.

22 The Hospital Authority manages and develops the public hospital system in ways which are conducive to achieving the following objectives:

- to use hospital beds, staff, equipment and other resources efficiently to provide hospital services of the highest possible standard within the resources available;
- to improve the efficiency of hospital services by developing appropriate management structure, systems and performance measures;
- to encourage public participation in the operation of the public hospital system; and
- to ensure accountability to the public for the management and control of the public hospital system.

23 Since its establishment, the Hospital Authority has made the following progress in working towards the objectives:

- implementation of management reforms to establish clear lines of responsibility and accountability, and to provide individual hospitals with greater flexibility in setting their priorities to respond to local needs;

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- development of hospital clustering and service networking to improve service quality and optimise utilisation of resources;
- implementation of quality improvement programmes, risk management systems and systematic clinical audit to enhance the quality of care; and
- introduction of an annual planning process to translate organisational mission into operational plans and to demonstrate public accountability.

24 The Hospital Authority generally achieved its targets in 2002–03.

25 The key performance measures in respect of the Hospital Authority are:

### *Targets*

	Target	As at 31 March 2002 (Actual)	As at 31 March 2003 (Revised Estimate)	As at 31 March 2004 (Plan)
<i>Access to services</i>				
<i>In-patient services</i>				
no. of hospital beds .....				
general .....	19 379	20 475	20 579	<b>19 379</b>
infirmary .....	3 051	2 851	3 051	<b>3 051</b>
mentally ill .....	4 858	4 896	4 858	<b>4 858</b>
mentally handicapped .....	800	800	800	<b>800</b>
total .....	28 088	29 022	29 288	<b>28 088</b>
<i>Ambulatory diagnostic &amp; therapeutic services</i>				
<i>accident and emergency (A&amp;E) services</i>				
% of A&E patients with target waiting time				
Triage I (critical cases – 0 minutes) .....	100%	100%	100%	<b>100%</b>
Triage II (emergency cases < 15 minutes) .....	95%	98%	95%	<b>95%</b>
Triage III (urgent cases < 30 minutes) .....	90%	91%	90%	<b>90%</b>
<i>specialist outpatient services</i>				
median waiting time for first appointment at specialist clinics				
first priority patients .....	2 weeks	—	—	<b>2 weeks</b>
second priority patients .....	8 weeks	—	—	<b>8 weeks</b>
<i>Rehabilitation &amp; outreach services</i>				
no. of community nurses .....	372	357	372	<b>372</b>
no. of community psychiatric nurses .....	97	90	97	<b>97</b>
no. of psychiatric day places .....	719	679	719	<b>719</b>
no. of geriatric day places .....	567	527	567	<b>567</b>

### *Indicators*

	2001–02 (Actual)	2002–03 (Revised Estimate)	2003–04 (Estimate)
<i>Delivery of services</i>			
<i>In-patient services</i>			
no. of discharges & deaths			
general .....	882 194	871 540	<b>849 750</b>
infirmary .....	3 818	3 900	<b>3 940</b>
mentally ill .....	13 425	13 560	<b>13 420</b>
mentally handicapped .....	504	500	<b>500</b>
overall .....	899 941	889 500	<b>867 610</b>
no. of discharges & deaths per 1000 population (popn) .....	130.7	128.5	<b>123.9</b>

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	2001-02 (Actual)	2002-03 (Revised Estimate)	2003-04 (Estimate)
no. of patient days			
general .....	5 769 257	5 695 510	<b>5 488 990</b>
infirmary .....	667 360	707 710	<b>726 820</b>
mentally ill .....	1 437 297	1 390 590	<b>1 376 680</b>
mentally handicapped .....	258 100	258 700	<b>258 700</b>
overall .....	8 132 014	8 052 510	<b>7 851 190</b>
bed occupancy rate			
general .....	84.6%	82.7%	<b>85.0%</b>
infirmary .....	88.5%	90.3%	<b>90.3%</b>
mentally ill .....	80.9%	83.4%	<b>83.4%</b>
mentally handicapped .....	88.4%	88.5%	<b>88.5%</b>
overall .....	84.4%	83.7%	<b>85.3%</b>
average length of stay @			
general .....	6.6	6.6	<b>6.4</b>
infirmary .....	119.5	131.6	<b>131.6</b>
mentally ill .....	140.4	117.8	<b>117.8</b>
mentally handicapped .....	329.3	392.9	<b>392.9</b>
overall .....	9.3	9.1	<b>9.0</b>
Ambulatory diagnostic & therapeutic services			
day patient			
no. of discharges & deaths .....	308 485	320 160	<b>329 210</b>
no. of discharges & deaths per 1000 popn .....	44.8	46.3	<b>47.0</b>
no. of day patients as % of total in-patient & day patient discharges & deaths .....	25.5%	26.5%	<b>27.5%</b>
accident & emergency services			
no. of attendances .....	2 522 972	2 359 920	<b>2 289 120</b>
no. of attendances per 1000 popn .....	366.4	341.0	<b>326.8</b>
out-patient services			
no. of specialist out-patient (clinical) attendances .....	6 090 399	6 361 390	<b>6 361 390</b>
no. of specialist out-patient (clinical) attendances per 1000 popn .....	884.5	919.3	<b>908.2</b>
no. of general out-patient attendances .....	887 328	1 250 570	<b>5 218 070</b>
Rehabilitation & outreach services			
no. of home visits by community nurses .....	685 711	746 040	<b>746 040</b>
no. of home visits by community nurses per 1000 popn .....	99.6	107.8	<b>106.5</b>
psychiatric services			
no. of psychiatric outreach attendances .....	71 408	81 150	<b>81 150</b>
no. of psychiatric outreach attendances per 1000 popn .....	10.4	11.7	<b>11.6</b>
no. of psychiatric day hospital attendances .....	180 764	191 740	<b>191 740</b>
no. of psychogeriatric outreach attendances .....	37 462	39 080	<b>39 080</b>
geriatric services			
no. of outreach attendances .....	341 583	395 100	<b>395 100</b>
no. of elderly persons assessed for infirmary care service .....	2 587	2 370	<b>2 370</b>
no. of geriatric day hospital attendances .....	124 092	127 450	<b>127 450</b>
no. of specialist out-patient (allied health) attendances .	2 452 914	2 527 660	<b>2 527 660</b>
no. of specialist out-patient (allied health) attendances per 1000 popn .....	356.2	365.3	<b>360.9</b>
<i>Quality of services</i>			
no. of hospital deaths per 1000 popn^ .....	4.0	4.0	<b>4.0</b>
unplanned readmission rate within 28 days for general in- patients .....	9.8%	9.5%	<b>9.5%</b>
<i>Cost of services</i>			
Cost distribution			
cost distribution by services types			
cost distribution by services (%)			
in-patient .....	66.4%	66.2%	<b>64.3%</b>
ambulatory .....	28.8%	29.0%	<b>31.0%</b>
rehabilitation & outreach .....	4.8%	4.8%	<b>4.7%</b>



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	2001-02 (Actual)	2002-03 (Revised Estimate)	2003-04 (Estimate)
cost by services per 1000 population (popn) (\$m)			
in-patient.....	3.0	3.0	2.9
ambulatory.....	1.3	1.3	1.4
rehabilitation & outreach.....	0.2	0.2	0.2
cost of services for elderly persons			
share of cost of services for elderly persons (%) ..	42.6%	43.3%	44.3%
cost of services for elderly persons per 1000 popn aged 65 & over (\$m) .....	17.5	17.5	17.6
<b>Unit cost</b>			
cost per in-patient discharged (\$)			
general .....	19,870	20,098	20,155
mentally ill.....	143,697	143,945	144,710
mentally handicapped.....	538,053	540,321	531,760
infirmary .....	191,217	194,075	189,249
cost per accident & emergency attendance (\$) .....	583	618	627
cost per specialist out-patient attendance (\$) .....	701	670	662
cost per outreach visit by community nurse (\$).....	341	320	314
cost per psychiatric outreach attendance (\$).....	1,230	1,113	1,094
cost per geriatric day hospital attendance (\$).....	1,482	1,503	1,501
<i>Manpower (no. of full-time equivalent staff as at 31st March)</i>			
medical			
doctor.....	4 105	4 279	4 587
intern.....	351	343	343
dentist .....	5	5	5
medical total .....	4 461	4 627	4 935
nursing			
qualified staff.....	19 289	19 515	19 485
trainee .....	393	14	14
nursing total .....	19 682	19 529	19 499
allied health.....	4 637	4 710	4 902
others .....	23 819	24 217	23 782
total .....	52 599	53 083	53 118

@ derived by dividing the sum of length of stay of in-patients by the corresponding number of in-patients discharged/ treated.

^ refers to the standardised mortality rate covering all deaths in HA hospitals. This is derived by applying the age-specific mortality rate in HA in a particular year to a 'standard' population which is the 2001 Hong Kong mid year population.

### **Matters Requiring Special Attention in 2003-04**

**26** During 2003-04, the Hospital Authority will:

- achieve 1.8% efficiency savings by launching the Hospital Authority Voluntary Early Retirement Programme, stringent control on replacement of staff, recruiting staff at entry ranks with a new pay package, and re-engineering business support programmes;
- re-organise and re-engineer its services to meet the health care needs of the community within the reduced budget;
- develop, in consultation with the Department of Health, an implementation plan for transferring the Department of Health's general out-patient clinics to the Hospital Authority;
- provide Chinese medicine out-patient services;
- recruit 300 doctors for training in various clinical specialties;
- enhance the EXtended-care patients Intensive Treatment, Early diversion and Rehabilitation Stepping-stone (EXITERS) project by increasing the intake of existing in-patients with mental illness into a one-year intensive rehabilitation and treatment programme with a view to increasing the number of patients discharged into the community to 125 in 2004-05; and
- enhance the Elderly Suicide Prevention Programme by increasing the number of elderly suicide prevention teams to provide territory-wide coverage for early assessment and treatment of elderly persons with depression and suicidal risk at fast track clinics.

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### Analysis of Financial Provision

27 The provision of \$29,608.0 million for 2003-04 includes additional provision to take into account population growth, funds for the transfer of general out-patient clinics from the Department of Health, the introduction of family medicine practice in general out-patient clinics, the provision of Chinese medicine out-patient services, the enhancement of the elderly suicide prevention programme and the EXITERS project, strengthening the provision of extended care and supporting services in public hospitals, and the enhancement of allied health support services. The provision has also factored in 1.8% efficiency savings, reduced provision as a result of the 2002 civil service pay adjustment, reduced remuneration upon implementation of the new civil service starting salaries with effect from 1 April 2000 and reduced provision for staff on-costs for new recruits under the revised funding arrangements put in place to ensure overall cost comparability between the Hospital Authority's remuneration package and that of the civil service as previously agreed between the Authority and the Government with effect from 1 April 1998.

*Prince Philip Dental Hospital (Subheads 539, 899 and 940)*

### Permanent Secretary for Health, Welfare and Food

#### Programme

Subvention: Prince Philip Dental Hospital

#### Detail

	2001-02 (Actual) (\$m)	2002-03 (Approved) (\$m)	2002-03 (Revised) (\$m)	2003-04 (Estimate) (\$m)
<i>Subhead 539#†</i>				
Operating cost				
Personal emoluments .....	92.0	94.8	89.9	<b>93.4</b>
Other charges .....	30.4	36.6	35.3	<b>35.7</b>
Less : Income .....	(6.5)	(5.8)	(6.9)	<b>(6.3)</b>
Recurrent subvention^ .....	115.9	125.6	118.3	<b>122.8</b>
<i>Subhead 940§</i>				
Capital Account items .....	0.5	0.6	1.2	<b>0.4</b>
<i>Subhead 899@</i>				
Minor plant, vehicles, equipment, maintenance, and improvement (block vote) .....	4.2	0.7	0.7	<b>0.9</b>
Capital subvention .....	4.7	1.3	1.9	<b>1.3</b>
Financial provision .....	120.6	126.9 (+5.2%)	120.2 (-5.3%)	<b>124.1</b> (+3.2%)

# The expenditure before 2002-03 was accounted for under Head 37—Department of Health *Subhead 511*.

† For comparison purpose, the actual expenditure for 2001-02 excludes administrative overheads of \$0.3 million incurred under Head 37—Department of Health.

^ The actual expenditure for 2001-02 is \$114.8 million. The unspent subvention of \$1.1 million was recovered by Department of Health in 2002-03.

§ The expenditure before 2002-03 was accounted for under Head 37 *Subhead 969*.

@ The expenditure before 2002-03 was accounted for under Head 37 *Subheads 974 and 975*.

#### Aim

28 The aim is to provide facilities for the training of dentists and dental ancillary personnel.

#### Brief Description

29 With effect from 1 April 2002, the Secretary for Health, Welfare and Food has taken over from the Director of Health the vote control on the subvention to the Prince Philip Dental Hospital (PPDH).

30 The PPDH is a statutory body established in 1981 under the PPDH Ordinance. It is a purpose-built teaching hospital to provide clinical facilities for undergraduate and postgraduate students of the Faculty of Dentistry of the University of Hong Kong. It also runs courses for dental ancillary personnel at diploma/certificate level.

31 In the 2001/02 academic year, PPDH generally achieved its performance targets in terms of the number of students attending the undergraduate and postgraduate courses and the diploma/certificate courses.

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

32 The key performance measures are:

### *Targets*

	<i>Academic Year</i>		
	2001/02 (Actual)	2002/03 (Revised Estimate)	<b>2003/04 (Plan)</b>
no. of training places			
undergraduate .....	246	240	<b>250</b>
postgraduate .....	72	97	<b>102</b>
student dental technician.....	35	38	<b>40</b>
student dental surgery assistant.....	30	39	<b>35</b>
student dental hygienist .....	7	18	<b>36</b>
total .....	390	432	<b>463</b>

### *Indicators*

	<i>Academic Year</i>		
	2001/02 (Actual)	2002/03 (Revised Estimate)	<b>2003/04 (Estimate)</b>
capacity utilisation rate (%)§			
undergraduate .....	98	96	<b>100</b>
postgraduate .....	130	164	<b>100</b>
student dental technician.....	100	100	<b>95</b>
student dental surgery assistant.....	83	98	<b>94</b>
student dental hygienist .....	88	100	<b>94</b>
completion rate (%)			
undergraduate .....	100	100	<b>98</b>
postgraduate .....	88	92	<b>94</b>
student dental technician.....	100	100	<b>90</b>
student dental surgery assistant.....	83	98	<b>90</b>
student dental hygienist .....	78	100	<b>90</b>

§ This refers to the number of students enrolled in courses as a percentage of the total number of training places offered.

### *Matters Requiring Special Attention in 2003–04*

33 During 2003–04, the PPDH will continue efforts in enhancing productivity and review the revised 2-year dental hygiene training course.

### **Analysis of Financial Provision**

34 Provision for 2003–04 is \$ 3.9 million (3.2 %) higher than the revised estimate for 2002–03. This is mainly due to salary increments for staff, provision for filling vacant posts and increase in requirement for building maintenance, partly offset by reduced cashflow requirement for capital projects.

### **Policy Area 17: Information Technology and Broadcasting**

*Hong Kong Productivity Council (Subheads 441 and 905)*

#### **Commissioner for Innovation and Technology**

#### **Programme**

Subvention: Hong Kong Productivity Council#, Hong Kong Applied Science and Technology Research Institute Company Limited

# The provision of subvention for the Hong Kong Productivity Council (HKPC) was previously under Policy Area 6: Commerce and Industry (the then Secretary for Commerce and Industry). After re-organisation, HKPC is now under Policy Area 17: Information Technology and Broadcasting (Secretary for Commerce, Industry and Technology).

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

### Detail

	2001-02 (Actual)	2002-03 (Approved)	2002-03 (Revised)	2003-04 (Estimate)
Financial provision (\$m)	210.3	202.2 (-3.9%)	200.8 (-0.7%)	<b>195.4</b> <b>(-2.7%)</b>

### Aim

**35** The aim is to promote productivity excellence through the provision of integrated support across the value chain of Hong Kong firms, in order to achieve a more effective utilisation of resources, to enhance the value-added content of products and services, and to increase international competitiveness.

### Brief Description

**36** The mission of HKPC has all along been promoting productivity excellence to enhance the value-added content of products and services. In view of the rapid changes in recent years in international environment, restructuring in the local industry scene and industry in southern China, and the resultant challenges to HKPC's role and mission, HKPC commissioned a consultancy study in June 2001 on its role, management and operation. Pursuant to the consultancy study, HKPC has re-positioned its service focus to provide integrated support to innovative and growth oriented Hong Kong firms across the value chain. Its principal sectoral focus is on manufacturing, particularly in Hong Kong's foundation industries, and related service activities. The main geographical focus is Hong Kong and the Pearl River Delta.

**37** The work of HKPC mainly falls in the following areas:

- providing one-stop services to the manufacturing industries, particularly the foundation industries, in the areas of manufacturing and materials technology, product design and development, technology commercialisation and e-manufacturing;
- promoting the application of good management practices and continuous benchmarking across the value chain for innovative and growth oriented enterprises, especially small and medium enterprises (SMEs), through operation management, human resources management, innovation management and strategic business management;
- assisting information technology (IT) service providers, in particular SMEs, to improve their quality, capacity and productivity, and supporting the integration of IT services across the value chain; and
- providing environmental technology support in green manufacturing, efficient energy and resource usage, compliance with environmental legislation and internal standards, as well as environmental methods and technology transfer.

**38** The subsidiaries of HKPC, namely, the Design Innovation (HK) Limited and the Clothing Technology Demonstration Centre Company Limited, operate along commercial lines and endeavour to increase efficiency and cost-effectiveness of the sectors involved to meet market needs.

**39** Provision of \$176.9 million under *Subhead 441* is to meet the cost of the delivery of work mentioned above. It includes expenses for support services which are either inadequate or non-existent in the private sector and which are initially financially unrewarding.

**40** Provision of \$18.5 million under *Subhead 905* is to cover the annual repayment to the Loan Fund for an interest-bearing loan obtained for the construction and fitting out of the HKPC Building in accordance with a schedule starting from 1991-92.

**41** In 2003-04, HKPC will strengthen its services focusing primarily on SMEs in manufacturing and related service sectors. At the same time, it will withdraw from services in mature markets where there is ample supply of private service providers. In this regard, it is anticipated that HKPC's fee income in 2003-04 will remain at more or less the same level of 2002-03.

**42** The key performance measures are:

### Indicators

	2001-02 (Actual)	2002-03 (Revised Estimate)	2003-04 (Estimate)
overall income/expenditure ratio (%) .....	66.7	66.5	<b>66.9</b>
income from consultancy/technical assistance (\$m).....	214.2	205.9	<b>201.7</b>
income from training courses (\$m).....	69.9	66.2	<b>69.0</b>
income from exhibitions/study missions/conferences (\$m)....	7.8	16.0	<b>11.9</b>
income from manufacturing support/process control (\$m).....	21.4	23.3	<b>30.8</b>
no. of people who attended HKPC training courses .....	19 737	26 000	<b>27 000</b>
no. of people who attended HKPC exhibitions.....	298 000	250 000	<b>180 000</b>

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

	2001-02 (Actual)	2002-03 (Revised Estimate)	<b>2003-04 (Estimate)</b>
no. of people who participated in HKPC study missions/conferences.....	8 915	4 800	<b>4 900</b>

### ***Matters Requiring Special Attention in 2003-04***

**43** During 2003-04, HKPC will:

- continue to follow up on the recommendations of the consultancy study on its role, management and operation;
- continue to realign its services and activities with reference to its new role and focus;
- provide integrated support to innovative and growth oriented Hong Kong firms across the value chain, with the main sectoral focus on manufacturing, particularly in Hong Kong's foundation industries, and related service activities;
- for greater financial accountability and strategic control, categorise its activities into four programme areas, namely manufacturing technologies, management systems, information technologies and environmental technologies, and report to the Government how the subvention is being used in each programme area to meet Government objectives and fit within its redefined role and focus; and
- enhance its support to Hong Kong firms operating in the Pearl River Delta, through offices to be set up in Guangzhou, Shenzhen, Dongguan and Zhuhai.

### **Analysis of Financial Provision**

**44** Provision for 2003-04 is \$5.4 million (2.7%) lower than the revised estimate for 2002-03. This is mainly due to reduced staff cost as a result of pay reduction following the civil service pay cut, reduced requirement for operating expenses and for repayment of loan to the Loan Fund as a result of reduced interest rates.

*Hong Kong Applied Science and Technology Research Institute Company Limited (Subheads 533 and 930)*

### **Commissioner for Innovation and Technology**

#### **Programme**

Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and Technology Research Institute Company Limited#.

# The provision of subvention for the Hong Kong Applied Science and Technology Research Institute Company Limited (ASTRI) was previously under Policy Area 6: Commerce and Industry (the then Secretary for Commerce and Industry). After re-organisation, ASTRI is now under Policy Area 17: Information Technology and Broadcasting (Secretary for Commerce, Industry and Technology).

#### **Detail**

	2001-02 (Actual)	2002-03 (Approved)	2002-03 (Revised)	<b>2003-04 (Estimate)</b>
Financial provision (\$m)	70.1	98.3 (+40.2%)	89.3 (-9.2%)	<b>92.6 (+3.7%)</b>

#### **Aim**

**45** The aim is to provide research capability for Hong Kong's technological development and stimulate the growth of technology-based industry in Hong Kong.

#### **Brief Description**

**46** ASTRI was incorporated on 3 January 2000 under the Companies Ordinance. Its missions are to:

- perform relevant and high quality research and development (R&D) and transfer the technologies and results to industry;
- promote greater application of technology in industry;
- become a focal point for attracting outside R&D personnel to work in Hong Kong;
- enhance Hong Kong's technological human resources development;
- act as a spawning ground for technology entrepreneurs; and

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

- provide a focal point for industry-university collaboration.

47 ASTRI's initial research areas focus on photonic technologies, Internet software, wireless communications, integrated circuit design and biotechnology. ASTRI's operating strategy is to transfer the technologies and results developed from its R&D projects to industry for commercialisation. This process will elevate the technology level of Hong Kong industry and accelerate the expansion of the technology industry base, thereby creating new employment opportunities. The effectiveness of ASTRI may be measured in due course by the number of technology transfer activities, joint ventures or start-ups created, number of jobs created, and financial returns from the licensing of its intellectual properties.

48 In 2002–03, ASTRI continued to strengthen its institutional and research capabilities to support its R&D activities. Apart from continuing with the three R&D projects (two on photonic packaging and one e-learning project to develop an on-line interactive English learning software) started in 2001–02, ASTRI had initiated four new projects (one on photonic packaging and three on wireless communications). The projects on photonic packaging aim to help ASTRI establish world class packaging capability and ASTRI is engaging potential customers in validating the technology.

49 The Hong Kong Jockey Club Institute of Chinese Medicine Limited (HKJCICM) was established as a subsidiary of ASTRI on 4 May 2001 to coordinate and strengthen the modernisation and further development of Chinese medicine in Hong Kong. The Hong Kong Jockey Club Charities Trust has pledged to donate \$500 million to fund the R&D activities of HKJCICM while ASTRI provides premises and supporting facilities to HKJCICM and funds its recurrent operating costs.

50 In 2002–03, HKJCICM established its office and appointed Advisory Panels to give advice on R&D strategies and projects. HKJCICM set its programme directions to steer Chinese medicine development embracing standardisation, technology and product development, safety appraisal and evidence-based clinical studies, and also launched its first R&D project.

### *Matters Requiring Special Attention in 2003–04*

51 During 2003–04, ASTRI will:

- continue to build up its R&D staff;
- continue with the research projects initiated in 2001–02 and 2002–03, and undertake additional projects;
- develop research projects jointly with universities;
- promote the photonic packaging capability, engage more beta customers and produce engineering samples to potential global customers for validation and deployment;
- promote and license the interactive English learning software or part of the base technology as products to industry;
- plan for ASTRI's permanent accommodation at the Hong Kong Science Park; and
- assist HKJCICM in expanding its research programmes in Chinese medicine and enhancing its institutional capabilities.

### **Analysis of Financial Provision**

52 Provision for 2003–04 is \$3.3 million (3.7%) higher than the revised estimate for 2002–03 as ASTRI and HKJCICM will need to continue building up capability to meet operational needs.

### **Policy Area 18: Recreation, Culture, Amenities and Entertainment Licensing**

*Hong Kong Sports Development Board (Subheads 415 and 941)*

#### **Permanent Secretary for Home Affairs**

#### **Programme**

Subvention: Hong Kong Academy for Performing Arts, Hong Kong Arts Development Council, Hong Kong Sports Development Board

#### **Detail**

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	190.5	189.7 (–0.4%)	189.1 (–0.3%)	185.1 (–2.1%)

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### *Aim*

**53** The aim is to enable the Hong Kong Sports Development Board (HKSDB) to promote and develop sport and physical recreation in Hong Kong in accordance with its mandate under the Hong Kong Sports Development Board Ordinance.

### *Brief Description*

**54** The objectives of the Board are to draw up and implement a coherent plan for the development of sport and physical recreation; to advance the knowledge and practice of sport and physical recreation at all levels; to provide greater support for high performance sport; to conduct and support research and studies; and to enhance Hong Kong's position in the international sporting community.

**55** The targets set for 2002 were generally achieved.

**56** The key performance measures are:

### *Targets*

	Target	2001 (Actual)	2002 (Actual)	2003 (Plan)
no. of sports programmes organised .....	59†	208	48	<b>59</b>
no. of participants in sports programmes ....	6 670†	10 472	4 485	<b>6 670</b>

† Following the dissolution of the Provisional Municipal Councils, the responsibilities between the HKSDB and the Leisure and Cultural Services Department (LCSD) have been adjusted with effect from 1 April 2001. As a result, programmes which are categorised as promotional in nature have been transferred to the LCSD. This accounts for the drop in both sports programmes and participants since 2002.

### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
no. of National Sports Associations' staff and officials participating in coach and administration training programmes.....	1 816	1 424	<b>1 370</b>
no. of liaison meetings with National Sports Associations and major sports counterparts .....	986	1 277	<b>1 346</b>
no. of athletes participating in major Championships and Games.....	910	1 080	<b>1 147</b>
no. of subvented major international sports events held locally and international sports conferences.....	9	2	<b>10</b>
income generated from donations and sponsorship (\$m) .....	10.16	6.48	<b>8.00</b>
no. of athletes under the elite training programme at the Hong Kong Sports Institute.....	265	338	<b>353</b>

### *Matters Requiring Special Attention in 2003–04*

**57** During 2003–04, the HKSDB will continue to support the elite training programme at the Hong Kong Sports Institute, with emphasis on preparation for future major games and to sustain the momentum to take Hong Kong sport to greater heights. Apart from the recurrent subvention to the HKSDB, the Board will continue to secure grants from the Arts and Sport Development Fund to support its one-off projects.

### *Analysis of Financial Provision*

**58** Provision for 2003–04 is \$4.0 million (2.1%) lower than the revised estimate for 2002–03. This is mainly due to reduced operating expenses and the full-year effect on salary reduction.

*Hong Kong Academy for Performing Arts (Subheads 459, 942 and 973)*

### **Permanent Secretary for Home Affairs**

#### **Programme**

Subvention: Hong Kong Academy for Performing Arts, Hong Kong Arts Development Council, Hong Kong Sports Development Board

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

### Detail

	2001-02 (Actual)	2002-03 (Approved)	2002-03 (Revised)	<b>2003-04 (Estimate)</b>
Financial provision (\$m)	190.4	192.1 (+0.9%)	190.5 (-0.8%)	<b>182.9 (- 4.0%)</b>

### Aim

**59** The aim is to enable the Hong Kong Academy for Performing Arts (the Academy) to develop and promote professional artistic standards through the education and training of students for careers as professionals in performing arts.

### Brief Description

**60** Under the Hong Kong Academy for Performing Arts Ordinance, the objectives of the Academy are to foster and provide for training, education and research in the performing arts and related technical arts. Five different disciplines, namely Dance, Drama, Music, Technical Arts, and Film and Television are taught. The core of the Academy's teaching programme is its full-time degree, diploma and certificate courses.

**61** The revalidation of one programme, Bachelor of Fine Arts Degree in Theatre Technical Arts, was completed by the Hong Kong Council for Academic Accreditation (HKCAA) in July 2002.

**62** The performance targets for 2001/02 were generally achieved and the objectives of the Academy were met.

**63** The key performance measures are:

#### Indicators

	<i>Academic Year</i>		
	2001/02 (Actual)	2002/03 (Revised Estimate)	<b>2003/04 (Estimate)</b>
no. of full-time equivalent students† .....	903	908	<b>878</b>
unit cost per full-time equivalent student (\$) .....	192,930	193,365	<b>194,609</b>
no. of graduates.....	331	374	<b>333</b>

† Six part-time students are equated to one full-time student.

### Matters Requiring Special Attention in 2003-04

**64** The bureau will continue to work closely with the HKCAA in setting the course for the Academy's future development by taking into account the recommendations offered by the HKCAA on the validation/revalidation of its degree courses.

### Analysis of Financial Provision

**65** Provision for 2003-04 is \$7.6 million (4.0%) lower than the revised estimate for 2002-03. This is mainly due to reduced operating expenses, the full-year effect of salary reduction and reduced provision for the replacement of equipment.

*Hong Kong Arts Development Council (Subheads 525 and 865)*

### Permanent Secretary for Home Affairs

#### Programme

Subvention: Hong Kong Academy for Performing Arts, Hong Kong Arts Development Council, Hong Kong Sports Development Board

### Detail

	2001-02 (Actual)	2002-03 (Approved)	2002-03 (Revised)	<b>2003-04 (Estimate)</b>
Financial provision (\$m)	110.6	109.0 (-1.4%)	108.7 (-0.3%)	<b>107.0 (-1.6%)</b>



## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

### *Aim*

66 The aim is to enable the Hong Kong Arts Development Council (HKADC) to promote and develop arts and culture in Hong Kong in accordance with the parameters of the Hong Kong Arts Development Council Ordinance.

### *Brief Description*

67 The HKADC was established as an independent statutory body on 1 June 1995. The mission of the HKADC is to plan, promote and support the development of the arts in Hong Kong, including the literary, performing, visual and media arts, with a view to improving the quality of life and artistic creativity of the whole community.

68 In April 2002, the HKADC formally set up a new committee structure. The six committees under the new structure, namely Management Committee, Strategy Committee, Arts Promotion Committee, Arts Support Committee, Resources Development Committee and Review Committee, are delegated with functional powers, while the Council retains its decision-making power and accountability. The new structure further enables the HKADC to undertake its work in a more focused and effective manner, bringing cross-artform vision in the committees as well as a clear division of responsibilities among the different committees in proposing and monitoring projects.

69 To achieve optimum efficiency and flexibility and to adapt to changing circumstances, the HKADC streamlined its work process and staffing for a more efficient and effective management.

70 The targets set for 2001–02 were generally achieved and HKADC has continued to make good progress in achieving its overall objectives.

71 The key performance measures are:

### *Target*

- to achieve the key tasks and action steps set out in the new Three-Year Plan which were effective from June 2001.

### *Indicators*

	2001–02 (Actual)	2002–03 (Revised Estimate)	2003–04 (Estimate)
<i>Three-Year Grant (3YG)</i>			
no. of arts organisations receiving 3YG .....	6	6	<b>6</b>
no. of audience outreached .....	350 767	350 000	<b>350 000</b>
<i>Project Grant@</i>			
total no. of applications processed .....	629	916	<b>900</b>
successful rate in applying (%) .....	37.70	18.67	<b>18.00</b>
no. of arts audience outreached .....	424 237	281 409	<b>300 000</b>
<i>Devolved Grant†</i>			
no. of arts audience outreached.....	—	20 000	<b>44 000</b>
<i>One-Year Grant</i>			
no. of audience outreached .....	667 614	664 583	<b>660 000</b>
<i>Hong Kong International Film Festivalα</i>			
no. of audience outreached .....	175 224	194 300	<b>201 300</b>
<i>Overall Figures</i>			
no. of promotion programmes for arts education.....	250	260	<b>260</b>
no. of international cultural exchange activities .....	280	270	<b>270</b>
no. of partnership projectsδ .....	9	8	<b>8</b>
no. of pro-active projects .....	32	33	<b>30</b>
no. of audience outreached through pro-active projects .....	518 600	620 000	<b>600 000</b>
<i>Website Information Services</i>			
no. of visitors to the HKADC Website .....	35 875	60 000	<b>63 000</b>
no. of pages viewed of the HKADC Website .....	720 725	780 000	<b>800 000</b>
ratio between 3YG, pro-active project and Project Grant (in terms of financial provision) .....	1.67:1.16:1.00	1.62:0.93:1.00	<b>1.60:1.37:1.00</b>

@ Number of project applications processed dropped in 2001–02 due to the implementation of new deadlines for project grant applications which was not yet familiarised by the applicants. With the introduction of new types of grant schemes and increase of pro-active projects, the demand for Project Grant will continue to decrease.

† New indicator as from 2003–04.

α The HKADC assumes full organising responsibility of the film festival from 2002–03 onwards.

δ Partnership projects are those collaborated by the HKADC with government departments, private or public sectors with external sources of funding and resources support. This is a new indicator as from 2003–04.

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

### *Matters Requiring Special Attention in 2003–04*

72 With the formal launch of the Three-Year Plan in June 2001, more proactive approach has been taken to bring the arts closer to the community. During 2003–04, the HKADC will continue to:

- implement the broad range of action steps outlined in its Three-Year Plan for 2002–03 to 2003–04;
- vigorously pursue alternative, non-government sources of funding for the arts, either in cash or in kind; and
- build closer partnership relationship with both the Government and non-government bodies.

73 In addition to recurrent subvention to the HKADC, a sum of up to \$40.0 million will continue to be provided from the Arts and Sport Development Fund to support individual projects, which would enhance Hong Kong's position as an international cultural metropolis.

### **Analysis of Financial Provision**

74 Provision for 2003–04 is \$1.7 million (1.6%) lower than the revised estimate for 2002–03. This is mainly due to reduced operating expenses and the full-year effect of salary reduction, partly offset by the additional provision for the replacement of equipment.

### **Policy Area 19: District and Community Relations**

#### *Equal Opportunities Commission (Subheads 523 and 916)*

#### **Permanent Secretary for Home Affairs**

#### **Programme**

Subvention: Equal Opportunities Commission, Office of the Privacy Commissioner for Personal Data

#### **Detail**

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	82.3	83.0 (+0.9%)	81.0 (–2.4%)	79.5 (–1.9%)

#### **Aim**

75 The aim is to oversee the implementation of the Sex Discrimination Ordinance (SDO), the Disability Discrimination Ordinance (DDO) and the Family Status Discrimination Ordinance (FSDO) which prohibit discrimination on the grounds of sex, marital status, pregnancy, disability and family status.

#### **Brief Description**

76 The Equal Opportunities Commission (EOC) is an independent statutory body established in 1996 under the SDO to oversee the implementation of the SDO, the DDO and the FSDO. The main functions of the EOC are to:

- work towards the elimination of discrimination on the grounds of sex, marital status, pregnancy, disability and family status;
- promote equality of opportunities between men and women, between persons with a disability and persons without a disability, and irrespective of family status;
- work towards the elimination of sexual harassment, and harassment and vilification on the grounds of disability;
- conduct investigation into complaints lodged under the SDO, the DDO and the FSDO and encourage conciliation between the parties in dispute;
- take action on other complaints including discriminatory advertisements and cases outside section 84 of the SDO, section 80 of the DDO and section 62 of the FSDO;
- develop and issue codes of practice under the SDO, the DDO and the FSDO;
- keep under review the workings of the SDO, the DDO and the FSDO and when necessary, draw up proposals for amendments; and
- conduct research on issues relevant to discrimination and equal opportunities.

77 The performance targets set for 2002 were generally met.

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

78 The EOC commenced full operation on 20 September 1996. The performance targets and indicators are as follows:

### *Targets*

	Target (% of cases)	2001 (Actual)	2002 (Actual)	<b>2003 (Plan)</b>
interview a walk-in enquirer within 30 minutes .....	95	100	100	<b>95</b>
reply to written enquiries on simple issues within 5 working days .....	95	98	100	<b>95</b>
reply to written enquiries on complex issues within 14 working days .....	95	100	99	<b>95</b>
conclude a complaint case within 6 months .....	75	78	75	<b>75</b>

### *Indicators*

	2001 (Actual)	2002 (Actual)	<b>2003 (Estimate)</b>
enquiries .....	169 531	203 068	<b>203 068</b>
complaints for investigation/conciliation†			
complaints received			
under SDO .....	1 165©	390	<b>430</b>
DDO .....	416	341	<b>375</b>
FSDO .....	41	26	<b>40</b>
complaints handled			
under SDO .....	1 348©	1 111§	<b>581</b>
DDO .....	619	535	<b>518</b>
FSDO .....	61	64Δ	<b>48</b>
complaints under investigation/conciliation			
under SDO .....	721	151	<b>151</b>
DDO .....	194	143	<b>143</b>
FSDO .....	38	8	<b>8</b>
complaints where legal assistance was granted			
under SDO .....	9	6	<b>N.A.@</b>
DDO .....	9	10	<b>N.A.@</b>
FSDO .....	1	—	<b>N.A.@</b>
complaints taken to court			
under SDO .....	4	3	<b>N.A.@</b>
DDO .....	1	3	<b>N.A.@</b>
FSDO .....	1	—	<b>N.A.@</b>
complaints for follow-up action‡			
no. of cases processed .....	35	39	<b>36</b>
no. of cases resolved .....	14	14	<b>15</b>
no. of cases taken to court .....	—	—	<b>N.A.@</b>
promotional activities			
talks/workshops/seminars/drama performances (audience) .....	550(80 600)	500(67 000)	<b>530(76 000)</b>
public consultation meetings on codes of practice .....	18	—	—
copies of codes of practice issued .....	75 000¶	18 000	<b>18 000</b>
on-line resource centre hit rates# .....	5 200 000	10 976 440	<b>10 976 440</b>

† Complaints lodged under section 84, section 80 and section 62 of SDO, DDO and FSDO respectively.

© The big increase is due to the number of sex discrimination complaints in relation to Secondary School Places Allocation (SSPA).

§ A total of 528 SSPA cases received in 2001 was handled and concluded in 2002.

Δ A total of 38 FSDO cases brought forward from 2001 was handled and concluded in 2002.

@ Not applicable since difficult to estimate; actual figure will be supplied at year end.

‡ This refers to investigations and actions on complaints other than those referred to †.

¶ The EOC launched the Code of Practice on Education under the DDO in 2001.

# New indicator as from 2003.

### *Matters Requiring Special Attention in 2003–04*

79 During 2003–04, the Commission will pay special attention to:

- working with the Government to mainstream equal opportunities in the policy-making process;
- promoting equal opportunities principles as a key component of sustainable development for a community;

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- assisting the public and private sectors in acquiring in-depth understanding of equal opportunities legislation through tailor-made training packages and business focussed promotional strategies;
- partnering with business and industries such as the insurance industry to develop good practices;
- promoting understanding of equal opportunities in education in relation to gender equality and respecting learning differences between students with a disability and students without a disability;
- promoting the implementation of the Code of Practice on Education under the Disability Discrimination Ordinance;
- incorporating equal opportunities concepts in schools curriculum;
- advocating for “IT for All”, so that persons with disabilities and other disadvantaged groups could benefit from new technologies, and enjoy barrier-free electronic services;
- promoting understanding and acceptance of persons with disabilities, especially persons with mental illness;
- continuing the study on implementing equal pay for work of equal value;
- promoting empowerment of groups at high risk of discrimination, e.g. persons with intellectual disabilities; and
- undertaking broad and ongoing review of complaint handling functions.

### Analysis of Financial Provision

**80** Provision for 2003–04 is \$1.5 million (1.9%) lower than the revised estimate for 2002–03. This is mainly due to reduced operating expenses and reduced expenditure on capital account items.

*Office of the Privacy Commissioner for Personal Data (Subheads 524 and 918)*

### Permanent Secretary for Home Affairs

#### Programme

Subvention: Equal Opportunities Commission, Office of the Privacy Commissioner for Personal Data

#### Detail

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	36.4	37.1 (+1.9%)	37.9 (+2.2%)	38.8 (+2.4%)

#### Aim

**81** The aim is to protect the individual’s privacy with respect to personal data.

#### Brief Description

**82** The Privacy Commissioner for Personal Data (the Privacy Commissioner) is an independent statutory authority established in 1996 under the Personal Data (Privacy) Ordinance. The Privacy Commissioner has the following key functions and powers to:

- monitor and supervise compliance with the provisions of the Personal Data (Privacy) Ordinance;
- approve and issue codes of practice giving practical guidance for compliance with the provisions of the Personal Data (Privacy) Ordinance;
- promote awareness and understanding of the provisions of the Personal Data (Privacy) Ordinance;
- carry out inspections of personal data systems, including those of government departments and statutory corporations; and
- investigate, upon receipt of complaints from data subjects or on his own initiative, suspected breaches of requirements of the Personal Data (Privacy) Ordinance.

**83** The performance targets and indicators for 2002 have been satisfactorily met.

**84** The performance targets and indicators of the Privacy Commissioner’s Office are as follows:

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### *Targets*

	Target (% of cases)	2001 (Actual)	2002 (Actual)	2003 (Plan)
handling public complaints				
acknowledgement of a complaint within 2 working days of receipt...	95	99	98	95
closing a complaint within 180 days of receipt .....	85	95	93	85
handling public enquiries				
call back to a telephone enquiry within 2 working days of receipt...	95	99	99	95
acknowledgement of a written enquiry within 2 working days of receipt.....	95	100	99	95
substantive reply to a written enquiry within 28 working days of receipt .....	85	91	96	85

### *Indicators*

	2001 (Actual)	2002 (Actual)	2003 (Estimate)
public enquiries received .....	21 916	17 114	19 000
complaints received .....	921	843	900
complaints brought forward.....	128	147	192
cases of complaints for disposal (a).....	1 049	990	1 092
investigations completed (b).....	902	798	880
investigations in process (a)-(b).....	147	192	212
matching procedure consent applications .....	14	6	10

### *Matters Requiring Special Attention in 2003-04*

**85** During 2003-04, the Privacy Commissioner will:

- conduct a survey on data users who carry out transborder data flow activities that could be affected by section 33 of the Personal Data (Privacy) Ordinance;
- continue to promote public awareness and understanding of the Ordinance and the functions of the Privacy Commissioner's Office;
- produce a drama show to raise the awareness of privacy protection within the community; and
- publish guidelines on Monitoring and Personal Data Privacy at Work.

### **Analysis of Financial Provision**

**86** Provision for 2003-04 is \$0.9 million (2.4%) higher than the revised estimate for 2002-03. This is mainly due to the creation of two posts for investigating offences and undertaking prosecution and the creation of a new capital item, partly offset by reduced operating expenses.

### **Policy Area 20: Legal Aid**

*Legal Aid Services Council (Subhead 526)*

#### **Director of Administration**

#### **Programme**

Subvention: Legal Aid Services Council

#### **Detail**

	2001-02 (Actual)	2002-03 (Approved)	2002-03 (Revised)	2003-04 (Estimate)
Financial provision (\$m)	4.6	5.4 (+17.4%)	5.2 (-3.7%)	5.2 (0.0%)

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### Aim

87 The aim is to enable the Legal Aid Services Council (LASC) to carry out its statutory duties of overseeing the provision of legal aid services by the Legal Aid Department (LAD) and advising the Chief Executive on legal aid policy.

### Brief Description

88 The LASC Ordinance, enacted in May 1996, provides for the establishment of an independent LASC. The LASC, formally established in September 1996, comprises a chairman and eight other members, with the Director of Legal Aid as an *ex-officio* member. The main functions of the LASC are to oversee the provision of legal aid services by the LAD, and to advise the Chief Executive on legal aid policy. In discharging its statutory duties, the LASC may:

- formulate policies governing the provision of services by the LAD and give advice on its policy direction;
- review the work of the LAD and make arrangements for the efficient and economical discharge of its functions and its provision of legal aid services;
- keep under review the services provided by the LAD and its plans for development;
- consider and advise on the estimates of expenditure of the LAD;
- advise on the eligibility criteria, scope of services, mode of service delivery, future plans for improvements, funding requirements and future development of legal aid policy;
- advise on the feasibility and desirability of the establishment of an independent legal aid authority; and
- advise on any other aspect of legal aid which the Chief Executive may refer to the LASC.

89 In 2002–03, the LASC carried out its functions satisfactorily.

### Matters Requiring Special Attention in 2003–04

90 During 2003–04, the LASC will:

- continue to review the various legal aid services provided by the LAD having regard to its work plan in 2003–04;
- continue to monitor the implementation of the scheme to provide counsel's certificate under Section 26A of Legal Aid Ordinance for reviewing legal aid refusals in respect of appeals to the Court of Final Appeal; and
- review cost control and monitoring mechanism of legal aid cases.

### Analysis of Financial Provision

91 Provision for 2003–04 is the same as the revised estimate for 2002–03.

### Policy Area 34: Manpower Development

### Policy Area 16: Education

*Vocational Training Council (Subheads 520, 871 and 976)*

### Permanent Secretary for Education and Manpower

### Programmes

<b>Programme (1) Subvention: Vocational Training Council—part</b>	This programme contributes to Policy Area 34: Manpower Development (Secretary for Education and Manpower).
<b>Programme (2) Subvention: Vocational Training Council—part</b>	This programme contributes to Policy Area 16: Education (Secretary for Education and Manpower).

### Detail

### Programme (1): Subvention : Vocational Training Council—part (Policy Area 34: Manpower Development)

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	2003–04 (Estimate)
Financial provision (\$m)	592.0	568.6 (–4.0%)	557.3 (–2.0%)	557.7 (+0.1%)

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### Aim

92 The aims are to:

- provide and operate a comprehensive system of vocational training to meet the needs of industry and commerce for trained manpower at operative, craft, technician and technologist levels; and
- promote and regulate the employment and training of apprentices and to administer the Apprenticeship Ordinance.

### Brief Description

93 The Vocational Training Council (VTC) is responsible for this programme area. In discharging its statutory duties under the Vocational Training Council Ordinance, the Council is assisted by a complex of training boards and general committees. The training boards deal with training matters in the respective sectors while the general committees are responsible for training and development areas common to more than one economic sector.

94 The industrial training services of the Council are provided mainly by its training and development centres and the Apprenticeship Unit. Broadly speaking, two categories of training courses, i.e. pre-employment and in-service skills upgrading, are offered in the training and development centres. A major function of some of the training and development centres is to organise basic craft courses to provide pre-employment training to Secondary 3 school leavers. The Council will continue to encourage employers, workers and young people to make use of the training opportunities available. As an on-going effort, the Council monitors closely the operation of the training and development centres, adjusts their training programmes as necessary to meet the changing needs of the economy and ensures that they are run most cost-effectively.

95 In 2002–03, VTC continued its efforts in applying e-learning technologies and pedagogy to enhance learning effectiveness e.g. the introduction of more e-learning modules in its courses. The e-Learning Centre has taken up the e-enabler role in various industrial sectors. Apart from information technology (IT) training through an e-learning platform, services such as course conversion to e-learning mode, e-learning solution consultation and hosting/content storage were offered. In addition, its IT Skills Assessment Centre continued to enhance training in IT by developing a progression ladder to tie in with the proposed qualification framework, and implementing an effective assessment mechanism under the Practitioner Development Scheme for the IT workforce.

96 The Apprenticeship Unit is responsible for the legislative control of the employment of young persons under the age of 19 in trades specified as designated trades under the Apprenticeship Ordinance. The Unit also advises on matters concerning the employment and training of apprentices registered under the Ordinance. It aims to ensure that all registered apprentices will receive proper training and the related technical education they need to become qualified skilled persons.

97 The key performance indicators of VTC in respect of manpower development (including VTC's participation in the Youth Pre-employment Training Programme, the Skills Upgrading Scheme and the IT Assistant Course which are funded under other Heads of Expenditure) are:

	<i>Academic Year</i>		
	2001/02 (Actual)	2002/03 (Revised Estimate)	<b>2003/04 (Plan)</b>
<i>Industrial Training</i>			
<i>Pre-employment training courses</i>			
no. of trainee places provided# .....	5 472	5 868	<b>4 671</b>
no. of trainee hours provided# .....	5 486 440	5 283 355	<b>5 443 171</b>
enrolment rate (%) .....	90	100	<b>100</b>
completion rate (%) .....	85	70	<b>70</b>
employment rate (of economically active graduates)(%) .....	95@	90	<b>90</b>
<i>In-service skills upgrading and other training courses</i>			
no. of trainee places provided# .....	82 620	91 522	<b>79 815</b>
no. of trainee hours provided# .....	1 660 969	2 887 434	<b>2 657 110</b>
enrolment rate (%) .....	121	100	<b>100</b>
completion rate (%) .....	95	90	<b>90</b>
<i>Engineering Graduates Training Scheme</i>			
no. of graduate training places offered .....	270	270	<b>270</b>
completion rate (%) .....	80	80	<b>80</b>
<i>Apprentice Training</i>			
no. of designated trades .....	43	45	<b>45</b>
no. of inspections of establishments employing registered apprentices .....	18 640	18 640	<b>18 600</b>
no. of registered apprentices§^ .....	4 819	4 819	<b>4 600</b>

§ As at the end of the financial year

@ Provisional figure

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# The total number of trainee places in the 2003/04 academic year will be less than that in the 2002/03 academic year due to a projected decrease in demand in information technology courses for the Youth Pre-employment Training Programme and part-time day release and evening upgrading courses in the light of the latest market developments. However, there will be more pre-employment courses of longer duration including the two-year technical certificate courses. As a result, the total number of trainee hours in the 2003/04 academic year will be about the same as that in the 2002/03 academic year.

^ It is estimated that the number of registered apprentices in 2003–04 will decrease as the business of the traditional apprenticeship trades would likely continue to be sluggish.

### *Matters Requiring Special Attention in 2003–04*

98 During 2003–04, the Council will:

- commence the second year of the pilot scheme launched in the 2002/03 academic year to offer two-year basic craft courses in the automobile and plastics trades to enhance the skills standards, maturity and employability of the craft trainees;
- explore the feasibility of arranging work attachment for basic craft course trainees;
- introduce more e-learning initiatives in the management programme areas;
- review and improve the trade testing and certification scheme to facilitate the acquisition of recognised qualification to enhance the status of skilled workers; and
- implement a staff development plan to help equip staff with the necessary knowledge and skills for the delivery of services that meet the demands of industry.

### **Programme (2): Subvention: Vocational Training Council—part (Policy Area 16: Education)**

	2001–02 (Actual)	2002–03 (Approved)	2002–03 (Revised)	<b>2003–04 (Estimate)</b>
Financial provision (\$m)	1,582.3	1,560.2 (–1.4%)	1,518.6 (–2.7%)	<b>1,457.4 (–4.0%)</b>

### *Aim*

99 The aim is to promote a comprehensive system of vocational education in order to provide adequately prepared manpower at craft, technician and higher technician levels to meet the demands of a dynamic and highly competitive economy.

### *Brief Description*

100 Vocational education is provided in the nine campuses of the Hong Kong Institute of Vocational Education (IVE). The IVE is responsible for the provision of full-time, part-time day and part-time evening courses at higher diploma, diploma, higher certificate, certificate, vocational certificate and craft certificate levels to meet the needs of the economy. It helps promote the image of vocational education and training as an attractive and viable alternative to traditional academic education.

101 To cope with the change in demand of the community and employers, IVE constantly reviews its course provision. Courses in declining demand will be phased out to make way for new courses in areas of high growth. New full-time Higher Diploma (HD) and Diploma (D) courses introduced in the 2002/03 academic year include Legal & Administrative Studies, Quantity Surveying, Building Surveying, Building Engineering, Graphic & Media Design, Product Design & Technology, Interior & Environmental Design, Fashion Design and Product Development, Fashion Merchandising & Retailing, Enterprise Computing, Network and Mobile Computing, Multimedia Web Development & Digital Entertainment, Multimedia & Internet Applications, Telecommunications & Networking, Internet Computing and Applications and Applied Optics. New courses will continue to be introduced in the 2003/04 academic year to meet the needs of the economy.

102 In the 2002/03 academic year, IVE increased the planned places for the one-year full-time Foundation Diploma Course for Secondary 5 school leavers to 3 870 (from 3 200 in the 2001/02 academic year) to provide students with a progression ladder to HD or D courses as well as generic and vocational skills for employment. In addition to the existing two streams, three new streams were introduced in the 2002/03 academic year, making a total of five streams, namely Applied Science, Business, Computing, Hospitality and Technical. At the post-Secondary 3 level, the IVE offered three 2-year full-time Certificate in Vocational Studies courses with a total of 1 220 year-1 places for Secondary 3 school leavers. The curricula of the courses were revamped and a new academic structure was adopted. Three new streams (Business, Computing and Technical) were introduced in the 2002/03 academic year to replace the original two streams in services and engineering.



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103 The key performance indicators of VTC in respect of education are:

	<i>Academic Year</i>		
	2001/02 (Actual)	2002/03 (Revised Estimate)	2003/04 (Plan)
<i>Number of Student Places</i>			
<i>All campuses of IVE</i>			
full-time students .....	24 191	24 102	<b>24 531</b>
part-time day students.....	7 852	6 441	<b>6 202</b>
part-time evening students#.....	22 058	23 081	<b>21 995</b>
	54 101	53 624	<b>52 728</b>
<i>First year places</i>			
full-time higher technician level .....	3 018	3 920	<b>4 520</b>
full-time technician level^ .....	9 954	8 710	<b>7 620</b>
full-time craft level .....	1 011	1 300	<b>1 300</b>
part-time day.....	4 108	2 965	<b>2 920</b>
part-time evening#.....	13 024	10 995	<b>10 770</b>
	31 115	27 890	<b>27 130</b>
<i>Enrolment Rate (full-time equivalent) (%) .....</i>	100	100	<b>100</b>
<i>Retention Rate (%)</i>			
full-time higher technician level .....	96	95	<b>95</b>
technician level .....	93	90	<b>90</b>
craft level .....	73	75	<b>75</b>
part-time day higher technician level.....	94	90	<b>90</b>
technician level .....	88	90	<b>90</b>
craft level .....	80	75	<b>75</b>
part-time evening higher technician level.....	93	90	<b>90</b>
technician level .....	81	80	<b>80</b>
craft level .....	77	70	<b>70</b>
<i>Employment Rate (of economically active graduates) (%)</i>			
full-time higher technician level .....	85@	85	<b>85</b>
technician level .....	73@	75	<b>75</b>
craft level .....	61@	65	<b>65</b>

@ Provisional figures. Actual data will be available in April 2003.

# The decrease in part-time evening student places in the 2003/04 academic year is due to the phasing out of a number of some former Technical College Higher Certificate courses and other courses with low demand.

^ VTC will reduce the number of places at the technician level in the 2002/03 academic year, but will increase the number of places at the higher technician level, which has a higher demand.

### ***Matters Requiring Special Attention in 2003–04***

104 During 2003–04, the Council will:

- introduce a range of new HD courses in Accountancy and Information Systems, Supply Chain Management, Information Analysis in Marketing and Finance, Interactive Multimedia and Animatronics, Sports Management and Training, Computer-assisted Design (CAD) Technology, Production Innovation and Design Engineering, Engineering Management, Horological Science and Technology by redeploying existing resources to better meet the needs of industry and community;
- continue to streamline and rationalise the course provision of IVE for more effective utilisation of resources;
- improve course delivery, e.g. developing mixed mode teaching which includes face-to-face teaching and online learning;
- continue to expand collaboration with industries through consultancy and development of specialist centres and resources centres;
- set up a Flexible Learning Centre in Morrison Hill Campus as an extension of the existing library to cope with the offer of full-time HD courses and to support a more flexible mode of delivery of courses;
- continue to collaborate with overseas universities offering "top-up" degree programmes to provide articulation and progression avenue for the HD graduates; and
- implement a staff development plan to help equip staff with the necessary knowledge and skills for the delivery of services that meet the demands of industry.

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### Analysis of Financial Provision

Programme	2001-02 (Actual) (\$m)	2002-03 (Approved) (\$m)	2002-03 (Revised) (\$m)	2003-04 (Estimate) (\$m)
(1) Subvention: Vocational Training Council—part (Policy Area 34: Manpower Development) .....	592.0	568.6	557.3	557.7
(2) Subvention: Vocational Training Council—part (Policy Area 16: Education).....	1,582.3	1,560.2	1,518.6	1,457.4
	2,174.3	2,128.8 (-2.1%)	2,075.9 (-2.5%)	2,015.1 (-2.9%)

#### Programme (1)

**105** Provision for 2003-04 is \$0.4 million (0.1%) higher than the revised estimate for 2002-03. The increase is mainly attributable to increased expenditure for additional manpower surveys to be conducted in 2003-04, offset by the full-year effect of a reduction in subvention arising from the 2002 civil service pay cut and achievement of efficiency savings.

#### Programme (2)

**106** Provision for 2003-04 is \$61.2 million (4.0%) lower than the revised estimate for 2002-03. The decrease is mainly attributable to the full-year effect of a reduction in subvention arising from the 2002 civil service pay cut and achievement of efficiency savings.

### Policy Area 34: Manpower Development

*Employees Retraining Board (Subhead 537)*

#### Permanent Secretary for Education and Manpower

#### Programme

Subvention: Employees Retraining Board

#### Detail

	2001-02 (Actual)	2002-03 (Approved)	2002-03 (Revised)	2003-04 (Estimate)
Financial provision (\$m)	400.0	396.0 (-1.0%)	395.9 (-0.0%)	378.0 (-4.5%)

#### Aim

**107** The aim is to provide retraining to eligible persons, enabling them to acquire new or enhanced vocational skills and adjust to changes in the employment market.

#### Brief Description

**108** The Employees Retraining Board (ERB) is a statutory body established under the Employees Retraining Ordinance. The ERB is composed of 16 representatives from employers, employees, manpower and training/ retraining professionals as well as government officials. The target trainees of ERB's full-time courses are primarily the unemployed who are aged 30 or above with no more than lower secondary education. The ERB also offers part-time courses (either half-day or evening) for eligible retrainees, including those already in employment who meet the admission criteria on age and education. These part-time courses focus on basic and generic skills such as computer application and vocational languages with a view to enhancing and sustaining the employability of retrainees. With an executive office of some 70 staff, the ERB administers retraining programmes through a network of over 50 training bodies.

**109** The ERB receives recurrent funding from the Government to allow it to have a stable source of funding to provide quality retraining. This funding arrangement is subject to a Memorandum of Administrative Arrangements signed with ERB. The Memorandum sets out, among other things, the need for setting key output and outcome performance indicators.

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110 The key performance indicators of this programme are:

	2001-02 (Actual)	2002-03 (Revised Estimate)	2003-04 (Plan)
no. of retraining places			
regular full-time courses (other than tailor-made programmes organised for specific employers/trade associations) .....	46 298	54 890~	<b>41 400#</b>
regular full-time tailor-made programmes .....	2 109	2 000	<b>2 000</b>
part-time courses .....	54 077	55 450	<b>60 450</b>
special programmes^ .....	4 012	3 870	<b>3 870</b>
total .....	106 496	116 210~	<b>107 720</b>
capacity utilisation rate (%)§ .....	95	85	<b>85</b>
completion rate (%) .....	91	80	<b>80</b>
placement rate of regular full-time placement-tied retraining courses (%) .....	78	70	<b>70</b>
placement rate of regular full-time placement-tied retraining courses in jobs relevant to training (%)@ .....	67	60	<b>60</b>
placement rate of tailor-made retraining courses (%) .....	91	80	<b>80</b>
job retention rate after 6 months for all placements (%)† .....	68	70	<b>70</b>

^ Special programmes include full-time pilot courses designed to test market demand, programmes specially designed for the elderly and people with disabilities, programmes for self-employment and those organised under the Supplementary Labour Scheme.

§ This refers to the number of retrainees enrolled in courses as a percentage of the total number of training places offered.

@ This refers to the number of placements in jobs related to the training courses as a percentage of the total number of placements.

† Job retention rate refers to the number of retrainees still in employment (including those with the same employers as well as those who have changed jobs), as a percentage of the total number of retrainees placed in employment after completion of training.

~ This includes a 'one-off' addition of 9 000 full-time places to be offered in 2002-03 to meet an increased demand for retraining.

# The figures have reflected the planned conversion of 5 000 full-time placement-tied domestic helper training places to part-time placement-tied mode in response to demand from trainees.

### ***Matters Requiring Special Attention in 2003-04***

111 During 2003-04, the ERB will:

- diversify skill training modules and strengthen practical training to upgrade retrainees' skills;
- develop additional common assessment and issue competency cards for key occupations including personal care workers and property attendants;
- introduce additional types of common assessment at the Practical Skills Training and Assessment Centre;
- enhance the promotion of the integrated scheme for local domestic helpers to attract more employers to hire local domestic helpers; and
- review the Self-employment Business Start-up Assistance Scheme and make recommendations on its future.

### **Analysis of Financial Provision**

112 Provision for 2003-04 is \$17.9 million (4.5%) lower than the revised estimate for 2002-03. This is mainly due to general price decreases and reduced operating expenditure to support the Government's efficiency savings programme.

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Sub-head (Code)	Actual expenditure 2001-02	Approved estimate 2002-03	Revised estimate 2002-03	Estimate 2003-04	
	\$'000	\$'000	\$'000	\$'000	
<b>Recurrent Account</b>					
V — Subventions					
415	Hong Kong Sports Development Board.....	190,487	189,735	188,451	<b>183,799</b>
429	Consumer Council.....	67,585	68,275	69,417	<b>66,189</b>
441	Hong Kong Productivity Council.....	183,538	182,582	181,547	<b>176,876</b>
443	Hong Kong Tourism Board.....	505,631	518,434	515,382	<b>504,399</b>
444	Hong Kong Trade Development Council.....	353,050	377,262	374,301	<b>368,240</b>
459	Hong Kong Academy for Performing Arts .....	177,121	177,154	175,576	<b>170,867</b>
514	Hospital Authority.....	29,292,539	29,880,602	29,540,001	<b>29,238,037</b>
520	Vocational Training Council.....	2,067,233	2,031,720	2,004,931	<b>1,940,344</b>
523	Equal Opportunities Commission .....	81,321	80,673	77,583	<b>77,964</b>
524	Office of the Privacy Commissioner for Personal Data.....	35,560	37,131	37,874	<b>38,387</b>
525	Hong Kong Arts Development Council .....	110,559	109,017	108,719	<b>106,470</b>
526	Legal Aid Services Council.....	4,601	5,415	5,229	<b>5,231</b>
533	Hong Kong Applied Science and Technology Research Institute Company Limited.....	68,210	93,271	86,798	<b>90,080</b>
537	Employees Retraining Board.....	400,000	396,000	395,880	<b>377,984</b>
539	Prince Philip Dental Hospital@ .....	—	125,550	118,326	<b>122,819</b>
	Total, Subventions .....	33,537,435	34,272,821	33,880,015	<b>33,467,686</b>
	Total, Recurrent Account.....	33,537,435	34,272,821	33,880,015	<b>33,467,686</b>
<b>Capital Account</b>					
III — Subventions					
865	Hong Kong Arts Development Council .....	—	—	—	<b>500</b>
870	Hong Kong Tourism Board.....	9,500	9,900	5,000	<b>4,900</b>
871	Vocational Training Council.....	78,092	68,699	42,651	<b>46,911</b>
899	Prince Philip Dental Hospital - minor plant, vehicles, equipment, maintenance, and improvement (block vote)§.....	—	756	740	<b>935</b>
905	Hong Kong Productivity Council.....	26,748	19,620	19,243	<b>18,500</b>
916	Equal Opportunities Commission .....	962	2,374	3,416	<b>1,500</b>
918	Office of the Privacy Commissioner for Personal Data.....	850	—	—	<b>420</b>
930	Hong Kong Applied Science and Technology Research Institute Company Limited.....	1,910	5,000	2,500	<b>2,500</b>
940	Prince Philip Dental Hospital.....	—	592	1,198	<b>445</b>
941	Hong Kong Sports Development Board.....	—	—	681	<b>1,319</b>
942	Hong Kong Academy for Performing Arts .....	2,672	4,300	4,300	<b>3,000</b>
955	Consumer Council.....	842	3,530	910	<b>1,350</b>
973	Hong Kong Academy for Performing Arts - minor plant, vehicles and equipment (block vote).....	10,559	10,626	10,626	<b>9,026</b>
976	Vocational Training Council (block vote).....	29,000	28,362	28,362	<b>27,795</b>
979	Hospital Authority - equipment and information systems (block vote).....	370,000	395,000	395,000	<b>370,000</b>
	Total, Subventions .....	531,135	548,759	514,627	<b>489,101</b>
	Total, Capital Account.....	531,135	548,759	514,627	<b>489,101</b>
	Total Expenditure.....	34,068,570	34,821,580	34,394,642	<b>33,956,787</b>

## **Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES**

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- @ For comparison, the actual expenditure for 2001–02, which was accounted for under Head 37 *Subhead 511*, is \$114,751,000 after recovery of the unspent subvention of \$1,176,000 by the Department of Health in 2002–03.
- § For comparison, the actual expenditure for 2001–02, which was accounted for under Head 37 *Subheads 974 and 975*, is \$4,224,000.

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

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### Details of Expenditure by Subhead

The estimate of the amount required in 2003–04 for subventing 15 major public bodies supported financially by the Government is \$33,956,787,000. This represents a decrease of \$437,855,000 against the revised estimate for 2002–03 and of \$111,783,000 against actual expenditure in 2001–02. Details of expenditure in respect of the two largest subheads and those with significant increases or decreases in provision are described below.

#### *Recurrent Account*

##### Subventions

**2** Provision of \$66,189,000 under *Subhead 429 Consumer Council* is for the recurrent grant to the Council. It represents a decrease of \$3,228,000 (4.7%) against the revised estimate for 2002–03. This is mainly due to the full-year effect of a reduction in subvention arising from the civil service pay reduction in 2002 and the achievement of efficiency savings by the Council.

**3** Provision of \$29,238,037,000 under *Subhead 514 Hospital Authority* is for the recurrent grant to the Hospital Authority. It represents a decrease of \$301,964,000 (1.0%) against the revised estimate for 2002–03. This is mainly due to a reduction of provision as a result of the 2002 civil service pay adjustment and 1.8% efficiency savings. It is partly offset by additional funds provided to take into account population growth, provision for the transfer of general out-patient clinics from the Department of Health, the introduction of family medicine practice in general out-patient clinics, strengthening the provision of extended care and supporting services in public hospitals, the provision of Chinese medicine out-patient services, and the enhancement of the elderly suicide prevention programme and EXITERS project.

**4** Provision of \$1,940,344,000 under *Subhead 520 Vocational Training Council* is for the recurrent grant to the Council. The provision includes an estimated sum of \$32,965,000 for the salaries and allowances of civil servants working for the Council which will be reimbursed to the Government under Head 156—Government Secretariat: Education and Manpower Bureau *Subhead 003 Recoverable salaries and allowances*; \$16,398,000 for on-costs for civil servants working in VTC and \$8,351,000 for pension for staff on mixed service pension terms which will be paid into General Revenue; and \$1,882,630,000 for the salaries and allowances of staff employed by the Council and other expenses.

**5** Provision of \$377,984,000 under *Subhead 537 Employees Retraining Board* is for the recurrent subvention to the ERB. The decrease of \$17,896,000 (4.5%) against the revised estimate for 2002–03 is mainly due to general price decreases and reduced operating expenditure to support the Government's efficiency savings programme.

#### *Capital Account*

##### Subventions

**6** Provision of \$935,000 under *Subhead 899 Prince Philip Dental Hospital—minor plant, vehicles, equipment, maintenance, and improvement (block vote)* is for the procurement of plant and equipment, maintenance, and minor improvement works costing over \$150,000 but not exceeding \$2,000,000 for each project. The increase of \$195,000 (26.4%) over the revised estimate for 2002–03 is mainly due to the provision for two new items for installation of a laser welder and setting up an advanced Endodontics Centre, partly offset by the reduced requirement for upgrading the medical gas pipeline system.

**7** Provision of \$9,026,000 under *Subhead 973 Hong Kong Academy for Performing Arts—minor plant, vehicles and equipment (block vote)* is for new equipment and minor modification/renovation works costing above \$150,000 but not exceeding \$2,000,000 for each item. The decrease of \$1,600,000 (15.1%) against the revised estimate for 2002–03 is mainly due to reduced requirement for such items.

**8** Provision of \$27,795,000 under *Subhead 976 Vocational Training Council (block vote)* is for replacement and additional furniture and equipment for existing teaching and training venues requiring a subsidy of not more than \$2,000,000 each.

**9** Provision of \$370,000,000 under *Subhead 979 Hospital Authority—equipment and information systems (block vote)* is to cover expenditure on all equipment items and computerisation projects costing over \$150,000 each. The decrease of \$25,000,000 (6.3%) against the revised estimate for 2002–03 is mainly due to a reduced requirement for meeting outstanding payment for equipment items procured in previous years.

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

### Capital Account

#### Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2002	Revised estimated expenditure for 2002-03	Balance
			\$'000	\$'000	\$'000	\$'000
865	160	<i>Hong Kong Arts Development Council</i> Replacement of client database and file management system (CDFM).....	500	—	—	500
870	151	<i>Hong Kong Tourism Board</i> Developing and enhancing the information collection, infrastructure and information-based strategic planning and marketing capabilities of the Hong Kong Tourism Board...	9,900	—	5,000	4,900
871	118	<i>Vocational Training Council</i> Improving information technology infrastructure in the Vocational Training Council.....	31,967	31,305	199	463
	138	Enhancement of information technology infrastructure and services .....	176,900	93,000	37,452	46,448
			<u>208,867</u>	<u>124,305</u>	<u>37,651</u>	<u>46,911</u>
905	047	<i>Hong Kong Productivity Council</i> Repayment of loan to the Loan Fund ...	548,690	318,514	19,243	210,933
916	145	<i>Equal Opportunities Commission</i> Research and educational projects on equal pay for work of equal value ...	2,000	1,054	446	500
	155	Production of sector targeted training modules.....	1,520	—	520	1,000
			<u>3,520</u>	<u>1,054</u>	<u>966</u>	<u>1,500</u>
918	162	<i>Office of the Privacy Commissioner for Personal Data</i> Privacy policy research services.....	630	—	—	630
930	150	<i>Hong Kong Applied Science and Technology Research Institute Company Limited</i> Setting-up expenses for ASTRI.....	5,000	—	2,500	2,500
940	156	<i>Prince Philip Dental Hospital</i> Provision of dental equipment and furniture .....	7,041	5,158	1,198	685
941	158	<i>Hong Kong Sports Development Board</i> Procurement of urgently needed equipment .....	2,000	—	681	1,319

## Head 177 — SUBVENTIONS: NON-DEPARTMENTAL PUBLIC BODIES

### Capital Account—Cont'd.

#### Commitments—Cont'd.

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2002	Revised estimated expenditure for 2002–03	Balance
			\$'000	\$'000	\$'000	\$'000
942		<i>Hong Kong Academy for Performing Arts</i>				
	153	Replacement of sea water-cooled chiller no. 1 .....	3,000	—	2,100	900
	161	Installation of a virtual set studio software and hardware package .....	2,100	—	—	2,100
			<u>5,100</u>	<u>—</u>	<u>2,100</u>	<u>3,000</u>
955		<i>Consumer Council</i>				
	152	Review of web-based services and computer infrastructure of the Consumer Council .....	3,500	—	880	2,620
		Total .....	<u>794,748</u>	<u>449,031</u>	<u>70,219</u>	<u>275,498</u>