

Head 26 — CENSUS AND STATISTICS DEPARTMENT

Controlling officer: the Commissioner for Census and Statistics will account for expenditure under this Head.

Estimate 2007–08 **\$475.2m**

Establishment ceiling 2007–08 (notional annual mid-point salary value) representing an estimated 1 186 non-directorate posts as at 31 March 2007 reducing by three posts to 1 183 posts as at 31 March 2008..... **\$301.2m**

In addition, there will be an estimated seven directorate posts as at 31 March 2007 and as at 31 March 2008.

Controlling Officer's Report

Programmes

Programme (1) Trade Statistics	This programme contributes to Policy Area 6: Commerce and Industry (Secretary for Commerce, Industry and Technology) and Policy Area 27: Intra-Governmental Services (Secretary for Financial Services and the Treasury).
Programme (2) Social Statistics	These programmes contribute to Policy Area 27: Intra-Governmental Services (Secretary for Financial Services and the Treasury).
Programme (3) National Accounts and Balance of Payments Statistics	
Programme (4) General Statistical Services	
Programme (5) Price/Industry/Service Statistics	This programme contributes to Policy Area 17: Information Technology and Broadcasting (Secretary for Commerce, Industry and Technology) and Policy Area 27: Intra-Governmental Services (Secretary for Financial Services and the Treasury).
Programme (6) Labour Statistics	This programme contributes to Policy Area 27: Intra-Governmental Services (Secretary for Financial Services and the Treasury).

Detail

Programme (1): Trade Statistics

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	120.0	144.6	117.0 (–19.1%)	144.8 (+23.8%)
				(or +0.1% on 2006–07 Original)

Aim

2 The aim is to process import/export declarations and cargo manifests, to safeguard the Government's revenue from import/export declaration charges, and to produce and analyse trade statistics.

Brief Description

3 The work involves:

- processing import/export declarations submitted by importers/exporters and cargo manifests submitted by carriers;
- matching import/export declarations and cargo manifests to ensure full collection of import/export declaration charges;
- designing commodity classification systems and compiling trade statistics;
- conducting monthly surveys on trade related to outward processing in the Mainland;
- conducting surveys on re-export trade for estimating the rates of re-export margin;
- collecting data for adjusting import statistics to a free-on-board basis to facilitate compilation of national income and balance of payments statistics and international comparison of trade data;

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- compiling import/export specification price indices; and
- compiling port cargo statistics and container statistics.

4 The key performance measures are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
provision of statistics requiring simple action (working days).....	1.0	0.2	0.2	0.2
provision of photocopies or softcopies containing detailed information upon receipt of a firm order (working days)....	3	2	2	2
assistance in completion of import/export declarations or cargo manifests				
simple enquiries by telephone or personal visit (minutes)	5Ω	4	4	4
complex enquiries by telephone or personal visit (working days)	2	1	1	1
written enquiries (working days).....	2Δ	1	1	1
time after reference period for release of monthly trade statistics (weeks).....	4	4	4	4

Ω Target improved from six to five minutes as from 2007.

Δ Target improved from three to two working days as from 2007.

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
import/export declarations checked (million).....	18.9	19.5	20.3
cargo manifests processed (million)	8.1	9.6	9.9
statistical reports/publications produced	9	9	9
surveys conducted	4	4	4

Matters Requiring Special Attention in 2007–08

5 The Department will continue to support the use of electronic submission services for import/export declarations and cargo manifests.

Programme (2): Social Statistics

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	70.1	128.9	130.3 (+1.1%)	64.1 (–50.8%)
				(or –50.3% on 2006–07 Original)

Aim

6 The aim is to produce and analyse demographic, labour force and social statistics, and to maintain a register of quarters as a sampling frame for conducting household surveys.

Brief Description

7 The work involves:

- conducting population censuses/by-censuses at five-yearly intervals;
- compiling vital statistics and population statistics and making population projections;
- conducting a continuous General Household Survey with a core part to collect data on the labour force, employment, unemployment and underemployment and a supplementary part to collect data on a variety of social topics;

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- organising the Thematic Household Survey (THS) series to meet the statistical data requirements of bureaux and departments under a contracting-out mode; and
 - maintaining an up-to-date register of quarters.
- 8 The key performance measures are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
provision of statistics requiring simple action (working days).....	1	1	1	1
provision of photocopies or softcopies containing detailed information upon receipt of a firm order (working days)....	5	4	4	4
time after reference period or time-point for release of				
half-yearly population statistics (months)	2.0	1.5	1.5	1.6@
annual vital statistics (months).....	7.5	7.5	7.5	7.5
unemployment and underemployment statistics for three-month periods (days).....	18	19§	18	18

@ Slightly longer time is required to take account of the 2006 Population By-census (06BC) results in compiling population statistics.

§ The target of 18 days was not met in 2005 as the release dates for a few months were delayed by the loss of working days arising from the timing of weekends and public holidays.

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
quarters records updated.....	184 500 [^]	130 900	133 000
households enumerated	87 400 [#]	303 500 ^β	82 000
statistical systems maintained/enhanced/developed	10	10	10
statistical reports/publications produced	14	12	29^Ψ
surveys conducted [∇]	3 [#]	4 ^φ	3[¶]

[^] The increase in 2005 was due to the conduct of a special updating exercise for the 06BC.

[#] Including the Pilot Survey of the 06BC.

^β The increase in 2006 was due to the conduct of the 06BC and the corresponding Post Enumeration Survey (PES).

^Ψ The increase in 2007 is mainly due to the release of publications on the 06BC results.

[∇] Including the THS series contracted out to private survey research firms.

^φ Including the 06BC and the corresponding PES.

[¶] Including the institution survey on persons with disabilities and chronic diseases.

Matters Requiring Special Attention in 2007–08

9 The 06BC was conducted between 15 July and 1 August 2006. Summary results will be released in February/March 2007. Other reports relating to the 06BC will be published in stages in subsequent months. The Department will compile revised population projections making use of the latest available information. It is expected that the projections will be available in around mid-2007.

Programme (3): National Accounts and Balance of Payments Statistics

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	67.9	68.8	65.8 (-4.4%)	68.7 (+4.4%)
				(or -0.1% on 2006–07 Original)

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Aim

10 The aim is to produce and analyse Gross Domestic Product (GDP), Gross National Product (GNP), Balance of Payments (BoP) and related statistics in a timely and accurate manner, and to assist in the preparation of Government's forecasts of various economic aggregates.

Brief Description

11 The work involves:

- compiling quarterly and annual GDP and GNP statistics based on international statistical standards recommended in "A System of National Accounts" of the United Nations;
- compiling quarterly and annual BoP and external debt statistics as well as annual statistics on international investment position in accordance with the standard stipulated in "The Fifth Edition of the Balance of Payments Manual" of the International Monetary Fund;
- conducting survey work for collecting data required for the compilation of annual external direct investment statistics as well as quarterly and annual GNP and BoP statistics; and
- performing econometric modelling related to the production of short-term and medium-term forecasts of economic aggregates.

12 The key performance measures are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
provision of statistics requiring simple action (working days).....	1.0	0.4	0.4	0.4
time after reference period for release of various statistics (months)				
quarterly GDP by expenditure component.....	2.5	2.0	1.7	1.6
annual GDP by expenditure component.....	2.5	2.0	2.0	2.0
quarterly GDP by economic activity.....	3.0	2.9	2.8	2.7
annual GDP by economic activity.....	12	11	11	11
quarterly GNP.....	3.0	2.6	2.6	2.5
annual GNP.....	3.0	2.6	2.6	2.5
quarterly BoP statistics.....	3.0	3.0	2.9	2.7
annual BoP statistics.....	3.0	3.0	2.9	2.7
annual external direct investment statistics.....	15	12	12	12
annual statistics on international investment position.....	6.0	5.5	5.4	5.4
quarterly external debt statistics.....	3.0	3.0	2.9	2.7
annual external debt statistics.....	3.0	3.0	2.9	2.7

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
statistical reports/publications produced.....	4	4	4
surveys conducted.....	1	1	1

Matters Requiring Special Attention in 2007–08

13 The Department will continue to enhance the methodology and compilation framework in respect of national accounts and BoP statistics in line with the latest international standards.

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Programme (4): General Statistical Services

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	22.6	23.3	22.1 (–5.2%)	22.5 (+1.8%)
				(or –3.4% on 2006–07 Original)

Aim

14 The aim is to provide statistical consultancy services and to maintain quality standards in statistical work.

Brief Description

15 The work involves:

- providing professional assistance to bureaux and departments in statistical work and promoting statistical literacy and application of statistics in the community;
- co-ordinating statistical work to ensure data compatibility and maintain quality standards;
- publishing general digests of statistics;
- promoting and facilitating further improvement of statistical services under the Department's e-government strategy, including continuous enhancement of the Department's website and the online statistical bookstore;
- promoting the re-dissemination of official statistics through data agencies and information providers in the private sector; and
- co-ordinating and providing technical support for information technology (IT) applications in statistical work.

16 The key performance measures are:

Target

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
provision of statistics requiring simple action (working days).....	1	1	1	1

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
projects of bureaux and departments for which the Department has provided assistance	15	20	18
statistical reports/publications produced	6	5	6

Matters Requiring Special Attention in 2007–08

17 The need for objective, up-to-date and quality statistical information to facilitate policy planning in the Government as well as community understanding and discussion of public issues continues to increase. To address this need, the Department will continue to upgrade the quality of statistical services in respect of timeliness, relevance and user serviceability to ensure that the services are oriented to the needs of users. It will continue to give attention to co-ordinating statistical activities across government departments to ensure data compatibility and maintain quality standards.

18 The Department will continue to promote statistical literacy and application of statistics in the community through, for example, organising seminars to facilitate correct interpretation and proper use of statistical information.

19 Following the recommendations made in the Information Systems Strategy Study completed in 2004, the Department will launch a number of strategic IT projects to implement data capturing system and replace the Full Harmonized System on top of other strategic IT projects which have been launched already.

20 The Department will continue to use modern technologies in the collection of data and dissemination of statistical information to enhance efficiency. The Department will continue to enhance its website in respect of contents, value-added services and user friendliness. Efforts are also being made to encourage more data users to obtain statistical publications and survey respondents to submit survey questionnaires through electronic means.

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21 The Department has been making extensive collaboration with data agencies and information providers in the private sector in incorporating official statistics about Hong Kong in their information products and applications. Continuous efforts are being made in this direction to further promote the use of official statistics in the community by expanding the channels of data dissemination.

Programme (5): Price/Industry/Service Statistics

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	112.7	107.8	105.1 (–2.5%)	110.1 (+4.8%)
				(or +2.1% on 2006–07 Original)

Aim

22 The aim is to produce and analyse price, industry and service statistics.

Brief Description

23 The work involves:

- compiling on a monthly basis consumer price indices (CPIs) and index numbers relating to costs of labour and materials used in building and construction projects;
- conducting a household expenditure survey (HES) on a quinquennial basis to collect up-to-date information on household expenditure pattern for rebasing the CPIs;
- conducting a programme of annual economic surveys covering all major economic sectors to collect detailed structural data;
- conducting monthly and quarterly surveys to collect data for compiling short-term indicators of the performance of selected economic sectors;
- conducting an annual survey to collect data on trade in services and offshore trade;
- conducting an annual survey to collect both data and views of companies in Hong Kong representing parent companies located outside Hong Kong;
- conducting an annual survey to collect data on IT usage and penetration in the business sector; and
- conducting an annual survey to collect data on innovation activities, including research and development, in the business sector.

24 In 2006, the Department:

- expanded the Customer Window Scheme for survey data collection whereby statistical data were collected from prominent establishments involved in multi-surveys;
- expedited the release of sub-annual statistics on service industries, restaurant receipts and retail sales;
- compiled more science and technology statistics;
- started collecting more asset management data and their trial compilation;
- published a set of statistical indicators to measure Hong Kong as an information society;
- published the first set of inward Foreign Affiliates Trade in Services statistics for Hong Kong;
- expedited the release of annual statistics on trade in services and offshore trade by about five weeks;
- expedited the release of annual statistics on innovation activities in the business sector by about one week;
- conducted surveys to help assess the impact of the Mainland and Hong Kong Closer Economic Partnership Arrangement on the Hong Kong economy;
- released the results of the 2004–05 HES and new series of CPIs with updated weights; and
- continued to collect price data for the International Comparison Program (ICP).

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25 The key performance measures are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
provision of statistics requiring simple action (working days).....	1	1	1	1
provision of photocopies or softcopies containing detailed information upon receipt of a firm order (working days)....	4	4	4	4
time after reference period for release of results of various surveys (months)				
Monthly Survey of Retail Sales	1.2	1.2	1.0	1.0
Quarterly Survey of Industrial Production	2.6¶	2.6	2.6	2.6
Quarterly Survey of Restaurant Receipts and Purchases	1.5	1.5	1.4	1.4
Annual Survey of Industrial Production	12.0	11.1	11.0	11.0
Annual Survey of Wholesale, Retail and Import and Export Trades, Restaurants and Hotels	12.0	11.1	11.0	11.0
time after reference period for release of CPIs (days).....	23	22	21	21

¶ Target improved from 2.9 to 2.6 months as from 2007.

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
establishments enumerated	245 000	253 000	244 000Ψ
households enumerated	4 420	—Ω	—Ω
price quotations collected.....	589 000	596 000	569 000Ψ
statistical reports/publications produced	22	25Δ	25Δ
surveys conducted	33	32	31

Ψ The decrease in 2007 is due to the discontinuation of the old series of CPIs and completion of data collection for the ICP.

Ω The 2004–05 HES was completed in October 2005.

Δ The increases in 2006 and 2007 are mainly due to the adoption of a revised approach to count the number of reports/publications produced.

Matters Requiring Special Attention in 2007–08

26 During 2007–08, the Department will:

- continue to expand the Customer Window Scheme for survey data collection whereby statistical data are collected from prominent establishments involved in multi-surveys;
- start releasing more asset management statistics;
- collate statistics to measure Hong Kong as a knowledge-based economy;
- study the feasibility of compiling new statistics to measure the economic impact of innovation activities in the business sector; and
- study the feasibility of collecting data for compiling outward Foreign Affiliates Trade in Services statistics for Hong Kong.

Programme (6): Labour Statistics

	2005–06 (Actual)	2006–07 (Original)	2006–07 (Revised)	2007–08 (Estimate)
Financial provision (\$m)	57.2	56.2	57.8 (+2.8%)	65.0 (+12.5%)

(or +15.7% on
2006–07 Original)

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Aim

27 The aim is to produce and analyse statistics on employment, vacancies, wage and manpower requirements and to maintain a Central Register of Establishments (CRE) as a sampling frame for conducting establishment surveys.

Brief Description

28 The work involves:

- compiling employment, vacancies and wage statistics;
- compiling statistics on manpower requirements and training needs; and
- maintaining the CRE.

29 The key performance measures are:

Targets

	Target	2005 (Actual)	2006 (Actual)	2007 (Plan)
provision of statistics requiring simple action (working days).....	1	1	1	1
provision of photocopies or softcopies containing detailed information upon receipt of a firm order (working days)....	5	5	5	4
time after reference period for release of results of quarterly surveys (weeks)	13	13	13	13

Indicators

	2005 (Actual)	2006 (Actual)	2007 (Estimate)
records of establishments updated.....	386 000@	413 000	613 000β
establishments enumerated.....	676 000	538 000§	743 000β
statistical reports/publications produced	8	4#	4
surveys conducted	5φ	5Δ	4

@ Starting from the second quarter of 2005, the supply of licensing data of vehicles and drivers from the Transport Department to update the CRE was suspended for three quarters, accounting for a decrease of 68 000 records in 2005.

β A Special Updating Exercise for the implementation of the Hong Kong Standard Industrial Classification (HSIC) Version 2.0 will be conducted in around August 2007 to update 200 000 records.

§ The decrease in 2006 was attributable to the reduction in the sample size of the Quarterly Survey of Employment and Vacancies.

Starting from 2006, the Department ceased publishing four publications on detailed statistics of employment and vacancies because such statistics were no longer available after the sample reduction of the Quarterly Survey of Employment and Vacancies.

φ Including an ad hoc survey, namely Survey on the Provision of Statutory Employment Benefits by Employers.

Δ Including an ad hoc survey, namely Wage Survey of the Care Workers/Personal Care Workers engaged in elderly service in Elderly Homes.

Matters Requiring Special Attention in 2007–08

30 The Department will continue to modify the HSIC, taking into account the significant changes in local economic structure and improvements to be brought about by the “International Standard Industrial Classification (ISIC) of All Economic Activities, Revision 4” which the United Nations Statistical Commission plans to release in 2007. The new HSIC will be used by different establishment surveys of the Department progressively starting from 2008.

31 Upon the implementation of the new HSIC, parallel coding in the CRE, one under the current HSIC and the other under the new HSIC, will be made available to other survey systems to support conversion of industry codes. The number of establishments which may involve splitting or regrouping of industry codes and are active in the CRE is estimated to be around 200 000.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2005-06 (Actual) (\$m)	2006-07 (Original) (\$m)	2006-07 (Revised) (\$m)	2007-08 (Estimate) (\$m)
(1) Trade Statistics	120.0	144.6	117.0	144.8
(2) Social Statistics	70.1	128.9	130.3	64.1
(3) National Accounts and Balance of Payments Statistics.....	67.9	68.8	65.8	68.7
(4) General Statistical Services.....	22.6	23.3	22.1	22.5
(5) Price/Industry/Service Statistics	112.7	107.8	105.1	110.1
(6) Labour Statistics	57.2	56.2	57.8	65.0
	450.5	529.6	498.1 (-5.9%)	475.2 (-4.6%)

**(or -10.3% on
2006-07 Original)**

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2007-08 is \$27.8 million (23.8%) higher than the revised estimate for 2006-07. This is mainly due to the additional operating expenses for enhancing the processing and checking of import/export declarations and cargo manifests and increased salary provision arising from staff changes.

Programme (2)

Provision for 2007-08 is \$66.2 million (50.8%) lower than the revised estimate for 2006-07. This is mainly due to the reduced operating expenses arising from the completion of the fieldwork of the 06BC, deletion of three posts in 2007-08 and decreased salary provision arising from staff changes.

Programme (3)

Provision for 2007-08 is \$2.9 million (4.4%) higher than the revised estimate for 2006-07. This is mainly due to the increased salary provision arising from staff changes.

Programme (4)

Provision for 2007-08 is \$0.4 million (1.8%) higher than the revised estimate for 2006-07. This is mainly due to the increased salary provision arising from staff changes.

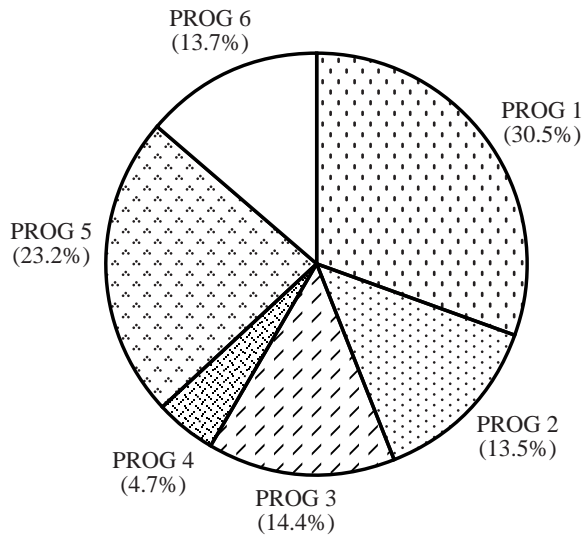
Programme (5)

Provision for 2007-08 is \$5.0 million (4.8%) higher than the revised estimate for 2006-07. This is mainly due to the increased salary provision arising from staff changes.

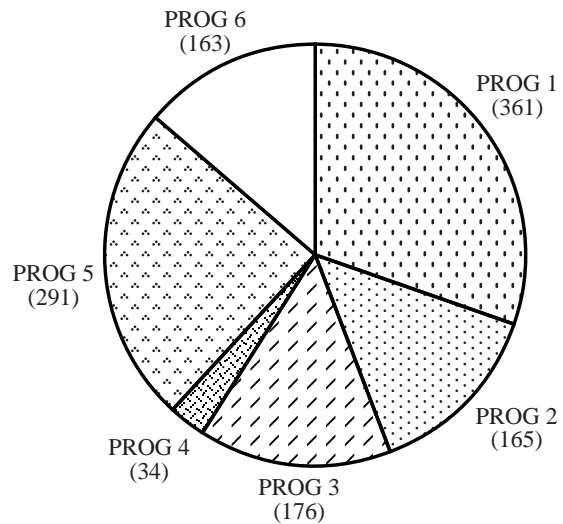
Programme (6)

Provision for 2007-08 is \$7.2 million (12.5%) higher than the revised estimate for 2006-07. This is mainly due to the additional operating expenses for the Special Updating Exercise for the implementation of the HSIC Version 2.0 and increased salary provision arising from staff changes.

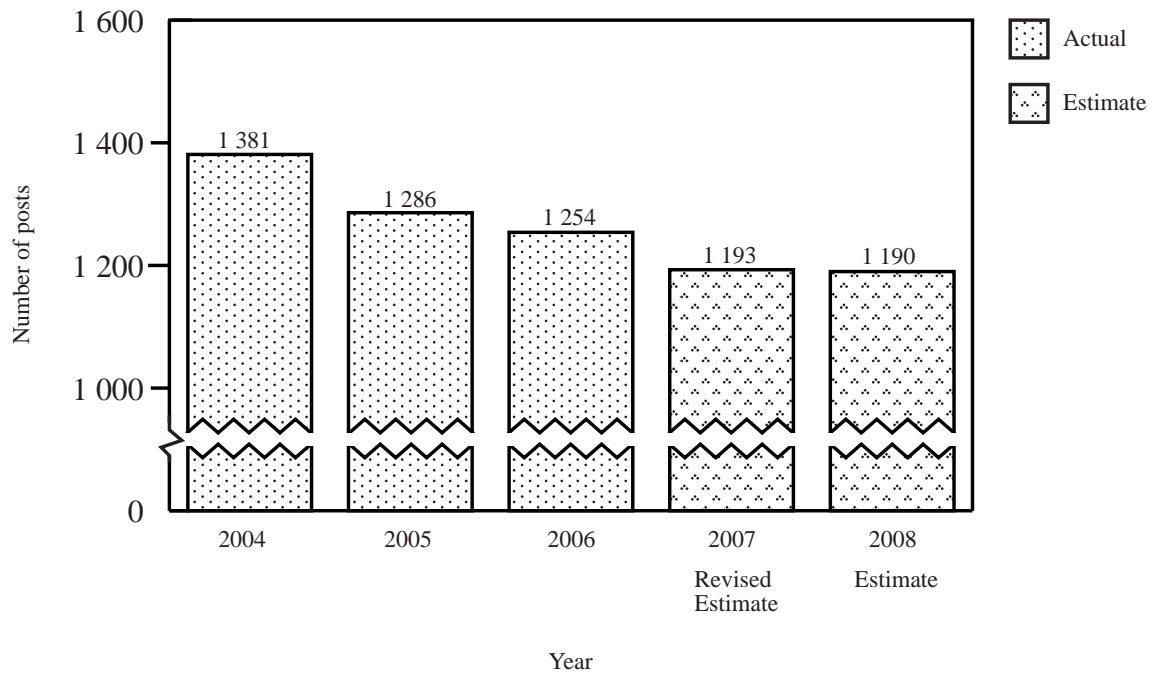
*Allocation of provision
to programmes
(2007-08)*



*Staff by programme
(as at 31 March 2008)*



*Changes in the size of the establishment
(as at 31 March)*



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Sub-head (Code)	Actual expenditure 2005-06	Approved estimate 2006-07	Revised estimate 2006-07	Estimate 2007-08	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses.....	450,486	529,519	498,071	475,211
	Total, Recurrent	450,486	529,519	498,071	475,211
	Total, Operating Account.....	450,486	529,519	498,071	475,211
Capital Account					
Plant, Equipment and Works					
	Minor plant, vehicles and equipment (block vote).....	—	33	33	—
	Total, Plant, Equipment and Works	—	33	33	—
	Total, Capital Account	—	33	33	—
	 Total Expenditure.....	 450,486	 529,552	 498,104	 475,211

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Details of Expenditure by Subhead

The estimate of the amount required in 2007–08 for the salaries and expenses of the Census and Statistics Department is \$475,211,000. This represents a decrease of \$22,893,000 against the revised estimate for 2006–07 and an increase of \$24,725,000 over actual expenditure in 2005–06.

Operating Account

Recurrent

2 Provision of \$475,211,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Census and Statistics Department.

3 The establishment as at 31 March 2007 will be 1 193 permanent posts. It is expected that three permanent posts will be deleted in 2007–08. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2007–08, but the notional annual mid-point salary value of all such posts must not exceed \$301,220,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2005–06 (Actual) (\$'000)	2006–07 (Original) (\$'000)	2006–07 (Revised) (\$'000)	2007–08 (Estimate) (\$'000)
Personal Emoluments				
- Salaries.....	391,183	405,599	386,330	392,001
- Allowances.....	2,534	3,826	2,670	2,593
- Job-related allowances	—	4	2	4
Personnel Related Expenses				
- Mandatory Provident Fund contribution.....	197	305	155	241
Departmental Expenses				
- General departmental expenses.....	56,339	119,551	108,680	80,138
Other Charges				
- Statistical Institute for Asia and the Pacific.....	233	234	234	234
	450,486	529,519	498,071	475,211