

Head 26 — CENSUS AND STATISTICS DEPARTMENT

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

Estimate 2008–09..... **\$484.7m**

Establishment ceiling 2008–09 (notional annual mid-point salary value) representing an estimated 1 183 non-directorate posts as at 31 March 2008 reducing by three posts to 1 180 posts as at 31 March 2009..... **\$321.1m**

In addition, there will be an estimated seven directorate posts as at 31 March 2008 and as at 31 March 2009.

Controlling Officer's Report

Programmes

Programme (1) Trade Statistics	This programme contributes to Policy Area 6: Commerce and Industry (Secretary for Commerce and Economic Development) 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 and Economic Development) 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

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	117.3	144.8	119.0 (–17.8%)	148.9 (+25.1%)
				(or +2.8% on 2007–08 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;
- conducting supplementary surveys to track the latest developments in the trade structure of Hong Kong;

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- collecting data for adjusting import statistics to a free-on-board basis to facilitate compilation of national income and balance of payments (BoP) statistics and international comparison of trade data;
 - compiling import/export specification price indices; and
 - compiling port cargo statistics and container statistics.
- 4 The key performance measures are:

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (Plan)
provision of statistics requiring simple action (working days)	0.5#	0.2	0.2	0.2
provision of photocopies or softcopies containing detailed information upon receipt of a firm order (working days)....	2.5§	2.0	2.0	2.0
assistance in completion of import/export declarations or cargo manifests				
simple enquiries by telephone or personal visit (minutes).....	5	4	4	4
complex enquiries by telephone or personal visit (working days).....	1.5@	1.0	1.0	1.0
written enquiries (working days).....	2	1	1	1
time after reference period for release of monthly trade statistics (weeks).....	4	4	4	4

Target improved from 1 to 0.5 working day as from 2008.

§ Target improved from 3 to 2.5 working days as from 2008.

@ Target improved from 2 to 1.5 working days as from 2008.

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
import/export declarations checked (million)	19.5	19.7	19.7
cargo manifests processed (million).....	9.6	9.6	9.6
statistical reports/publications produced.....	9	9	9
surveys conducted.....	4	4	5

Matters Requiring Special Attention in 2008–09

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

Programme (2): Social Statistics

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	127.8	64.1	66.1 (+3.1%)	60.8 (–8.0%)
				(or –5.1% on 2007–08 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;

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- 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;
 - 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	2006 (Actual)	2007 (Actual)	2008 (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 or time-point for release of				
half-yearly population statistics (months)	1.7§	1.5	1.6@	1.5
annual vital statistics (months)	7.5	7.5	7.5	7.5
unemployment and underemployment statistics for three-month periods (days)	18	18	18	18

∇ Target improved from five to four working days as from 2008.

§ Target improved from two to 1.7 months as from 2008.

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

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
quarters records updated	130 900#	134 000#	116 000
households enumeratedΔ	303 500β	83 000	83 000
statistical systems maintained/enhanced/developed	10	10	10
statistical reports/publications produced	12	32Ψ	15
surveys conductedΩ	4φ	4¶	2

More quarters records were updated in 2006 and 2007 owing to the special updating exercises for the 06BC and the government-wide Data Alignment Measures project respectively.

Δ Excluding households enumerated in the THS series contracted out to private survey research firms.

β More households were enumerated in 2006 owing to the conduct of the 06BC and the corresponding Post Enumeration Survey (PES).

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

Ω 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 and a survey conducted on parents of babies born in Hong Kong to Mainland women.

Matters Requiring Special Attention in 2008–09

9 Initial planning for the 2011 Population Census has commenced. The feasibility study (including business process re-engineering) for the supporting computer systems and web applications will be conducted in 2008–09.

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

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	65.6	68.7	71.3 (+3.8%)	75.2 (+5.5%)
				(or +9.5% on 2007–08 Original)

Aim

10 The aim is to produce and analyse Gross Domestic Product (GDP), Gross National Product (GNP), 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	2006 (Actual)	2007 (Actual)	2008 (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	1.7	1.6	1.6
annual GDP by expenditure component	2.5	2.0	2.0	2.0
quarterly GDP by economic activity ..	3.0	2.8	2.7	2.7
annual GDP by economic activity	12	11	11	11
quarterly GNP	3.0	2.6	2.5	2.5
annual GNP	3.0	2.6	2.5	2.5
quarterly BoP statistics	3.0	2.9	2.7	2.7
annual BoP statistics	3.0	2.9	2.7	2.7
annual external direct investment statistics	12#	12	12	12
annual statistics on international investment position	6.0	5.4	5.4	5.1
quarterly external debt statistics	3.0	2.9	2.7	2.7
annual external debt statistics	3.0	2.9	2.7	2.7

Target improved from 15 to 12 months as from 2008.

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
statistical reports/publications produced	4	5	4
surveys conducted	1	1	1

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Matters Requiring Special Attention in 2008–09

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.

Programme (4): General Statistical Services

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	21.9	22.5	24.7 (+9.8%)	24.7 (—)
				(or +9.8% on 2007–08 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;
- 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	2006 (Actual)	2007 (Actual)	2008 (Plan)
provision of statistics requiring simple action (working days)	1	1	1	1

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
projects of bureaux and departments for which the Department has provided assistance	20	16	16
statistical reports/publications produced	5	6	8

Matters Requiring Special Attention in 2008–09

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.

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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, navigation, user friendliness and value-added services. Efforts are also being made to encourage more data users to obtain statistical publications and survey respondents to submit survey questionnaires through electronic means.

Programme (5): Price/Industry/Service Statistics

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	104.6	110.1	109.2 (-0.8%)	111.8 (+2.4%)
				(or +1.5% on 2007–08 Original)

Aim

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

Brief Description

22 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.

23 In 2007, the Department:

- continued to expand the Customer Window Scheme for survey data collection whereby statistical data were collected from prominent establishments involved in multi-surveys through special arrangements;
- published the first set of asset management statistics for Hong Kong;
- published a suite of statistical indicators to help portrait the development of Hong Kong as a knowledge-based economy;
- published the first set of statistics on sectoral concentration for Hong Kong to measure the extent to which the businesses in individual economic sectors are concentrated in large establishments;
- started the feasibility study on the compilation of outward Foreign Affiliates Trade in Services (FATS) statistics for Hong Kong;
- expedited the release of annual statistics on trade in services and offshore trade by about three weeks;
- expedited the release of sub-annual statistics on restaurant receipts by about three days;
- conducted an ad hoc establishment survey to collect employers' views on their manpower training and job skills requirements over the medium term with a view to providing data required for the Manpower Projection to 2013 exercise; and
- continued to participate in the International Comparison Program (ICP).

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24 The key performance measures are:

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (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	1.0	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	1.4	1.3	1.2
Annual Survey of Industrial Production	12	11	11	11
Annual Survey of Wholesale, Retail and Import and Export Trades, Restaurants and Hotels	12	11	11	11
time after reference period for release of CPIs (days)	23	21	21	21

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
establishments enumerated	253 000	245 500Ψ	241 600Ψ
price quotations collected	596 000	571 000Ψ	567 000Ψ
statistical reports/publications produced.....	25	25	24
surveys conducted.....	32	31	31

Ψ The decreases in 2007 and 2008 are mainly due to the discontinuation of the old series of CPIs and completion of data collection for the ICP.

Matters Requiring Special Attention in 2008–09

25 During 2008–09, the Department will:

- study the feasibility of compiling new statistics to measure the economic impact of innovation activities in the business sector;
- compile more inward FATS statistics and continue to study the feasibility of collecting data for compiling outward FATS statistics for Hong Kong;
- further expedite the release of sub-annual statistics on restaurant receipts; and
- enhance various annual and sub-annual economic surveys so as to make way for adopting the new Hong Kong Standard Industrial Classification (HSIC) progressively in these surveys starting from 2009.

Programme (6): Labour Statistics

	2006–07 (Actual)	2007–08 (Original)	2007–08 (Revised)	2008–09 (Estimate)
Financial provision (\$m)	57.5	65.0	64.7 (–0.5%)	63.3 (–2.2%)
				(or –2.6% on 2007–08 Original)

Aim

26 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.

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Brief Description

27 The work involves:

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

28 The key performance measures are:

Targets

	Target	2006 (Actual)	2007 (Actual)	2008 (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#	5	4	4
time after reference period for release of results of quarterly surveys (weeks).....	13	13	13	13

Target improved from 5 to 4 working days as from 2008.

Indicators

	2006 (Actual)	2007 (Actual)	2008 (Estimate)
records of establishments updated	413 000	683 000 ^β	475 000
establishments enumerated	538 000	751 000 ^β	553 000
statistical reports/publications produced.....	4	4	4
surveys conducted.....	5 ^Δ	4	4

^β A Special Updating Exercise for the implementation of the HSIC Version 2.0 has been conducted since August 2007 to update around 210 000 records.

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

Matters Requiring Special Attention in 2008–09

29 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 of All Economic Activities, Revision 4” which the United Nations Statistical Commission intends to release in 2008. The new HSIC will be used by different establishment surveys of the Department progressively starting from 2008.

30 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 210 000.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2006-07 (Actual) (\$m)	2007-08 (Original) (\$m)	2007-08 (Revised) (\$m)	2008-09 (Estimate) (\$m)
(1) Trade Statistics.....	117.3	144.8	119.0	148.9
(2) Social Statistics.....	127.8	64.1	66.1	60.8
(3) National Accounts and Balance of Payments Statistics.....	65.6	68.7	71.3	75.2
(4) General Statistical Services.....	21.9	22.5	24.7	24.7
(5) Price/Industry/Service Statistics.....	104.6	110.1	109.2	111.8
(6) Labour Statistics.....	57.5	65.0	64.7	63.3
	494.7	475.2	455.0 (-4.3%)	484.7 (+6.5%)
				(or +2.0% on 2007-08 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2008-09 is \$29.9 million (25.1%) higher than the revised estimate for 2007-08. This is mainly due to the additional operating expenses for conducting supplementary surveys to track the latest development in the trade structure of Hong Kong and for enhancing the processing and checking of import/export declarations and cargo manifests; as well as increased salary provision for filling of vacancies and staff changes.

Programme (2)

Provision for 2008-09 is \$5.3 million (8.0%) lower than the revised estimate for 2007-08. This is mainly due to the reduced operating expenses arising from the completion of the 06BC and deletion of six posts in 2008-09, partly offset by the increased salary provision for filling of vacancies and staff changes.

Programme (3)

Provision for 2008-09 is \$3.9 million (5.5%) higher than the revised estimate for 2007-08. This is mainly due to the increased salary provision for filling of vacancies.

Programme (4)

Provision for 2008-09 is the same as the revised estimate for 2007-08.

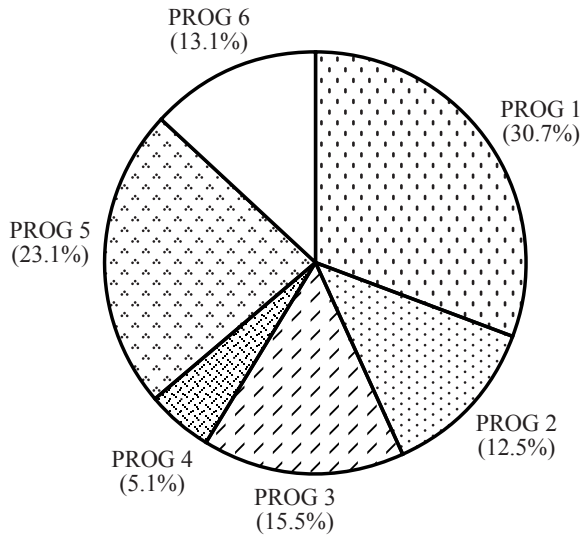
Programme (5)

Provision for 2008-09 is \$2.6 million (2.4%) higher than the revised estimate for 2007-08. This is mainly due to the increased salary provision for filling of vacancies and creation of three posts in 2008-09 for making preparation for the 2009-10 HES.

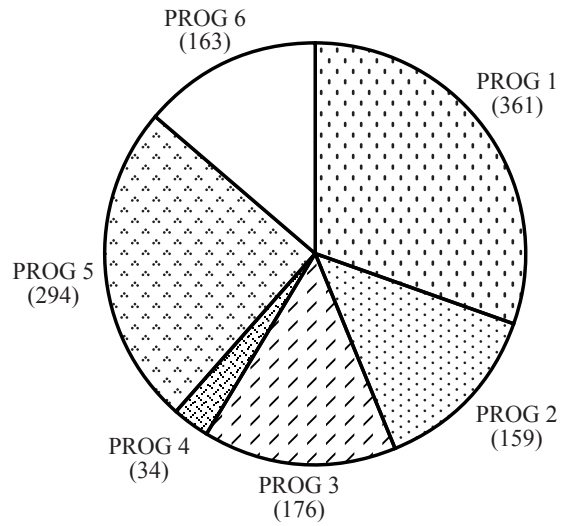
Programme (6)

Provision for 2008-09 is \$1.4 million (2.2%) lower than the revised estimate for 2007-08. This is mainly due to the reduced operating expenses arising from the completion of the fieldwork of the Special Updating Exercise for the implementation of the HSIC Version 2.0, partly offset by the increased salary provision for filling of vacancies and staff changes.

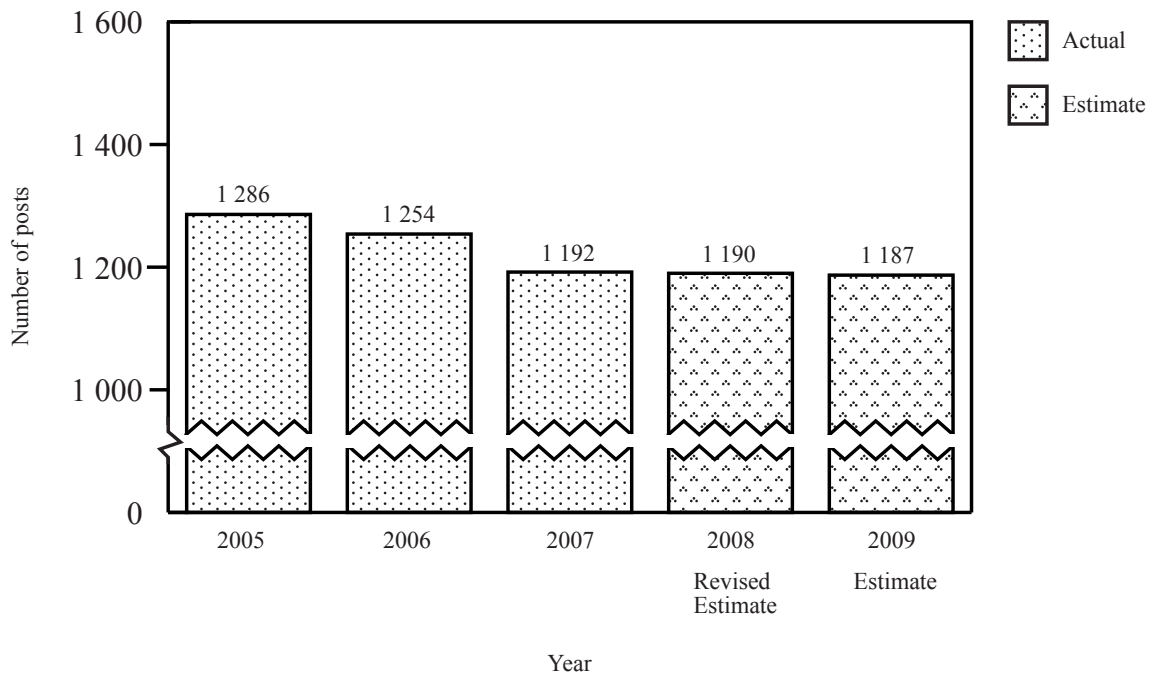
Allocation of provision to programmes (2008-09)



Staff by programme (as at 31 March 2009)



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



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Sub-head (Code)	Actual expenditure 2006-07	Approved estimate 2007-08	Revised estimate 2007-08	Estimate 2008-09	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
000	Operational expenses	494,686	475,211	455,046	484,715
	Total, Recurrent.....	494,686	475,211	455,046	484,715
	Total, Operating Account	494,686	475,211	455,046	484,715
Capital Account					
Plant, Equipment and Works					
	Minor plant, vehicles and equipment (block vote)	30	—	—	—
	Total, Plant, Equipment and Works.....	30	—	—	—
	Total, Capital Account.....	30	—	—	—
	Total Expenditure	494,716	475,211	455,046	484,715

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Details of Expenditure by Subhead

The estimate of the amount required in 2008–09 for the salaries and expenses of the Census and Statistics Department is \$484,715,000. This represents an increase of \$29,669,000 over the revised estimate for 2007–08 and a decrease of \$10,001,000 against actual expenditure in 2006–07.

Operating Account

Recurrent

2 Provision of \$484,715,000 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 2008 will be 1 190 permanent posts. It is expected that there will be a net decrease of three permanent posts in 2008–09. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2008–09, but the notional annual mid-point salary value of all such posts must not exceed \$321,074,000.

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

	2006–07 (Actual) (\$'000)	2007–08 (Original) (\$'000)	2007–08 (Revised) (\$'000)	2008–09 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	384,026	392,001	395,681	413,187
- Allowances	3,039	2,593	2,268	3,017
- Job-related allowances	—	4	1	4
Personnel Related Expenses				
- Mandatory Provident Fund contribution	138	241	67	674
- Civil Service Provident Fund contribution	—	—	125	230
Departmental Expenses				
- General departmental expenses	107,249	80,138	56,670	67,369
Other Charges				
- Statistical Institute for Asia and the Pacific	234	234	234	234
	494,686	475,211	455,046	484,715