

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

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

Permanent Secretary for the Civil Service (Subheads 001, 003, 010, 011, 023, 024, 025, 028, 037, 041 and 042)
 Registrar of Companies (Subhead 006)
 Chief Executive of Hong Kong Monetary Authority (Subhead 008)
 Land Registrar (Subhead 009)
 Director of Accounting Services (Subheads 013, 014, 020, 022, 032, 033, 038, 039 and 040)
 Director-General of Telecommunications (Subhead 081)
 Postmaster General (Subhead 082)
 Director of Electrical and Mechanical Services (Subhead 083)
 Permanent Secretary for Home Affairs (Subhead 084)
 Secretary-General, Independent Police Complaints Council (Subhead 086)

Estimate 2011–12..... **\$2,848.0m**

Establishment ceiling for Subhead 001 in 2011–12 (notional annual mid-point salary value) representing an estimated 359 non-directorate posts in the operational reserves as at 31 March 2011 and as at 31 March 2012 **\$125.3m**

Controlling Officer's Report

Programme

General Expenses of the Civil Service

This programme contributes to Policy Area 26: Central Management of the Civil Service (Secretary for the Civil Service).

Detail

	2009–10 (Actual)	2010–11 (Original)	2010–11 (Revised)	2011–12 (Estimate)
Financial provision (\$m)	2,664.0	2,792.7	2,667.5 (–4.5%)	2,848.0 (+6.8%)
				(or +2.0% on 2010–11 Original)

Aim

2 The aim is to pay for expenditure on terms and conditions of service and other personnel related expenses.

Brief Description

3 The Secretary for the Civil Service is in charge of the central management of the civil service. The Permanent Secretary for the Civil Service and the Director of Accounting Services are responsible for overall resource control of the general expenses of the civil service. These expenses include:

- expenses for recruitment, civil service examinations and operational reserves posts;
- allowances under the Home Purchase, Home Financing, Private Tenancy Allowance, Accommodation Allowance, Rent Allowance and Non-accountable Cash Allowance Schemes;
- passage expenses and personal allowances; and
- expenses relating to the relief and welfare of eligible officers and pensioners, and various awards and assistance to eligible officers.

4 Performance under this programme was generally maintained in 2010 as compared with 2009.

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

5 The key performance indicators in respect of general expenses of the civil service are:

Indicators

	2009 (Actual)	2010 (Actual)	2011 (Estimate)
candidates of common recruitment examinations and other examinations conducted by Civil Service Bureau	101 232	83 823	83 900
recipients of long and meritorious service travel award.....	2 031	2 091	2 110
housing benefits			
recipients of home purchase allowance.....	14 645	14 775	14 940
recipients of private tenancy allowance	662	645	645
recipients of home financing allowance	2 965	2 529	2 460
recipients of accommodation allowance	56	51	49
recipients of rent allowance	1	1	3
recipients of non-accountable cash allowance	518	793	1 180
recipients of leave passage allowance.....	1 442	1 480	1 670
students receiving school passage allowance	4 335	4 689	4 320
students receiving local education allowance.....	20 377	19 889	19 830
students receiving overseas education allowance.....	3 004	3 036	3 030

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

ANALYSIS OF FINANCIAL PROVISION

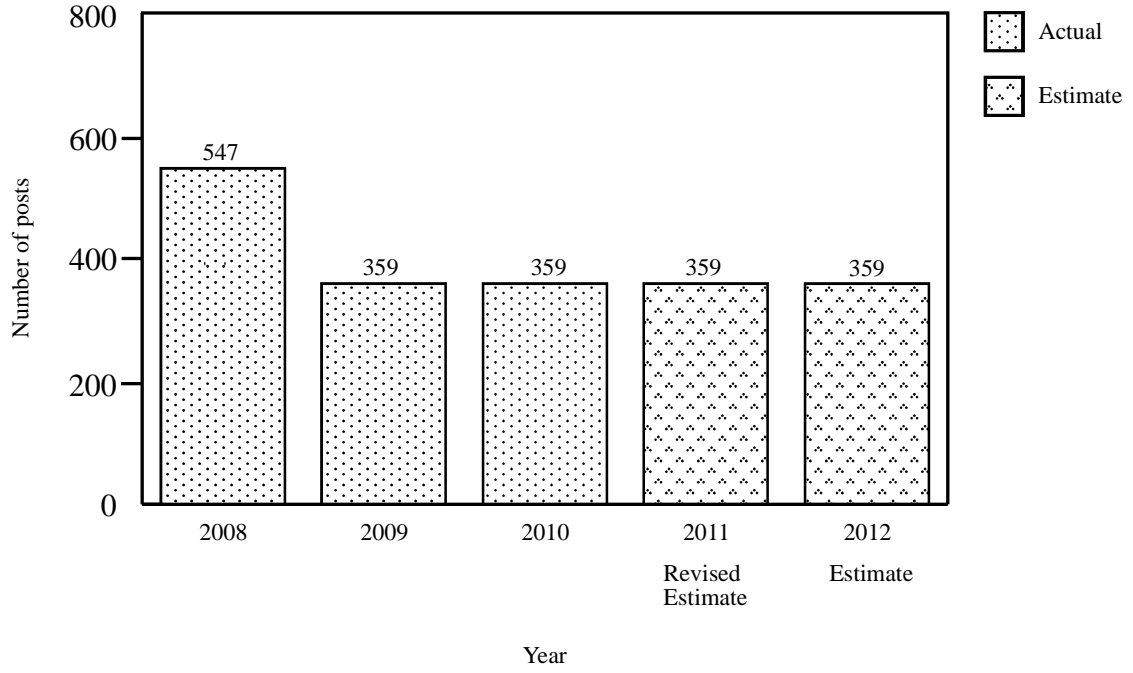
Programme	2009–10 (Actual) (\$m)	2010–11 (Original) (\$m)	2010–11 (Revised) (\$m)	2011–12 (Estimate) (\$m)
General Expenses of the Civil Service	2,664.0	2,792.7	2,667.5 (–4.5%)	2,848.0 (+6.8%)
				(or +2.0% on 2010–11 Original)

Analysis of Financial and Staffing Provision

Provision for 2011–12 is \$180.5 million (6.8%) higher than the revised estimate for 2010–11. This is mainly due to the projected increase in the expenditure on housing allowances (other than the home financing allowance), education allowances, long and meritorious service travel award and passages, partly offset by the continued drop in the expenditure on home financing allowance.

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

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



Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Sub-head (Code)		Actual expenditure 2009–10	Approved estimate 2010–11	Revised estimate 2010–11	Estimate 2011–12
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
Personal Emoluments					
001	Salaries	55,622	60,387	60,387	63,689
003	Recoverable salaries and allowances (General)..... 695				
	<i>Deduct</i> reimbursements..... <u>Cr.695</u>	—	—	—	—
006	Recoverable salaries and allowances (Companies Registry Trading Fund)..... 114,000				
	<i>Deduct</i> reimbursements..... <u>Cr.114,000</u>	—	—	—	—
008	Recoverable salaries and allowances (Hong Kong Monetary Authority) 20,686				
	<i>Deduct</i> reimbursements..... <u>Cr.20,686</u>	—	—	—	—
009	Recoverable salaries and allowances (Land Registry Trading Fund) 173,550				
	<i>Deduct</i> reimbursements..... <u>Cr.173,550</u>	—	—	—	—
081	Recoverable salaries and allowances (Office of the Telecommunications Authority Trading Fund)..... 124,708				
	<i>Deduct</i> reimbursements..... <u>Cr.124,708</u>	—	—	—	—
082	Recoverable salaries and allowances (Post Office Trading Fund)..... 1,510,000				
	<i>Deduct</i> reimbursements..... <u>Cr.1,510,000</u>	—	—	—	—
083	Recoverable salaries and allowances (Electrical and Mechanical Services Trading Fund) 1,222,077				
	<i>Deduct</i> reimbursements..... <u>Cr.1,222,077</u>	—	—	—	—
084	Recoverable salaries and allowances (Legal Aid Services Council)..... 2,157				
	<i>Deduct</i> reimbursements..... <u>Cr.2,157</u>	—	—	—	—
086	Recoverable salaries and allowances (Independent Police Complaints Council) 3,626				
	<i>Deduct</i> reimbursements..... <u>Cr.3,626</u>	—	—	—	—
	Total, Personal Emoluments	55,622	60,387	60,387	63,689
Personnel Related Expenses					
010	Recruiting expenses.....	783	900	900	900
011	Civil service examinations	11,453	8,717	8,717	9,406
013	Personal allowances	724,792	767,630	729,087	785,633
014	Home purchase allowance.....	742,063	785,000	745,640	763,000
020	Payments to estates of deceased officers.....	12,737	16,300	14,700	15,500
022	Passages	143,529	148,538	158,101	160,070
023	Quartering	11,668	18,410	12,378	17,811
024	Staff relief and welfare	3,985	7,274	9,274	15,055
025	Long and Meritorious Service Travel Award Scheme.....	68,798	69,600	68,739	80,741
028	Legal assistance.....	2,199	4,200	2,200	1,448
032	Accommodation allowance	18,478	19,800	17,888	19,000
033	Home financing allowance	579,446	504,000	488,803	482,000
037	Pensioners' welfare fund	908	910	1,030	1,030
038	Private tenancy allowance	172,874	182,000	173,739	181,000
039	Rent allowance	180	500	256	800
040	Non-accountable cash allowance.....	114,038	198,000	175,017	250,000
041	Mandatory Provident Fund contribution	120	132	119	152

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Sub-head (Code)	Actual expenditure 2009–10	Approved estimate 2010–11	Revised estimate 2010–11	Estimate 2011–12
	\$'000	\$'000	\$'000	\$'000
Operating Account — Cont'd.				
Personnel Related Expenses— <i>Cont'd.</i>				
042 Civil Service Provident Fund contribution.....	300	449	542	774
Total, Personnel Related Expenses	2,608,351	2,732,360	2,607,130	2,784,320
Total, Recurrent	2,663,973	2,792,747	2,667,517	2,848,009
Total, Operating Account	2,663,973	2,792,747	2,667,517	2,848,009
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Total Expenditure	<u>2,663,973</u>	<u>2,792,747</u>	<u>2,667,517</u>	<u>2,848,009</u>

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Details of Expenditure by Subhead

The estimate of the amount required in 2011–12 for general expenses of the civil service, including the operational reserves and recurrent personnel related expenses, is \$2,848,009,000. This represents an increase of \$180,492,000 over the revised estimate for 2010–11 and of \$184,036,000 over actual expenditure in 2009–10.

Operating Account

Recurrent

Personal Emoluments

2 Provision of \$63,689,000 for personal emoluments represents an increase of \$3,302,000 over the revised estimate for 2010–11.

3 Provision under *Subhead 001* is for operational reserves, i.e. staff in the administrative, executive, secretarial and clerical grades who are required by departments to replace officers on leave or full-time training or for handover purposes and for staff required to undertake special and ad hoc projects.

4 Gross provision of \$695,000 under *Subhead 003* is for staff seconded to the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. Gross provision \$114,000,000 under *Subhead 006* is for staff working in the Companies Registry. Gross provision of \$20,686,000 under *Subhead 008* is for staff seconded to the Hong Kong Monetary Authority. Gross provision of \$173,550,000 under *Subhead 009* is for staff working in the Land Registry. Gross provision of \$124,708,000 under *Subhead 081* is for staff working in the Office of the Telecommunications Authority. Gross provision of \$1,510,000,000 under *Subhead 082* is for staff working in the Post Office. Gross provision of \$1,222,077,000 under *Subhead 083* is for staff working wholly on trading fund activities in the Electrical and Mechanical Services Department. Gross provision of \$2,157,000 under *Subhead 084* is for staff seconded to the Legal Aid Services Council. Gross provision of \$3,626,000 under *Subhead 086* is for staff seconded to the Independent Police Complaints Council.

5 The establishment of the operational reserves will be 359 permanent non-directorate posts as at 31 March 2011 and remain the same as at 31 March 2012.

6 Subject to certain conditions, the controlling officer for *Subhead 001* may under delegated power create or delete non-directorate posts during 2011–12, but the notional annual mid-point salary value of all such posts must not exceed \$125,320,000.

7 The establishment of staff for which the salaries and allowances are recoverable under *Subheads 003, 006, 008, 009, 081, 082, 083, 084 and 086* as at 31 March 2011 will be 9 919 permanent posts and one supernumerary directorate post. It is expected that there will be a net decrease of two permanent posts in 2011–12.

8 Subject to certain conditions, the controlling officers for *Subheads 003, 006, 008, 009, 081, 082, 083, 084 and 086* may under delegated power create or delete non-directorate posts during 2011–12, the cost of which is reimbursed by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (for *Subhead 003*), the Companies Registry Trading Fund (for *Subhead 006*), the Hong Kong Monetary Authority (for *Subhead 008*), the Land Registry Trading Fund (for *Subhead 009*), the Office of the Telecommunications Authority Trading Fund (for *Subhead 081*), the Post Office Trading Fund (for *Subhead 082*), the Electrical and Mechanical Services Trading Fund (for *Subhead 083*), the Legal Aid Services Council (for *Subhead 084*) and the Independent Police Complaints Council (for *Subhead 086*). Before exercising his delegated power, the controlling officer is required to ensure that the gross estimate under each respective subhead must not be exceeded without the prior approval of the Secretary for Financial Services and the Treasury. The controlling officers for *Subheads 003, 084 and 086* are required to obtain the endorsement of the relevant organisations that their proposals and the associated financial implications are acceptable.

Personnel Related Expenses

9 Expenses on allowances under the following subheads include provisions for civil servants, Judges and Judicial Officers and Independent Commission Against Corruption (ICAC) officers where applicable.

10 Provision of \$900,000 under *Subhead 010 Recruiting expenses* is for expenses in respect of recruitment for administrative and general grades, and for other miscellaneous recruiting expenses.

11 Provision of \$9,406,000 under *Subhead 011 Civil service examinations* is mainly for the payment of remuneration to examiners, moderators and invigilators and for other minor expenses for examinations within, and for appointments to, the civil service.

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

12 Provision of \$785,633,000 under *Subhead 013 Personal allowances* is for the payment of standard personal allowances to eligible officers. It comprises—

- \$768,923,000 for the payment of local and overseas education allowances to officers whose eligible children are receiving education either locally or overseas. Only officers offered appointment before 1 August 1996 are eligible for overseas education allowance, and only officers offered appointment before 1 June 2000 are eligible for local education allowance;
- \$16,700,000 for the payment of allowance in lieu of the provision of furniture and domestic appliances (only eligible officers offered appointment before 1 May 1999 are eligible for furniture and domestic appliances allowances); and the payment of house allowance to officers with a substantive monthly salary at Point 34 of the Master Pay Scale (or equivalent) or above who live in accommodation which they own themselves or which is owned by a member of their immediate family (only eligible officers offered appointment before 1 October 1990 are eligible for house allowance); and
- \$10,000 for the payment of air-conditioning allowance to eligible Judges and Judicial Officers. Provision of air-conditioning allowance has been ceased for civil servants and ICAC officers with effect from 1 October 2006.

13 Provision of \$763,000,000 under *Subhead 014 Home purchase allowance* is for the payment of home purchase allowance to eligible officers offered appointment before 1 June 2000.

14 Provision of \$15,500,000 under *Subhead 020 Payments to estates of deceased officers* is for the payment in respect of earned vacation leave to the estates of eligible officers who die in service.

15 Provision of \$160,070,000 under *Subhead 022 Passages* is for the payment of leave passage allowance, passages and related expenditure, including baggage and travelling allowances, in respect of eligible officers and their dependants, and children of eligible officers being educated overseas. The provision comprises—

- \$74,622,000 for the payment of leave passage allowance; and
- \$85,448,000 for the payment of school passage.

Eligible officers offered appointment on or after 1 June 2000 are eligible for non-accountable leave passage allowance for themselves only and not their family members. Only dependants of officers offered appointment before 1 August 1996 are eligible for school passage.

16 Provision of \$17,811,000 under *Subhead 023 Quartering* is for expenses incidental to the provision of housing benefits to eligible officers, and also expenses incurred when temporary accommodation needs to be provided to eligible officers. It represents an increase of \$5,433,000 (43.9%) over the revised estimate for 2010–11. Expenditure on the housing allowance for disciplined services in 2010–11 is expected to be lower than normal because of the Government's initiative to pay two months' rent for public rental housing tenants and the rates concession in the 2010–11 financial year, and the Housing Authority's one-month rent waiver for the month of September 2010.

17 Provision of \$15,055,000 under *Subhead 024 Staff relief and welfare* is for the relief and welfare of eligible officers, including the purchase of retirement souvenirs and commemorative awards for long and meritorious service. It represents an increase of \$5,781,000 (62.3%) over the revised estimate for 2010–11. This is mainly due to a significant increase in the number of officers who will have 30 years of government service in 2011–12 and be eligible for the award.

18 Provision of \$80,741,000 under *Subhead 025 Long and Meritorious Service Travel Award Scheme* is for recreational overseas travel for eligible officers and their spouses, in recognition of long and meritorious service. It represents an increase of \$12,002,000 (17.5%) over the revised estimate for 2010–11. This is mainly due to the anticipated upward adjustment of the rate of travel allowance in accordance with the revision mechanism and the increase in the number of eligible officers for the travel award.

19 Provision of \$1,448,000 under *Subhead 028 Legal assistance* is for legal assistance to officers involved or likely to be involved in court proceedings for criminal offences, civil actions, death inquests, etc. as a result of their official duties. The decrease of \$752,000 (34.2%) against the revised estimate for 2010–11 is mainly because of the higher level of expenditure incurred in 2010–11 from the ongoing actions of cases approved in previous years.

20 Provision of \$19,000,000 under *Subhead 032 Accommodation allowance* is for the payment of accommodation allowance to eligible officers offered appointment between 1 October 1990 and 31 December 1998.

21 Provision of \$482,000,000 under *Subhead 033 Home financing allowance* is for the payment of home financing allowance to eligible officers offered appointment before 1 June 2000.

22 Provision of \$1,030,000 under *Subhead 037 Pensioners' welfare fund* is for the payment of one-off grants to pensioners and dependants in financial hardship.

23 Provision of \$181,000,000 under *Subhead 038 Private tenancy allowance* is for the payment of private tenancy allowance to eligible officers offered appointment before 1 October 1990.

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

24 Provision of \$800,000 under *Subhead 039 Rent allowance* is for the payment of rent allowance to eligible officers offered appointment between 1 January 1999 and 31 May 2000. The increase of \$544,000 (212.5%) over the revised estimate for 2010–11 is mainly due to the anticipated increase in the average number of recipients in 2011–12 through salary progression and promotion. There are only two recipients in 2010–11.

25 Provision of \$250,000,000 under *Subhead 040 Non-accountable cash allowance* is for the payment of non-accountable cash allowance to eligible officers who are offered appointment on or after 1 June 2000. The increase of \$74,983,000 (42.8%) over the revised estimate for 2010–11 is mainly due to the anticipated increase in the average number of recipients in 2011–12 through salary progression, promotion and new appointment. The number of recipients in 2010–11 is relatively small.

26 Provision of \$152,000 under *Subhead 041 Mandatory Provident Fund contribution* is for the employer's contribution under Mandatory Provident Fund Scheme for staff put under operational reserves. The increase of \$33,000 (27.7%) over the revised estimate for 2010–11 is mainly due to the expected increase in requirement in 2011–12.

27 Provision of \$774,000 under *Subhead 042 Civil Service Provident Fund contribution* is for the Government's contribution under the Civil Service Provident Fund Scheme for staff put under operational reserves. The increase of \$232,000 (42.8%) over the revised estimate for 2010–11 is mainly due to the expected increase in requirement in 2011–12.