

APPENDIX B

TRENDS IN PUBLIC EXPENDITURE

1992-1993 TO 1997-1998

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INTRODUCTION

The purpose of this appendix is to present trends in public expenditure over the period 1992-1993 to 1997-1998. This analysis is expressed in public expenditure terms as defined in Table 4 of Appendix A and includes expenditure by the trading funds, the Hong Kong Housing Authority, the Urban Council, the Regional Council and the Lotteries Fund. It shows the actual and estimated recurrent and total expenditure during this period and expresses this in terms of ten main policy area groups:

- Community and External Affairs
- Economic
- Education
- Environment
- Health
- Housing
- Infrastructure
- Security
- Social Welfare
- Support

Where appropriate, policy area groups are further analysed by policy areas.

2 Details of the individual heads of expenditure contributing to a particular policy area are provided in an index in Volume I of the 1997-1998 Estimates. This index further provides details by head of expenditure of individual programmes which contribute to a policy area.

3 The analysis provided in this appendix shows how resources have been and will, in 1997-1998, be allocated to different policy area groups. Where appropriate historical figures have been adjusted to comply with the current classification of expenditure.

HISTORICAL PERSPECTIVE: THE MAJOR FEATURES

4 The changing share of expenditure on policy area groups from 1992-1993 to 1997-1998 is illustrated in Tables 1 and 2. Table 1 relates to recurrent public expenditure and Table 2 to total public expenditure.

Recurrent Public Expenditure by Policy Area Group 1992-1993 to 1997-1998*Table 1*

Policy Area Groups	Actual				Revised Estimate	Draft Estimate
	1992-1993	1993-1994	1994-1995	1995-1996	1996-97	1997-1998
	%	%	%	%	%	%
(A) Community and External Affairs						
(1) District and Community Relations	0.8	0.7	0.7	0.7	0.8	0.8
(2) Recreation, Culture and Amenities	5.3	5.3	5.3	5.1	5.2	5.1
(3) Other	0.3	0.3	0.3	0.3	0.3	0.3
	6.4	6.3	6.3	6.1	6.3	6.2
(B) Economic	5.9	5.7	5.3	4.9	4.9	5.1
(C) Education	21.3	21.4	21.9	21.8	21.5	21.2
(D) Environment	0.9	1.2	1.5	1.6	1.6	1.7
(E) Health	13.5	13.8	14.2	14.4	14.2	14.4
(F) Housing	5.6	6.7	6.5	7.2	7.3	7.6
(G) Infrastructure						
(1) Buildings, Lands and Planning	2.3	1.8	1.9	1.8	1.8	1.8
(2) Transport	1.5	1.5	1.3	1.3	1.3	1.4
(3) Water Supply	2.8	2.7	2.6	2.7	2.6	2.6
	6.6	6.0	5.8	5.8	5.7	5.8
(H) Security						
(1) Immigration	1.3	1.2	1.2	1.2	1.1	1.1
(2) Internal Security	13.6	12.9	12.2	11.3	10.8	10.1
(3) Other	1.7	1.6	1.7	1.6	1.7	1.8
	16.6	15.7	15.1	14.1	13.6	13.0
(I) Social Welfare	7.7	8.4	8.7	9.5	10.5	10.9
(J) Support	15.5	14.8	14.7	14.6	14.4	14.1
	100.0	100.0	100.0	100.0	100.0	100.0
	\$m	\$m	\$m	\$m	\$m	\$m
Total Recurrent Public Expenditure	91,260	105,255	119,920	138,693	159,745	179,560

Total Public Expenditure by Policy Area Group 1992-1993 to 1997-1998

Table 2

Policy Area Groups	Actual				Revised Estimate	Draft Estimate
	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998
	%	%	%	%	%	%
(A) Community and External Affairs						
(1) District and Community Relations	0.6	0.5	0.5	0.5	0.6	0.6
(2) Recreation, Culture and Amenities	4.8	4.6	4.8	4.8	5.1	4.8
(3) Other	0.3	0.2	0.3	0.2	0.3	0.3
	5.7	5.3	5.6	5.5	6.0	5.7
(B) Economic	6.1	8.0	4.4	4.6	4.9	4.7
(C) Education	17.9	16.4	17.4	17.6	18.0	18.2
(D) Environment	2.5	2.0	2.7	2.9	3.0	3.3
(E) Health	11.0	11.9	11.6	12.7	11.5	11.4
(F) Housing	10.5	10.7	11.9	10.0	11.9	12.9
(G) Infrastructure						
(1) Buildings, Lands and Planning	6.4	6.3	6.4	5.6	4.1	5.7
(2) Transport	4.8	5.8	6.4	5.3	4.2	3.0
(3) Water Supply	2.9	2.8	3.0	3.1	2.8	2.6
	14.1	14.9	15.8	14.0	11.1	11.3
(H) Security						
(1) Immigration	1.0	0.9	0.9	0.9	0.9	0.8
(2) Internal Security	10.9	9.2	9.3	9.3	9.2	8.1
(3) Other	1.3	1.1	1.2	1.2	1.3	1.4
	13.2	11.2	11.4	11.4	11.4	10.3
(I) Social Welfare	6.0	5.9	6.6	7.4	8.4	8.5
(J) Support	13.0	13.7	12.6	13.9	13.8	13.7
	100.0	100.0	100.0	100.0	100.0	100.0
	\$m	\$m	\$m	\$m	\$m	\$m
Total Public Expenditure	123,490	155,207	165,950	191,338	217,195	248,380

5 Recurrent public expenditure and total public expenditure in 1996-1997 and 1997-1998, analysed by policy area groups, are shown in Tables 3 and 4 respectively together with details of the real growths in expenditure between the two years.

Analysis of Recurrent Public Expenditure by Policy Area Group

Table 3

Policy Area Groups	Revised Estimate	Draft Estimate	Increase In Real
	1996-1997	1997-1998	Terms
	\$m	\$m	%
(A) Community and External Affairs			
(1) District and Community Relations	1,185	1,370	+ 8.5
(2) Recreation, Culture and Amenities	8,305	9,125	+ 2.7
(3) Other	525	575	+ 2.5
	10,015	11,070	+ 3.4
(B) Economic	7,890	9,205	+ 9.0
(C) Education	34,350	38,115	+ 3.4
(D) Environment	2,540	3,140	+15.5
(E) Health	22,740	25,795	+ 6.5
(F) Housing	11,695	13,630	+ 9.2
(G) Infrastructure			
(1) Buildings, Lands and Planning	2,885	3,300	+ 7.6
(2) Transport	2,080	2,470	+11.5
(3) Water Supply	4,170	4,665	+ 3.3
	9,135	10,435	+ 6.5
(H) Security			
(1) Immigration	1,830	1,920	- 1.1
(2) Internal Security	17,180	18,170	- 1.0
(3) Other	2,710	3,220	+10.6
	21,720	23,310	+ 0.5
(I) Social Welfare	16,745	19,495	+ 9.4
(J) Support	22,915	25,365	+ 4.6
Total Recurrent Public Expenditure	159,745	179,560	+ 5.3

Analysis of Total Public Expenditure by Policy Area Group

Table 4

Policy Area Groups	Revised Estimate	Draft Estimate	Increase In Real Terms
	1996-1997	1997-1998	
	\$m	\$m	%
(A) Community and External Affairs			
(1) District and Community Relations	1,335	1,545	+ 8.4
(2) Recreation, Culture and Amenities	11,130	11,955	+ 0.3
(3) Other	550	605	+ 3.4
	13,015	14,105	+ 1.3
(B) Economic	10,545	11,625	+ 3.4
(C) Education	39,165	45,315	+ 7.7
(D) Environment	6,550	8,080	+14.4
(E) Health	25,050	28,215	+ 5.7
(F) Housing	25,845	32,140	+16.0
(G) Infrastructure			
(1) Buildings, Lands and Planning	9,050	14,115	+44.9
(2) Transport	9,080	7,505	- 22.8
(3) Water Supply	6,050	6,515	- 0.3
	24,180	28,135	+ 8.1
(H) Security			
(1) Immigration	1,880	2,045	+ 2.2
(2) Internal Security	19,985	20,150	- 5.6
(3) Other	2,870	3,400	+10.3
	24,735	25,595	- 3.1
(I) Social Welfare	18,225	21,195	+ 9.1
(J) Support	29,885	33,975	+ 6.9
Total Public Expenditure	217,195	248,380	+ 6.9

INDEX OF POLICY AREA GROUPS

Policy Area		
Policy Area Group	Description	Reference
Community and External Affairs	District and Community Relations	19
	Recreation, Culture and Amenities	18
	Broadcasting and Entertainment	17
Economic	Air and Sea Communications	3
	Employment	8
	Financial Services	1
	Food Supply	2
	Posts, Telecommunications and Power	4
	Public Safety	7
	Trade and Industry	6
	Travel and Tourism	5
Education	Education	16
Environment	Environmental Protection	23
Health	Health	15
Housing	Housing	31
Infrastructure	Buildings, Lands and Planning	22
	Transport	21
	Water Supply	24
Security	Immigration Control	10
	Internal Security	9
	Administration of Justice	12
	Anti-Corruption	13
	Legal Administration	11
	Legal Aid	20
Social Welfare	Social Welfare	14
Support	Central Management of the Civil Service	26
	Complaints Against Maladministration	30
	Constitutional and Transitional Affairs	28
	Intra-Governmental Services	27
	Revenue Collection and Financial Control	25
	Support for Members of the Legislative Council	29

Note : The Policy Area reference corresponds with that used in the Index of Policy Areas in the Estimates of expenditure.