

Head 46 —GENERAL EXPENSES OF THE CIVIL SERVICE

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

Secretary for the Civil Service (Subheads 001, 003, 010, 011, 023, 024, 025, 027, 028 and 037)
 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 and 039)
 Director-General of Telecommunications (Subhead 081)
 Postmaster General (Subhead 082)
 Director of Electrical and Mechanical Services (Subhead 083)
 Director of Administration (Subhead 084)

Estimate 2000-01 **\$5,330.4m**

Establishment ceiling for Subhead 001 in 2000-01 (notional annual mid-point salary value) representing an estimated 521 non-directorate posts in the operational reserves at 31 March 2000 and rising by 150 posts to 671 posts at 31 March 2001 **\$188.3m**

Controlling Officers' 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

	1998-99 (Actual)	1999-2000 (Approved)	1999-2000 (Revised)	2000-01 (Estimate)
Financial provision (\$m)	4,529.6	4,877.2 (+7.7%)	4,992.8 (+2.4%)	5,330.4 (+6.8%)

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 and is responsible for overall resource control of the general expenses of the civil service. These expenses include:

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

4 Performance under this programme was generally improved in 1999 as compared with 1998. In particular, there were increases in activities related to participants in housing benefit schemes.

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

Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
local advertisements for recruitment placed	32	—	24
civil service examinations.....	140	98	128
recipients of long service travel award.....	1 333	1 328	1 520
housing benefits			
recipients of home purchase allowance	13 247	13 918	15 010
recipients of private tenancy allowance.....	658	664	635

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	1998 (Actual)	1999 (Actual)	2000 (Estimate)
recipients of home financing allowance	9 112	10 200	10 350
recipients of accommodation allowance.....	205	205	200
recipients of rent allowance	N.A.#	5	270
claimants of leave passage allowance scheme.....	2 011	2 044	2 040
students participating in school passage allowance scheme.....	4 555	4 541	4 100
students participating in local education allowance scheme	19 650	19 732	21 900
students participating in overseas education allowance scheme	3 345	3 132	3 100

The Rent Allowance Scheme was introduced on 1 January 1999 for agreement officers appointed on Common Terms.

Matter Requiring Special Attention in 2000-01

- 6 During 2000-01, the Civil Service Bureau will:
- develop a new fringe benefits package for recruits.

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ANALYSIS OF FINANCIAL PROVISION

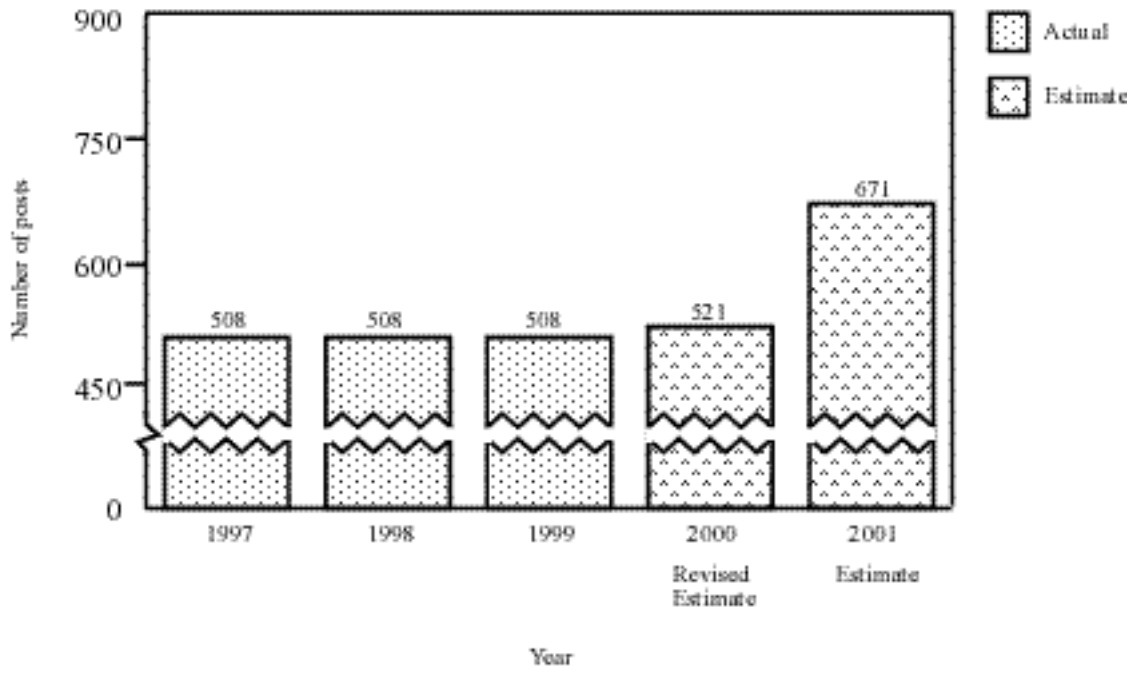
Programme	1998–99 (Actual) (\$m)	1999–2000 (Approved) (\$m)	1999–2000 (Revised) (\$m)	2000–01 (Estimate) (\$m)
General Expenses of the Civil Service.....	4,529.6	4,877.2 (+7.7%)	4,992.8 (+2.4%)	5,330.4 (+6.8%)

Analysis of Financial and Staffing Provision

Provision for 2000–01 is \$337.6 million (6.8%) higher than the revised estimate for 1999–2000. This is mainly due to projected increases in the required provision for housing benefit schemes, additional provision required for the outsourcing of medical examination services and the creation of up to 202 posts for varying periods under the central reserves for accommodating staff redeployed for justified time-limited projects arising mainly from the re-organisation of municipal services and other efficiency initiatives in bureaux or departments, partly offset by the deletion of three posts under the operational reserves arising from the rationalisation of the composition of operational reserves and savings from reduced miscellaneous recruiting expenditure under the Enhanced Productivity Programme.

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



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Sub-head (Code)		Actual expenditure 1998-99	Approved estimate 1999-2000	Revised estimate 1999-2000	Estimate 2000-01
	\$ 000	\$ 000	\$ 000	\$ 000	\$ 000
Recurrent Account					
I — Personal Emoluments					
001	Salaries	152,295	177,272	126,310	158,007
003	Recoverable salaries and allowances (General)..... 9,798				
	<i>Deduct reimbursements</i> <u>Cr.9,798</u>	—	—	—	—
006	Recoverable salaries and allowances (Companies Registry Trading Fund)..... 117,000				
	<i>Deduct reimbursements</i> <u>Cr.117,000</u>	—	—	—	—
008	Recoverable salaries and allowances (Hong Kong Monetary Authority).... 48,759				
	<i>Deduct reimbursements</i> <u>Cr.48,759</u>	—	—	—	—
009	Recoverable salaries and allowances (Land Registry Trading Fund)..... 171,940				
	<i>Deduct reimbursements</i> <u>Cr.171,940</u>	—	—	—	—
081	Recoverable salaries and allowances (Office of the Telecommunications Authority Trading Fund)..... 135,491				
	<i>Deduct reimbursements</i> <u>Cr.135,491</u>	—	—	—	—
082	Recoverable salaries and allowances (Post Office Trading Fund).....1,878,000				
	<i>Deduct reimbursements</i> <u>Cr.1,878,000</u>	—	—	—	—
083	Recoverable salaries and allowances (Electrical and Mechanical Services Trading Fund).....1,268,000				
	<i>Deduct reimbursements</i> <u>Cr.1,268,000</u>	—	—	—	—
084	Recoverable salaries and allowances (Legal Aid Services Council).....2,668				
	<i>Deduct reimbursements</i> <u>Cr.2,668</u>	—	—	—	—
	Total, Personal Emoluments	152,295	177,272	126,310	158,007
II — Personnel Related Expenses					
010	Recruiting expenses	1,378	2,695	1,002	11,693
011	Civil service examinations.....	6,098	7,850	3,520	8,180
013	Personal allowances	549,726	604,536	580,456	588,458
014	Home purchase allowance.....	1,042,594	1,030,000	1,096,000	1,170,000
020	Payments to estates of deceased officers	16,844	12,436	12,436	12,436
022	Passages	150,311	178,963	171,166	170,491
023	Quartering.....	14,453	28,886	14,700	26,811
024	Relief and welfare of civil servants	2,779	4,071	3,116	2,447
025	Long Service Travel Award Scheme	34,862	41,549	39,031	41,834
027	Staff Suggestion and Motivation Schemes.....	54	598	300	595
028	Legal assistance	632	1,900	1,900	1,500
032	Accommodation Allowance Scheme.....	87,972	80,000	80,000	69,000
033	Home Financing Scheme	2,264,564	2,490,000	2,660,000	2,840,000
037	Pensioners' welfare fund.....	476	781	781	790
038	Private tenancy allowance.....	204,603	206,000	198,167	173,000
039	Rent Allowance Scheme	—	9,670	3,930	55,152
	Total, Personnel Related Expenses	4,377,346	4,699,935	4,866,505	5,172,387
	Total, Recurrent Account	4,529,641	4,877,207	4,992,815	5,330,394
	Total Expenditure	<u>4,529,641</u>	<u>4,877,207</u>	<u>4,992,815</u>	<u>5,330,394</u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2000–01 for general expenses of the civil service, including the operational and staff redeployment reserves and recurrent personnel related expenses is \$5,330,394,000. This represents an increase of \$337,579,000 over the revised estimate for 1999–2000 and of \$800,753,000 on actual expenditure in 1998–99.

Recurrent Account

Personal Emoluments

2 Provision of \$158,007,000 for personal emoluments represents an increase of \$31,697,000 over the revised estimate for 1999–2000 and takes into account the creation of up to 202 posts in the course of the year for matching staff released for redeployment arising from the re-organisation of municipal services and other efficiency initiatives in bureaux and departments, partly offset by the deletion of three posts in operational reserves under the Enhanced Productivity Programme in 2000–01.

3 Provision under *Subhead 001* is made up of two parts. The first part 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. The second part is the newly created central reserves for staff redeployment. We have established a clearing house mechanism to help redeploy staff released arising from the re-organisation of municipal services and other efficiency initiatives in bureaux and departments to other bureaux and departments to carry out justified time-limited projects. The central reserves is used to accommodate these staff pending redeployment.

4 Gross provision of \$9,798,000 under *Subhead 003* is for staff seconded to the Hong Kong Export Credit Insurance Corporation, the Hong Kong Council for Academic Accreditation, the Airport Authority, the Securities and Futures Commission and the Mandatory Provident Fund Authority. Gross provision of \$117,000,000 under *Subhead 006* is for staff working in the Companies Registry. Gross provision of \$48,759,000 under *Subhead 008* is for staff seconded to the Hong Kong Monetary Authority. Gross provision of \$171,940,000 under *Subhead 009* is for staff working in the Land Registry. Gross provision of \$135,491,000 under *Subhead 081* is for staff working in the Office of the Telecommunications Authority. Gross provision of \$1,878,000,000 under *Subhead 082* is for staff working in the Post Office. Gross provision of \$1,268,000,000 under *Subhead 083* is for staff working wholly on trading fund activities in the Electrical and Mechanical Services Department. Gross provision of \$2,668,000 under *Subhead 084* is for staff seconded to the Legal Aid Services Council.

5 The establishment of the operational reserves at 31 March 2000 will be 521 permanent non-directorate posts. It is expected that three posts will be deleted in the operational reserves under the Enhanced Productivity Programme and up to 202 posts will be created in the central reserves for varying periods in 2000–01.

6 Subject to certain conditions, the controlling officer for *Subhead 001* may under delegated powers create or delete non-directorate posts during 2000–01 for the operational reserves and central reserves, but the notional annual mid-point salary value of all such posts must not exceed \$157,797,000 for operational reserves and \$30,477,000 for central reserves. The latter will reduce to \$24,499,000 by the end of the financial year.

7 The establishment of staff for which the salaries and allowances are recoverable under *Subheads 003, 006, 008, 009, 081, 082, 083* and *084* at 31 March 2000 will be 12 525 permanent posts and 52 supernumerary posts. It is expected that a net 31 permanent posts will be created in 2000–01.

8 Subject to certain conditions, the controlling officers for *Subheads 003, 006, 008, 009, 081, 082, 083* and *084* may under delegated powers create or delete non-directorate posts during 2000–01, the cost of which is reimbursed by the Hong Kong Export Credit Insurance Corporation, the Hong Kong Council for Academic Accreditation, the Airport Authority, the Securities and Futures Commission and the Mandatory Provident Fund Authority (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*) and the Legal Aid Services Council (for *Subhead 084*). Before exercising his delegated powers, 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 the Treasury. The controlling officers for *Subheads 003* and *084* are required to seek the endorsement of the relevant organisations that the proposals and their financial implications are acceptable.

Personnel Related Expenses

9 Provision of \$11,693,000 under *Subhead 010 Recruiting expenses* is for expenses in respect of recruitment for administrative and general grades, and for other miscellaneous recruiting expenses. The increase in \$10,691,000 (1 067.0%) over the revised estimate for 1999–2000 is mainly due to the anticipated increase in expenditure on recruitment of administrative and general grades officers and additional provision required for the outsourcing of medical examination services, partly offset by the savings from reduced miscellaneous recruiting expenditure under the Enhanced Productivity Programme.

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10 Provision of \$8,180,000 under *Subhead 011 Civil service examinations* is 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. The increase of \$4,660,000 (132.4%) over the revised estimate for 1999–2000 is mainly due to the expected resumption of the Common Recruitment Examination in 2000–01 and the anticipated increase in the number of candidates.

11 Provision of \$588,458,000 under *Subhead 013 Personal allowances* is for the payment of standard personal allowances to eligible officers. It comprises —

- \$567,500,000 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;
- \$15,944,000 for the payment of house allowance to officers with a substantive monthly salary at Point 34 of the Master Pay Scale or above who live in accommodation which they own themselves or which is owned by a member of their immediate family; the payment of allowance in lieu of the provision of furniture and domestic appliances; and the payment of rent allowance to officers posted to overseas offices;
- \$470,000 for the payment of allowance for air-conditioners for directorate officers. Only officers attaining Directorate level before 1 May 1999 are eligible for air-conditioning allowance; and
- \$4,544,000 for the payment of disturbance allowance to officers posted to overseas offices.

12 Provision of \$1,170,000,000 under *Subhead 014 Home purchase allowance* is for the payment of home purchase allowance to eligible officers. The increase of \$74,000,000 (6.8%) over the revised estimate for 1999–2000 is mainly due to the full-year provision for new entrants in 1999–2000 and additional provision for new entrants expected in 2000–01.

13 Provision of \$12,436,000 under *Subhead 020 Payments to estates of deceased officers* is for the payment in respect of earned vacation leave to the estates of civil servants who die in service.

14 Provision of \$170,491,000 under *Subhead 022 Passages* is to meet passage and related expenditure, such as baggage and travelling allowances, in respect of civil servants and their families eligible for overseas passages, and children of civil servants being educated overseas.

15 Provision of \$26,811,000 under *Subhead 023 Quartering* is for expenses incidental to the housing of eligible civil servants, and also to enable officers to be temporarily accommodated where necessary. The increase of \$12,111,000 (82.4%) over the revised estimate for 1999–2000 is mainly due to the lower-than-expected requirements of housing allowance for disciplined services and removal allowance in 1999–2000.

16 Provision of \$2,447,000 under *Subhead 024 Relief and welfare of civil servants* is for the relief and welfare of civil servants, including provision for Staff Welfare Fund for welfare and recreational activities, for the purchase of television sets for staff recreation rooms, for the purchase of retirement souvenirs and for the purchase of commemorative awards for long and meritorious service. The decrease of \$669,000 (21.5%) against the revised estimate for 1999–2000 is mainly due to the transfer of a portion of Staff Welfare Fund previously estimated for the two municipal services departments from the central pool to the respective new heads of expenditure and reduction in expenditure on retirement souvenirs.

17 Provision of \$41,834,000 under *Subhead 025 Long Service Travel Award Scheme* is for recreational overseas travel for local non-directorate officers and their spouses, in recognition of long and meritorious service. The increase of \$2,803,000 (7.2%) over the revised estimate for 1999–2000 is mainly due to the anticipated increase in number of recipients in 2000–01.

18 Provision of \$595,000 under *Subhead 027 Staff Suggestion and Motivation Schemes* is for giving awards in cash or in kind to civil servants who have made valuable suggestions to improve the efficiency of the civil service, and for sustaining the commitment of civil servants to the performance pledge programmes and to continuous improvement of service through educational programmes, publicity and awards. The increase of \$295,000 (98.3%) over the revised estimate for 1999–2000 is mainly due to the lower-than-expected expenditure on Staff Suggestion Scheme in 1999–2000.

19 Provision of \$1,500,000 under *Subhead 028 Legal assistance* is for legal assistance to officers involved or likely to be involved in court proceedings and coroners' and other formal inquiries as a result of their official duties. The decrease of \$400,000 (21.1%) against the revised estimate for 1999–2000 is mainly due to the anticipated decrease in number of applications in 2000–01.

20 Provision of \$69,000,000 under *Subhead 032 Accommodation Allowance Scheme* is for the payment of accommodation allowance to eligible officers. The decrease of \$11,000,000 (13.8%) against the revised estimate for 1999–2000 is mainly due to the lower average rate of accommodation allowance for 2000–01.

21 Provision of \$2,840,000,000 under *Subhead 033 Home Financing Scheme* is for the payment of home financing allowance to existing and new recipients. The increase of \$180,000,000 (6.8%) over the revised estimate for 1999–2000 is mainly due to the full-year provision for new entrants in 1999–2000 and additional provision for new entrants expected in 2000–01.

22 Provision of \$790,000 under *Subhead 037 Pensioners' welfare fund* is for the payment of one-off grants to pensioners and dependants in financial hardship.

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23 Provision of \$173,000,000 under *Subhead 038 Private tenancy allowance* is for the payment of private tenancy allowance to eligible officers. The decrease of \$25,167,000 (12.7%) against the revised estimate for 1999–2000 is mainly due to the lower average rate of private tenancy allowance for 2000–01.

24 Provision of \$55,152,000 under *Subhead 039 Rent Allowance Scheme* is for the payment of rent allowance to eligible officers for this new scheme started in January 1999. The increase of \$51,222,000 (1 303.4%) over the revised estimate for 1999–2000 is mainly due to additional provision for more new entrants expected in 2000–01 in anticipation of the impact arising from the full implementation of the scheme.