

Head 26 — CENSUS AND STATISTICS DEPARTMENT

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

Estimate 2006–07 **\$529.6m**

Establishment ceiling 2006–07 (notional annual mid-point salary value) representing an estimated 1 248 non-directorate posts as at 31 March 2006 reducing by 62 posts to 1 186 posts as at 31 March 2007 **\$317.0m**

In addition, there will be an estimated seven directorate posts as at 31 March 2006 and as at 31 March 2007.

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

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	131.5	147.1	140.7 (–4.4%)	144.6 (+2.8%)
				(or –1.7% on 2005–06 Original)

Aim

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

Brief Description

3 The work involves:

- processing trade declarations submitted by importers/exporters and cargo manifests submitted by carriers;
- matching trade declarations and cargo manifests to ensure full collection of import and 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;

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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 statistics and international comparison of trade data;
- compiling import and export specification price indices; and
- compiling port cargo statistics and container statistics.

4 In 2005, all performance targets were achieved.

5 The key performance measures are:

Targets

	Target	2004 (Actual)	2005 (Actual)	2006 (Plan)
provision of statistics requiring simple action (working days)	1	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 trade declarations or cargo manifests				
simple enquiries by telephone or personal visit (minutes)	6	4	4	4
complex enquiries by telephone or personal visit (working days)	2	1	1	1
written enquiries (working days)	3	1	1	1
time after reference period for release of monthly trade statistics (weeks).....	4	4	4	4

Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
trade declarations checked (millions)	18.3	18.9	19.8
cargo manifests processed (millions).....	8.7	8.1	8.5
statistical reports/publications produced.....	9	9	9
surveys conducted	3	4 [^]	4[^]

[^] The increase was due to the transfer of the Monthly Import/Export Price Survey from Programme (5).

Matters Requiring Special Attention in 2006–07

6 The efficiency of the computer system for backend processing of manifests implemented in 2005 as well as the quality of data submitted by cargo carriers in the electronic manifest system will be closely monitored.

Programme (2): Social Statistics

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	55.5	77.5	75.0 (–3.2%)	128.9 (+71.9%)
				(or +66.3% on 2005–06 Original)

Aim

7 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.

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Brief Description

8 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;
- 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.

9 In 2005, performance targets were achieved.

10 The key performance measures are:

Targets

	Target	2004 (Actual)	2005 (Actual)	2006 (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	1.6	1.5	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	19§	18

§ 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

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
quarters records updated.....	147 000	184 500 [^]	130 000
households enumerated ^Δ	86 000	87 400	306 100 ^π
statistical systems maintained/enhanced/developed	10	10	10
statistical reports/publications produced.....	14	14	15
surveys conducted [∞]	2	3 [#]	4 ^φ

[^] The increase in 2005 was due to the conduct of a special updating exercise for the 2006 Population By-census (06BC).

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

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

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

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

^φ Including the 06BC and the PES.

Matters Requiring Special Attention in 2006–07

11 The 06BC will be conducted in July/August 2006.

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

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	71.6	68.7	68.4 (–0.4%)	68.8 (+0.6%)
				(or +0.1% on 2005–06 Original)

Aim

12 The aim is to produce and analyse Gross Domestic Product (GDP), Gross National Product (GNP) and 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

13 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 and 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 (IMF);
- conducting survey work for collecting data required for the compilation of annual external direct investment statistics and 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.

14 In 2005, all performance targets were achieved.

15 The key performance measures are:

Targets

	Target	2004 (Actual)	2005 (Actual)	2006 (Plan)
provision of statistics requiring simple action (working days).....	1	0.4	0.4	0.4
time after reference period for release of various statistics (months)				
quarterly GDP by expenditure component	2.5	2	2	1.7
annual GDP by expenditure component	2.5	2	2	2
quarterly GDP by economic activity..	3	2.9	2.9	2.8
annual GDP by economic activity.....	12	11	11	11
quarterly GNP	3	2.6	2.6	2.6
annual GNP	3	2.6	2.6	2.6
quarterly BoP statistics.....	3	3	3	2.9
annual BoP statistics	3	3	3	2.9
annual external direct investment statistics	15	12	12	12
annual statistics on international investment position.....	6	5.6	5.5	5.4
quarterly external debt statistics.....	3	3	3	2.9
annual external debt statistics.....	3	3	3	2.9

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Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
statistical reports/publications produced.....	4	4	4
surveys conducted	1	1	1

Matters Requiring Special Attention in 2006–07

16 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

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	22.9	21.8	22.8 (+4.6%)	23.3 (+2.2%)
				(or +6.9% on 2005–06 Original)

Aim

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

Brief Description

18 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.

19 In 2005, statistical services provided to bureaux and departments were generally maintained.

20 The key performance measures are:

Target

	Target	2004 (Actual)	2005 (Actual)	2006 (Plan)
provision of statistics requiring simple action (working days).....	1	1	1	1

Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
projects of bureaux and departments for which the Department has provided assistance	14	15	15
statistical reports/publications produced.....	5	6	5

Matters Requiring Special Attention in 2006–07

21 The need for objective, up-to-date and quality statistical information to facilitate policy planning in the Government and understanding and discussion of public issues by the community 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

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co-ordinating statistical activities across government departments to ensure data compatibility and maintain quality standards.

22 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.

23 To follow up the recommendations of the Information Systems Strategy Study completed in 2004, a number of strategic IT projects have been launched to enhance departmental IT infrastructure, implement knowledge management, establish a common data processing and analysis platform, and review the business process and the feasibility of implementing department-wide data capturing systems.

24 The Department will continue to use modern technologies in the collection of data and dissemination of statistical information to enhance efficiency. A revamping of the Department's website, with enriched contents, enhanced navigation and new features to facilitate users in accessing statistical information in a faster, easier and more convenient manner has been completed. The Department will proactively gauge user feedback and continue to enhance the website in respect of contents, navigation and ease of use. Efforts are also being made to encourage more data users to obtain statistical publications and survey respondents to submit survey questionnaires through electronic means.

25 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

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	122.2	123.4	113.6 (–7.9%)	107.8 (–5.1%)
				(or –12.6% on 2005–06 Original)

Aim

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

Brief Description

27 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.

28 In 2005, the Department:

- published some newly available science and technology statistics;
- published a set of statistical indicators to measure Hong Kong as a knowledge-based economy;
- improved the quarterly and annual surveys on banking and financing sectors to collect more data on asset management;
- improved the sample design of the Quarterly Business Tendency Survey so as to enhance its capability in predicting economic trends;

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- expedited the release of annual statistics on trade in services and offshore trade by about six weeks;
- expedited the release of Annual Survey of Regional Offices Representing Overseas Companies in Hong Kong results by nearly three weeks;
- published a Tourism Satellite Account for inbound tourism of Hong Kong for the first time;
- conducted the 2004–05 HES; and
- continued to collect price data for the International Comparison Program (ICP).

29 In 2005, all performance targets were achieved.

30 The key performance measures are:

Targets

	Target	2004 (Actual)	2005 (Actual)	2006 (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	1.2	1
Quarterly Survey of Industrial Production	2.9	2.6	2.6	2.6
Quarterly Survey of Restaurant Receipts and Purchases.....	1.5	1.5	1.5	1.4
Annual Survey of Industrial Production	12	11.1	11.1	11
Annual Survey of Wholesale, Retail and Import and Export Trades, Restaurants and Hotels	12	11.1	11.1	11
time after reference period for release of CPIs (days)	23 [^]	22	22	21

[^] The target will be shortened from 24 to 23 days as from 2006 through streamlined work procedures.

Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
establishments enumerated	264 000	245 000#	244 000
households enumerated.....	1 750	4 420	— ^Ω
price quotations collected	634 000	589 000#	584 000
statistical reports/publications produced.....	21	22	23
surveys conducted	35	33	31

The decreases in 2005 were due to the transfer of the Monthly Import/Export Price Survey to Programme (1).

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

Matters Requiring Special Attention in 2006–07

31 During 2006–07, the Department will:

- release the results of the 2004–05 HES and new series of CPIs with updated weights;
- collect detailed price data for various goods and services and provide them to the Asian Development Bank for the compilation of purchasing power parities in connection with the ICP;
- expand the Customer Window Scheme for survey data collection whereby statistical data are collected from prominent establishments involved in multi-surveys;
- expedite the release of sub-annual statistics on service industries, restaurant receipts and retail sales;
- compile more science and technology statistics; and
- compile more asset management statistics.

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Programme (6): Labour Statistics

	2004–05 (Actual)	2005–06 (Original)	2005–06 (Revised)	2006–07 (Estimate)
Financial provision (\$m)	58.7	60.6	56.5 (–6.8%)	56.2 (–0.5%)
				(or –7.3% on 2005–06 Original)

Aim

32 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

33 The work involves:

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

34 In 2005, all performance targets were achieved.

35 The key performance measures are:

Targets

	Target	2004 (Actual)	2005 (Actual)	2006 (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	5
time after reference period for release of results of quarterly surveys (weeks).....	13	13	13	13

Indicators

	2004 (Actual)	2005 (Actual)	2006 (Estimate)
records of establishments updated.....	404 000	386 000 [^]	360 000
establishments enumerated.....	684 000	676 000	517 000 [§]
statistical reports/publications produced.....	8	8	4 [#]
surveys conducted	4	5 ^φ	5

[^] Starting from the second quarter of 2005, vehicles and drivers licensing integrated data were no longer available for updating the CRE.

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

[#] The Department will cease publishing the four publications on detailed statistics of employment and vacancies as from 2006 because detailed statistics will not be available after the sample size of the Quarterly Survey of Employment and Vacancies is reduced.

^φ An ad hoc survey, namely Survey on the Provision of Statutory Employment Benefits by Employers, was conducted in 2005.

Matters Requiring Special Attention in 2006–07

36 For greater cost-effectiveness, the Department will reduce the sample size of the Quarterly Survey of Employment and Vacancies from 55 000 to 32 000 as from 2006 while ensuring the representativeness of the statistics at aggregate levels. Detailed statistics for important industries and industries of growing significance will nevertheless continue to be compiled for relevant users.

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ANALYSIS OF FINANCIAL PROVISION

Programme	2004–05 (Actual) (\$m)	2005–06 (Original) (\$m)	2005–06 (Revised) (\$m)	2006–07 (Estimate) (\$m)
(1) Trade Statistics.....	131.5	147.1	140.7	144.6
(2) Social Statistics.....	55.5	77.5	75.0	128.9
(3) National Accounts and Balance of Payments Statistics.....	71.6	68.7	68.4	68.8
(4) General Statistical Services.....	22.9	21.8	22.8	23.3
(5) Price/Industry/Service Statistics.....	122.2	123.4	113.6	107.8
(6) Labour Statistics.....	58.7	60.6	56.5	56.2
	462.4	499.1	477.0 (–4.4%)	529.6 (+11.0%)
				(or +6.1% on 2005–06 Original)

Analysis of Financial and Staffing Provision

Programme (1)

Provision for 2006–07 is \$3.9 million (2.8%) higher than the revised estimate for 2005–06. This is mainly due to the additional provision for the maintenance of the computer system for the Government's backend processing of manifests and increased salary provision arising from staff changes, partly offset by the deletion of 16 posts in 2006–07.

Programme (2)

Provision for 2006–07 is \$53.9 million (71.9%) higher than the revised estimate for 2005–06. This is mainly due to the additional provision for the conduct of the 06BC, partly offset by the deletion of 30 posts in 2006–07 upon the completion of the fieldwork of the 06BC.

Programme (3)

Provision for 2006–07 is \$0.4 million (0.6%) higher than the revised estimate for 2005–06. This is mainly due to the increased salary provision arising from staff changes, partly offset by the deletion of ten posts in 2006–07.

Programme (4)

Provision for 2006–07 is \$0.5 million (2.2%) higher than the revised estimate for 2005–06. This is mainly due to the increased salary provision arising from staff changes.

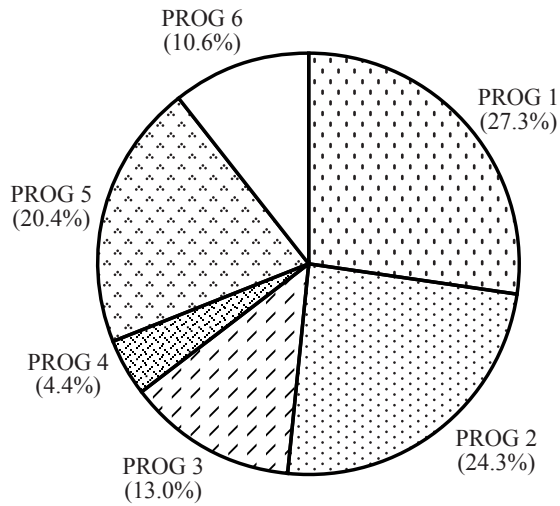
Programme (5)

Provision for 2006–07 is \$5.8 million (5.1%) lower than the revised estimate for 2005–06. This is mainly due to the deletion of three posts in 2006–07 and reduced operating expenses arising from the completion of the 2004–05 HES, partly offset by the increased salary provision arising from staff changes.

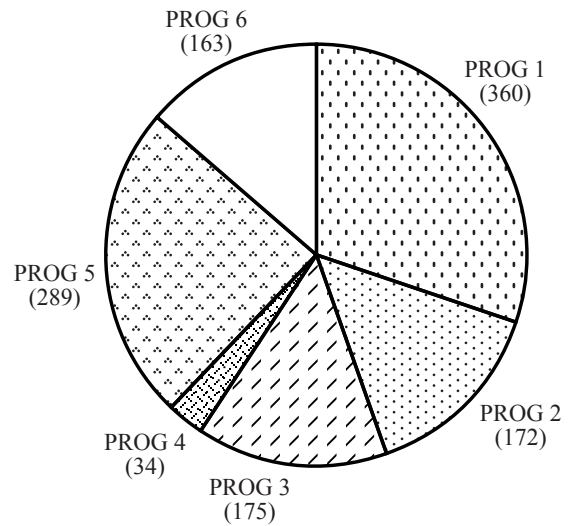
Programme (6)

Provision for 2006–07 is \$0.3 million (0.5%) lower than the revised estimate for 2005–06. This is mainly due to the deletion of three posts in 2006–07 and reduced departmental expenses, partly offset by the increased salary provision arising from staff changes.

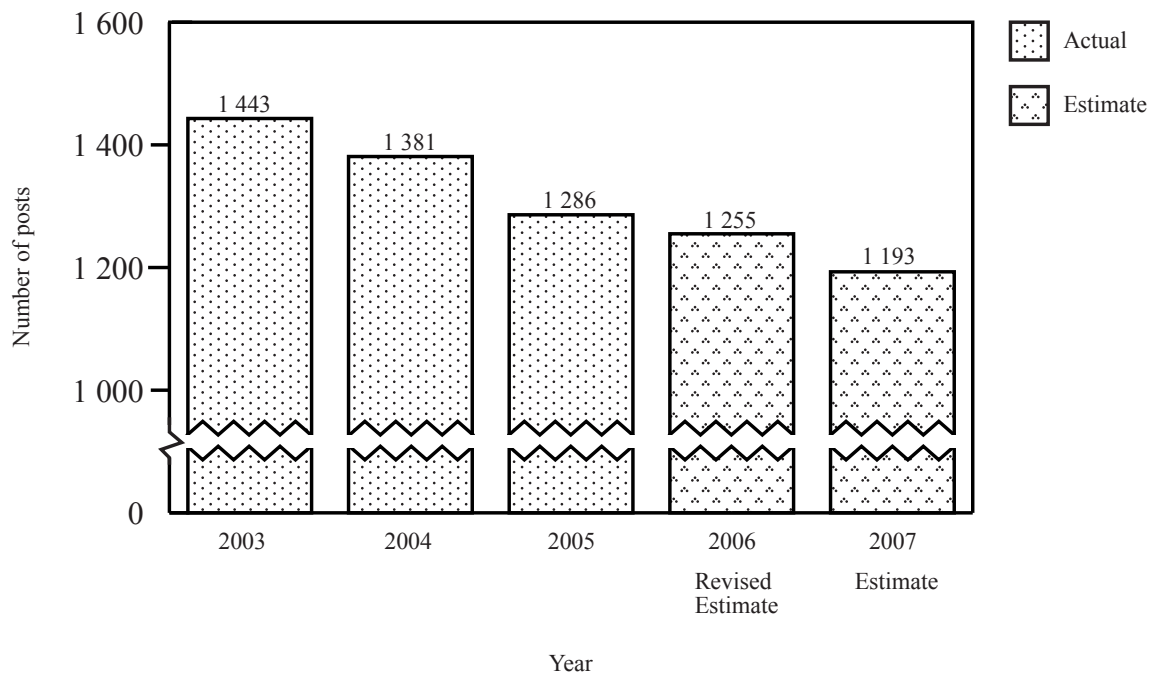
*Allocation of provision
to programmes
(2006-07)*



*Staff by programme
(as at 31 March 2007)*



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



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Sub-head (Code)	Actual expenditure 2004–05	Approved estimate 2005–06	Revised estimate 2005–06	Estimate 2006–07
	\$'000	\$'000	\$'000	\$'000
Operating Account				
Recurrent				
000 Operational expenses	462,316	499,035	476,944	529,519
Total, Recurrent.....	462,316	499,035	476,944	529,519
Total, Operating Account	462,316	499,035	476,944	529,519
Capital Account				
Plant, Equipment and Works				
661 Minor plant, vehicles and equipment (block vote)	70	43	10	33
Total, Plant, Equipment and Works	70	43	10	33
Total, Capital Account	70	43	10	33
Total Expenditure.....	462,386	499,078	476,954	529,552

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Details of Expenditure by Subhead

The estimate of the amount required in 2006–07 for the salaries and expenses of the Census and Statistics Department is \$529,552,000. This represents an increase of \$52,598,000 over the revised estimate for 2005–06 and of \$67,166,000 over actual expenditure in 2004–05.

Operating Account

Recurrent

2 Provision of \$529,519,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Census and Statistics Department. The increase of \$52,575,000 (11.0%) over the revised estimate for 2005–06 is mainly due to the additional provision for the conduct of the 06BC.

3 The establishment as at 31 March 2006 will be 1 255 permanent posts. It is expected that 62 permanent posts will be deleted in 2006–07. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during 2006–07, but the notional annual mid-point salary value of all such posts must not exceed \$317,026,000.

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

	2004–05 (Actual) (\$'000)	2005–06 (Original) (\$'000)	2005–06 (Revised) (\$'000)	2006–07 (Estimate) (\$'000)
Personal Emoluments				
- Salaries	418,010	427,480	408,831	405,599
- Allowances	1,933	3,034	3,034	3,826
- Job-related allowances	—	4	2	4
Personnel Related Expenses				
- Mandatory Provident Fund contribution	233	305	305	305
Departmental Expenses				
- General departmental expenses	41,906	67,978	64,538	119,551
Other Charges				
- Statistical Institute for Asia and the Pacific#	234	234	234	234
	<u>462,316</u>	<u>499,035</u>	<u>476,944</u>	<u>529,519</u>

Prior to 2005–06, expenses under this item were classified as “Subventions”. Starting from 2005–06, the provision for this item is re-classified as “Other Charges” to align with the classification for similar items involving payment of membership fees/subscriptions or miscellaneous contributions.

Capital Account

Plant, Equipment and Works

5 Provision of \$33,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$23,000 (230.0%) over the revised estimate for 2005–06. This is mainly due to the increased requirement for replacement of minor equipment.