

## Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

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**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 2009–10** ..... **\$3,007.7m**

**Establishment ceiling for Subhead 001 in 2009–10** (notional annual mid-point salary value representing an estimated 359 non-directorate posts in the operational reserves as at 31 March 2009 and as at 31 March 2010) ..... **\$127.3m**

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### 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

	2007–08 (Actual)	2008–09 (Original)	2008–09 (Revised)	2009–10 (Estimate)
Financial provision (\$m)	3,282.5	3,385.2	3,018.1 (–10.8%)	3,007.7 (–0.3%)
				(or –11.2% on 2008–09 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 2008 as compared with 2007.

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

*Indicators*

	2007 (Actual)	2008 (Actual)	<b>2009 (Estimate)</b>
candidates of common recruitment examinations and other examinations conducted by Civil Service Bureau.....	71 701	77 897	<b>77 900</b>
recipients of long and meritorious service travel award .....	1 911	1 899	<b>1 955</b>
housing benefits			
recipients of home purchase allowance .....	14 555	14 661	<b>14 740</b>
recipients of private tenancy allowance.....	684	673	<b>670</b>
recipients of home financing allowance .....	4 479	3 759	<b>2 919</b>
recipients of accommodation allowance.....	68	62	<b>61</b>
recipients of rent allowance .....	0	1	<b>2</b>
recipients of non-accountable cash allowance.....	201	332	<b>578</b>
recipients of leave passage allowance .....	1 676	1 525	<b>1 650</b>
students receiving school passage allowance .....	5 971	4 987	<b>4 940</b>
students receiving local education allowance.....	22 621	22 052	<b>23 370</b>
students receiving overseas education allowance.....	4 183	3 435	<b>3 410</b>

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### ANALYSIS OF FINANCIAL PROVISION

<b>Programme</b>	2007–08 (Actual) (\$m)	2008–09 (Original) (\$m)	2008–09 (Revised) (\$m)	<b>2009–10 (Estimate) (\$m)</b>
General Expenses of the Civil Service.....	3,282.5	3,385.2	3,018.1 (–10.8%)	<b>3,007.7 (–0.3%)</b>
				<b>(or –11.2% on 2008–09 Original)</b>

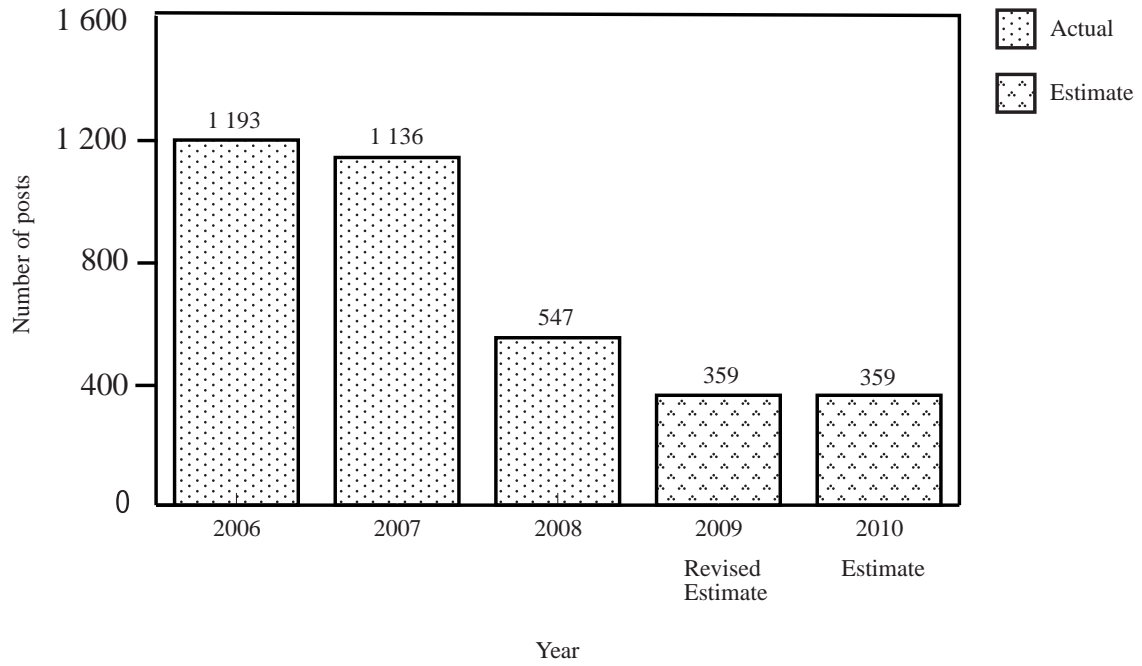
### Analysis of Financial and Staffing Provision

Provision for 2009–10 is \$10.4 million (0.3%) lower than the revised estimate for 2008–09. This is mainly due to reduced expenditure on Home Financing Scheme, partly offset by the projected increase in the required provision for local education allowance and other housing allowances.

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



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Sub-head (Code)		Actual expenditure 2007-08	Approved estimate 2008-09	Revised estimate 2008-09	Estimate 2009-10
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Account</b>					
Recurrent					
Personal Emoluments					
001	Salaries.....	96,324	63,165	65,420	<b>61,142</b>
003	Recoverable salaries and allowances (General).....				
	<i>Deduct</i> reimbursements ..... <i>Cr.691</i>	—	—	—	—
006	Recoverable salaries and allowances (Companies Registry Trading Fund).....	115,000			
	<i>Deduct</i> reimbursements ..... <i>Cr.115,000</i>	—	—	—	—
008	Recoverable salaries and allowances (Hong Kong Monetary Authority) ....	24,811			
	<i>Deduct</i> reimbursements ..... <i>Cr.24,811</i>	—	—	—	—
009	Recoverable salaries and allowances (Land Registry Trading Fund).....	193,260			
	<i>Deduct</i> reimbursements ..... <i>Cr.193,260</i>	—	—	—	—
081	Recoverable salaries and allowances (Office of the Telecommunications Authority Trading Fund).....	126,649			
	<i>Deduct</i> reimbursements ..... <i>Cr.126,649</i>	—	—	—	—
082	Recoverable salaries and allowances (Post Office Trading Fund).....	1,637,000			
	<i>Deduct</i> reimbursements ..... <i>Cr.1,637,000</i>	—	—	—	—
083	Recoverable salaries and allowances (Electrical and Mechanical Services Trading Fund).....	1,216,000			
	<i>Deduct</i> reimbursements ..... <i>Cr.1,216,000</i>	—	—	—	—
084	Recoverable salaries and allowances (Legal Aid Services Council).....	2,082			
	<i>Deduct</i> reimbursements ..... <i>Cr.2,082</i>	—	—	—	—
086	Recoverable salaries and allowances (Independent Police Complaints Council).....	10,530			
	<i>Deduct</i> reimbursements ..... <i>Cr.10,530</i>	—	—	—	—
	Total, Personal Emoluments.....	96,324	63,165	65,420	<b>61,142</b>
Personnel Related Expenses					
010	Recruiting expenses .....	872	900	900	<b>900</b>
011	Civil service examinations.....	6,416	6,236	7,590	<b>7,717</b>
013	Personal allowances.....	881,883	1,020,800	847,856	<b>880,454</b>
014	Home purchase allowance .....	763,952	803,000	753,047	<b>790,000</b>
020	Payments to estates of deceased officers .....	12,516	15,708	15,708	<b>16,000</b>
022	Passages .....	164,663	197,973	168,313	<b>178,630</b>
023	Quartering .....	19,646	25,171	15,286	<b>20,782</b>
024	Staff relief and welfare .....	2,366	3,218	3,082	<b>3,229</b>
025	Long and Meritorious Service Travel Award Scheme .....	57,026	64,468	64,199	<b>69,258</b>
028	Legal assistance .....	6,782	1,448	500	<b>1,448</b>
032	Accommodation allowance.....	19,304	20,300	18,591	<b>20,000</b>
033	Home financing allowance .....	1,052,609	897,000	824,583	<b>663,000</b>
037	Pensioners' welfare fund .....	910	910	910	<b>910</b>
038	Private tenancy allowance.....	155,405	172,000	162,420	<b>176,000</b>
039	Rent allowance.....	—	40	140	<b>500</b>
040	Non-accountable cash allowance.....	41,570	92,400	69,037	<b>117,000</b>
041	Mandatory Provident Fund contribution.....	114	192	170	<b>194</b>

## Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Sub-head (Code)	Actual expenditure 2007-08	Approved estimate 2008-09	Revised estimate 2008-09	<b>Estimate 2009-10</b>	
	\$'000	\$'000	\$'000	<b>\$'000</b>	
<b>Operating Account — Cont'd.</b>					
Personnel Related Expenses—Cont'd.					
042	Civil Service Provident Fund contribution .....	110	304	338	<b>554</b>
	Staff Suggestions Scheme $\phi$ .....	7	—	—	—
	Total, Personnel Related Expenses.....	3,186,151	3,322,068	2,952,670	<b>2,946,576</b>
	Total, Recurrent.....	3,282,475	3,385,233	3,018,090	<b>3,007,718</b>
	Total, Operating Account .....	3,282,475	3,385,233	3,018,090	<b>3,007,718</b>
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	Total Expenditure .....	3,282,475	3,385,233	3,018,090	<b>3,007,718</b>

$\phi$  The subhead *Staff Suggestions Scheme*, originally provided for awards in cash or in kind to eligible officers who have made valuable suggestions under the Staff Suggestions Scheme to improve the efficiency of the civil service, has been subsumed under Head 143—Government Secretariat: Civil Service Bureau with effect from 2008-09. No provision will be made under this subhead in 2009-10.

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### Details of Expenditure by Subhead

The estimate of the amount required in 2009–10 for general expenses of the civil service, including the operational reserves and recurrent personnel related expenses, is \$3,007,718,000. This represents a decrease of \$10,372,000 against the revised estimate for 2008–09 and of \$274,757,000 against actual expenditure in 2007–08.

#### *Operating Account*

##### Recurrent

##### Personal Emoluments

**2** Provision of \$61,142,000 for personal emoluments represents a decrease of \$4,278,000 against the revised estimate for 2008–09.

**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 \$691,000 under *Subhead 003* is for staff seconded to the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. Gross provision of \$115,000,000 under *Subhead 006* is for staff working in the Companies Registry. Gross provision of \$24,811,000 under *Subhead 008* is for staff seconded to the Hong Kong Monetary Authority. Gross provision of \$193,260,000 under *Subhead 009* is for staff working in the Land Registry. Gross provision of \$126,649,000 under *Subhead 081* is for staff working in the Office of the Telecommunications Authority. Gross provision of \$1,637,000,000 under *Subhead 082* is for staff working in the Post Office. Gross provision of \$1,216,000,000 under *Subhead 083* is for staff working wholly on trading fund activities in the Electrical and Mechanical Services Department. Gross provision of \$2,082,000 under *Subhead 084* is for staff seconded to the Legal Aid Services Council. Gross provision of \$10,530,000 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 2009 and remain the same as at 31 March 2010.

**6** Subject to certain conditions, the controlling officer for *Subhead 001* may under delegated power create or delete non-directorate posts during 2009–10, but the notional annual mid-point salary value of all such posts must not exceed \$127,349,000.

**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 2009 will be 9 931 permanent posts and four supernumerary directorate posts. It is expected that there will be a net decrease of seven permanent posts in 2009–10.

**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 2009–10, 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 seek the endorsement of the relevant organisations that the proposals and their 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 \$7,717,000 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.

**12** Provision of \$880,454,000 under *Subhead 013 Personal allowances* is for the payment of standard personal allowances to eligible officers. It comprises—

- \$863,944,000 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;

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- \$16,500,000 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 \$790,000,000 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 \$16,000,000 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 \$178,630,000 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—

- \$73,403,000 for the payment of leave passage allowance; and
- \$105,227,000 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 \$20,782,000 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 \$5,496,000 (36.0%) over the revised estimate for 2008–09. Expenditure on the housing allowance for disciplined services in 2008–09 is expected to be lower than normal because of the Government's initiative to pay three months' rent for public rental housing tenants and the rates concession in the 2008–09 financial year.

**17** Provision of \$3,229,000 under *Subhead 024 Staff relief and welfare* is for the relief and welfare of eligible officers, including provision for Staff Welfare Fund for welfare and recreational activities, for the purchase of retirement souvenirs, and for the purchase of commemorative awards for long and meritorious service.

**18** Provision of \$69,258,000 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.

**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 and coroners' and other formal inquiries as a result of their official duties. The provision is made for meeting the normal requirement for legal assistance in a year. It represents an increase of \$948,000 (189.6%) over the revised estimate for 2008–09 which is lower than normal having regard to expenses incurred in the first half of the year.

**20** Provision of \$20,000,000 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 \$663,000,000 under *Subhead 033 Home financing allowance* is for the payment of home financing allowance to eligible officers offered appointment before 1 June 2000. The decrease of \$161,583,000 (19.6%) against the revised estimate for 2008–09 is mainly due to the anticipated decrease in the average number of recipients in 2009–10.

**22** Provision of \$910,000 under *Subhead 037 Pensioners' welfare fund* is for the payment of one-off grants to pensioners and dependants in financial hardship.

**23** Provision of \$176,000,000 under *Subhead 038 Private tenancy allowance* is for the payment of private tenancy allowance to eligible officers offered appointment before 1 October 1990. The increase of \$13,580,000 (8.4%) over the revised estimate for 2008–09 is mainly due to the anticipated increase in the average rate in 2009–10 through salary progression and promotion.

**24** Provision of \$500,000 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 \$360,000 (257.1%) over the revised estimate for 2008–09 is mainly due to the anticipated increase in the average number of recipients in 2009–10 through salary progression and promotion. There is only one recipient in 2008–09.

**25** Provision of \$117,000,000 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 \$47,963,000 (69.5%) over the revised estimate for 2008–09 is mainly due to the anticipated increase in the average number of recipients in 2009–10 through salary progression, promotion and new appointment. The number of recipients in 2008–09 is relatively small.



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**26** Provision of \$194,000 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 \$24,000 (14.1%) over the revised estimate for 2008–09 is mainly due to the expected increase in requirement in 2009–10.

**27** Provision of \$554,000 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 \$216,000 (63.9%) over the revised estimate for 2008–09 is mainly due to the expected increase in requirement in 2009–10.