

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

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

Permanent Secretary for the Civil Service (Subheads 001, 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 Communications (Subhead 081)
 Postmaster General (Subhead 082)
 Director of Electrical and Mechanical Services (Subhead 083)
 Permanent Secretary for Home Affairs (Subhead 084)

Estimate 2012–13..... **\$2,902.6m**

Establishment ceiling for Subhead 001 in 2012–13 (notional annual mid-point salary value representing an estimated 359 non-directorate posts in the operational reserves as at 31 March 2012 and as at 31 March 2013) **\$133.7m**

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

	2010–11 (Actual)	2011–12 (Original)	2011–12 (Revised)	2012–13 (Estimate)
Financial provision (\$m)	2,641.8	2,848.0	2,732.7 (–4.0%)	2,902.6 (+6.2%)
				(or +1.9% on 2011–12 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 2011 as compared with 2010.

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

Indicators

	2010 (Actual)	2011 (Actual)	2012 (Estimate)
candidates of common recruitment examinations and other examinations conducted by Civil Service Bureau	83 823	74 639	74 300
recipients of long and meritorious service travel award.....	2 091	2 094	2 140
housing benefits			
recipients of home purchase allowance.....	14 775	14 731	15 220
recipients of private tenancy allowance	645	612	630
recipients of home financing allowance.....	2 529	2 218	2 090
recipients of accommodation allowance	51	47	45
recipients of rent allowance	1	3	4
recipients of non-accountable cash allowance	793	1 141	1 630
recipients of leave passage allowance.....	1 480	1 423	1 495
students receiving school passage allowance.....	4 689	4 267	4 250
students receiving local education allowance	19 889	19 540	19 350
students receiving overseas education allowance	3 036	2 953	2 950

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ANALYSIS OF FINANCIAL PROVISION

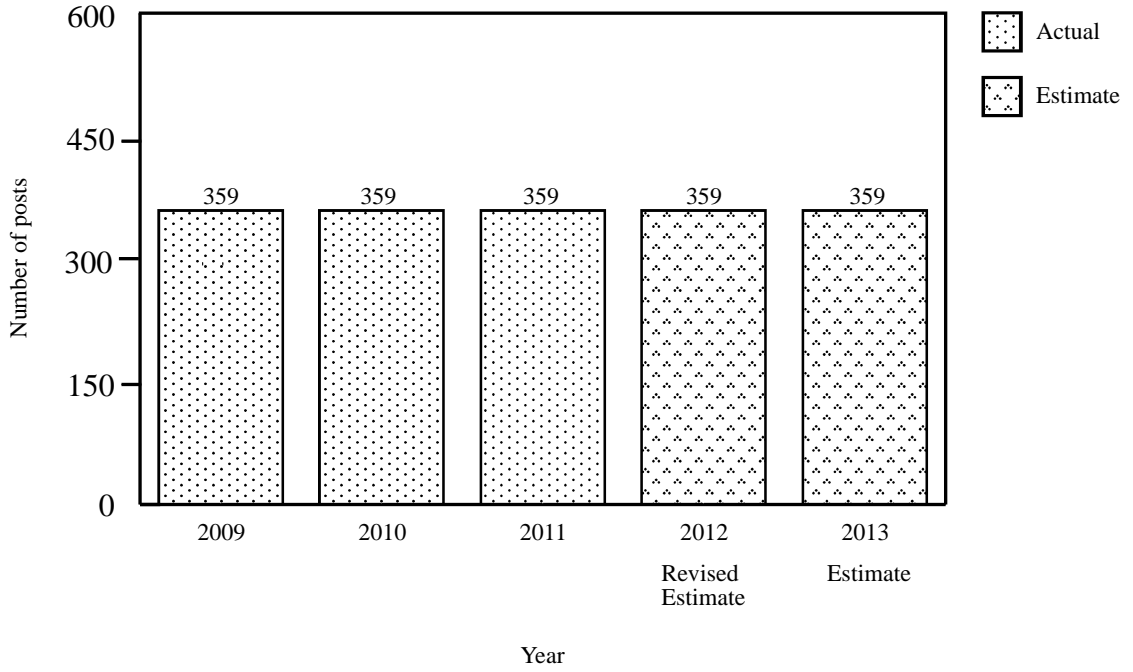
Programme	2010–11 (Actual) (\$m)	2011–12 (Original) (\$m)	2011–12 (Revised) (\$m)	2012–13 (Estimate) (\$m)
General Expenses of the Civil Service	2,641.8	2,848.0	2,732.7 (–4.0%)	2,902.6 (+6.2%)
				(or +1.9% on 2011–12 Original)

Analysis of Financial and Staffing Provision

Provision for 2012–13 is \$169.9 million (6.2%) higher than the revised estimate for 2011–12. 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.

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



Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Sub-head (Code)		Actual expenditure 2010–11	Approved estimate 2011–12	Revised estimate 2011–12	Estimate 2012–13
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Account					
Recurrent					
Personal Emoluments					
001	Salaries.....	61,873	63,689	67,826	77,143
006	Recoverable salaries and allowances (Companies Registry Trading Fund)..... 125,000				
	<i>Deduct</i> reimbursements..... <u>Cr.125,000</u>	—	—	—	—
008	Recoverable salaries and allowances (Hong Kong Monetary Authority)..... 21,010				
	<i>Deduct</i> reimbursements..... <u>Cr.21,010</u>	—	—	—	—
009	Recoverable salaries and allowances (Land Registry Trading Fund)..... 187,105				
	<i>Deduct</i> reimbursements..... <u>Cr.187,105</u>	—	—	—	—
081	Recoverable salaries and allowances (Office of the Communications Authority Trading Fund)..... 165,286				
	<i>Deduct</i> reimbursements..... <u>Cr.165,286</u>	—	—	—	—
082	Recoverable salaries and allowances (Post Office Trading Fund)..... 1,651,000				
	<i>Deduct</i> reimbursements..... <u>Cr.1,651,000</u>	—	—	—	—
083	Recoverable salaries and allowances (Electrical and Mechanical Services Trading Fund)..... 1,317,718				
	<i>Deduct</i> reimbursements..... <u>Cr.1,317,718</u>	—	—	—	—
084	Recoverable salaries and allowances (Legal Aid Services Council)..... 2,150				
	<i>Deduct</i> reimbursements..... <u>Cr.2,150</u>	—	—	—	—
	Total, Personal Emoluments	61,873	63,689	67,826	77,143
Personnel Related Expenses					
010	Recruiting expenses	829	900	900	900
011	Civil service examinations	8,717	9,406	9,404	10,130
013	Personal allowances	731,208	785,633	757,236	793,440
014	Home purchase allowance.....	739,739	763,000	753,300	780,000
020	Payments to estates of deceased officers.....	14,578	15,500	14,700	15,500
022	Passages	158,030	160,070	159,980	172,550
023	Quartering	10,025	17,811	10,667	12,516
024	Staff relief and welfare.....	9,250	15,055	13,285	10,097
025	Long and Meritorious Service Travel Award Scheme	67,624	80,741	79,389	91,801
028	Legal assistance.....	2,193	1,448	730	1,448
032	Accommodation allowance	17,741	19,000	16,700	18,000
033	Home financing allowance.....	476,453	482,000	427,200	395,000
037	Pensioners' welfare fund.....	1,026	1,030	1,100	1,100
038	Private tenancy allowance.....	170,222	181,000	170,800	180,000
039	Rent allowance.....	259	800	520	900
040	Non-accountable cash allowance	171,374	250,000	248,200	341,000
041	Mandatory Provident Fund contribution	110	152	105	87

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Sub-head (Code)	Actual expenditure 2010-11	Approved estimate 2011-12	Revised estimate 2011-12	Estimate 2012-13
	\$'000	\$'000	\$'000	\$'000
Operating Account — <i>Cont'd.</i>				
Personnel Related Expenses— <i>Cont'd.</i>				
042 Civil Service Provident Fund contribution.....	519	774	701	996
Total, Personnel Related Expenses.....	<u>2,579,897</u>	<u>2,784,320</u>	<u>2,664,917</u>	<u>2,825,465</u>
Total, Recurrent	<u>2,641,770</u>	<u>2,848,009</u>	<u>2,732,743</u>	<u>2,902,608</u>
Total, Operating Account	<u>2,641,770</u>	<u>2,848,009</u>	<u>2,732,743</u>	<u>2,902,608</u>
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Total Expenditure	<u><u>2,641,770</u></u>	<u><u>2,848,009</u></u>	<u><u>2,732,743</u></u>	<u><u>2,902,608</u></u>

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Details of Expenditure by Subhead

The estimate of the amount required in 2012–13 for general expenses of the civil service, including the operational reserves and recurrent personnel related expenses, is \$2,902,608,000. This represents an increase of \$169,865,000 over the revised estimate for 2011–12 and of \$260,838,000 over actual expenditure in 2010–11.

Operating Account

Recurrent

Personal Emoluments

2 Provision of \$77,143,000 for personal emoluments represents an increase of \$9,317,000 over the revised estimate for 2011–12.

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 \$125,000,000 under *Subhead 006* is for staff working in the Companies Registry. Gross provision of \$21,010,000 under *Subhead 008* is for staff seconded to the Hong Kong Monetary Authority. Gross provision of \$187,105,000 under *Subhead 009* is for staff working in the Land Registry. Gross provision of \$165,286,000 under *Subhead 081* is for staff working wholly on trading fund activities in the Office of the Communications Authority. Gross provision of \$1,651,000,000 under *Subhead 082* is for staff working in the Hongkong Post. Gross provision of \$1,317,718,000 under *Subhead 083* is for staff working wholly on trading fund activities in the Electrical and Mechanical Services Department. Gross provision of \$2,150,000 under *Subhead 084* is for staff seconded to the Legal Aid Services Council.

5 The establishment of the operational reserves will be 359 permanent non-directorate posts as at 31 March 2012 and remain the same as at 31 March 2013.

6 Subject to certain conditions, the controlling officer for *Subhead 001* may under delegated power create or delete non-directorate posts during 2012–13, but the notional annual mid-point salary value of all such posts must not exceed \$133,691,000.

7 The establishment of staff for which the salaries and allowances are recoverable under *Subheads 006, 008, 009, 081, 082, 083 and 084* as at 31 March 2012 will be 9 910 permanent posts and one supernumerary directorate post. It is expected that there will be a net increase of 72 permanent posts in 2012–13.

8 Subject to certain conditions, the controlling officers for *Subheads 006, 008, 009, 081, 082, 083 and 084* may under delegated power create or delete non-directorate posts during 2012–13, the cost of which is reimbursed by 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 Communications 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 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 officer for *Subhead 084* is required to obtain the endorsement of the Legal Aid Services Council that his proposal 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 \$10,130,000 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.

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12 Provision of \$793,440,000 under *Subhead 013 Personal allowances* is for the payment of standard personal allowances to eligible officers. It comprises—

- \$776,430,000 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;
- \$17,000,000 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 \$780,000,000 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 \$172,550,000 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—

- \$82,050,000 for the payment of leave passage allowance; and
- \$90,500,000 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 \$12,516,000 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 \$1,849,000 (17.3%) over the revised estimate for 2011–12. This is mainly due to an increase in the number of eligible officers for the housing allowance for disciplined services.

17 Provision of \$10,097,000 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 a decrease of \$3,188,000 (24.0%) against the revised estimate for 2011–12. This is mainly due to a decrease in the number of officers who will have 30 years of government service in 2012–13 and be eligible for the award.

18 Provision of \$91,801,000 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 \$12,412,000 (15.6%) over the revised estimate for 2011–12. 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 increase of \$718,000 (98.4%) over the revised estimate for 2011–12 is mainly because of the projected expenditure incurred from the on-going actions of cases approved in previous years and to cater for the possible expenditure arising from new cases.

20 Provision of \$18,000,000 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 \$395,000,000 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 \$1,100,000 under *Subhead 037 Pensioners' welfare fund* is for the payment of one-off grants to pensioners and dependants in financial hardship.

23 Provision of \$180,000,000 under *Subhead 038 Private tenancy allowance* is for the payment of private tenancy allowance to eligible officers offered appointment before 1 October 1990.

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24 Provision of \$900,000 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 \$380,000 (73.1%) over the revised estimate for 2011–12 is mainly due to the anticipated increase in the average number of recipients in 2012–13 through salary progression and promotion. There are only three recipients in 2011–12.

25 Provision of \$341,000,000 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 \$92,800,000 (37.4%) over the revised estimate for 2011–12 is mainly due to the anticipated increase in the average number of recipients in 2012–13 through salary progression, promotion and new appointment.

26 Provision of \$87,000 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 decrease of \$18,000 (17.1%) against the revised estimate for 2011–12 is mainly due to the expected reduction in requirement in 2012–13.

27 Provision of \$996,000 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 \$295,000 (42.1%) over the revised estimate for 2011–12 is mainly due to the expected increase in requirement in 2012–13.