

# **APPENDIX B**

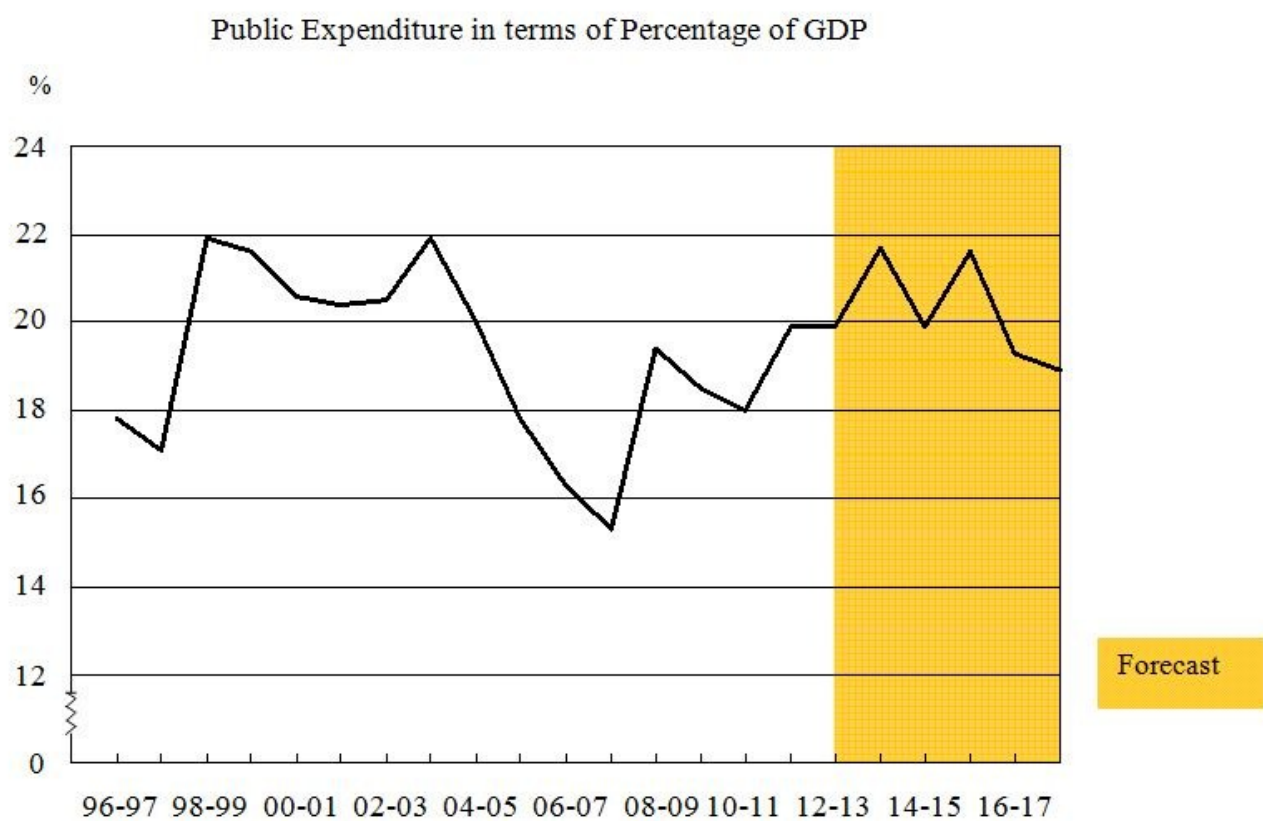
## **ANALYSIS OF EXPENDITURE AND REVENUE**

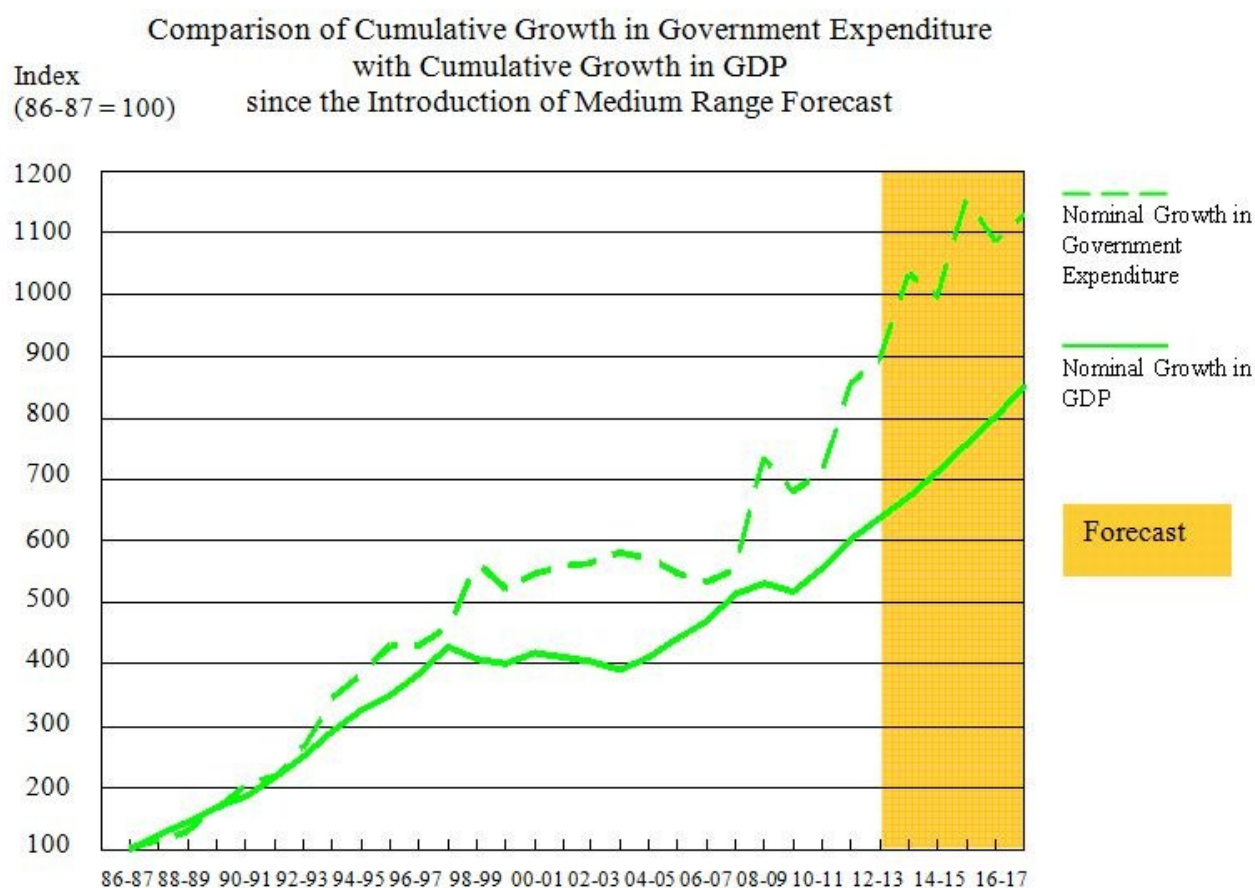
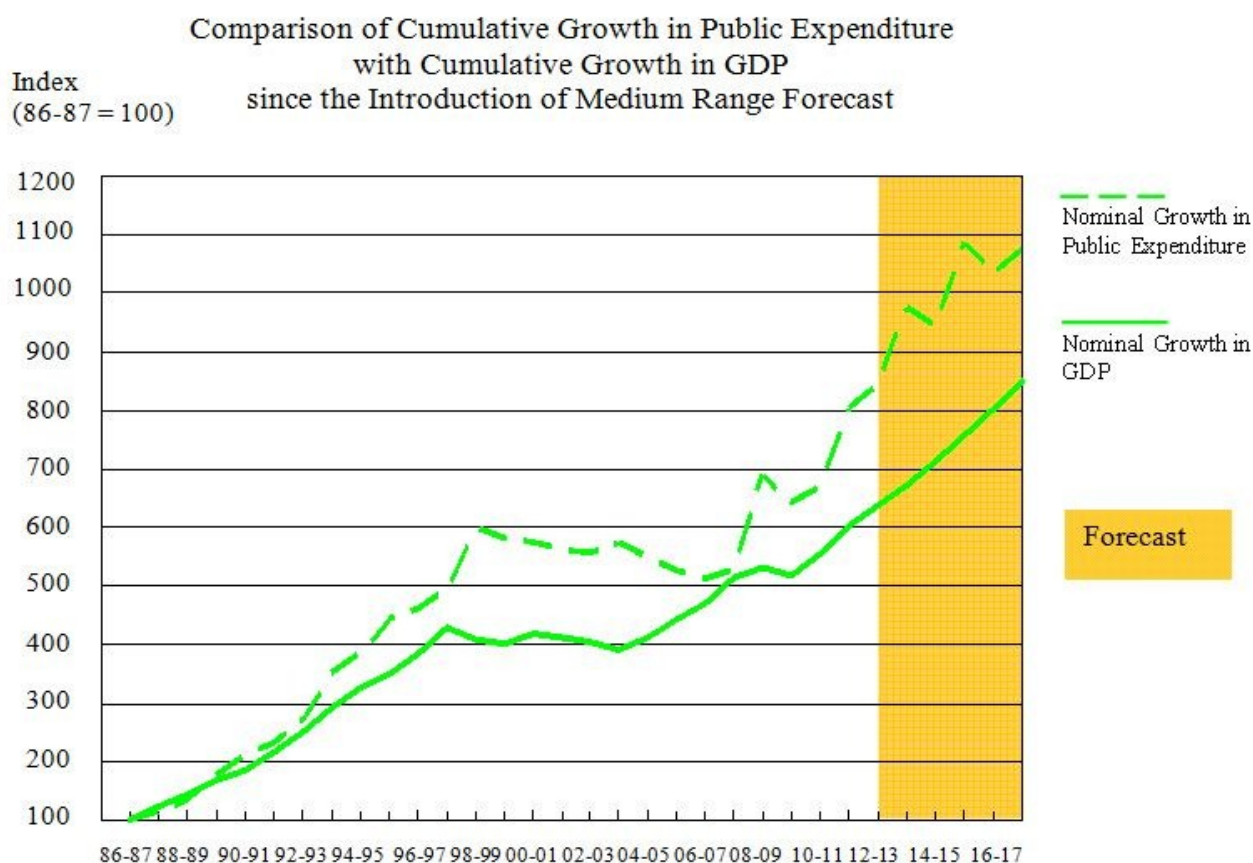


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**SECTION I THE ESTIMATES IN THE CONTEXT OF THE ECONOMY****Relationship between Government Expenditure, Public Expenditure and GDP**

	<b>2013–14 Estimate \$m</b>
General Revenue Account	
Operating	352,000
Capital	3,397
	<hr/> 355,397
Capital Investment Fund	865
Capital Works Reserve Fund	77,839
Innovation and Technology Fund	785
Loan Fund	3,808
Lotteries Fund	1,289
	<hr/> 439,983
Government Expenditure	
Trading Funds	5,152
Housing Authority	21,933
	<hr/> 467,068
Public Expenditure	
	<hr/>
GDP	2,152,300
Public Expenditure in terms of percentage of GDP	21.7%





## SECTION II ANALYSIS OF RECURRENT PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

### Recurrent Public Expenditure : Year-on-Year Change

	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate in Nominal Terms %	in Real Terms %
<b>Education</b>	55,526	60,692	<b>62,953</b>	<b>3.7</b>	<b>2.9</b>
<b>Social Welfare</b>	40,333	42,694	<b>55,699</b>	<b>30.5</b>	<b>26.8</b>
<b>Health</b>	41,491	46,121	<b>48,765</b>	<b>5.7</b>	<b>4.9</b>
<b>Security</b>	29,341	31,184	<b>32,441</b>	<b>4.0</b>	<b>3.4</b>
<b>Infrastructure</b>	16,202	17,232	<b>18,049</b>	<b>4.7</b>	<b>2.5</b>
<b>Economic</b>	12,727	13,385	<b>14,345</b>	<b>7.2</b>	<b>4.9</b>
<b>Housing</b>	10,096	11,637	<b>12,362</b>	<b>6.2</b>	<b>2.3</b>
<b>Environment and Food</b>	10,422	11,144	<b>11,884</b>	<b>6.6</b>	<b>4.9</b>
<b>Community and External Affairs</b>	8,572	9,181	<b>9,728</b>	<b>6.0</b>	<b>4.1</b>
<b>Support</b>	32,442	36,591	<b>42,036</b>	<b>14.9</b>	<b>12.9</b>
	<u>257,152</u>	<u>279,861</u>	<u><b>308,262</b></u>	<b>10.1</b>	<b>8.4</b>

## SECTION II ANALYSIS OF RECURRENT PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

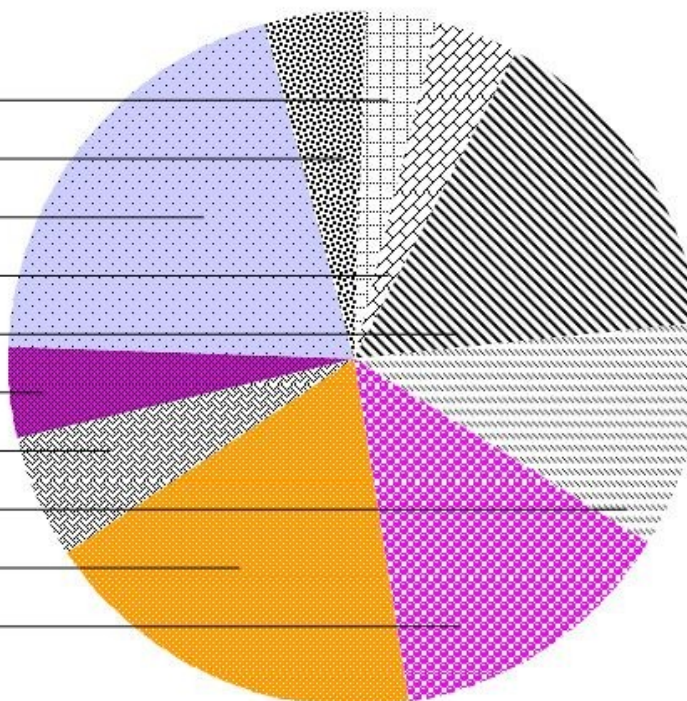
### Recurrent Government Expenditure : Year-on-Year Change

	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate in Nominal Terms %	in Real Terms %
<b>Education</b>	55,526	60,692	<b>62,953</b>	<b>3.7</b>	<b>2.9</b>
<b>Social Welfare</b>	40,333	42,694	<b>55,699</b>	<b>30.5</b>	<b>26.8</b>
<b>Health</b>	41,491	46,121	<b>48,765</b>	<b>5.7</b>	<b>4.9</b>
<b>Security</b>	29,341	31,184	<b>32,441</b>	<b>4.0</b>	<b>3.4</b>
<b>Infrastructure</b>	16,012	17,057	<b>17,856</b>	<b>4.7</b>	<b>2.5</b>
<b>Economic</b>	8,137	8,762	<b>9,632</b>	<b>9.9</b>	<b>8.5</b>
<b>Housing</b>	220	251	<b>288</b>	<b>14.7</b>	<b>14.5</b>
<b>Environment and Food</b>	10,422	11,144	<b>11,884</b>	<b>6.6</b>	<b>4.9</b>
<b>Community and External Affairs</b>	8,572	9,181	<b>9,728</b>	<b>6.0</b>	<b>4.1</b>
<b>Support</b>	32,442	36,591	<b>42,036</b>	<b>14.9</b>	<b>12.9</b>
	<u>242,496</u>	<u>263,677</u>	<u><b>291,282</b></u>	<b>10.5</b>	<b>8.9</b>



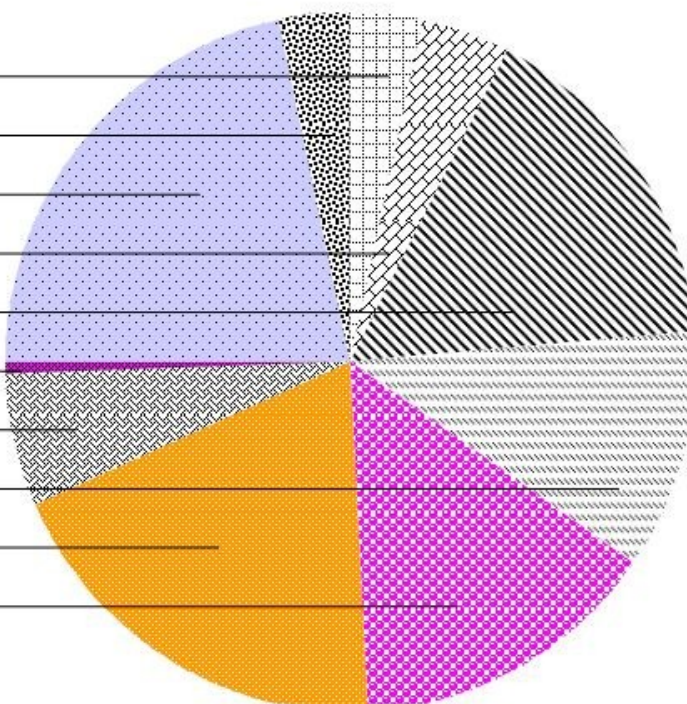
**Percentage Share of Expenditure by Policy Area Group**  
**Recurrent Public Expenditure : 2013-14 Estimate**

Community and External Affairs	3.2%
Economic	4.7%
Education	20.4%
Environment and Food	3.9%
Health	15.8%
Housing	4.0%
Infrastructure	5.8%
Security	10.5%
Social Welfare	18.1%
Support	13.6%
	100.0%



**Percentage Share of Expenditure by Policy Area Group**  
**Recurrent Government Expenditure : 2013-14 Estimate**

Community and External Affairs	3.4%
Economic	3.3%
Education	21.6%
Environment and Food	4.1%
Health	16.7%
Housing	0.1%
Infrastructure	6.1%
Security	11.1%
Social Welfare	19.1%
Support	14.5%
	100.0%



### SECTION III ANALYSIS OF TOTAL PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

#### Total Public Expenditure : Year-on-Year Change

	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate in Nominal Terms %	in Real Terms %
<b>Education</b>	67,891	77,799	<b>76,884</b>	<b>-1.2</b>	<b>-2.2</b>
<b>Social Welfare</b>	43,346	45,940	<b>61,186</b>	<b>33.2</b>	<b>29.6</b>
<b>Health</b>	45,297	59,491	<b>53,732</b>	<b>-9.7</b>	<b>-10.6</b>
<b>Security</b>	31,522	33,732	<b>36,586</b>	<b>8.5</b>	<b>7.4</b>
<b>Infrastructure</b>	52,545	62,261	<b>76,144</b>	<b>22.3</b>	<b>16.7</b>
<b>Economic</b>	47,302	33,577	<b>40,106</b>	<b>19.4</b>	<b>17.8</b>
<b>Housing</b>	18,918	22,117	<b>24,501</b>	<b>10.8</b>	<b>6.2</b>
<b>Environment and Food</b>	17,733	19,206	<b>25,007</b>	<b>30.2</b>	<b>27.2</b>
<b>Community and External Affairs</b>	26,033	13,315	<b>28,451</b>	<b>113.7</b>	<b>111.1</b>
<b>Support</b>	35,054	38,089	<b>44,471</b>	<b>16.8</b>	<b>14.6</b>
	<u>385,641</u>	<u>405,527</u>	<u><b>467,068</b></u>	<b>15.2</b>	<b>12.7</b>

### SECTION III ANALYSIS OF TOTAL PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

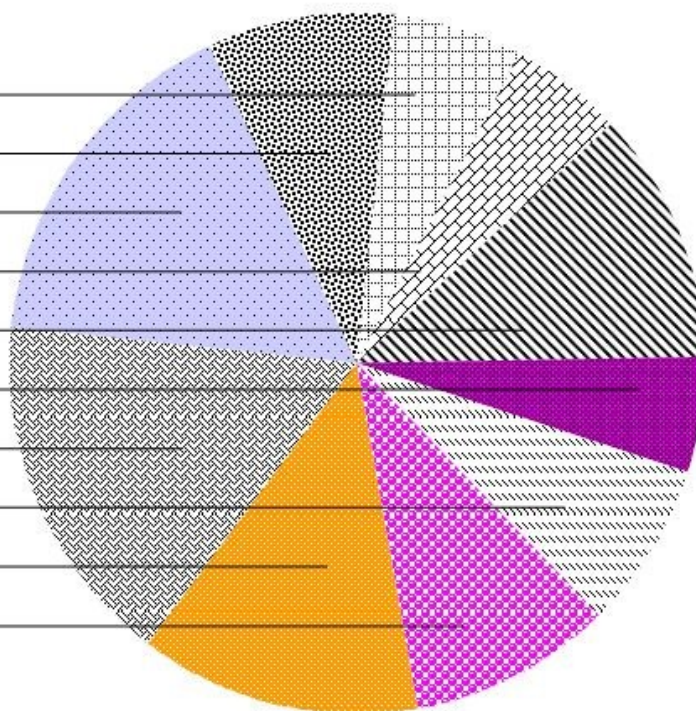
#### Total Government Expenditure : Year-on-Year Change

	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate in Nominal Terms %	in Real Terms %
<b>Education</b>	67,891	77,799	<b>76,884</b>	<b>-1.2</b>	<b>-2.2</b>
<b>Social Welfare</b>	43,346	45,940	<b>61,186</b>	<b>33.2</b>	<b>29.6</b>
<b>Health</b>	45,297	59,491	<b>53,732</b>	<b>-9.7</b>	<b>-10.6</b>
<b>Security</b>	31,522	33,732	<b>36,586</b>	<b>8.5</b>	<b>7.4</b>
<b>Infrastructure</b>	52,350	62,072	<b>75,930</b>	<b>22.3</b>	<b>16.7</b>
<b>Economic</b>	42,671	28,803	<b>35,168</b>	<b>22.1</b>	<b>20.8</b>
<b>Housing</b>	2,140	2,168	<b>2,568</b>	<b>18.5</b>	<b>18.4</b>
<b>Environment and Food</b>	17,733	19,206	<b>25,007</b>	<b>30.2</b>	<b>27.2</b>
<b>Community and External Affairs</b>	26,033	13,315	<b>28,451</b>	<b>113.7</b>	<b>111.1</b>
<b>Support</b>	35,054	38,089	<b>44,471</b>	<b>16.8</b>	<b>14.6</b>
	<u>364,037</u>	<u>380,615</u>	<u><b>439,983</b></u>	<b>15.6</b>	<b>13.2</b>



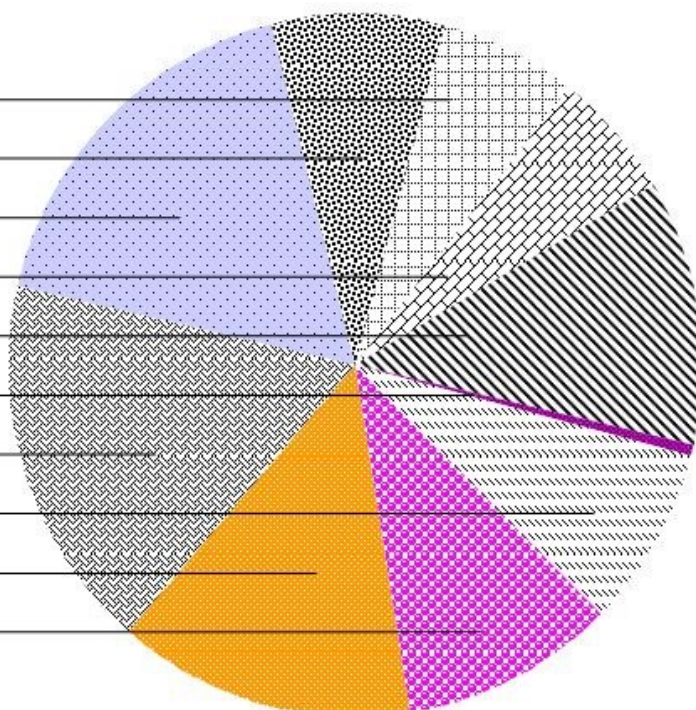
**Percentage Share of Expenditure by Policy Area Group**  
**Total Public Expenditure : 2013-14 Estimate**

Community and External Affairs	6.1%
Economic	8.6%
Education	16.5%
Environment and Food	5.4%
Health	11.5%
Housing	5.2%
Infrastructure	16.3%
Security	7.8%
Social Welfare	13.1%
Support	9.5%
	100.0%



**Percentage Share of Expenditure by Policy Area Group**  
**Total Government Expenditure : 2013-14 Estimate**

Community and External Affairs	6.5%
Economic	8.0%
Education	17.5%
Environment and Food	5.7%
Health	12.2%
Housing	0.6%
Infrastructure	17.2%
Security	8.3%
Social Welfare	13.9%
Support	10.1%
	100.0%



**SECTION IV MAJOR CAPITAL PROJECTS ESTIMATED TO BEGIN IN 2013-14**

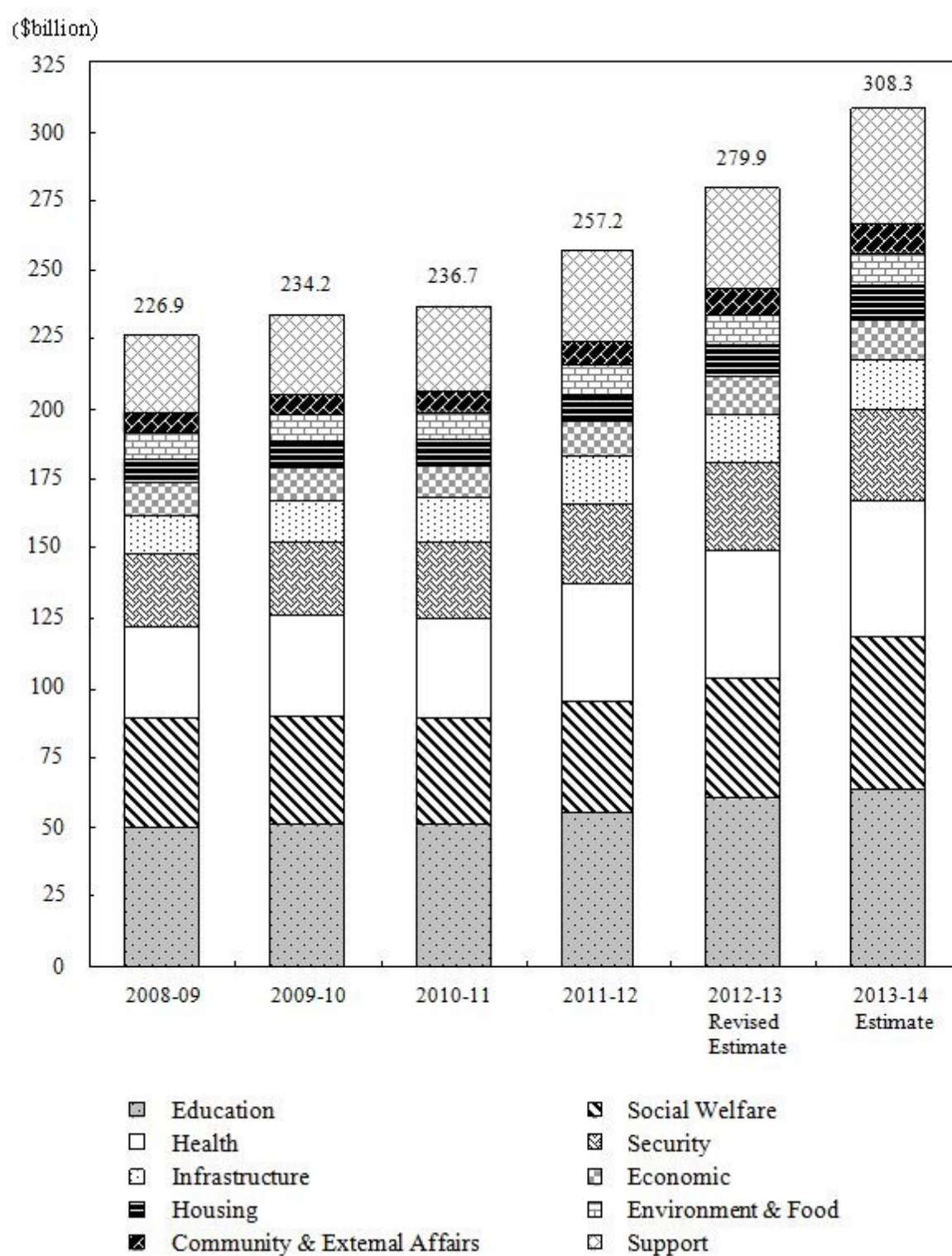
Major capital projects estimated to begin in 2013-14 include –

	<b>Project Estimates \$ million</b>
<b>Infrastructure</b>	<b>54,570</b>
— Construction of additional floors on Central Piers Nos. 4, 5 and 6	
— Improvement of fresh water supply to Cheung Chau	
— Infrastructure works for housing sites adjacent to Lung Ping Road at Tai Wo Ping, Shek Kip Mei	
— Kai Tak development—stages 3A and 4 infrastructure at north apron area of Kai Tak Airport	
— Kwun Tong Town Centre redevelopment—provision of grade-separated pedestrian linkages (Yuet Wah Street Pedestrian Linkage)	
— Liantang/Heung Yuen Wai Boundary Control Point and associated works—regulation of Shenzhen River stage 4	
— Public transport interchange at Area 13, Hung Shui Kiu	
— Reconstruction and rehabilitation of Kai Tak nullah from Tung Kwong Road to Prince Edward Road East	
— Site formation and associated infrastructural works for development of columbarium, crematorium and related facilities at Sandy Ridge Cemetery—detailed design and site investigation	
— Tseung Kwan O–Lam Tin Tunnel—detailed design and site investigation	
— Tuen Mun–Chek Lap Kok Link—construction works	
— Water supply to Pak Shek Kok reclamation area, Tai Po—stage 2	
— Widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling—stage 2	
<b>Health</b>	<b>16,104</b>
— Establishment of Centre of Excellence in Paediatrics	
— Government, Institution or Community facilities in the Kwun Tong Town Centre redevelopment—additional medical and health facilities	
— Refurbishment of Hong Kong Buddhist Hospital	
— Reprovisioning of Yaumatei Specialist Clinic at Queen Elizabeth Hospital	
— Ward renovation in Kwai Chung Hospital	
<b>Security</b>	<b>2,535</b>
— Relocation of part of the offices of the Department of Justice to the Main and East Wings of the Former Central Government Offices	
— Relocation of the Court of Final Appeal and the Development Office of the Judiciary to No. 8 Jackson Road	
— Reprovisioning of Yau Ma Tei Police Station	
<b>Education</b>	<b>1,672</b>
— A 30-classroom primary school at Site 1A-3, Kai Tak Development, Kowloon	
— A 30-classroom primary school at Site 1A-4, Kai Tak Development, Kowloon	
— Development of the Vocational Training Council International Culinary College	
— Redevelopment of Tung Wah Group of Hospitals Wong Fut Nam College at Oxford Road, Kowloon	

	<b>Project Estimates \$ million</b>
<b>Community and External Affairs</b>	<b>1,661</b>
— Cycle tracks connecting North West New Territories with North East New Territories—Tuen Mun to Sheung Shui section (Stage 1)	
— Improvement works at Mui Wo, phase 1	
— Lei Yue Mun Waterfront Enhancement Project—construction of a public landing facility	
— Lei Yue Mun Waterfront Enhancement Project—development of a waterfront promenade and related improvement works	
— Reprovisioning of Shanghai Street refuse collection point and street sleepers' services units to the site at Hau Cheung Street, Yau Ma Tei for the phase II development of the Yau Ma Tei Theatre project	
— Sports centre in Area 4, Tsing Yi	
<b>Environment and Food</b>	<b>1,169</b>
— Outlying Islands sewerage, stage 2—Lamma village sewerage phase 2, package 1	
— Outlying Islands sewerage, stage 2—Peng Chau village sewerage phase 2	
— Sewerage in Nam Wa Po and Wai Tau	
— Tolo Harbour sewerage of unsewered areas, stage 2—phase 1	
— West New Territories landfill extension—consultants' fees and investigations	
<b>Economic</b>	<b>488</b>
— Providing sufficient water depth for Kwai Tsing Container Basin and its approach channel	
<b>Support</b>	<b>370</b>
— Relocation of the printing workshop of Government Logistics Department	

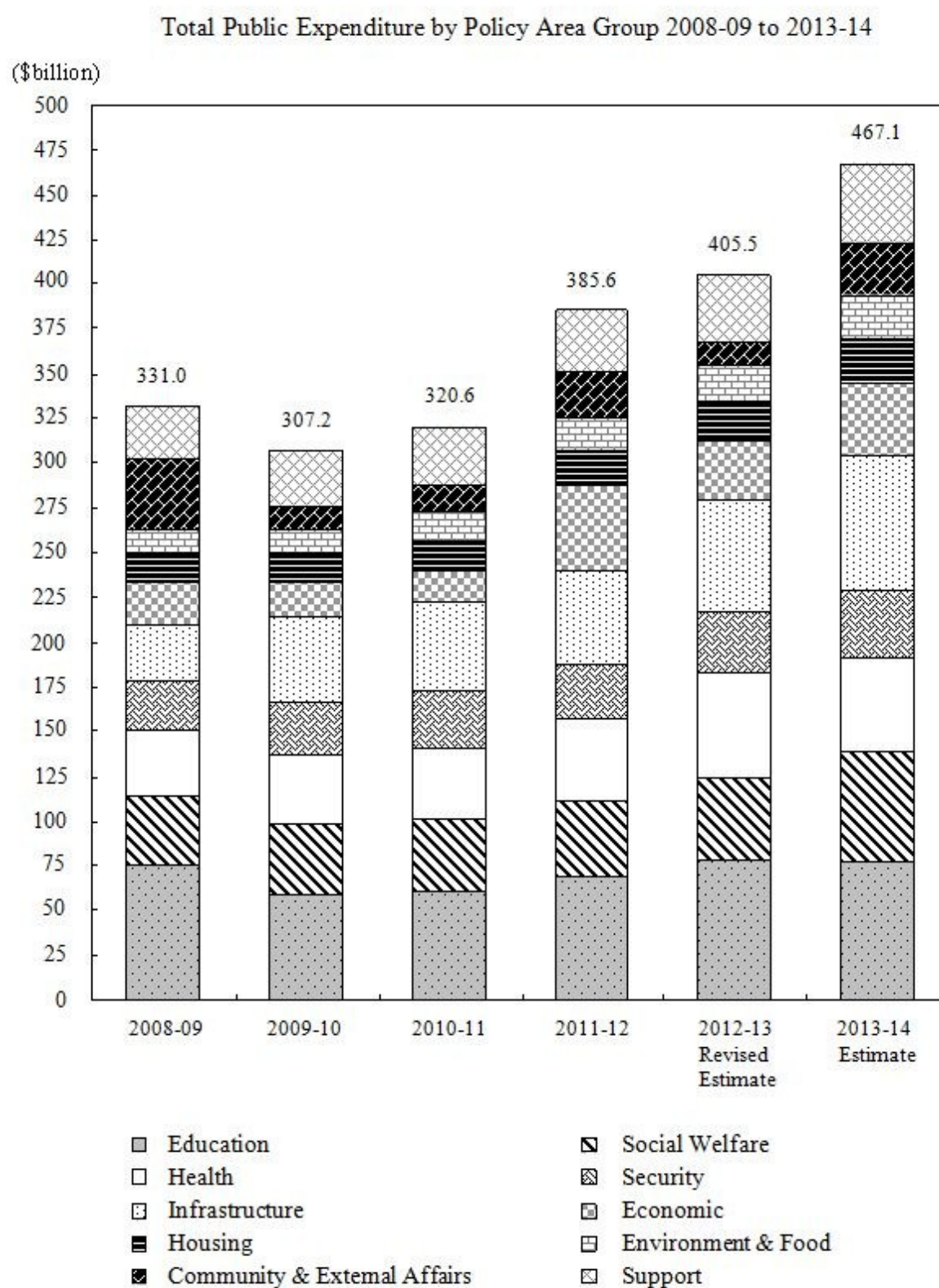
## SECTION V TRENDS IN PUBLIC EXPENDITURE : 2008-09 TO 2013-14

Recurrent Public Expenditure by Policy Area Group 2008-09 to 2013-14





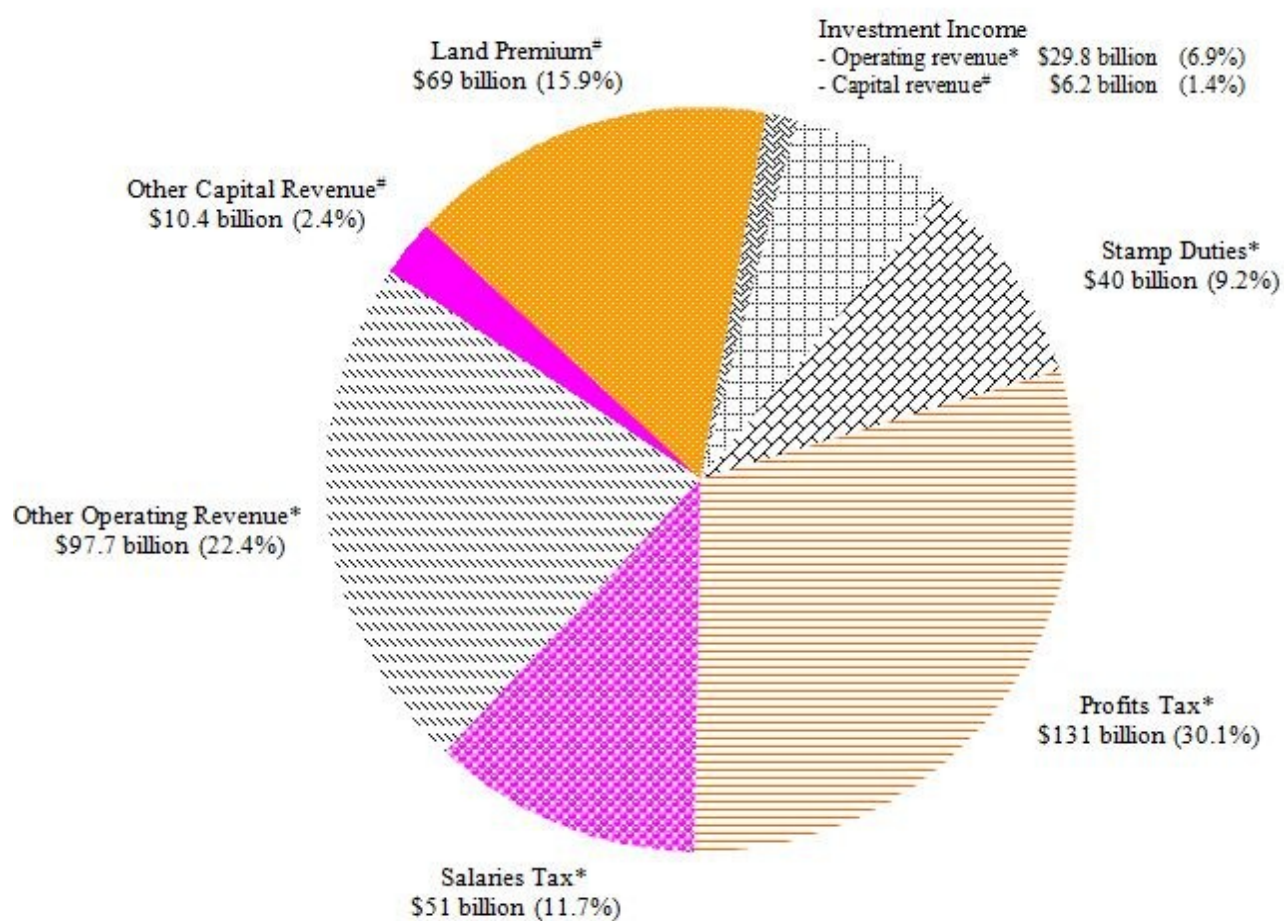
## SECTION V TRENDS IN PUBLIC EXPENDITURE : 2008-09 TO 2013-14





## SECTION VI ANALYSIS OF GOVERNMENT REVENUE

2013-14 Estimate (\$435.1 billion)



\* Operating Revenue \$349.5 billion (80.3%)

# Capital Revenue \$85.6 billion (19.7%)

**SECTION VII CLASSIFICATION OF EXPENDITURE BY POLICY AREA GROUP**

<b>Policy Area Group</b>	<b>Policy Area (Note)</b>	
Community and External Affairs	19	District and Community Relations
	18	Recreation, Culture, Amenities and Entertainment Licensing
Economic	3	Air and Sea Communications and Logistics Development
	6	Commerce and Industry
	8	Employment and Labour
	1	Financial Services
	17	Information Technology and Broadcasting
	34	Manpower Development
	4	Posts, Competition Policy and Consumer Protection
	7	Public Safety
	5	Travel and Tourism
Education	16	Education
Environment and Food	2	Agriculture, Fisheries and Food Safety
	32	Environmental Hygiene
	23	Environmental Protection, Conservation, Power and Sustainable Development
Health	15	Health
Housing	31	Housing
Infrastructure	22	Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape
	21	Land and Waterborne Transport
	24	Water Supply, Drainage and Slope Safety
Security	12	Administration of Justice
	13	Anti-corruption
	10	Immigration Control
	9	Internal Security
	11	Legal Administration
	20	Legal Aid
Social Welfare	14	Social Welfare
	33	Women's Interests
Support	26	Central Management of the Civil Service
	30	Complaints Against Maladministration
	28	Constitutional and Mainland Affairs
	27	Intra-Governmental Services
	25	Revenue Collection and Financial Control
	29	Support for Members of the Legislative Council

*Note:* Details of individual heads of expenditure contributing to a particular policy area are provided in an index in Volume I of the 2013-14 Estimates. The index further provides details, by head of expenditure, of individual programmes which contribute to a policy area.