

Head 184 — TRANSFERS TO FUNDS

Controlling officer: the Permanent Secretary for Financial Services and the Treasury (Treasury) will account for expenditure under this Head.

Estimate 2016–17 **\$44,864.0m**

Controlling Officer's Report

Aim

Expenditure from this Head is in respect of transfers to the various Funds established by resolution of the Legislative Council under section 29 of the Public Finance Ordinance (Cap. 2). The level of transfers to funds is assessed with regard to the commitments of each Fund and its forecast cash flow.

	2014–15 (Actual)	2015–16 (Original)	2015–16 (Revised)	2016–17 (Estimate)
Financial provision (\$m)	2,529.0	3,130.0	3,180.0 (+1.6%)	44,864.0 (+1 310.8%)
				(or +1 333.4% on 2015–16 Original)

Analysis of Financial Provision

2 Provision for 2016–17 is \$41,684.0 million (1 310.8%) higher than the revised estimate for 2015–16. This is mainly due to the transfers of \$25,000 million to the Capital Works Reserve Fund, \$9,000 million to the Capital Investment Fund and \$5,000 million to the Innovation and Technology Fund, and the increase in transfer of \$3,700 million to the Civil Service Pension Reserve Fund.

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Sub-head (Code)	Actual expenditure 2014–15	Approved estimate 2015–16	Revised estimate 2015–16	Estimate 2016–17
	\$'000	\$'000	\$'000	\$'000
Capital Account				
Transfers to Funds				
984 Payment to the Capital Works Reserve Fund	—	—	—	25,000,000
987 Payment to the Capital Investment Fund	—	—	—	9,000,000
988 Payment to the Loan Fund	2,500,000	3,000,000	3,000,000	2,000,000
990 Payment to the Disaster Relief Fund	29,000	30,000	80,000	64,000
991 Payment to the Civil Service Pension Reserve Fund.....	—	100,000	100,000	3,800,000
992 Payment to the Innovation and Technology Fund.....	—	—	—	5,000,000
Total, Transfers to Funds.....	2,529,000	3,130,000	3,180,000	44,864,000
Total, Capital Account.....	2,529,000	3,130,000	3,180,000	44,864,000
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Total Expenditure	2,529,000	3,130,000	3,180,000	44,864,000
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Details of Expenditure by Subhead

The estimate of the amount required in 2016–17 in respect of transfers to the various Funds established by resolution of the Legislative Council under section 29 of the Public Finance Ordinance is \$44,864 million. This represents an increase of \$41,684 million over the revised estimate for 2015–16 and \$42,335 million over the actual expenditure in 2014–15.

Capital Account

Transfers to Funds

2 Provision of \$25,000 million under *Subhead 984 Payment to the Capital Works Reserve Fund* is to enable the Capital Works Reserve Fund to meet estimated expenditure during 2016–17 on the Public Works Programme, land acquisition, capital subventions and major systems and equipment and computerisation.

3 Provision of \$9,000 million under *Subhead 987 Payment to the Capital Investment Fund* is for investments in statutory bodies and other organisations to finance major infrastructure and other capital projects.

4 Provision of \$2,000 million under *Subhead 988 Payment to the Loan Fund* is to enable the Loan Fund to grant loans or advances mainly for education and health.

5 Provision of \$64 million under *Subhead 990 Payment to the Disaster Relief Fund* is to enable the Disaster Relief Fund to make payment for humanitarian aid in relief of disasters that occur outside Hong Kong.

6 Provision of \$3,800 million under *Subhead 991 Payment to the Civil Service Pension Reserve Fund* is to maintain a balance of not less than the estimated pension expenditure of the budget year. The Fund is established to provide a reserve to meet payment of civil service pension in the unlikely event that the Government cannot meet its liabilities for such payment from the General Revenue Account.

7 Provision of \$5,000 million under *Subhead 992 Payment to the Innovation and Technology Fund* is to enable the Innovation and Technology Fund to provide sustained and comprehensive support for the development of innovation and technology in Hong Kong.