

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 2018–19 **\$2,590.0m**

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.

| | 2016–17 (Actual) | 2017–18 (Original) | 2017–18 (Revised) | 2018–19 (Estimate) |
|---------------------------|---------------------|-----------------------|----------------------|------------------------------------|
| Financial provision (\$m) | 23,864.0 | 8,850.0 | 4,350.0 (–50.8%) | 2,590.0 (–40.5%) |
| | | | | (or –70.7% on 2017–18 Original) |

Analysis of Financial Provision

2 Provision for 2018–19 is \$1,760.0 million (40.5%) lower than the revised estimate for 2017–18. This is mainly due to the decrease in transfer of \$1,000 million to the Loan Fund and \$770 million to the Civil Service Pension Reserve Fund in 2018–19.

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| Sub-head (Code) | Actual expenditure 2016-17 | Approved estimate 2017-18 | Revised estimate 2017-18 | Estimate 2018-19 |
|------------------------|----------------------------------|---------------------------------|--------------------------------|--------------------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Capital Account | | | | |
| Transfers to Funds | | | | |
| 988 | 2,000,000 | 2,000,000 | 2,000,000 | 1,000,000 |
| 990 | 64,000 | 50,000 | 50,000 | 60,000 |
| 991 | 3,800,000 | 2,300,000 | 2,300,000 | 1,530,000 |
| | — | 4,500,000 | — | — |
| | 9,000,000 | — | — | — |
| | 9,000,000 | — | — | — |
| | <u>23,864,000</u> | <u>8,850,000</u> | <u>4,350,000</u> | <u>2,590,000</u> |
| | 23,864,000 | 8,850,000 | 4,350,000 | 2,590,000 |
| <hr/> | | | | |
| | <u>23,864,000</u> | <u>8,850,000</u> | <u>4,350,000</u> | <u>2,590,000</u> |
| | <u><u>23,864,000</u></u> | <u><u>8,850,000</u></u> | <u><u>4,350,000</u></u> | <u><u>2,590,000</u></u> |

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Details of Expenditure by Subhead

The estimate of the amount required in 2018–19 in respect of transfers to the various Funds established by resolution of the Legislative Council under section 29 of the Public Finance Ordinance is \$2,590 million. This represents a decrease of \$1,760 million against the revised estimate for 2017–18 and \$21,274 million against the actual expenditure in 2016–17.

Capital Account

Transfers to Funds

2 Provision of \$1 billion under *Subhead 988 Payment to the Loan Fund* is to enable the Loan Fund to grant loans or advances mainly for education, tourism and health.

3 Provision of \$60 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.

4 Provision of \$1,530 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.