

Head 9 — LOANS, REIMBURSEMENTS, CONTRIBUTIONS AND OTHER RECEIPTS

Details of Revenue

Sub-head (Code)	Actual revenue 2018–19	Original estimate 2019–20	Revised estimate 2019–20	Estimate 2020–21
	\$'000	\$'000	\$'000	\$'000
010 Repayments of loans and advances.....	2	—	—	—
020 Pension contributions.....	4,253	3,186	3,177	2,750
030 Recovery of salaries and staff on-costs.....	2,878,089	3,183,851	3,191,011	3,276,000
040 Light and fuel in government buildings.....	21,918	20,279	19,701	20,150
050 Recovery of overpayments and losses.....	932,952	644,913	952,225	719,920
080 Transfers from Funds.....	80,000,000	55,000,000	55,000,000	84,000,000
090 Other receipts.....	9,210,475	1,022,100	932,111	1,090,000
110 Payments made by Trading Funds—				
(001) Transfer of statutory return.....	—	—	325,578	114,200
(002) Payments for “insurance” premium.....	2,561	3,777	3,777	3,980
(003) Reimbursements by trading funds arising from policy on “insurance”.....	95	210	196	230
Total.....	<u>93,050,345</u>	<u>59,878,316</u>	<u>60,427,776</u>	<u>89,227,230</u>

Description of Revenue Sources

This revenue head covers repayments of loans and advances, such as loans under the Sandwich Class Housing Purchase Loan Scheme, pension contributions (e.g. to the Widows and Orphans Pension Scheme and the Surviving Spouses’ and Children’s Pension Scheme), recovery of salaries and staff on-costs from organisations including the Hong Kong Housing Authority and the Hospital Authority, charges for light and fuel in government buildings, recovery of overpayments and losses (including surcharges on public officers), transfer from Government Funds, and payments made by Trading Funds.

Revenue from loans, reimbursements, contributions and other receipts (excluding transfers from funds) generated 1.3% of total revenue in 2019–20.

Underlying Changes in Revenue Yield

The **2019–20** revised estimate of \$60,427,776,000 reflects a net increase of \$549,460,000 (0.92%) over the original estimate.

Under *Subhead 050 Recovery of overpayments and losses*, the increase of \$307,312,000 (47.7%) is mainly due to the higher-than-expected refunds of unspent subventions from Non-governmental Organisations (“NGOs”) and other subvented organisations, unexpected refunds from the Electrical and Mechanical Services Trading Fund (“EMSTF”), and refunds of unspent balance from schemes for subsidy on student exchange.

Under *Subhead 110 Payments made by Trading Funds*, the increase of \$325,564,000 (8,165.6%) is due to the transfer of surplus representing the target return for 2016–17 to 2018–19 as directed by the Financial Secretary under the Trading Funds Ordinance (Cap. 430).

The **2020–21** estimate of \$89,227,230,000 reflects a net increase of \$28,799,454,000 (47.7%) over the revised estimate for 2019–20.

Under *Subhead 020 Pension contributions*, a decrease of \$427,000 (13.4%) is expected because the pension contributions under the Surviving Spouses’ and Children’s Pension Schemes are expected to drop.

Under *Subhead 050 Recovery of overpayments and losses*, a decrease of \$232,305,000 (24.4%) is expected mainly because the refunds of unspent subventions from NGOs and subvented organisations are expected to drop, and no refunds from the EMSTF and the schemes for subsidy on student exchange are expected.

Under *Subhead 080 Transfers from Funds*, the increase of \$29,000,000,000 (52.7%) is due to the expected increase in transfer from Capital Works Reserve Fund to the general revenue in 2020–21.

Under *Subhead 090 Other receipts*, an increase of \$157,889,000 (16.9%) is expected mainly because the sale proceeds of government properties are expected to rise.

Under *Subhead 110 Payments made by Trading Funds*, a decrease of \$211,141,000 (64.1%) is expected because only the target return for 2019–20 is expected to be transferred in 2020–21.