

Head 120 — PENSIONS

Controlling officer: the Director of Accounting Services will account for expenditure under this Head.

Estimate 2026–27 **\$53,904.5m**

Controlling Officer’s Report

Programmes

Programme (1) Public and Judicial Service Pension Benefits

This programme contributes to Policy Area 26: Central Management of the Civil Service (Secretary for the Civil Service).

Programme (2) War Memorial Pensions/Volunteer Pensions

This programme contributes to Policy Area 14: Social Welfare (Secretary for Labour and Welfare).

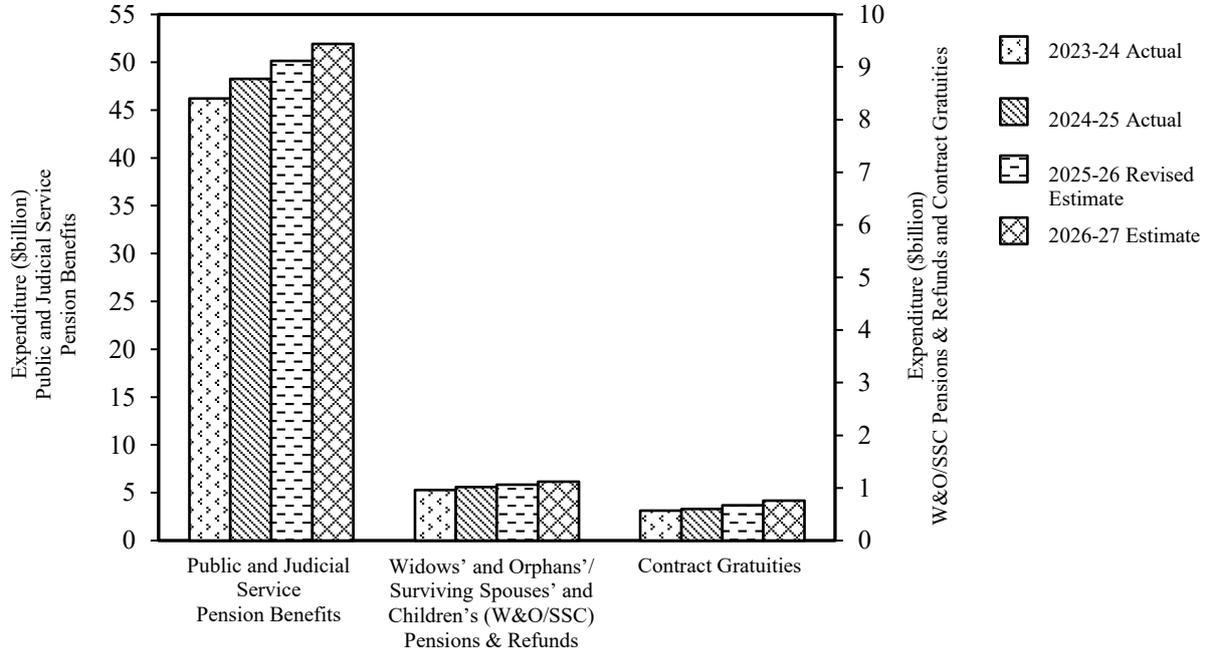
Detail

Programme (1): Public and Judicial Service Pension Benefits

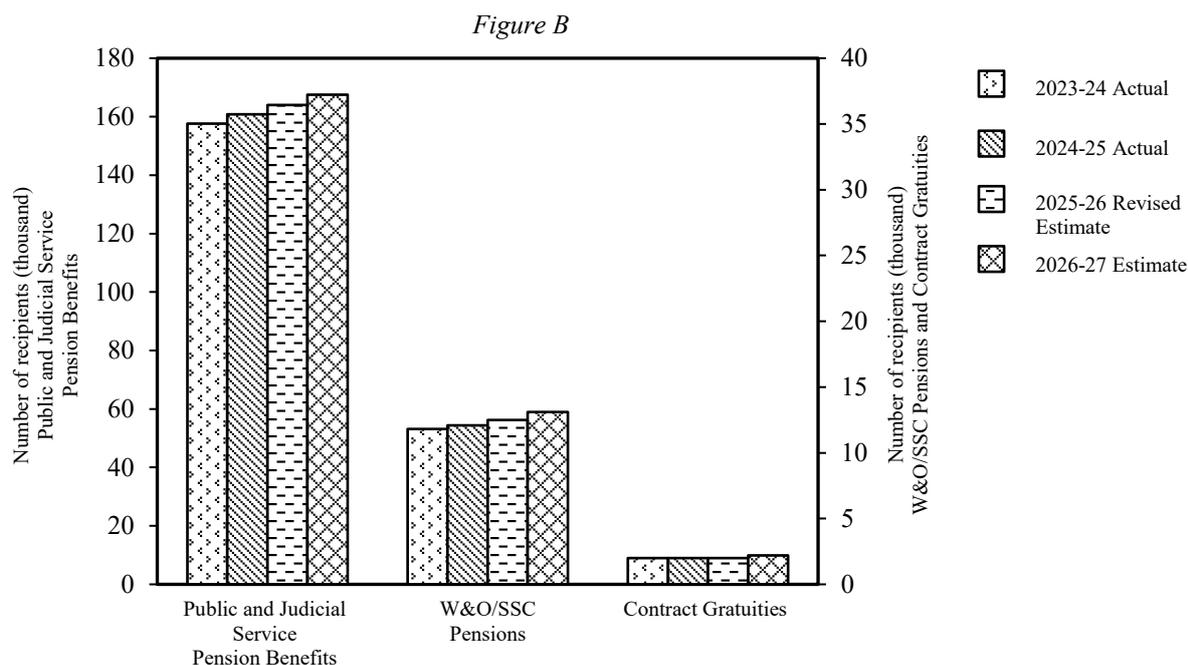
	2024–25 (Actual)	2025–26 (Original)	2025–26 (Revised)	2026–27 (Estimate)
Financial provision (\$m)	49,956.2	51,993.1	51,971.6 (—)	53,898.8 (+3.7%)
				(or +3.7% on 2025–26 Original)

2 Expenditure on, and the number of recipients of, each of the major pension schemes are shown in Figures A and B respectively.

Figure A



Head 120 — PENSIONS



Aim

- 3 The aim is to make provision for the payment of public and judicial service pension benefits.

Brief Description

4 Under this programme, funds are provided to meet payment of public and judicial service pension benefits, contract gratuities, widows' and orphans' pensions, surviving spouses' and children's pensions, employees' compensation and other miscellaneous pensions, allowances and grants.

- 5 The key performance measures in respect of public and judicial service pension benefits are:

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
no. of public and judicial service pensioners	160 454	163 366	166 910
no. of officers retiring	5 354	4 976	5 280
no. of agreement officers completing contract.....	2 080	2 029	2 200
no. of recipients of widows' and orphans'/surviving spouses' and children's pensions.....	12 031	12 275	12 970

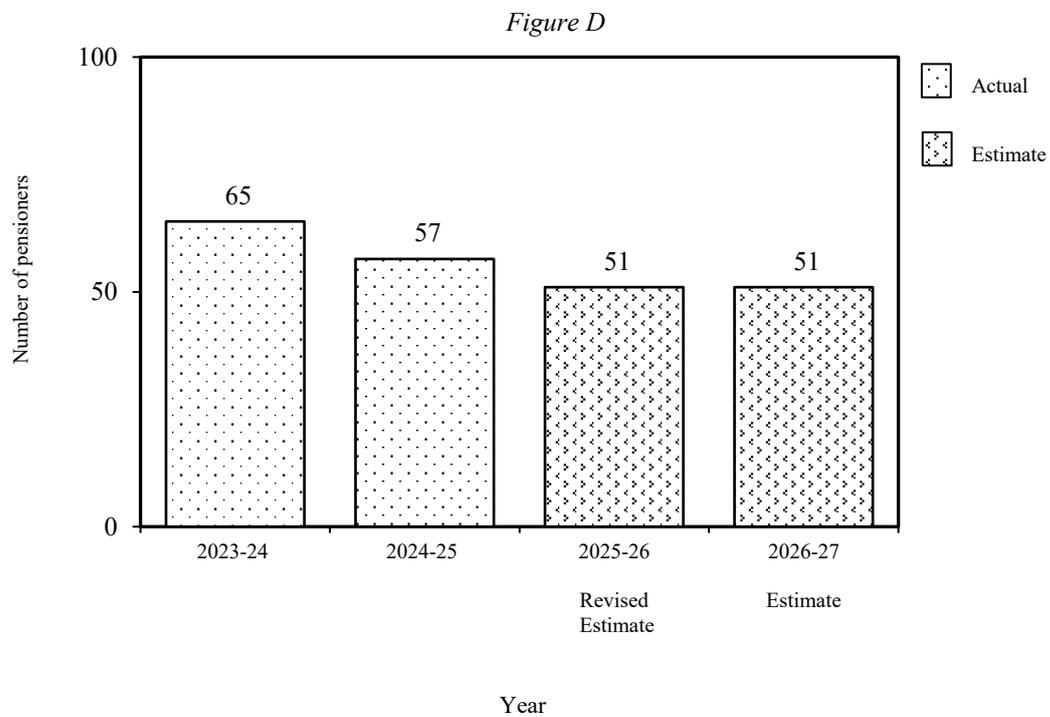
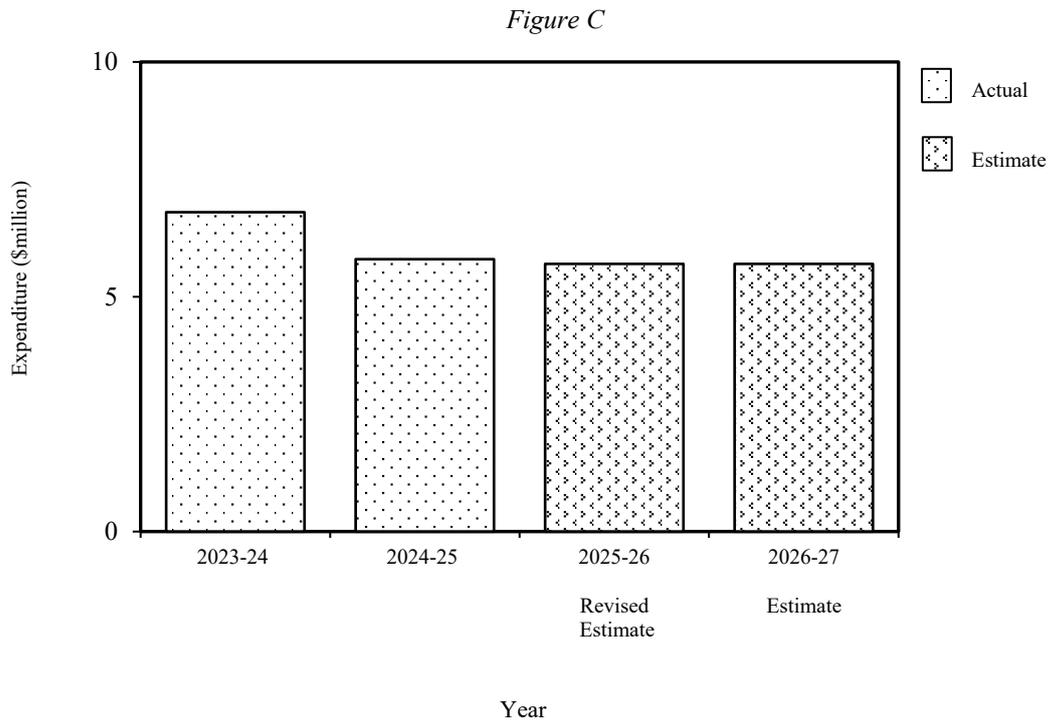
Programme (2): War Memorial Pensions/Volunteer Pensions

	2024-25 (Actual)	2025-26 (Original)	2025-26 (Revised)	2026-27 (Estimate)
Financial provision (\$m)	5.8	6.3	5.7 (-9.5%)	5.7 (—)

(or -9.5% on
2025-26 Original)

Head 120 — PENSIONS

6 Expenditure on, and the number of recipients of, war memorial pensions/volunteer pensions are shown in Figures C and D respectively.



Head 120 — PENSIONS

Aim

7 The aim is to make provision for the payment of war memorial pensions and volunteer pensions.

Brief Description

8 Under this programme, funds are provided to meet payments of war memorial pensions, volunteer and defence force pensions, allowances and grants.

9 The key performance measures in respect of war memorial pensions and volunteer pensions are:

Indicators

	2024 (Actual)	2025 (Actual)	2026 (Estimate)
no. of war memorial pensioners	50	44	44
no. of volunteer pensioners	7	7	7

Head 120 — PENSIONS

ANALYSIS OF FINANCIAL PROVISION

	2024–25 (Actual) (\$m)	2025–26 (Original) (\$m)	2025–26 (Revised) (\$m)	2026–27 (Estimate) (\$m)
Programme				
(1) Public and Judicial Service Pension Benefits	49,956.2	51,993.1	51,971.6	53,898.8
(2) War Memorial Pensions/Volunteer Pensions.....	5.8	6.3	5.7	5.7
	49,962.0	51,999.4	51,977.3 (—)	53,904.5 (+3.7%)
				(or +3.7% on 2025–26 Original)

Analysis of Financial Provision

Programme (1)

Provision for 2026–27 is \$1,927.2 million (3.7%) higher than the revised estimate for 2025–26. This is mainly due to an anticipated increase in payment of pension gratuities to new retirees in 2026–27 and full-year provision for new pensions awarded in 2025–26.

Programme (2)

Provision for 2026–27 is the same as the revised estimate for 2025–26.

Head 120 — PENSIONS

Sub-head (Code)	Actual expenditure 2024–25	Approved estimate 2025–26	Revised estimate 2025–26	Estimate 2026–27	
	\$'000	\$'000	\$'000	\$'000	
Operating Account					
Recurrent					
015	Public and judicial service pension benefits and compensation.....	48,264,200	50,139,000	50,139,000	51,900,000
016	Contract gratuities.....	601,479	665,000	665,000	763,000
017	Surviving spouses' and children's pensions and widows' and orphans' pensions	1,015,420	1,090,000	1,062,500	1,120,300
018	Volunteer and defence force pensions, allowances and grants.....	5,812	6,300	5,690	5,690
021	Ex-gratia pensions, awards and allowances.....	52	80	60	80
026	Employees' compensation, injury, incapacity and death related payments and expenses	75,065	99,000	105,000	115,400
	Total, Recurrent.....	49,962,028	51,999,380	51,977,250	53,904,470
	Total, Operating Account	49,962,028	51,999,380	51,977,250	53,904,470
<hr/>					
	Total Expenditure	49,962,028	51,999,380	51,977,250	53,904,470

Head 120 — PENSIONS

Details of Expenditure by Subhead

The estimate of the amount required in 2026–27 for public and judicial service pension benefits, contract gratuities, surviving spouses' and children's pensions, widows' and orphans' pensions, payments under the Employees' Compensation Ordinance (Cap. 282), payments under the Hong Kong War Memorial Pensions Ordinance (Cap. 386) and various other pensions, gratuities, allowances and grants is \$53,904,470,000. This represents an increase of \$1,927,220,000 over the revised estimate for 2025–26 and \$3,942,442,000 over the actual expenditure in 2024–25.

Operating Account

Recurrent

2 Provision of \$51,900 million under *Subhead 015 Public and judicial service pension benefits and compensation* is for the payment of—

- pensions, gratuities and other allowances under the Pensions Ordinance (Cap. 89), the Pension Benefits Ordinance (Cap. 99) and the Pension Benefits (Judicial Officers) Ordinance (Cap. 401) to current pensioners and officers who will retire in 2026–27, and any increases in such pensions under the Pensions (Increase) Ordinance (Cap. 305); and
- pensions to agreement officers, or dependant pensions to dependants of deceased agreement officers, on account of injuries suffered whilst on duty, and any increases in such pensions.

The provision comprises \$35,311,900,000 for the payment of public and judicial service pensions and other allowances and \$16,588,100,000 for pension gratuities.

3 Provision of \$763 million under *Subhead 016 Contract gratuities* is for the payment of contract gratuities or resettlement grants to officers who are due to complete their agreements in 2026–27. The increase of \$98 million (14.7%) over the revised estimate for 2025–26 is mainly due to an anticipated increase in payment of contract gratuities to officers who are due to complete their agreements in 2026–27.

4 Provision of \$1,120,300,000 under *Subhead 017 Surviving spouses' and children's pensions and widows' and orphans' pensions* is for—

- the payment of pensions to surviving spouses and children of deceased contributors to either the Surviving Spouses' and Children's Pensions Scheme or the Widows and Orphans Pension Scheme, and for any increases in payment for these two types of pensions under the Pensions (Increase) Ordinance and the Widows and Orphans Pension (Increase) Ordinance (Cap. 205);
- the return of contributions plus interest or addition under section 14 of the Surviving Spouses' and Children's Pensions Ordinance (Cap. 79) to contributors who, on leaving the service, are never married or are widows/widowers/divorcees or are not eligible for a public or judicial service pension; and
- the refund of contributions plus interest under section 11 of the Widows and Orphans Pension Ordinance (Cap. 94) to contributors who, on leaving the public or judicial service, remain bachelors or widowers without children who are eligible to receive these pensions.

5 Provision of \$5,690,000 under *Subhead 018 Volunteer and defence force pensions, allowances and grants* comprises—

- \$140,000 for the payment of pensions and other grants in respect of death, disablement or sickness of members of the former Hong Kong Volunteer Defence Corps, Hong Kong Naval Volunteer Force, or members of the other civil defence forces as provided for under the relevant legislation; and
- \$5,550,000 for the payment of pensions and other benefits under the Hong Kong War Memorial Pensions Ordinance which will be adjusted in accordance with any increases in civil service pensions and any increases in payment under the Emergency Relief Fund and social security schemes.

6 Provision of \$80,000 under *Subhead 021 Ex-gratia pensions, awards and allowances* is for the payment of ex-gratia awards linked with the provisions of the pension legislation for the public and judicial services and volunteers and civil defence forces, the Surviving Spouses' and Children's Pensions Ordinance, the Widows and Orphans Pension Ordinance and the Employees' Compensation Ordinance, and also for the payment of recurrent ex-gratia pensions, allowances and any increases in such pensions already in issue. The increase of \$20,000 (33.3%) over the revised estimate for 2025–26 is mainly due to the inclusion of a lump-sum ex-gratia award for 2026–27.

7 Provision of \$115,400,000 under *Subhead 026 Employees' compensation, injury, incapacity and death related payments and expenses* is for the payment of compensation to government employees under the Employees' Compensation Ordinance and other injury, incapacity and death related payments and expenses.