

Head 46 — GENERAL EXPENSES OF THE CIVIL SERVICE

Controlling officers: expenditure under this Head will be accounted for as follows:

Secretary for the Civil Service (Subheads 001, 003, 010, 011, 023, 024, 025, 027, 028 and 037)
 Registrar of Companies (Subhead 006)
 Chief Executive of Hong Kong Monetary Authority (Subhead 008)
 Land Registrar (Subhead 009)
 Director of Accounting Services (Subheads 013, 014, 020, 022, 032, 033, 038, 039 and 040)
 Director-General of Telecommunications (Subhead 081)
 Postmaster General (Subhead 082)
 Director of Electrical and Mechanical Services (Subhead 083)
 Director of Administration (Subhead 084)
 The Ombudsman (Subhead 085)

Estimate 2002–03..... **\$4,944.2m**

Establishment ceiling for Subhead 001 in 2002–03 (notional annual mid-point salary value representing an estimated 503 non-directorate posts in the operational reserves at 31 March 2002 and reducing by ten posts to 493 posts at 31 March 2003)..... **\$148.6m**

Controlling Officers' Report

Programme

General Expenses of the Civil Service

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

Detail

	2000–01 (Actual)	2001–02 (Approved)	2001–02 (Revised)	2002–03 (Estimate)
Financial provision (\$m)	5,022.0	5,364.6 (+6.8%)	4,837.1 (–9.8%)	4,944.2 (+2.2%)

Aim

- 2 The aim is to pay for expenditure on terms and conditions of service and other personnel related expenses.

Brief Description

3 The Secretary for the Civil Service is in charge of the central management of the civil service and is responsible for overall resource control of the general expenses of the civil service. These expenses include:

- expenses for recruitment, civil service examinations and operational reserves posts;
- allowances under the Home Purchase, Home Financing, Private Tenancy Allowance, Accommodation Allowance, Rent Allowance and Non-accountable Cash Allowance Schemes;
- passage expenses and personal allowances; and
- expenses relating to the relief and welfare of civil servants and pensioners, and various awards and assistance to civil servants.

4 Performance under this programme was generally maintained in 2001 as compared with 2000, with increases in number of participants in long service travel award and housing benefit schemes.

- 5 The key performance indicators in respect of general expenses of the civil service are:

Indicators

	2000 (Actual)	2001 (Actual)	2002 (Estimate)
local advertisements for recruitment placed	30	26	24
civil service examinations	96	118	58#
recipients of long service travel award	1 520	1 692	1 764
housing benefits			
recipients of home purchase allowance	14 853	15 122	15 810

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	2000 (Actual)	2001 (Actual)	2002 (Estimate)
recipients of private tenancy allowance	667	685	730
recipients of home financing allowance.....	10 098	9 264	8 600
recipients of accommodation allowance	180	132	115
recipients of rent allowance	7	7	6
recipients of non-accountable cash allowance	1	5	40
claimants of leave passage allowance scheme	2 005	1 937	1 910
students participating in school passage allowance scheme ...	5 197	5 946	6 280
students participating in local education allowance scheme ...	19 365	18 982	18 770
students participating in overseas education allowance scheme.....	3 344	3 864	4 320

The decrease in number of examinations held in 2002 is mainly due to the expected widening use of a common language examination by different grades which recruit degree holders in place of various smaller scale examinations and the devolution of departmental examinations for assessing technical/professional/specific knowledge to bureaux/departments from 2002–03 onwards.

Matter Requiring Special Attention in 2002–03

6 During 2002–03, the Civil Service Bureau will explore the feasibility of widening the use of a common language examination by different grades which recruit degree holders.

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ANALYSIS OF FINANCIAL PROVISION

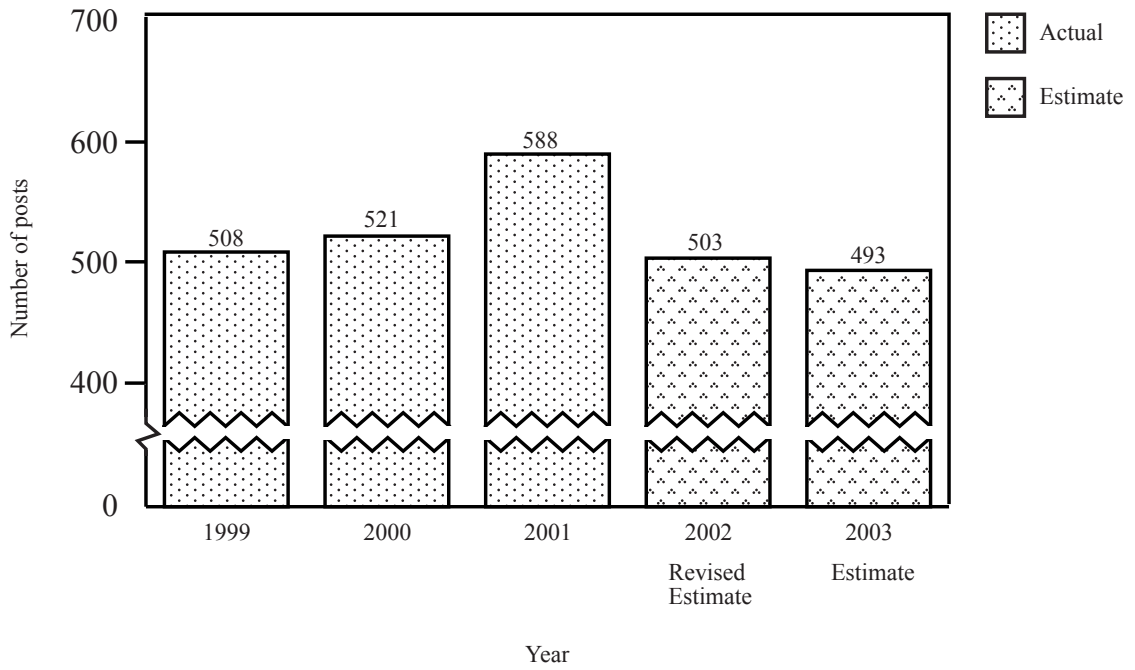
Programme	2000-01 (Actual) (\$m)	2001-02 (Approved) (\$m)	2001-02 (Revised) (\$m)	2002-03 (Estimate) (\$m)
General Expenses of the Civil Service	5,022.0	5,364.6 (+6.8%)	4,837.1 (-9.8%)	4,944.2 (+2.2%)

Analysis of Financial and Staffing Provision

Provision for 2002-03 is \$107.1 million (2.2%) higher than the revised estimate for 2001-02. This is mainly due to projected increases in the required provision for personal allowances, passages and housing benefit schemes, partly offset by the deletion of ten posts under the operational reserves arising from the rationalisation of the composition of operational reserves under the Enhanced Productivity Programme.

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*Changes in the size of the establishment
(as at 31 March)*



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Sub-head (Code)		Actual expenditure 2000-01	Approved estimate 2001-02	Revised estimate 2001-02	Estimate 2002-03
	\$'000	\$'000	\$'000	\$'000	\$'000
Recurrent Account					
I — Personal Emoluments					
001	Salaries	148,972	142,834	140,603	138,531
003	Recoverable salaries and allowances (General)..... 1,445				
	<i>Deduct</i> reimbursements..... <i>Cr.1,445</i>	—	—	—	—
006	Recoverable salaries and allowances (Companies Registry Trading Fund)..... 124,000				
	<i>Deduct</i> reimbursements..... <i>Cr.124,000</i>	—	—	—	—
008	Recoverable salaries and allowances (Hong Kong Monetary Authority).... 48,553				
	<i>Deduct</i> reimbursements..... <i>Cr.48,553</i>	—	—	—	—
009	Recoverable salaries and allowances (Land Registry Trading Fund) 172,200				
	<i>Deduct</i> reimbursements..... <i>Cr.172,200</i>	—	—	—	—
081	Recoverable salaries and allowances (Office of the Telecommunications Authority Trading Fund)..... 139,000				
	<i>Deduct</i> reimbursements..... <i>Cr.139,000</i>	—	—	—	—
082	Recoverable salaries and allowances (Post Office Trading Fund)..... 1,809,000				
	<i>Deduct</i> reimbursements..... <i>Cr.1,809,000</i>	—	—	—	—
083	Recoverable salaries and allowances (Electrical and Mechanical Services Trading Fund) 1,251,000				
	<i>Deduct</i> reimbursements..... <i>Cr.1,251,000</i>	—	—	—	—
084	Recoverable salaries and allowances (Legal Aid Services Council) 2,740				
	<i>Deduct</i> reimbursements..... <i>Cr.2,740</i>	—	—	—	—
085	Recoverable salaries and allowances (Office of The Ombudsman) 30,186				
	<i>Deduct</i> reimbursements..... <i>Cr.30,186</i>	—	—	—	—
	Total, Personal Emoluments	148,972	142,834	140,603	138,531
II — Personnel Related Expenses					
010	Recruiting expenses	2,083	1,642	1,642	1,642
011	Civil service examinations	4,235	7,440	3,318	6,536
013	Personal allowances	587,341	734,087	652,034	711,528
014	Home purchase allowance.....	1,117,884	1,216,600	1,138,462	1,205,000
020	Payments to estates of deceased officers.....	14,535	12,436	16,736	16,736
022	Passages	169,237	177,618	187,616	211,079
023	Quartering	16,651	57,707	38,255	28,904
024	Relief and welfare of civil servants.....	1,902	3,586	2,212	2,688
025	Long Service Travel Award Scheme.....	39,316	49,426	49,426	52,830
027	Staff Suggestion and Motivation Schemes.....	73	595	268	411
028	Legal assistance.....	4,034	1,484	1,484	1,448
032	Accommodation Allowance Scheme	54,803	57,000	41,462	37,000
033	Home Financing Scheme	2,687,752	2,687,295	2,394,016	2,334,000
037	Pensioners' welfare fund.....	611	640	659	670
038	Private tenancy allowance.....	170,452	180,000	164,752	179,000
039	Rent Allowance Scheme	2,000	2,000	1,700	1,600
040	Non-accountable Cash Allowance Scheme.....	145	32,200	2,446	14,600
	Total, Personnel Related Expenses	4,873,054	5,221,756	4,696,488	4,805,672
	Total, Recurrent Account.....	5,022,026	5,364,590	4,837,091	4,944,203
	Total Expenditure.....	5,022,026	5,364,590	4,837,091	4,944,203

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Details of Expenditure by Subhead

The estimate of the amount required in 2002–03 for general expenses of the civil service, including the operational reserves and recurrent personnel related expenses is \$4,944,203,000. This represents an increase of \$107,112,000 over the revised estimate for 2001–02 and a decrease of \$77,823,000 against actual expenditure in 2000–01.

Recurrent Account

Personal Emoluments

2 Provision of \$138,531,000 for personal emoluments represents a decrease of \$2,072,000 against the revised estimate for 2001–02.

3 Provision under *Subhead 001* is for operational reserves i.e. staff in the administrative, executive, secretarial and clerical grades who are required by departments to replace officers on leave or full-time training or for handover purposes and for staff required to undertake special and *ad hoc* projects.

4 Gross provision of \$1,445,000 under *Subhead 003* is for staff seconded to the Hong Kong Council for Academic Accreditation. Gross provision of \$124,000,000 under *Subhead 006* is for staff working in the Companies Registry. Gross provision of \$48,553,000 under *Subhead 008* is for staff seconded to the Hong Kong Monetary Authority. Gross provision of \$172,200,000 under *Subhead 009* is for staff working in the Land Registry. Gross provision of \$139,000,000 under *Subhead 081* is for staff working in the Office of the Telecommunications Authority. Gross provision of \$1,809,000,000 under *Subhead 082* is for staff working in the Post Office. Gross provision of \$1,251,000,000 under *Subhead 083* is for staff working wholly on trading fund activities in the Electrical and Mechanical Services Department. Gross provision of \$2,740,000 under *Subhead 084* is for staff seconded to the Legal Aid Services Council. Gross provision of \$30,186,000 under *Subhead 085* is for staff seconded to the Office of The Ombudsman.

5 The establishment of the operational reserves at 31 March 2002 will be 503 permanent non-directorate posts. It is expected that ten posts will be deleted in 2002–03.

6 Subject to certain conditions, the controlling officer for *Subhead 001* may under delegated powers create or delete non-directorate posts during 2002–03 for the operational reserves, but the notional annual mid-point salary value of all such posts must not exceed \$148,563,000.

7 The establishment of staff for which the salaries and allowances are recoverable under *Subheads 003, 006, 008, 009, 081, 082, 083, 084* and *085* at 31 March 2002 will be 11 692 permanent posts and 69 supernumerary posts. It is expected that 99 permanent posts and four supernumerary posts will be deleted in 2002–03.

8 Subject to certain conditions, the controlling officers for *Subheads 003, 006, 008, 009, 081, 082, 083, 084* and *085* may under delegated powers create or delete non-directorate posts during 2002–03, the cost of which is reimbursed by the Hong Kong Council for Academic Accreditation (for *Subhead 003*), the Companies Registry Trading Fund (for *Subhead 006*), the Hong Kong Monetary Authority (for *Subhead 008*), the Land Registry Trading Fund (for *Subhead 009*), the Office of the Telecommunications Authority Trading Fund (for *Subhead 081*), the Post Office Trading Fund (for *Subhead 082*), the Electrical and Mechanical Services Trading Fund (for *Subhead 083*), the Legal Aid Services Council (for *Subhead 084*) and the Office of The Ombudsman (for *Subhead 085*). Before exercising his delegated powers, the controlling officer is required to ensure that the gross estimate under each respective subhead must not be exceeded without the prior approval of the Secretary for the Treasury. The controlling officers for *Subheads 003* and *084* are required to seek the endorsement of the relevant organisations that the proposals and their financial implications are acceptable.

Personnel Related Expenses

9 Provision of \$1,642,000 under *Subhead 010 Recruiting expenses* is for expenses in respect of recruitment for administrative and general grades, and for other miscellaneous recruiting expenses.

10 Provision of \$6,536,000 under *Subhead 011 Civil service examinations* is for the payment of remuneration to examiners, moderators and invigilators and for other minor expenses for examinations within, and for appointments to, the civil service. The increase of \$3,218,000 (97.0%) over the revised estimate for 2001–02 is mainly due to the widening use of a common language examination by different grades which recruit degree holders and the need to settle some outstanding payments of examinations held in late 2001–02.

11 Provision of \$711,528,000 under *Subhead 013 Personal allowances* is for the payment of standard personal allowances to eligible officers. It comprises—

- \$692,262,000 for the payment of local and overseas education allowances to officers whose eligible children are receiving education either locally or overseas. Only officers offered appointment before 1 August 1996 are eligible for overseas education allowance, and only officers offered appointment before 1 June 2000 are eligible for local education allowance. The increase of \$59,887,000 (9.5%) over the revised estimate for 2001–02 is mainly due to the estimated increase in number of dependents of eligible civil servants studying overseas and the anticipated increase in average school fee for local schools;

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- \$14,564,000 for the payment of house allowance to officers with a substantive monthly salary at Point 34 of the Master Pay Scale or above who live in accommodation which they own themselves or which is owned by a member of their immediate family; the payment of allowance in lieu of the provision of furniture and domestic appliances; and the payment of rent allowance to officers posted to offices outside Hong Kong. Only eligible officers offered appointment before 1 May 1999 are entitled to furniture and domestic appliances allowance;
- \$235,000 for the payment of allowance for air-conditioners for directorate officers. The decrease of \$25,000 (9.6%) against the revised estimate for 2001–02 is mainly due to the estimated decrease in number of claims in 2002–03. Only officers attaining Directorate level before 1 May 1999 are eligible for air-conditioning allowance; and
- \$4,467,000 for the payment of disturbance allowance to officers posted to offices outside Hong Kong.

12 Provision of \$1,205,000,000 under *Subhead 014 Home purchase allowance* is for the payment of home purchase allowance to eligible officers. The increase of \$66,538,000 (5.8%) over the revised estimate for 2001–02 is mainly due to anticipated increase in number of recipients in 2002–03.

13 Provision of \$16,736,000 under *Subhead 020 Payments to estates of deceased officers* is for the payment in respect of earned vacation leave to the estates of civil servants who die in service.

14 Provision of \$211,079,000 under *Subhead 022 Passages* is for the payment of leave passage allowance, passages and related expenditure, including baggage and travelling allowances, in respect of civil servants and their eligible family members, and children of civil servants being educated overseas. Eligible officers offered appointment on or after 1 June 2000 are only entitled to non-accountable leave passage allowance. Only dependents of officers appointed before 1 August 1996 are eligible for school passage. The increase of \$23,463,000 (12.5%) over the revised estimate for 2001–02 is mainly due to the estimated increase in number of eligible claims for school passage.

15 Provision of \$28,904,000 under *Subhead 023 Quartering* is for expenses incidental to the housing of eligible civil servants, and also to enable officers to be temporarily accommodated where necessary. The decrease of \$9,351,000 (24.4%) against the revised estimate for 2001–02 is mainly due to the decrease in requirements of removal allowance in 2002–03.

16 Provision of \$2,688,000 under *Subhead 024 Relief and welfare of civil servants* is for the relief and welfare of civil servants, including provision for Staff Welfare Fund for welfare and recreational activities, for the purchase of television sets for staff recreation rooms, for the purchase of retirement souvenirs and for the purchase of commemorative awards for long and meritorious service. The increase of \$476,000 (21.5%) over the revised estimate for 2001–02 is mainly due to the anticipated increase in requirement of commemorative awards for long and meritorious service.

17 Provision of \$52,830,000 under *Subhead 025 Long Service Travel Award Scheme* is for recreational overseas travel for local non-directorate officers and their spouses, in recognition of long and meritorious service. The increase of \$3,404,000 (6.9%) over the revised estimate for 2001–02 is mainly due to the anticipated increase in number of recipients in 2002–03.

18 Provision of \$411,000 under *Subhead 027 Staff Suggestion and Motivation Schemes* is for giving awards in cash or in kind to civil servants who have made valuable suggestions to improve the efficiency of the civil service, and for sustaining the commitment of civil servants to the performance pledge programmes and to continuous improvement of service through educational programmes, publicity and awards. The increase of \$143,000 (53.4%) over the revised estimate for 2001–02 is mainly due to the lower-than-expected requirement in 2001–02.

19 Provision of \$1,448,000 under *Subhead 028 Legal assistance* is for legal assistance to officers involved or likely to be involved in court proceedings and coroners' and other formal inquiries as a result of their official duties.

20 Provision of \$37,000,000 under *Subhead 032 Accommodation Allowance Scheme* is for the payment of accommodation allowance to eligible officers. The decrease of \$4,462,000 (10.8%) against the revised estimate for 2001–02 is mainly due to the anticipated decrease in number of recipients in 2002–03.

21 Provision of \$2,334,000,000 under *Subhead 033 Home Financing Scheme* is for the payment of home financing allowance to eligible officers.

22 Provision of \$670,000 under *Subhead 037 Pensioners' welfare fund* is for the payment of one-off grants to pensioners and dependants in financial hardship.

23 Provision of \$179,000,000 under *Subhead 038 Private tenancy allowance* is for the payment of private tenancy allowance to eligible officers. The increase of \$14,248,000 (8.6%) over the revised estimate for 2001–02 is mainly due to the increase in number of recipients expected in 2002–03.

24 Provision of \$1,600,000 under *Subhead 039 Rent Allowance Scheme* is for the payment of rent allowance to eligible officers. The decrease of \$100,000 (5.9%) against the revised estimate for 2001–02 is mainly due to the expected decrease in number of recipients in 2002–03.

25 Provision of \$14,600,000 under *Subhead 040 Non-accountable Cash Allowance Scheme* is for the payment of non-accountable cash allowance to eligible officers who are offered appointment on or after 1 June 2000. The increase of \$12,154,000 (496.9%) over the revised estimate for 2001–02 is mainly due to the increase in number of recipients expected in 2002–03. The Non-accountable Cash Allowance Scheme is a new scheme and the number of recipients in 2001–02 is relatively small.