

Budget

Q: How does LegCo examine and approve the Budget of the Government?

A: Every year, the Financial Secretary presents the Budget to the Council in the form of an Appropriation Bill. He put forth the Government's annual revenue and expenditure proposals for the following financial year and moves the Second Reading of the Appropriation Bill, which gives legal effect to the annual expenditure proposals contained in the Budget.

After the motion for the Second Reading of the Appropriation Bill has been proposed in the Council, the debate thereon is adjourned. The expenditure proposals in the Budget, consolidated in the Estimates of Expenditure, may be referred by the [LegCo President](#) to the [Finance Committee](#) under LegCo for detailed examination before consideration of the Appropriation Bill in the Council. The Finance Committee holds special meetings to examine in detail the Budget to ensure that the provision sought is no more than is necessary for the execution of approved policies. After the special meetings, the Chairman of the Finance Committee presents a report to the Council.

At the meeting for the resumption of the debate on the Second Reading of the Appropriation Bill, Members may comment on the Budget. Government officials will respond to Members' speeches at a subsequent Council meeting, during which on the remaining processes of the Second Reading and Third Reading of the Appropriation Bill will be conducted.

As for the revenue proposals in the Budget, they are introduced by the Administration in the form of bills or subsidiary legislation for consideration by LegCo. Similar to other bills, bills pertaining to revenue also have to go through the three-reading process.

Q: Apart from the Budget, will LegCo examine other expenditure proposals put forward by the Government?

A: Yes. The Finance Committee formed under LegCo is responsible for scrutinizing and approving public expenditure proposals put forward by the Government. There are two subcommittees under the Finance Committee, namely the [Establishment Subcommittee](#) and the [Public Works Subcommittee](#). The Establishment Subcommittee examines the Government's proposals for the creation and deletion of directorate posts, and for changes to the structure of civil service grades and ranks. The Public Works Subcommittee examines the Government's proposals for building projects.

Ultimately, however, such funding proposals have to be approved by the Finance Committee which normally meets on Fridays.

Q: Who are the members of the Finance Committee?

A: The committee comprises 59 Members except the LegCo President. Its Chairman and Deputy Chairman are elected by and from among its members.