

**Replies to initial written questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2005-06**

Director of Bureau : Secretary for the Civil Service

Session No. : 5

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**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB001

Question Serial No.

0116

Head: 143 - Government Secretariat: Subhead (No. & title): 700 General non-recurrent
Civil Service Bureau

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

How is the effectiveness of the Work Life Balance Campaign implemented by the Civil Service Bureau in 2004-05? Who benefited most in the civil service? Will the Administration consider carrying on the campaign this year?

Asked by: Hon. WONG Kwok-hing

Reply:

Under the Work Life Balance Programme, we have organized a variety of training and promotional activities in 2004-05 for civil servants at all levels. The main objective is to enhance civil servants' awareness of the importance of striking a healthy balance between work and personal life, with a view to maintaining a healthy and productive work force. The programme included a series of seminars and workshops on topics including (a) mental well-being; (b) dealing with change positively; (c) stress management; (d) Zen; (e) the art of living a balanced life; and (f) food and nutrition. Over 1 500 participants had attended these activities. They rated them highly, with very positive feedback on the usefulness of the programme.

To further heighten awareness of the benefits of work-life balance, health tips and relevant articles have been posted onto the on-line resource centre under "Health and Well-being" in our e-learning portal (i.e. the Cyber Learning Centre Plus) starting from November 2004. This web-corner has since attracted over 6 000 hits from civil servants at different levels.

As planned, the Work Life Balance Programme will continue in 2005-06.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB002

Question Serial No.

0117

Head: 143 Government Secretariat : Civil
Service Bureau

Subhead
(No. & title):

000 Operational expenses

Programme:

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

It is expected that there will be a net deletion of 15 permanent posts within the Civil Service Bureau in 2005-06. What are the ranks and areas of work involved? How will the Bureau rearrange the work after the posts are deleted?

Asked by: Hon. WONG Kwok-hing

Reply:

The ranks and areas of work of the posts to be deleted in 2005-06 are as follows –

<u>Rank</u>	<u>Number</u>	<u>Area of work</u>
Chief Executive Officer	1	Human resource management
Senior Training Officer	1	Training and development
Training Officer I	5	Training and development
Training Officer II	1	Training and development
Senior Clerical Officer	1	Clerical support services
Assistant Clerical Officer	2	Clerical support services
Clerical Assistant	3	Clerical support services
Office Assistant	1	Office support services
Total :	15	

In the interest of delayering and to achieve better efficiency, the Civil Service Training and Development Institute (CSTDI) was incorporated into the Civil Service Bureau with effect from 1 April 2004. Following the re-organisation, the CSTDI has refocused its core activities and work objectives and rationalised its mode of service delivery. The re-organization has also allowed the Bureau to re-distribute the duties of its posts, making room for some duties to be absorbed by holders of other posts.

As a result of the above and the simplification of work processes, the above 15 posts may be deleted in 2005-06.

Signature _____

Name in block letters Mrs. Rebecca LAI

Post Title Permanent Secretary for the Civil Service

Date 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB003

Question Serial No.

0118

Head: 143 Government Secretariat: Civil Subhead (No. & title):
Service Bureau

Programme: (2) Human Resources Management

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

It is stated that in 2004-2005, the Administration "continued the general recruitment freeze to the civil service with exemption granted only on very exceptional circumstances". How many civil servants were recruited last year? Under what kinds of exceptional circumstances were they recruited? Moreover, how many non-civil service contract clerical staff were recruited by government departments last year? Please set out the relevant jobs and the expenditure involved.

Asked by: Hon. WONG Kwok-hing

Reply:

Applications for exemption from the general civil service recruitment freeze are considered by the Panel co-chaired by the Chief Secretary and the Financial Secretary and with the Secretary for the Civil Service as member on a case-by-case basis, and exemption will be granted only on very exceptional circumstances. Before submitting an application for exemption, the relevant Head of Department/Grade (HoD/HoG) has to critically review the department's / grade's mode of operations and mode of service delivery with a view to identifying scope for enhancing productivity and for delivering services through alternative means such as outsourcing. If it is necessary to fill certain posts, the HoD/HoG should first explore the option of filling the vacancies in-house by way of redeployment or in-service appointment. Exemption from the recruitment freeze may be considered only when the options listed above have been explored and considered inappropriate.

In 2004-05, 553 new recruits were recruited from outside with exceptional approval granted by the Panel. A breakdown by bureaux/departments and ranks/posts is at Annex I. The actual expenditure on salaries for the officers concerned in 2004-05 was \$58.6 million.

As regards non-civil service contract (NCSC) staff, it should be noted that the NCSC Staff scheme is a standing scheme introduced in 1999 to enable HoDs to employ staff, on fixed-term contracts, outside the civil service establishment to meet service needs which are short-term, part-time or under review. HoDs have full discretion to decide on the employment of NCSC

staff having regard to their service and operational needs and the number of these staff could vary considerably during a particular year. Given the nature of the NCSC scheme, and in order to maintain flexibility of the scheme, it is our policy not to micro-manage departments in the employment of NCSC staff. Hence, we do not have information relating to the detailed employment situation of NCSC staff in departments. For the purpose of overall monitoring of the implementation of the NCSC scheme, we collect snapshot statistics from departments on the general information of NCSC staff as at 30 June and 31 December each year.

Against the above background, we do not have information on the total number of NCSC staff recruited in a particular year and the expenditure involved in the employment of a particular type of job. We are however able to provide the general information of NCSC staff employed as at the survey dates. According to the most recent survey, as at 31 December 2004, there were 2 745 full-time NCSC staff employed by government bureaux/departments to perform clerical duties. We do not have ready information on the expenditure involved for the employment of these 2 745 full-time NCSC staff in 2004-05.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI _____

Post Title _____ Permanent Secretary for the Civil Service _____

Date _____ 7 April 2005 _____

Number of new recruits recruited from outside in 2004-05 ^{Note}

Bureau/ Department	Rank/Post	No. of new recruits recruited from outside in 2004-05
Hong Kong Police Force	Inspector of Police	14
	Police Constable	205
Fire Services Department	Station Officer	14
	Fireman	26
	Ambulanceman	28
Immigration Department	Immigration Assistant	209
Correctional Services Department	Assistant Officer II	30
Civil Service Bureau	Administrative Officer	24
Civil Aviation Department	Senior Operations Officer	1
Financial Secretary's Office	Government Economist	1
Commerce, Industry and Technology Bureau	Government Chief Information Officer	1
Total		553

Note – The approval for open recruitment for some of the posts was granted by the Panel in 2003-04. For those posts which were granted approval for open recruitment in 2004-05, some of them will be filled in 2005-06.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB004

Question Serial No.

0119

Head: 143 Government Secretariat: Civil Subhead (No. & title):
Service Bureau

Programme:

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Does the Administration have any plan to recruit civil servants, in particular for the Administrative Officer and Executive Officer Grades, in 2005-2006 in order to avoid "a succession gap"? Has the Administration planned for the number of non-civil service contract clerical staff to be recruited this year? If yes, please set out the jobs for which such staff are to be recruited and the expenditure to be involved.

Asked by: Hon. WONG Kwok-hing

Reply:

Applications for exemption from the general civil service recruitment freeze are considered by the Panel co-chaired by the Chief Secretary and the Financial Secretary and with the Secretary for the Civil Service as member on a case-by-case basis, and exemption will be granted only on exceptional circumstances. Bureaux and departments that have been granted exemption from the recruitment freeze and are recruiting / will recruit from outside in 2005-06 are listed at Annex I. The expenditure on salaries for these new recruits in 2005-06 is projected to be around \$150 million. As the initiative to make applications for exemption rests with departments / bureaux and the approving authority rests with the Panel, we cannot confirm, at this stage, whether recruitment exercises will be conducted for other posts during the year.

As regards the non-civil service contract (NCSC) staff, it should be noted that the NCSC Staff scheme is a standing scheme introduced in 1999 to enable Heads of Department (HoDs) to employ staff, on fixed-term contracts, outside the civil service establishment to meet service needs which are short-term, part-time or under review. HoDs have full discretion to decide on the employment of NCSC staff having regard to their service and operational needs and the number of these staff could vary considerably during a particular year. In addition, a redeployment mechanism has been put in place whereby NCSC clerical staff will only be recruited when no civil servants of the clerical grade are available for redeployment by the Director of General Grades. It is anticipated that the number of NCSC clerical staff to be recruited would be subject to change due to the changing service and operational needs, and the

availability of clerical staff for re-deployment by the Director of General Grades. Given the nature of the NCSC scheme, and in order to maintain flexibility of the scheme, it is our policy not to micro-manage departments in the employment of NCSC staff. Hence, we do not have information on the number of clerical NCSC staff that departments/bureaux plan to recruit this year or the expenditure to be involved.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

Number of new recruits to be recruited from outside in 2005-06 ^{Note}

Bureau/ Department	Rank/Post	No. of new recruits to be recruited from outside in 2005-06
Hong Kong Police Force	Inspector of Police	50
	Police Constable	780
Fire Services Department	Station Officer	40
	Fireman	167
	Ambulanceman	59
Immigration Department	Immigration Officer	33
	Immigration Assistant	60
Customs and Excise Department	Inspector of Customs & Excise	38
	Customs Officer	133
Correctional Services Department	Officer	32
	Industrial Officer	5
	Instructor	7
	Clinical Psychologist	1
Government Flying Service	Cadet Pilot	4
Civil Service Bureau	Administrative Officer	30
Civil Aviation Department	Senior Operations Officer	2
	Student Air Traffic Control Officer	12
Department of Justice	Government Counsel	12
Hong Kong Observatory	Scientific Officer	1
Post Office	Assistant Postmaster General (Business Development)	1
Judiciary	Judiciary Administrator	1
	Chief Steward	1
Agriculture, Fisheries and Conservation Department	Forestry Officer	1
	Veterinary Officer	2
Total		1 472

Note – The approval for open recruitment for these posts was granted in 2004-05.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB005

0134

Head: 143- Government Secretariat:
Civil Service Bureau

Subhead (No. & title):

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Regarding the performance measures in respect of civil service training and development as outlined in the 2005-06 Estimates, internal programmes are measured in terms of "trainees" and "trainee-days" :

- (a) as regards "national studies", the actual number of trainees was 4 000 in 2004 and the corresponding trainee days were 2 680. In 2005, while the estimated number of trainee remains the same i.e. 4 000, the estimated number of trainee days is only 2 000. What is the reason for this? Will such arrangement lead to a change of course content? If the course content is changed, what are the details of such change? Will it bring about an adverse impact on the quality of the courses?
- (b) as regards other internal programmes, how are the number of "trainees" and "trainee days" worked out?

Asked by: Hon. KWONG Chi-kin

Reply:

- (a) The reduction in the estimated number of classroom "trainee-days" in National Studies in 2005 is due mainly to a change to the content and duration of training courses and seminars. For quite a number of years, we have offered a significant number of whole-day basic courses to a large pool of officers, covering such subjects as the political and government structure, the legal and education systems in the Mainland. In the past two years, we had gone for a larger number of half-day thematic seminars that provide participants with more in-depth analysis of latest developments in the Mainland and topical issues, including issues relating to the Basic Law. The feedback we have obtained confirms that such thematic seminars better meet the present needs of trainees. In 2005, we plan to organize a series of such half-day topical seminars for 4 000 trainees. Thus the total number of trainee-days is estimated to be 2 000.

For civil servants who wish to re-visit or obtain basic facts about the socio-economic and political systems in the Mainland, they are encouraged to visit the relevant web-corner in our e-learning portal, namely, the “China Update”. We have up-graded the “China Update” web-corner in October 2004 and will continue to regularly enrich its content in future.

(b) The estimated number of classroom “trainees” and “trainee-days” are worked out on the basis of the business plan of the CSTDI for the year. In formulating the business plan, we take into consideration the following factors :

- resource availability;
- the estimated demand for different types of existing courses having regard to, where appropriate, trainee feedback, the number of trainees who have already attended similar courses in the past, and the extent to which departments may be able to release their staff;
- the changing needs of departments/bureaux including demands for new types of training courses, based on the information we gathered from our regular communication with departments;
- training needs in support of service-wide HRM initiatives e.g. launching the Work Life Balance Campaign, promoting better understanding of the Basic Law, and helping staff to adapt to changes in work environment as a result of the voluntary retirement scheme; and
- alternative means of meeting training needs such as attachment or sponsorship (i.e. opening up to trainees the choice of training institute within certain specified parameters) as opposed to direct provision of the courses by us.

In working out the amount of resources that should be put on classroom training, we also take into account the learning opportunities that are available to intended users through other modes of learning. In addition to classroom training, we also offer a central e-learning portal, providing over 200 items of self-learning packages and training resources on-line for civil servants at different levels. By allowing staff to study at their own time and at their own pace, it helps ease the staff release problems in departments and contributes toward promoting a culture of continuous learning in the civil service.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB006

Question Serial No.

0265

Head: 143 Government Secretariat: Civil Service Bureau

Subhead:

Programme: (2) Human Resource Management

Controlling Officer: Permanent Secretary for the Civil Service

Bureau Secretary: Secretary for the Civil Service

Question:

Please provide a timetable for the review of policy on the post-retirement employment of civil servants. What are the resources and expenditure involved in the review? When will it be completed?

Asked by: The Hon Howard Young

Reply:

Civil Service Bureau (CSB) has completed a review of the policy governing post-service employment of former directorate civil servants in mid-March 2005. We are now consulting the staff sides and departmental management on the findings of the review and proposals for improvement. The staff consultation will last until 30 April 2005. The Secretary for the Civil Service has also briefed the LegCo Panel on Public Service on the review findings and proposals at its meeting on 21 March 2005. After considering feedback from the staff sides and departmental management, as well as views expressed by the LegCo and the public, the Administration will take a final decision on the proposed changes. Subject to the progress of staff consultation and further internal deliberation, our plan is to promulgate the revised control measures in the latter half of this year. The review has been undertaken by CSB with in-house existing resources involving no additional expenditure.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB007

Question Serial No.

1020

Head: 143- Government Secretariat:
Civil Service Bureau

Subhead (No. & title):

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Why will the expenses for Programme (4) in 2005-06 increase by 7.3% over the previous year despite the fact that the total trainees attending courses will be 18% less and that bureaux and departments will take up more vocational training responsibilities?

Asked by: Hon. TAM Yiu-chung

Reply:

In terms of financial provision, the amount of \$109.7 million for 2005-06 is \$7.5 million (7.3%) higher than the revised estimate for 2004-05. The additional provision is to meet (a) the training expenses in relation to two special sponsorship schemes that aim to enhance learning opportunities for frontline staff and the management capabilities of junior to middle managers; (b) expenses for new training programmes related to national studies, including the Foreign Affairs University Course, and special National School of Administration programmes for directorate Administrative Officers; and (c) the training assistance for officers on the special unpaid leave scheme which will be introduced in 2005-06.

The total number of trainees attending classroom courses is one of the indicators for measuring our training output. Another principal indicator is the number of civil servants who make use of our e-learning portal to pursue learning. In recent years, we have been actively developing our on-line portal and encouraging wider use of the internet as a learning mode. In 2005, more e-learning resources will be developed and up-loaded to our e-learning portal. At least 30 new items of e-learning resources will be added, taking the total number of training items up to 245 in 2005, relative to 165 items in 2003. In 2004, we have seen a significant increase in the number of registered course participants for our e-learning programmes, rising to 23 452 from 15 000 in 2003. In 2005, we expect to see the number of registered course participants for our e-learning programmes rising to over 33 000, or an increase of at least 40% compared to 2004.

Taken as a whole, more training resources will be made available to civil servants through the classroom mode and the e-learning mode in 2005-06 than in 2004-05.

Signature _____

Name in block letters Mrs. Rebecca LAI

Post Title Permanent Secretary for the Civil Service

Date 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB008

1021

Head: 143- Government Secretariat:
Civil Service Bureau

Subhead (No. & title):

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

What is the expenditure involved for sponsoring more civil servants to attend external programmes in 2005-06?

Asked by: Hon. TAM Yiu-chung

Reply:

In 2005-06, we shall launch two new Training Sponsorship Schemes : (a) the External Training Sponsorship Scheme for front-line staff; and (b) the External Management Training Sponsorship Scheme for junior to middle managers to promote continuous learning among civil servants by providing financial subsidy.

Under the Scheme in (a), front-line staff may seek sponsorship in respect of fees for courses that would enhance their education up to Form 5 level or courses that help improve their personal effectiveness, such as courses on information technology and language. Under the Scheme in (b), eligible officers may seek sponsorship for courses that help enhance their management capability.

We have earmarked \$10 million for reimbursement of course fees under these two sponsorship schemes. It is estimated that about \$4 million will be spent in 2005-06. For courses commencing in 2005-06 and finishing in 2006-07, the reimbursement of course fees will be made in 2006-07.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB009

1022

Head: 143 - Government Secretariat:
Civil Service Bureau

Subhead (No. & title):

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

- (a) What is the expenditure on e-learning programmes for 2005-06 and how far does it make up the total expenditure for training programmes?
- (b) What are the main contents of the 30 new e-learning programmes in 2005?

Asked by: Hon. TAM Yiu-chung

Reply:

- (a) The estimated recurrent expenditure on e-learning programmes in 2005-06 is about \$4m or 7% of the total recurrent training expenditure. The expenditure will cover the acquisition, production and hosting of learning resources; system maintenance and enhancement; as well as activities to promote wider use of the e-learning mode.
- (b) To enrich the learning resources available on our e-learning portal, we plan to acquire, in 2005, 30 new titles of e-learning courses. The subjects they cover include Chinese language and Putonghua; English language; use of information technology and management.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

Examination of Estimates of Expenditure 2005-06

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB010

Question Serial No.

1023

Head: 143 - Government Secretariat:
Civil Service Bureau

Subhead
(No. & title):

700 General Non-recurrent

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question :

There are a total of 6 000 training places for the staff affected by the Voluntary Retirement Schemes. How does the Administration come up with such a figure? What is the expenditure involved?

Asked by: Hon. TAM Yiu-chung

Reply:

We have been providing training support for staff affected by the Voluntary Retirement Schemes in the past few years under the Three-Year Training and Development Programme that was first rolled out in 2001-02. Over 56 000 training places have been offered between 2001-02 and 2003-04. In 2004-05, another 10 000 training places were made available. An estimate of 6 000 training places is projected for 2005-06 based on past turnout; the latest indications from departments in terms of likely demand; and the experience we obtained in earlier years in arranging training for this target group. The training activities will focus on programmes supporting team building, service enhancement, mindset change and other change initiatives in departments.

The estimated expenditure for this item in 2005-06 is \$6.5 million.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

Examination of Estimates of Expenditure 2005-06

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB011

Question Serial No.

1024

Head: 143 - Government Secretariat:
Civil Service Bureau

Subhead (No. & title):

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

The number of trainees undertaking national studies in 2005 remains unchanged but the number of trainee-days decreases by 25% over the previous year. What is the reason for this decrease?

Asked by: Hon. TAM Yiu-chung

Reply:

In 2005, the number of trainees for national studies will remain the same as in the previous year, while the number of trainee days will be less. The reduction is due mainly to a change to the content and duration of the seminars we roll out. For quite a number of years, we have offered a significant number of whole-day basic courses to a large pool of officers, covering such subjects as the political and government structure in the Mainland, the legal and education systems etc. In the past two years, we had gone for a larger number of half-day thematic seminars that provide participants with more in-depth analysis of latest developments in the Mainland and topical issues, including issues relating to the Basic Law. The feedback that we have obtained confirms that the switch to thematic seminars better meets the needs of our clients. The replacement of whole-day basic courses by the provision of more half-day thematic seminars account for the drop, in 2005, in the number of classroom "trainee-days".

For civil servants who wish to re-visit or obtain basic facts about the socio-economic and political systems in the Mainland, they are encouraged to visit the relevant web-corner in our e-learning portal, namely the "China Update". We have up-graded the "China Update" web-corner in October 2004 and will continue to regularly enrich its content in future.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI _____

Post Title Permanent Secretary for the Civil Service

Date _____ 7 April 2005 _____

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB012

1025

Head: 143-Government Secretariat, Civil
Service Bureau

Subhead (No. & title):

Programme: Human Resource Management

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Regarding Programme (2), what is the estimated expenditure for carrying out the field work of the pay level survey?

Asked by: Hon. TAM Yiu-chung

Reply:

We are in the process of inviting proposals from short-listed consulting firms and organisations to provide service in undertaking the field work of the pay level survey. In accordance with the Government's established arrangement for the procurement of consultancy services, procuring departments should not normally disclose the budget figure before the submission of proposals by interested consulting firms/organisations to avoid unduly constraining the preparation of their proposals. At this juncture, it is therefore not appropriate to disclose the budget of the said consultancy service.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB013

1026

Head: 143 – Government Secretariat: Civil Subhead (No. & title):
Service Bureau

Programme: (2) Human Resource Management

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Regarding Programme (2), what are the specific arrangements for the leadership forum on ethical challenges to be organized jointly with the ICAC? What is the expenditure involved?

Asked by: Hon. TAM Yiu-chung

Reply:

The Leadership Forum 2005 is the third of a series started by the Administration in 2000. It bears testimony to the importance that the Administration has attached to upholding an ethical culture in the workplace. The Forum in 2005 is jointly organized by the Civil Service Bureau and the ICAC in collaboration with six chambers of commerce and the Hong Kong Institute of Directors. Designed to provide participants with an opportunity to share experience and to examine new ethical challenges on the horizon, the Forum is a one-day event scheduled to be held on 16 June 2005 at the Hong Kong Convention and Exhibition Centre. The Forum will comprise several keynote speeches, a luncheon talk and two concurrent workshops. We have lined up prominent speakers from the Mainland, Australia, Japan, the UK, the United States and Hong Kong. About 800 participants are expected to attend, including leaders from both the public and business sectors. The estimated expenditure for the Forum, after netting off the estimated subscription fees to be collected from participants, is around \$940,000.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB014

Question Serial No.

1038

Head: 143-Government Secretariat: Civil
Service Bureau

Subhead (No. & title): 700 General
non-recurrent

Programme: (2) Human Resource Management

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

What are the working arrangements for Item 002 "Promotion of occupational safety and health in the civil service" in 2005-06? What is the estimated expenditure?

Asked by: Hon. TAM Yiu-chung

Reply:

Promoting occupational safety and health (OSH) in the civil service is an on-going commitment of the Government. We organise from time to time experience-sharing seminars, talks, workshops and exhibitions on different aspects of OSH (e.g. 'Good Housekeeping at Workplace', 'Prevention of Musculoskeletal Disorders', 'How to Handle Potentially Violent Clients', 'First Aid Care', 'Occupational Health for Office Workers', 'Health Hints on the Use of Display Screen Equipment' and 'Stress Management'). The main objective is to enhance staff awareness of the importance of OSH. To encourage wider application of OSH practices, the Civil Service Bureau has also been promoting the implementation of safety management systems in bureaux/departments through seminars and provision of financial assistance. We have produced 'A Practical Guide on Safety Management System' for reference by bureaux/departments. In 2005-06, we would in conjunction with the Labour Department conduct visits to selected bureaux/departments to encourage them to sustain the momentum in promoting OSH at the workplace.

Individual bureaux/departments have developed specific safety guidelines having regard to their job nature and operational requirements. They have also organised related promotional activities for their staff, with a view to maintaining a safe and healthy working environment.

For 2005-06, we have earmarked \$2.4 million, with \$0.4 million and \$2 million respectively under this subhead and the 'Recurrent Account' subhead, to provide financial support to bureaux/departments for further developing their safety management systems, and organising staff training programmes and promotional activities on OSH.

In 2005-06, we shall continue to organise seminars and exhibitions to enhance staff awareness of job-related hazards and to encourage implementation of precautionary measures against potential hazards at work. These include seminars on 'Driving and Road Safety', 'Health Hints on the Use of Display Screen Equipment', 'How to Handle Potentially Violent Clients', 'Prevention of Musculoskeletal Disorders', 'Stress Management', 'Safety Management System', 'OSH Legislation' and 'The Influence of Ventilation on Occupational Health'. About \$0.22 million has been reserved in 2005-06 under this subhead for this purpose.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB015

Question Serial No.

1039

Head: 143- Government Secretariat: Subhead 700 General Non-recurrent
Civil Service Bureau (No. & title):

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question :

What are the working arrangements for Item 216 "Three-year training and development programme to enhance training in the civil service" in 2005-06? What is the estimated expenditure?

Asked by: Hon. TAM Yiu-chung

Reply:

The "Three-year Training and Development Programme" was first rolled out in 2001-02. By utilizing funds remaining at the end of 2003-04, we extended the programme into 2004-05 lending support to departments in coping with changes brought about by the Second Voluntary Retirement Scheme. The programme will continue to operate in 2005-06.

Through the programme, we will offer a range of training services in 2005-06 to help departments develop effective strategies for managing and implementing change. Different modes of support will be adopted. There will be training programmes and consultancy services covering areas like service enhancement, change management, crisis management, stress management and communication skills. We will also conduct studies to diagnose the changes required and assess the corresponding training needs; develop programmes to enhance staff performance, resilience and adaptability to change; facilitate the development of a supportive working environment in departments through team building, mentoring and culture change programmes; and provide support to strengthen departments' learning infrastructure.

The estimated expenditure for 2005-06 is \$6.5 million.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI _____

Post Title _____ Permanent Secretary for the Civil Service _____

Date _____ 6 April 2005 _____

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB016

Question Serial No.

1040

Head: 143 - Government Secretariat: Subhead (No. & title): 700 General non-recurrent
Civil Service Bureau

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

What are the specific details of Item 420 "Implementing a Work Life Balance Campaign"?
What progress was made past year? What are the work arrangements for the Item in 2005-06?
What is the estimated expenditure?

Asked by: Hon. Tam Yiu-chung

Reply:

Under the Work Life Balance Programme, we have organized a variety of training and promotional activities in 2004-05 for civil servants at all levels. The main objective is to enhance civil servants' awareness of the importance of striking a healthy balance between work and personal life, with a view to maintaining a healthy and productive work force. The programme included a series of seminars and workshops on topics including (a) mental well-being; (b) dealing with change positively; (c) stress management; (d) Zen; (e) the art of living a balanced life; and (f) food and nutrition. Over 1 500 participants had attended these activities. They rated them highly, with very positive feedback on the usefulness of the programme.

To further heighten awareness of the benefits of work-life balance, health tips and relevant articles have been posted onto the on-line resource centre under "Health and Well-being" in our e-learning portal (i.e. the Cyber Learning Centre Plus) starting from November 2004. This web-corner has since attracted over 6 000 hits from civil servants at different levels.

To facilitate trainers in departments to promote work-life balance in the workplace, a tool kit comprising a training video and a reference manual has been produced and will be released shortly. Experience sharing sessions will be organized to tie in with the launching of this package. Seminars and workshops on different topics such as music therapy for managing stress, monitoring signals from our bodies, humour in the workplace, and developing sports and hobbies for a balanced life style will continue in 2005-06.

The estimated expenditure in 2005-06 is about \$400,000.

Signature _____

Name in block letters Mrs. Rebecca LAI

Post Title Permanent Secretary for the Civil Service

Date 6 April 2005

Examination of Estimates of Expenditure 2005-06

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB017

Question Serial No.

1041

Head: 143 - Government Secretariat:
Civil Service Bureau

Subhead (No. & title): 700 General
non-recurrent

Programme: (4) Civil Service Training and Development

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

What is the difference between Item 220 "Pilot Collaborative Training Programme for the Administrative Service and Junior Directorate Officers" and the previous "Pilot Scheme on Directorate Leadership Development for Seven Departments"? What progress was made for the Item in previous year? What are the working arrangements for the Item in 2005-06? What is the estimated expenditure?

Asked by: Hon. TAM Yiu-chung

Reply:

The "Pilot Scheme on Directorate Leadership Development" aims to assist participating departments in manpower planning and in developing the leadership capability of their senior staff for directorate succession (through meetings with the departments' senior management as well as assessment tests and coaching sessions with individual officers to map out the required competencies and identify development options). It is different from the "Pilot Collaborative Training Programme for the Administrative Service and Junior Directorate Officers" under item 220.

Under item 220, we have developed an advanced management development course for junior directorate officers from different departments and the Administrative Officer ("AO") grade. It examines policy issues and managerial problems encountered in the public sector and provides a forum to facilitate sharing of experience between officers from different streams. The 2004-05 programme was conducted by a local university. It covered strategic management, public sector competencies, organizational change, leadership, performance management, media skills and personal effectiveness. A total of 37 officers (including 16 AOs) attended the course in 2004-05.

Having reviewed the efficacy of the course, we have decided to roll it forward with some modifications. To maximize the benefits and allow more flexibility in both programme design and enrollment, we will offer this programme in 2005-06 in the form of a series of 1 to 2-day advanced management workshops on specific topics such as competitive strategy, negotiation, change and leadership, etc. Subject experts and scholars/professors from different renowned institutions will be commissioned to conduct the workshops. The estimated expenditure is \$1.4m.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

Examination of Estimates of Expenditure 2005-06

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB018

Question Serial No.

1203

Head: 143 Government Secretariat: Subhead (No. & title):
Civil Service Bureau

Programme: (2) Human Resource Management

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Please advise whether the Administration has revised the financial provision for paying government posts having regard to the "civil service promotion scheme" and the "contract staff to civil servant conversion scheme". If yes, please set out the respective provisions earmarked for the two schemes by policy bureaux in 2005-06.

Asked by: Hon. LAU Sau-shing, Patrick

Reply:

For estimates purposes, individual bureaux / departments make provisions for personal emoluments (including salaries, acting allowance and other allowances) on the basis of the profiles of the post-holders at the time of preparing the estimates, with necessary adjustments taken into account any salary increments, pay adjustment, and posts to be deleted and new or vacant posts expected to be filled in the coming year. In this regard, whether the posts are filled by promotion, transfer of staff from other bureaux / departments, recruitment or other means and any change in the terms of employment of serving officers are not of particular relevance for estimates purposes.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB019

Question Serial No.

1715

Head: 143-Government Secretariat: Civil
Service Bureau

Subhead(No. &
title):

000 Operational expenses

Programme:

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question :

What are the 15 posts to be deleted during 2005-06? What is the total expenditure on salaries for these posts? What arrangements will be made for the affected staff?

Asked by: Hon. TAM Yiu-chung

Reply:

The 15 posts to be deleted in 2005-06 are :

Chief Executive Officer	1
Senior Training Officer	1
Training Officer I	5
Training Officer II	1
Senior Clerical Officer	1
Assistant Clerical Officer	2
Clerical Assistant	3
Office Assistant	1
Total :	15

The deletion of these posts will give rise to annual savings of about \$5.508 million in salaries (in terms of notional annual mid-point salary in 2005-06). The incumbents will either leave the service under the Second Voluntary Retirement Scheme or be transferred to other bureaux/departments to fill vacancies.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB020

Question Serial No.

0124

Head: 46

Subhead (No. & title): 023 Quartering

Programme: General Expenses of the Civil Service

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

According to the estimates of expenditure, the substantial increase of 158.4% in provision for 2005-06 over the revised estimate for 2004-05 under Subhead 023 Quartering is mainly due to the additional requirements for the payment of removal allowance for the exercise on purchase of surplus Home Ownership Scheme flats for reprovisioning departmental quarters for the disciplined services. What is the reason for such drastic adjustment of removal allowance? What are the criteria for the grant of the allowance? How many disciplined services staff members will be benefited in total?

Asked by: Hon. WONG Kwok-hing

Reply:

The increase in 2005-06 draft estimate for Subhead 023 Quartering is mainly due to an estimated increase in expenditure on removal allowance. Removal allowance is normally provided to officers who are directed to move out of or into a quarter and for disciplined services staff who move out of DQ upon obtaining Housing Authority accommodation through the Special Quota of the Civil Service Public Housing Quota. The estimated increase in such expenditure in 2005-06 is mainly due to the estimated increase in the requirement for the payment of removal allowance to departmental quarters (DQ) occupants in the disciplined services arising from the reprovisioning of DQ for the disciplined services by surplus Home Ownership Scheme flats. The exercise affects some 3 000 DQ occupants at 15 DQ sites. Most of these officers are expected to vacate their quarters and claim removal allowance in 2005-06. We estimate that about 2 800 DQ occupants in the disciplined services will vacate their quarters and claim removal allowance for this purpose in 2005-06.

Signature _____

Name in block letters _____ Mrs Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB021

Question Serial No.

0132

Head : 046 General Expenses of the Civil Service

Subhead (No. & title) : 013 Personal allowances
022 Passages

Programme : General Expenses of the Civil Service

Controlling Officer : Director of Accounting Services

Director of Bureau : Secretary for the Civil Service

Question :

- (a) What were the expenditures on sea cruise passage and furniture and domestic appliances allowances in the financial year 2004-05?
- (b) What are the respective estimated expenditures on sea cruise passage and furniture and domestic appliances allowances in the financial year 2005-06?

Asked by : Hon. LAU Wai-hing, Emily

Reply :

The estimated expenditure on sea passage and furniture and domestic appliances allowances in 2004-05 is about \$1.2 million and \$15.599 million respectively. The estimated expenditure on sea passage and furniture and domestic appliances allowances in 2005-06 is about \$1.2 million and \$15.699 million respectively.

The provision of sea passage for officers on overseas terms on leaving the service has been ceased for officers offered appointment on or after 1 December 1984. The furniture and domestic appliances allowances have been ceased for officers offered appointment on or after 1 May 1999 (except officers occupying post-tied quarters), and officers offered appointment before 1 May 1999 who are not occupying quarters and who receive a substantive salary on MPS 34 to 44 (or equivalent) on or after 1 July 2000.

Signature

Name in block letters

Post Title

Date

Mrs Lucia LI

Director of Accounting Services

6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB022

Question Serial No.

0133

Head: 46 General Expenses of
the Civil Service

Subhead (No. & title): 011 Civil service examinations

Programme: General Expenses of the Civil Service

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

The provision for civil service examinations for 2005-06 is 16.7% higher than the revised estimate for 2004-05. According to the Estimates of Expenditure, the increase is due to the need to settle some outstanding payments of examinations held in late 2004-05. In this connection, could the Administration inform this Council :

1. Why the payments of examinations held in 2004-05 have to be settled in 2005-06? What are the details of the payments?
2. Will the payments of examinations held in late 2005-06 have to be settled in 2006-07?

Asked by: Hon. KWONG Chi-kin

Reply:

The provision required for 2005-06 is \$640,000 (16.7%) higher than the revised estimate for 2004-05. The increase is mainly due to the need to settle payments to the markers of an examination organized on 19 March 2005 for the recruitment of Immigration Officers and Inspectors of Customs and Excise. While some of the payments for the examination, e.g. rentals of venues, can be settled before the end of the 2004-05 financial year, about \$500,000 marking fees will be paid out after the completion of the marking process in April 2005.

As the examination programme for the entire year of 2005-06 has yet to be firmed up, we are unable, at this stage, to confirm whether there is any need to settle some payments arising from any recruitment examination held towards the end of 2005-06 in the subsequent year.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB023

Question Serial No.

0135

Head: 46 General Expenses of the Civil
Service

Subhead (No. & title): 001 Salaries

Programme: General Expenses of the Civil Service

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

In 2005-06, the Government will have to create not more than 369 non-directorate posts under the operational reserves and central reserves to accommodate surplus clerical and secretarial staff redeployed from releasing bureaux and departments. However, as indicated in the Estimates, these are time-limited posts. How long will these posts last? Upon expiry of the time limit, how will the Government accommodate these clerical and secretarial staff? Will the duties of the time-limited posts for these staff be similar to those of their original posts?

Asked by: Hon. KWONG Chi-kin

Reply:

The 369 posts to be created for accommodating surplus clerical and secretarial staff are central reserves posts. The staff concerned will take on time-limited projects ranging from one year to three-and-a-half years. Upon completion of the projects, we will redeploy the staff concerned to take up other duties suitable for clerical and secretarial staff, having regard to the prevailing manpower requirement of bureaux and departments.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB024

0446

Head: 46 General Expenses of
the Civil Service

Subhead (No. & title): 011 Civil service examinations

Programme: General Expenses of the Civil Service

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

It is government policy to reduce the civil service establishment to 160 000 by year 2006/07, and it is expected that only a small amount of job vacancies is available. However, what is the reason to expect that the number of candidates participating in civil service examinations will rise from 25 530 in 2004 to 41 625 in 2005?

Asked by: Hon. CHAN Bernard

Reply:

Notwithstanding the general civil service recruitment freeze, open recruitment exercises may be conducted for specified posts upon approval for exemption from the recruitment freeze. As compared with 2004, the increase in the estimated number of candidates in 2005 is mainly due to an additional examination organised in March 2005 for the recruitment of Immigration Officers and Inspectors of Customs and Excise, for which approval for exemption from the recruitment freeze had been given. The actual number of candidates who sat for this examination is 17 386.

Signature _____

Name in block letters _____ Mrs. Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB025

0447

Head: 46

Subhead (No. & title): 023 Quartering

Programme: General Expenses of the Civil Service

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

The estimate for quartering increases from \$19,146,000 in 2004-05 to \$49,464,000 in 2005-06, representing an increase of 158.4%. The large increase is mainly due to the additional requirements for the payment of removal allowance for the exercise on purchase of surplus Home Ownership Scheme flats for reprovisioning departmental quarters for the disciplined services. How many civil servants would benefit from the quartering? What is the least, the largest and the average amount provided to the civil servants concerned?

Asked by: Hon. CHAN Bernard

Reply:

The increase in 2005-06 draft estimate for Subhead 023 Quartering is mainly due to an estimated increase in expenditure on removal allowance. This is mainly due to the estimated increase in the requirement for the payment of removal allowance to departmental quarters (DQ) occupants in the disciplined services arising from the reprovisioning of DQ for the disciplined services by surplus Home Ownership Scheme flats. The exercise affects some 3 000 DQ occupants at 15 DQ sites. Most of these officers are expected to vacate their quarters and claim removal allowance in 2005-06.

Removal allowance is normally provided to officers who are directed to move out of or into a quarter and for disciplined services staff who move out of DQ upon obtaining Housing Authority accommodation through the Special Quota of the Civil Service Public Housing Quota. We estimate that about 3 600 officers will claim removal allowance in 2005-06, involving an amount of \$32,182,000. The rates of the allowance are set out in the **Annex**.

Signature _____

Name in block letters _____ Mrs Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

Rates of Removal Allowance

(as at 1.4.2005)

The removal allowance comprises a non-accountable element and an accountable element. The accountable element is payable on production of receipted bills to cover reimbursement of specified items set out in the relevant regulations. Subject to the eligibility criteria, an officer may claim removal allowance up to the limits set out in the table below -

Salary	Non-Accountable Allowance (\$)	Accountable Allowance Ceiling (\$)	Total Allowance (\$)
D2 and above or equivalent	5,535	16,575	22,110
D1 and MPS 38-49 or equivalent	5,010	11,785	16,795
MPS 17-37 or equivalent	4,190	6,795	10,985
MPS 16 and below or equivalent	1,825	3,345	5,170

D1/D2 : Directorate Pay Scale Point 1/ Directorate Pay Scale Point 2

MPS : Master Pay Scale

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB026

Question Serial No.

1036

Head: 046 General Expenses of the Civil Service

Subhead (No. & title): 013 Personal allowances

Programme: General Expenses of the Civil Service

Controlling Officer: Director of Accounting Services

Director of Bureau: Secretary for the Civil Service

Question:

- (a) How many officers are estimated to receive house allowance under Subhead 013 Personal Allowances in 2005-06? What is the expenditure involved?
- (b) How many officers are estimated to receive furniture and domestic appliances allowances under Subhead 013 Personal Allowances in 2005-06? What is the expenditure involved?

Asked by: Hon. TAM Yiu-chung

Reply:

- (a) We estimate that one officer will receive the house allowance in 2005-06 and the estimated expenditure is \$1,000. The allowance has been ceased for officers offered appointment on or after 1 October 1990.
- (b) We estimate that about 12 000 officers will receive the furniture and domestic appliances allowances in 2005-06 and the estimated expenditure is \$15,699,000. These two allowances have been ceased for officers offered appointment on or after 1 May 1999 (except officers occupying post-tied quarters), and officers offered appointment before 1 May 1999 who are not occupying quarters and who receive a substantive salary on MPS 34 to 44 (or equivalent) on or after 1 July 2000.

Signature _____

Name in block letters _____ Mrs Lucia LI

Post Title _____ Director of Accounting Services

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB027

Question Serial No.

1037

Head: 046 General Expenses of the Civil Service
Subhead (No. & title): 040 Non-accountable Cash Allowance Scheme
Programme: General Expenses of the Civil Service
Controlling Officer: Director of Accounting Services
Director of Bureau: Secretary for the Civil Service

Question:

There will be an increase of 35% in the expenditure for Subhead 040 Non-accountable Cash Allowance Scheme. What is the difference between the number of officers receiving the allowance in 2005-06 and last year?

Asked by: Hon. TAM Yiu-chung

Reply:

The Non-accountable Cash Allowance Scheme was introduced in 2000-01 to replace the Home Financing Scheme, the Home Purchase Scheme and the Rent Allowance Scheme for civil servants who are offered appointment on or after 1 June 2000. Officers who meet the eligibility criteria and conditions of the Scheme will receive a monthly non-accountable cash allowance at the specified rates up to a maximum period of 120 months. The increase in 2005-06 draft estimates is mainly due to an estimated increase in the average number of recipients (from 69 in 2004-05 to 91 in 2005-06) and the higher rates of allowance payable to existing claimants through salary progression and promotion in 2005-06. .

Signature _____

Name in block letters _____ Mrs Lucia LI

Post Title _____ Director of Accounting Services

Date _____ 6 April 2005

Examination of Estimates of Expenditure 2005-06

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB028

Question Serial No.

1572

Head : 46 General Expenses of the Civil Service

Subhead (No. & title) : 013 Personal allowances
022 Passages
039 Rent Allowance Scheme
040 Non-accountable Cash Allowance Scheme

Programme : General Expenses of the Civil Service

Controlling Officer : Director of Accounting Services

Director of Bureau : Secretary for the Civil Service

Question :

Please list and compare the breakdowns of expenditure, the number of allowance recipients and the relevant allowance rates under these four Subheads in 2004-05 and 2005-06; please give the reasons for the changes in expenditure.

Asked by : Hon. CHEUNG Man-kwong

Reply :

The 2004-05 revised estimate and the 2005-06 draft estimate for individual allowances under the four subheads, together with the corresponding estimated number of recipients and allowance rates, are set out in the **Annex**. The reasons for the change in expenditure are also set out in the Annex.

Signature

Name in block letters

Post Title

Date

Mrs. Lucia LI

Director of Accounting Services

7 April 2005

Civil Service Allowances under Head 46 : General Expenses of the Civil Service

Allowance	2004-05		2005-06		Allowance Rates	Reason for change in expenditure
	Revised estimate (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients		
I. Personal Allowances (Subhead 013)	940,739		1,034,568 (+10.0%)			
a. Local Education Allowance (LEA)	286,605	*20 501	314,500 (+9.7%)	*21 270	Ceiling rate per student per academic year - Primary schools: \$31,950 - Secondary schools (Form I to III): \$53,025 - Secondary schools (Form IV and above): \$49,238	The allowance has been ceased for officers offered appointment on or after 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of children of eligible civil servants receiving higher LEA rates.
b. Overseas Education Allowance #	638,190	*5 248	704,024 (+10.3%)	*5 727	Ceiling rate per student per academic year in the UK - Boarding School Allowance (Junior): £7,434 - Boarding School Allowance (Senior): £9,138 - Day School Allowance: £1,289	The allowance has been ceased for officers offered appointment on or after 1.8.1996. The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of children of eligible civil servants studying overseas, an increase in overseas school fees and appreciation of the sterling pound.
c. House Allowance, Furniture and Domestic Appliances Allowances	15,600	11 900	15,700 (+0.6%)	12 000	Furniture Allowance: \$100 a month Domestic Appliances Allowance: \$50 a month House Allowance: \$50 - \$410 a month	The House Allowance has been ceased for officers offered appointment on or after 1.10.1990. The Furniture and Domestic Appliances Allowances have been ceased for officers offered appointment on or after 1.5.1999 (except officers directed to occupy post-tied quarters), and officers offered appointment before 1.5.1999 who are not occupying quarters and who receive a substantive salary on MPS 34 to 44 (or equivalent) on or after 1.7.2000. The estimated expenditure for 2005-06 is slightly higher than that for 2004-05 due to an increase in the estimated number of recipients of furniture and domestic appliances allowances (mainly occupants of departmental quarters).

Allowance	2004-05		2005-06		Allowance Rates	Reason for change in expenditure
	Revised estimate (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients		
d. Air-conditioning Allowance	344	**97	344 (0%)	**97	Up to \$3,135 for each of two air-conditioners that may be claimed every five years.	The allowance has been ceased for officers occupying substantively a directorate post on or after 1.5.1999. The expenditure in 2005-06 is expected to remain at the same level as 2004-05.
II. Passage (Subhead 022)	237,201		244,915 (+3.3%)			
a. Leave Passage Allowance (including expenditure on sea passage) #	58,528	1 758	56,707 (-3.1%)	1 702	Leave Passage Allowance: \$10,435 to \$39,610 per officer per year. Sea Passage: grade of accommodation ranges from Tourist Class to First Class (Higher) according to the category/rank of eligible officers. Expenditure depends on the fares set by the cruise operators.	The decrease in the 2005-06 draft estimate is mainly due to a projected decrease in the number of recipients with the departure of some officers on overseas terms. The provision of Sea Passage has been ceased for officers offered appointment on or after 1.12.1984. The provision of Leave Passage Allowance, as a fringe benefit, has been reviewed and tightened up from 1.6.2000. For officers offered appointment on or after that date, the allowance is non-accountable and payable to the officers only and not their family members.
b. School Passage Allowance	167,377	*7 356	176,545 (+5.5%)	*7 743	\$12,230 to \$24,460 per student per year.	The allowance has been ceased for officers offered appointment on or after 1.8.1996. The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of officers claiming the allowance for their dependent children undertaking overseas education.

Allowance	2004-05		2005-06		Allowance Rates	Reason for change in expenditure
	Revised estimate (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients		
c. Baggage Allowance #	3,320	**1 282	3,276 (-1.3%)	**1 379	The amount of allowance is determined by the cost of transportation of baggage up to the officer's maximum volume/weight entitlement.	Actual expenditure varies from year to year depending on the cost of transportation of baggage up to the officers' entitlement. The allowance, as a fringe benefit, has been ceased for officers offered appointment on or after 1.1.1999, except those provided with First Appointment Passage.
d. Travelling expenses	7,976	**13 680	8,387 (+5.2%)	**14 916	\$1.1 per kilometre for children aged between 5 and 15 and \$2.19 per kilometre for those aged 16 and over.	The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of dependent children of eligible officers receiving School Passage Allowance, who may claim travelling expenses when they take school passage. The benefit has been ceased for officers offered appointment on or after 1.1.1999, except for those provided with First Appointment Passage.
III. Rent Allowance Scheme (Subhead 039)	1,575	9	2,700 (+71.4%)	14	\$11,700 - \$32,410 per month	The allowance has been ceased for officers offered appointment on or after 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to an estimated increase in the number of recipients and the higher rate of allowance payable to existing claimants through salary progression and promotion in 2005-06.
IV. Non-accountable Cash Allowance (NCA) Scheme (Subhead 040)	13,990	69	18,900 (+35.1%)	91	For officers who commence to draw NCA on or above MPS 34 (or equivalent): \$12,720 - \$35,250 per month For officers who commence to draw NCA below MPS 34 (or equivalent): \$1,560 - \$16,050 per month	The NCA Scheme covers eligible officers offered appointment from 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to an estimated increase in the number of recipients and the higher rate of allowance payable to existing claimants through salary progression and promotion in 2005-06.

Footnotes :

1. Number of recipients marked with * means the number of students.
2. Number of recipients marked with ** means the number of claims.
3. Expenditure items marked with # include allowances payable to officers who are posted outside Hong Kong. Provision of the allowances to these officers arises from the officers' external postings; they are not provided to the officers as fringe benefits.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB029

Question Serial No.

1718

Head : 046 General Expenses of the Civil Service

Subhead (No. & title) : 013 Personal allowances

Programme : General Expenses of the Civil Service

Controlling Officer : Director of Accounting Services

Director of Bureau : Secretary for the Civil Service

Question :

- (a) What are the estimated amounts of local education allowance and overseas education allowance to be paid in 2005-06?
- (b) How many students are estimated to receive the overseas education allowance in 2005-06? What is the increase over that of 2004-05?

Asked by : Hon. TAM Yiu-chung

Reply :

- (a) The estimated expenditure on local education allowance and overseas education allowance in 2005-06 is \$314,500,000 and \$704,024,000 respectively.
- (b) We estimate that about 5 700 eligible students will claim the overseas education allowance in 2005-06, representing an increase of 9.1% over 2004-05. The overseas education allowance has been ceased for officers offered appointment on or after 1 August 1996.

Signature

Name in block letters

Post Title

Date

Mrs Lucia LI

Director of Accounting Services

6 April 2005

Examination of Estimates of Expenditure 2005-06

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB030

Question Serial No.

1719

Head: 46 – General Expenses of the Civil Service

Subhead (No. & title): 023 Quarters

Programme: General Expenses of the Civil Service

Controlling Officer: Permanent Secretary for the Civil Service

Director of Bureau: Secretary for the Civil Service

Question:

Under Subhead 023, what is the amount of expenditure for removal allowance in 2005-06? How many officers are expected to receive such allowance?

Asked by: Hon. TAM Yiu-chung

Reply:

We estimate that about 3 600 officers will claim removal allowance in 2005-06 and the expenditure involved is estimated at \$32,182,000.

Signature _____

Name in block letters _____ Mrs Rebecca LAI

Post Title _____ Permanent Secretary for the Civil Service

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSB031

Question Serial No.

0243

Head: 120 - Pensions

Subhead (No. & title): 026 Employees' compensation, injury, incapacity and death related payments and expenses

Programme: (1) Public and Judicial Service Pension Benefits

Controlling Officer: Director of Accounting Services

Director of Bureau: Secretary for the Civil Service

Question:

The revised estimate for payment of compensation to government employees under the Employees' Compensation Ordinance and other injury, incapacity and death related payments and expenses in 2004-05 was \$59,158,000. Please give a breakdown of the cases by bureau/department. How many of the cases were fatal? Please elaborate the case involving the biggest compensation.

Asked by: Hon. Bernard CHAN

Reply:

In 2004-05, payment has been made for 1 515 cases of employees' compensation under the Employees' Compensation Ordinance (ECO) and other injury, incapacity and death related payments. A breakdown of the cases by bureau/department is at the Annex. Out of these cases, three are fatal cases involving compensation at \$1.764m per case, which is the maximum amount of compensation for fatal cases provided for under ECO. The sum is also the biggest compensation awarded in the year. In the three fatal cases, the officers concerned are police officers who died in the course of carrying out their duties.

Signature _____

Name in block letters _____ Mrs Lucia LI

Post Title _____ Director of Accounting Services

Date _____ 6 April 2005

Breakdown of Employees' Compensation Cases by Bureau/Department for 2004-05

Bureau/Department	No. of cases		
	Non-Fatal	Fatal	Total
Agriculture, Fisheries and Conservation Department	239		239
Census and Statistics Department	2		2
Chief Executive's Office	1		1
Civil Aid Service	22		22
Civil Aviation Department	2		2
Civil Engineering and Development Department	5		5
Companies Registry	2		2
Correctional Services Department	52		52
Customs and Excise Department	21		21
Department of Health	58		58
Department of Justice	2		2
Drainage Services Department	21		21
Education and Manpower Bureau	20		20
Electrical and Mechanical Services Department	47		47
Environmental Protection Department	1		1
Fire Services Department	85		85
Food and Environmental Hygiene Department	309		309
Government Flying Service	2		2
Government Logistics Department	7		7
Highways Department	5		5
Home Affairs Department	5		5
Hong Kong Police Force	208	3	211
Hong Kong Observatory	23		23
Hospital Authority	27		27
Housing Department	7		7
Immigration Department	4		4
Independent Commission Against Corruption	7		7
Inland Revenue Department	3		3
Judiciary	1		1
Labour Department	6		6
Lands Department	3		3
Leisure and Cultural Services Department	101		101
Marine Department	12		12
Offices of the Chief Secretary for Administration and the Financial Secretary	11		11
Official Receiver's Office	1		1
Post Office	123		123
Radio Television Hong Kong	4		4
Registration and Electoral Office	1		1
Social Welfare Department	15		15
Transport Department	4		4
Treasury	1		1
Water Supplies Department	42		42
TOTAL	1 512	3	1 515

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB032

Question Serial No.

0244

Head: 120 - Pensions

Subhead (No. & title): 015 Public and judicial service pension benefits and compensation

Programme: (1) Public and Judicial Service Pension Benefits

Controlling Officer: Director of Accounting Services

Director of Bureau: Secretary for the Civil Service

Question:

The estimated provision for this subhead is more than \$13,600m. This amount includes payment of pensions, gratuities and other allowances to current pensioners and officers who will retire in 2005-06. Please give a breakdown of the retiring officers by bureau/department. How many of them are at directorate rank, and which bureau/department are they from?

Asked by: Hon. Bernard CHAN

Reply:

We estimate that 3 682 officers will retire in 2005-06 and, out of them, 112 are at directorate ranks. A breakdown of the cases by bureau/department is at the Annex.

Signature _____

Name in block letters _____ Mrs Lucia LI

Post Title _____ Director of Accounting Services

Date _____ 6 April 2005

Estimated no. of retirement cases for 2005-06 by Bureau/Department

Bureau/Department	No. of retirees		
	Directorate	Non-Directorate	Total
Agriculture, Fisheries & Conservation Department	1	42	43
Architectural Services Department	1	32	33
Audit Commission	-	2	2
Auxiliary Medical Service	-	5	5
Beijing Office	2	1	3
Buildings Department	2	9	11
Census and Statistics Department	1	27	28
Chief Executive's Office	-	1	1
Civil Aid Service	-	6	6
Civil Aviation Department	1	9	10
Civil Engineering & Development Department	2	43	45
Civil Service Bureau	1	12	13
Commerce, Industry & Technology Bureau	-	2	2
Companies Registry	-	2	2
Correctional Services Department	3	159	162
Customs and Excise Department	2	119	121
Department of Health	4	118	122
Department of Justice	1	11	12
Drainage Services Department	1	35	36
Economic Development & Labour Bureau	2	1	3
Education and Manpower Bureau	2	163	165
Electrical and Mechanical Services Department	2	104	106
Environment, Transport & Works Bureau	-	4	4
Environmental Protection Department	2	12	14
Financial Services & the Treasury Bureau	2	2	4
Fire Services Department	10	209	219
Food and Environmental Hygiene Department	1	387	388
Government Flying Service	1	3	4
Government Laboratory	-	2	2
Government Logistics Department	1	24	25
Government Property Agency	1	8	9
Health, Welfare & Food Bureau	1	1	2
Highways Department	2	31	33
Home Affairs Bureau	1	7	8
Home Affairs Department	5	30	35
Hong Kong Economic and Trade Offices	1	1	2
Hong Kong Monetary Authority	-	5	5
Hong Kong Police Force	12	471	483
Hospital Authority	-	179	179

Bureau/Department	No. of retirees		
	Directorate	Non-Directorate	Total
Housing Department	3	168	171
Immigration Department	4	90	94
Independent Commission Against Corruption	1	3	4
Independent Police Complaints Council	1	3	4
Information Services Department	2	14	16
Inland Revenue Department	3	49	52
Innovation and Technology Commission	-	2	2
Intellectual Property Department	-	1	1
Joint Secretariat for the Advisory Bodies on Civil Service & Judicial Salaries & Conditions of Service	1	-	1
Judiciary	3	42	45
Labour Department	-	37	37
Land Registry	1	17	18
Lands Department	5	91	96
Legal Aid Department	1	12	13
Leisure and Cultural Services Department	2	155	157
Marine Department	-	44	44
Office of the Government Chief Information Officer	1	6	7
Office of the Telecommunications Authority	-	3	3
Offices of the Chief Secretary for Administration & the Financial Secretary	1	8	9
Official Receiver's Office	1	6	7
Planning Department	1	10	11
Post Office	2	203	205
Public Service Commission	-	2	2
Radio Television Hong Kong	1	16	17
Rating and Valuation Department	5	23	28
Registration and Electoral Office	-	1	1
Security Bureau	2	2	4
Social Welfare Department	1	69	70
Student Financial Assistance Agency	-	4	4
Television and Entertainment Licensing Authority	-	1	1
Trade and Industry Department	-	14	14
Transport Department	-	25	25
Treasury	-	7	7
Vocational Training Council	-	10	10
Water Supplies Department	2	103	105
Projected no. of exceptional cases (e.g. retirement on medical ground)	-	50	50
Estimated Total for 2005-06	112	3,570	3,682

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB033

Question Serial No.

0249

Head: 136 – Public Service Commission Subhead (No. & title):

Programme: Public Service Commission

Controlling Officer: Chairman, Public Service Commission

Director of Bureau: Secretary for the Civil Service

Question: Indicators showed that the number of disciplinary cases received and advised by the Commission was 166 and 153 in 2003 and 2004 respectively. Please give a breakdown of the cases by categories and departments. What actions/punishments have been taken for the convicted? How many fell into each type of punishments?

Asked by: Hon. Bernard Chan

Reply: A breakdown of cases in 2003 and 2004 by categories is provided below -

Category	No. of cases	
	2003	2004
(a) Criminal convictions*	58	71
(b) Unauthorised absence/Unpunctuality	35	31
(c) Negligence/Failure to perform duties or follow instructions/Supervisory accountability/Insubordination	23	16
(d) Improper claim of allowance/reimbursement	9	1
(e) Falsified attendance or work records/Provision of false information	7	1
(f) Unauthorised loans	6	6
(g) Other misconduct [#]	13	20
(h) Cases of retirement in the public interest on grounds of substandard performance/loss of confidence	15	7
Total:	166	153

* Including theft, deception, corruption, fighting in a public place, conspiracy to pervert the course of public justice and traffic-related offences.

Including unauthorised outside work, abuse of official position, using violence/being rude to supervisors/clients, sexual harassment, breach of housing benefit rules and accepting/soliciting advantage/excessive entertainment.

A breakdown of cases in 2003 and 2004 by departments is provided below –

Bureau/Department	No. of Cases	
	2003	2004
Agriculture, Fisheries and Conservation Department	0	3
Architectural Services Department	4	7
Buildings Department	0	2
Census and Statistics Department	3	0
Civil Aviation Department	0	1
Civil Engineering and Development Department	0	1
Correctional Services Department	3	0
Customs and Excise Department	2	1
Department of Health	6	7
Department of Justice	1	1
Drainage Services Department	2	1
Electrical and Mechanical Services Department	6	6
Environmental Protection Department	4	2
Fire Services Department	1	1
Food and Environmental Hygiene Department	24	44
Government Laboratory	0	1
Government Secretariat	10	6
Highways Department	4	1
Home Affairs Department	2	0
Hong Kong Police Force	12	6
Housing Department	12	26
Immigration Department	7	5
Information Services Department	1	0
Inland Revenue Department	10	2
Invest Hong Kong	0	1
Judiciary	0	1
Labour Department	1	1
Lands Department	3	2
Land Registry	1	0
Legal Aid Department	0	1
Leisure and Cultural Services Department	6	6
Marine Department	3	1

Bureau/Department	No. of Cases	
	2003	2004
Office of the Telecommunication Authority	1	0
Planning Department	1	0
Post Office	11	10
Radio Television Hong Kong	10	0
Rating and Valuation Department	2	0
Social Welfare Department	3	2
Television and Entertainment Licensing Authority	3	0
Transport Department	1	0
Water Supplies Department	6	4
Total:	166	153

A breakdown of cases in 2003 and 2004 by type of action/level of punishment is provided below –

		2003	2004
Formal Disciplinary Action	Dismissal	30	20
	Compulsory retirement + fine	3	5
	Compulsory retirement	17	21
	Reduction in rank	1	0
	Severe reprimand + fine	59	59
	Severe reprimand	18	17
	Reprimand + fine	5	5
	Reprimand	18	19
Cases of retirement in the public interest under section 12 of the Public Service (Administration) Order on grounds of substandard performance/loss of confidence		15	7
Total:		166	153

Signature _____

Name in block letters _____ Haider Barma

Post Title _____ Chairman, Public Service Commission

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB034

Question Serial No.

0250

Head: 136

Subhead (No. & title):

Programme: Public Service Commission

Controlling Officer: Chairman, Public Service Commission

Director of Bureau: Secretary for the Civil Service

Question: For the Subhead 000 Operational Expenses, the estimate of general departmental expenses for 2005-06 is \$176,000 (16%) higher than the revised estimate for 2004-05. What accounts for this estimated increase?

Asked by: Hon. Howard YOUNG

Reply: The estimated increase is to meet the provision for replacement of office equipment (laser printer and photocopier) and enhancement of the computer programme.

Signature _____

Name in block letters _____ Haider Barma

Post Title _____ Chairman, Public Service Commission

Date _____ 7 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB035

Question Serial No.

0111

Head: 174 - Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service Subhead (No. & title): 000 Operational expenses

Programme: Secretariat services for the following advisory bodies on civil service and judicial salaries and conditions of service –

- Standing Commission on Civil Service Salaries and Conditions of Service
- Standing Committee on Disciplined Services Salaries and Conditions of Service
- Standing Committee on Directorate Salaries and Conditions of Service
- Standing Committee on Judicial Salaries and Conditions of Service

Controlling Officer: Secretary General, Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service

Director of Bureau: Secretary for the Civil Service

Question:

- a. The consultation on the measures to modernize the civil service pay system was completed on 30 June 2002, but the proposed system has not been implemented to date. Please advise when the proposed system will be implemented and the total expenditure involved so far.
- b. What specific measures will be taken in 2005-06 with regard to the proposed system and what is the estimated expenditure involved ?

Asked by: Hon. Emily LAU

Reply:

- a. In April 2002, the Task Force set up by the three advisory bodies on civil service salaries and conditions of service (i.e. the Standing Commission on Civil Service Salaries and Conditions of Service, the Standing Committee on Disciplined Services Salaries and Conditions of Service and the Standing Committee on Directorate Salaries and Conditions of Service) published an Interim Report of the Phase One Study on a comprehensive review of civil service pay policy and system for public consultation between April and June 2002. Having taken account of overseas experience, the circumstances in Hong Kong as well as the feedback received during the consultation exercise, the Task Force submitted the Phase One Final Report to the Administration in September 2002. About \$1.2 million was incurred for consultancy service during the study period. Other support services were provided by the Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service with its existing resources.

In its Phase One Final Report, the Task Force suggested the areas for further study in the short, medium and long terms. For the short term, the Task Force suggested that the Administration should devise a practical framework and methodology for conducting a pay level survey and review the pay trend survey methodology. The Administration subsequently launched a public consultation on the Task Force's Phase One Final Report from September to November 2002.

Having considered the consultation feedback and other relevant factors, in February 2003 the Administration accepted the Task Force's suggestion on the issues for consideration in the short term and decided to develop an improved civil service pay adjustment mechanism which would include, among others, the conduct of periodic pay level surveys. After detailed examination of related issues and extensive consultation on the relevant proposals, the Administration announced on 24 March 2005 its decision on the conduct of a pay level survey for the civil service in 2005 and the methodology to be adopted for the survey.

- b. Upon completion of the pay level survey, the Administration will seek the advice of the three advisory bodies in considering the approach for the application of the pay level survey results. Following the completion of the current exercise on the development of an improved pay adjustment mechanism for the civil service, the Administration will proceed to examine the other pay-related measures recommended by the Task Force for further study in the medium and long terms. The relevant advisory bodies will continue to tender advice to the Administration on matters relating to the review of civil service pay policy and system. The Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service will continue to provide secretariat support for the advisory bodies with its existing resources.

Signature _____

Name in block letters _____ Ms Michelle LI

Post Title _____ Secretary General, Joint Secretariat for
the Advisory Bodies on Civil
Service and Judicial Salaries
and Conditions of Service

Date _____ 7.4.2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB036

0755

Head: 37 Department of Health

Subhead (No. & title):

Programme: (7) Medical and Dental Treatment for Civil Servants

Controlling Officer: Director of Health

Director of Bureau: Secretary for the Civil Service

Question:

In terms of financial provision, the 2005-06 estimate is \$447.8M, representing an increase of 1.7% as compared with the 2004-05 revised provision of \$440.5M, which is mainly due to an increase in non-operational expenditure and an increasing demand for reimbursement and payment of medical expenses and hospital charges. Please provide the details concerning the payment of medical expenses.

Asked by: Hon. CHAN Yuen-han

Reply:

The provision for Programme (7) under Head 37 covers medical and dental services provided by the Department of Health to civil service eligible persons (i.e. civil servants, pensioners and their eligible dependants) as well as payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons. Under the existing policy, civil service eligible persons may apply to the Government for reimbursement of expenses on drugs/equipment/services which form an essential part of the medical treatment as prescribed and certified by the attending Hospital Authority (HA) doctors on medical grounds but which are not available in HA or are chargeable by HA. In addition, the Government reimburses reasonable expenses on necessary treatment incurred by civil servants on duty/training/postings outside Hong Kong. Reimbursement to HA for the use of special accommodation beds by civil service eligible persons (for which the hospital is allowed to retain 50% of the hospital maintenance fee income and thus the Government has to reimburse HA the difference between 50% of the public rates and the rates payable by civil service eligible persons) is also covered by this programme.

The 2004-05 revised estimate for payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons is \$41M. The 2005-06 draft estimate for the same expenses is \$44.6M.

Signature _____

Name in block letters _____ Dr P Y LAM

Post Title _____ Director of Health

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB037

1074

Head: 37 Department of Health

Subhead (No. & title):

Programme: (7) Medical and Dental Treatment for Civil Servants

Controlling Officer: Director of Health

Director of Bureau: Secretary for the Civil Service

Question:

What is/are the reason(s) for the increasing demand for payment and reimbursement of medical fees and hospital charges?

Asked by: Hon. LEE Cheuk-yan

Reply:

The provision for Programme (7) under Head 37 covers medical and dental services provided by the Department of Health to civil service eligible persons (i.e. civil servants, pensioners and their eligible dependants) as well as payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons. Under the existing policy, civil service eligible persons may apply to the Government for reimbursement of expenses on drugs/equipment/services which form an essential part of the medical treatment as prescribed and certified by the attending Hospital Authority (HA) doctors on medical grounds but which are not available in HA or are chargeable by HA. In addition, the Government reimburses reasonable expenses on necessary treatment incurred by civil servants on duty/training/postings outside Hong Kong. Reimbursement to HA for the use of special accommodation beds by civil service eligible persons (for which the hospital is allowed to retain 50% of the hospital maintenance fee income and thus the Government has to reimburse HA the difference between 50% of the public rates and the rates payable by civil service eligible persons) is also covered by this programme. Expenditure on reimbursement of medical expenses is largely demand driven. We have projected an increase in the estimated expenditure for 2005-06 having regard to the expenditure trend in recent years.

Signature _____

Name in block letters _____ Dr P Y LAM

Post Title _____ Director of Health

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB038

1331

Head: 37 Department of Health

Subhead (No. & title):

Programme: (7) Medical and Dental Treatment for Civil Servants

Controlling Officer: Director of Health

Director of Bureau: Secretary for the Civil Service

Question:

Please explain in detail the increase of 4% in the 2005-06 estimate for medical and dental treatment for civil servants as compared with the 2004-05 original provision in spite of the fact that the service indicators remain unchanged.

Asked by: Hon. SHEK Lai-him, Abraham

Reply:

The provision for Programme (7) under Head 37 covers medical and dental services provided by the Department of Health to civil service eligible persons (i.e. civil servants, pensioners and their eligible dependants) as well as the payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons. The 4% increase in the estimated expenditure for 2005-06 over the 2004-05 original provision is mainly attributable to the increased provision for payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons.

Under the existing policy, civil service eligible persons may apply to the Government for reimbursement of expenses on drugs/equipment/services which form an essential part of the medical treatment as prescribed and certified by the attending Hospital Authority (HA) doctors on medical grounds but which are not available in HA or are chargeable by HA. In addition, the Government reimburses reasonable expenses on necessary treatment incurred by civil servants on duty/training/postings outside Hong Kong. Reimbursement to HA for the use of special accommodation beds by civil service eligible persons (for which the hospital is allowed to retain 50% of the hospital maintenance fee income and thus the Government has to reimburse HA the difference between 50% of the public rates and the rates payable by civil service eligible persons) is also covered by this programme. Expenditure on reimbursement of medical expenses is largely demand driven. We have projected an increase in the estimated expenditure for 2005-06 having regard to the expenditure trend in recent years.

Signature _____

Name in block letters _____ Dr P Y LAM

Post Title _____ Director of Health

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB039

1720

Head: 37 Department of Health

Subhead (No. & title):

Programme: (7) Medical and Dental Treatment for Civil Servants

Controlling Officer: Director of Health

Director of Bureau: Secretary for the Civil Service

Question:

Despite the explanation given in the Budget that the increase in provision under Programme (7) "Medical and Dental Treatment for Civil Servants" is mainly due to the increase in capital expenditure and additional provision to meet increasing demand for payment and reimbursement of medical fees and hospital charges, would the Administration advise on the following:

- (1) Why is there still an increase of \$7.3M in the expenditure for medical and dental treatment for civil servants in spite of the general decrease in expenditure for the provision of healthcare services to the public?
- (2) The medical fees to be reimbursed in the year is expected to reach \$44.6M, an increase of \$3.6M over 2004-05; what is/are the reason(s)?
- (3) There is a significant increase of \$12.9M, or 45.9% in 2004-05 revised provision over the 2004-05 estimated provision; what is/are the reason(s)?
- (4) Why is the expenditure under Programme (7) on the increase in spite of the decreasing number of civil servants over the years?
- (5) What is the number of eligible persons using such service, and how does it compare with that in last year? How many of them are civil servants, and how many are dependants?
- (6) Why is the capital expenditure under Programme (7) increasing instead of decreasing in spite of the fact that all departments are broadening sources of income and reducing expenditure? What plan(s) does the Department of Health have to reduce the expenditure in this area?

Asked by: Hon. FANG Kang, Vincent

Reply:

- (1) The increase of \$7.3 million in the 2005-06 estimated expenditure for Programme (7) under Head 37 over 2004-05 is to cater for an anticipated increase in payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons (i.e. civil servants, pensioners and their eligible dependants) and the capital expenditure mainly for replacement of dental chairs and other equipment which are beyond economical repair, partly offset by the effect of the 2005 civil service pay reduction.

- (2) - (5) The provision for Programme (7) under Head 37 covers medical and dental services provided by the Department of Health to civil service eligible persons as well as payment and reimbursement of medical fees and hospital charges incurred by civil service eligible persons. Under the existing policy, civil service eligible persons may apply to the Government for reimbursement of expenses on drugs/equipment/services which form an essential part of the medical treatment as prescribed and certified by the attending Hospital Authority (HA) doctors on medical grounds but which are not available in HA or are chargeable by HA. In addition, the Government reimburses reasonable expenses on necessary treatment incurred by civil servants on duty/training/postings outside Hong Kong. Reimbursement to HA for the use of special accommodation beds by civil service eligible persons (for which the hospital is allowed to retain 50% of the hospital maintenance fee income and thus the Government has to reimburse HA the difference between 50% of the public rates and the rates payable by civil service eligible persons) is also covered by this programme.

Expenditure on reimbursement of medical expenses is largely demand driven. We have projected an increase of \$3.6 million in the estimated expenditure on payment and reimbursement of medical fees and hospital charges for 2005-06 over the revised estimate for 2004-05 having regard to the expenditure trend in recent years. The increase of \$12.9 million in the 2004-05 revised estimate over the 2004-05 approved estimate is attributable to an increase in the amount of reimbursement claims processed in that year (including claims carried forward from 2003-04).

The estimated number of civil service eligible persons has remained fairly stable in recent years at around 600 000, 40% of whom are civil servants and pensioners and the rest eligible dependants.

The reasons for the increase in the estimated expenditure on Programme (7) under Head 37 in 2005-06 are set out under (1) above.

- (6) The estimated increase in capital expenditure in 2005-06 is mainly due to replacement of dental chairs, air compressor system, air-conditioning pipelines and water pump systems in Government dental clinics, which amount to \$5.6 million. The expenditure is necessary as the items are beyond economical repair.

Signature _____

Name in block letters _____ Dr P Y LAM

Post Title _____ Director of Health

Date _____ 6 April 2005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB040

Question Serial No.

0698

Head : 188 Treasury

Subhead (No. & title) :

Programme : (2) Payment of Salaries, Pensions and Benefits

Controlling Officer : Director of Accounting Services

Director of Bureau : Secretary for the Civil Service

Question :

Concerning standard and non-standard allowances payable to civil servants, please provide information on the number of recipients, the actual expenses for each of the allowances paid in 2003-04, the approved and revised estimate for 2004-05 and the estimate for 2005-06. Please also explain for the increase or decrease in this expenditure item.

Asked by : Hon. CHEUNG Man-kwong

Reply :

Allowances payable to civil servants can be broadly categorised as those related to the performance of duties and those provided as fringe benefits. Information on the expenditure and the number of recipients for these two types of allowances, with a breakdown for individual allowances, is set out in **Annex I** and **Annex II** respectively. For allowances related to the performance of duties (see Annex I), they are paid from departmental votes and we do not have the 2004-05 revised estimate and 2005-06 draft estimate of individual bureaux/ departments for each allowance. Thus Annex I only shows the information available to us, namely the actual expenditure and the actual number of recipients for 2003-04, and the projected figures for 2004-05 which have been worked out based on the actual expenditure and the actual number of recipients from April to December 2004. The projected expenditure in 2004-05 shows a reduction of \$143,197,000 or 11.7% over the actual expenditure in 2003-04. As regards allowances which are fringe benefits (see Annex II), they are centrally voted. Thus we are able to provide information on the actual and the estimated figures regarding both expenditure and the number of recipients. The reasons for the change in expenditure are set out in the two annexes.

It should be noted that the payment of most of the fringe benefit type of allowances has been ceased for new recruits or tightened up for some time. Details are at **Annex III**.

Signature

Name in block letters

Post Title

Date

Mrs Lucia LI

Director of Accounting Services

7 April 2005

ALLOWANCES RELATING TO DUTY¹

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
I. Acting Allowance	294,925	16 823			288,918 (-2.0%)	15 451			<p>The rules for the payment of acting allowance were reviewed and tightened up in 2000, resulting in substantial reduction of expenditure from over \$500M in 1999/2000 to less than \$300M in 2003/04. Another review was completed in 2004, resulting in the rates of acting allowance reduced with effect from July 2004.</p> <p>The total expenditure on acting allowance may vary from year to year, depending on the actual circumstances which necessitate acting appointments.</p> <p>In addition, the civil service pay reductions in 2002, 2004 and 2005 will also affect the amount of acting allowance payable.</p>

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
II. Overtime and Related Allowances	436,045				336,963 (-22.7%)				Expenditure on overtime and related allowances depends on operational needs. These allowances are only payable when time-off cannot be granted within one month of the overtime / standby performed.
a. Overtime Allowance for civilian staff	213,858	22 574			154,717 (-27.7%)	15 367			The expenditure on overtime and related allowances has been decreasing in recent years since the rules on the administration of overtime allowance was reviewed and tightened up in 2000. Consequential to the civil service pay reductions in 2002, 2004 and 2005, the overtime and related allowances payable (calculated on the basis of an officer's salary) has also been reduced.
b. Disciplined Services Overtime Allowance	160,574	15 150			138,345 (-13.8%)	7 359			
c. Standby Duty Allowance	54,725	4 179			37,673 (-31.2%)	3 137			
d. On-call Duty Allowance	5,637	4 688			5,182 (-8.1%)	3 790			
e. Honorarium	1,251	51			1,046 (-16.4%)	39			
									Honorarium may be approved under specific circumstances on a case-by-case basis where the payment of overtime allowance is inappropriate. The expenditure on this item thus varies from year to year, depending on the number of approved cases in a particular year.

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
III. Job-related Allowances (JRAs)	288,784				263,413 (-8.8%)				JRAs are payable to compensate staff for work beyond the normal duties expected of their grade and rank and which have not been taken into account in the relevant pay scales. Payment of such allowances is subject to operational justifications. With the assistance of the concerned bureaux and departments, CSB has completed a comprehensive review of individual JRAs payable to civilian staff which has resulted in savings (see the "Remarks" column under various JRAs). A review of JRAs payable to disciplined services staff has also commenced and is expected to be completed in 2005.
a. Extraneous Duties Allowance for civilian staff	11,091	1 818			6,157 (-44.5%)	1 187			<p>The allowance is to compensate for duties which are extraneous to the job descriptions for the officers concerned and the discharge of such duties requires extra skill or imposes new responsibility not normally expected of staff in the same grade or rank.</p> <p>The large decrease in 2004-05 is mainly due to the comprehensive review of JRAs payable to civilian staff, which has resulted in the cessation of a number of outdated allowances and the tightening up of the payment criteria of other allowances.</p> <p>Consequential to the civil service pay reductions in 2002, 2004 and 2005, the rates of some of the JRAs have also accordingly been reduced.</p>

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
b. Extra Duties Allowance for Disciplined Services staff	75,213	11 067			74,657 (-0.7%)	11 094			Minor year-to-year fluctuations.
c. Hardship Allowance	66,724	11 272			58,212 (-12.8%)	9 916			<p>The allowance compensates for duties performed in work environment which may render staff liable to bodily harm or physical impairment of a degree not normally expected of staff in the same grade or rank.</p> <p>The decrease in 2004-05 is mainly due to the review of JRAs payable to civilian staff, which has resulted in the cessation of a number of outdated allowances and the tightening up of the payment criteria of other allowances. Consequential to the civil service pay reductions in 2002, 2004 and 2005, the rates of some of the JRAs have also accordingly been reduced.</p>
d. Typhoon/ Rainstorm Black Warning Allowance	6,535	6 228			3,591 (-45.0%)	4 497			Actual expenditure depends on the number and duration of typhoon signal no. 8 or above / rainstorm black warnings issued in that year.
e. Shift Duty Allowance	76,592	13 620			69,899 (-8.7%)	12 521			The allowance compensates staff for the performance of shift duties which are not normally expected of staff in the same grade or rank. The actual expenditure depends on operational needs.

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
f. Special Allowances for disciplined services staff	52,629	12 806			50,897 (-3.3%)	11 024			Examples of special allowances include those payable to staff deployed on detective duties who are frequently required to pay small out-of-pocket expenses when trailing suspects and contacting informants and witnesses, where it is not practicable for them to claim reimbursement for every single item of expenditure. The actual expenditure depends on operational needs.
IV. Subsistence Allowance⁴	66,376	N.A.			61,598 (-7.2%)	N.A.			The decrease in the 2004-05 estimated expenses is due to a projected decrease in the number of claims/recipients.
V. Travelling Allowances⁵	78,477	N.A.			72,779 (-7.3%)	N.A.			This item covers expenditure on Supplementary Travel Allowance (STA), Duty Mileage Allowance (DMA) and Duty Travelling Expenses. The expenditure on these items has been on the decrease. This is attributable to the increasing awareness of the need to choose the most appropriate mode of transport having regard to operational need and cost-effectiveness, reduction in the number of eligible claimants as a result of reviews on the list of designated offices under the STA Scheme, and the reduction in the DMA rates with effect from 1 January 2003 after a review of the formula for determining such rates.

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
VI. Allowances for Officers Posted Outside Hong Kong	51,158				49,059 (-4.1%)				
a. Rent Allowance	25,361	94			23,560 (-7.1%)	94			Minor year-to-year fluctuations.
b. Special Posting Allowance (including Exchange Compensation Allowance)	18,079	100			17,599 (-2.7%)	104			Minor year-to-year fluctuations.
c. Disturbance Allowance	2,438	41			3,523 (+44.5%)	58			The allowance is payable to officers on commencement of and at the end of external postings. Actual expenditure depends on the number of staff movements in the year and the ranking of the officers concerned. The increase in the projected expenditure in 2004-05 is due to an increased number of staff movements in the external offices.

Allowance	2003-04		2004-05		2004-05 ²		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Projected expenditure (\$000)	No. of recipients ³	Draft estimate (\$000)	Estimated no. of recipients	
d. Expenses incurred by employers for employment of locally engaged staff in offices outside Hong Kong for meeting local statutory requirements, etc.	5,280	112			4,377 (-17.1%)	108			Actual expenditure depends on the number of locally-engaged staff employed in the external offices.
VII. Other Allowances	12,154				11,992 (-1.3%)				
a. ICAC Post Allowance	7,970	1 101			7,645 (-4.1%)	1 044			The allowance has been ceased for recruits offered appointment from June 2000. Expenditure has been on the decrease as the number of eligible officers has decreased over time. The allowance will phase out in the long run.
b. Others	4,184	N.A.			4,347 (+3.9%)	N.A.			This item includes allowances such as the Post Allowance payable to Survey Officers and Senior Survey Officers recruited before 1.7.1982. It also includes allowances incurred for external postings such as subsistence allowances payable on commencement of and at the end of postings, etc.
Total	1,227,919				1,084,722 (-11.7%)				

Footnotes

■ Duty-related allowances are paid under the respective Items under the heads of expenditure of individual bureaux/departments. Expenditure at the Item level is not separately shown in the approved estimate for 2004-05 and the draft estimate for 2005-06.

- ¹ For duty-related allowances, the expenditure incurred by trading fund departments and publicly-funded organisations (e.g. Hospital Authority) is not included. Allowances payable to judicial officers only are also not included in the table. The number of recipients shown against each duty-related allowance means the number of officers receiving the allowance in the year, irrespective of the number of occasions on which the same individual officer receives the allowance.
- ² For duty-related allowances, the 2004-05 expenditure figures are projected expenditure calculated by the Treasury based on the actual expenditure from April to December 2004. The percentage change is a comparison of the 2004-05 projected expenditure with the 2003-04 actual expenditure.
- ³ The number of recipients is the actual headcount as at 31.12.2004, assuming that the same officers continue to receive the allowances during the months of January to March 2005.
- ⁴ The expenditure figures under “Subsistence Allowance” cover local subsistence allowance only. Expenditure in respect of overseas subsistence allowance is subsumed with expenditure on other minor items and cannot be separately identified.
- ⁵ For travelling allowances, payments are made by individual departments in response to claims from the officers concerned. The Treasury does not have records on the number of officers who have claimed these allowances.

ALLOWANCES THAT ARE FRINGE BENEFITS

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
I. Education Allowances	862,639		934,093		924,795 (+7.2%)		1,018,524 (+10.1%)		
a. Local Education Allowance (LEA)	266,276	*20 001	287,819	*20 417	286,605 (+7.6%)	*20 501	314,500 (+9.7%)	*21 270	The allowance has been ceased for officers offered appointment on or after 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of children of eligible civil servants receiving higher LEA rates.
b. Overseas Education Allowance [#]	596,363	*5 506	646,274	*5 636	638,190 (+7.0%)	*5 248	704,024 (+10.3%)	*5 727	The allowance has been ceased for officers offered appointment on or after 1.8.1996. The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of children of eligible civil servants studying overseas, an increase in overseas school fees and appreciation of the sterling pound.

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
II. Housing and related allowances	3,397,053		3,410,550		3,217,836 (-5.3%)		3,090,658 (-4.0%)		
a. Home Purchase Allowance	1,034,232	15 312	1,068,000	15 620	956,516 (-7.5%)	14 741	999,000 (+4.4%)	15 130	This allowance has been ceased for officers offered appointment on or after 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to an estimated increase in the average number of recipients (i.e. the number of new joinees exceeds the number of participants who leaves the scheme) and the higher rates of allowance payable to existing claimants through salary progression in 2005-06.
b. Home Financing Scheme	2,127,439	7 772	2,082,000	7 480	2,036,905 (-4.3%)	7 427	1,826,000 (-10.4%)	6 560	The allowance has been ceased for officers offered appointment on or after 1.6.2000. The decrease in the 2005-06 draft estimate is mainly due to an estimated decrease in the average number of recipients, partly offset by the higher rate of allowance payable to existing claimants through salary progression and promotion in 2005-06.
c. Private Tenancy Allowance	160,376	732	169,000	760	147,283 (-8.2%)	716	152,000 (+3.2%)	730	The allowance has been ceased for officers offered appointment on or after 1.10.1990. The increase in the 2005-06 draft estimate is mainly due to an estimated increase in the average number of recipients and the higher rate of allowance payable to existing claimants through salary progression and promotion in 2005-06.

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
d. Accommodation Allowance Scheme	29,861	101	28,000	99	26,527 (-11.2%)	95	26,600 (+0.3%)	94	The allowance has been ceased for officers offered appointment on or after 1.1.1999. The estimated expenditure for 2005-06 is about the same as the revised estimate for 2004-05.
e. Rent Allowance Scheme	1,318	7	2,800	19	1,575 (+19.5%)	9	2,700 (+71.4%)	14	The allowance has been ceased for officers offered appointment on or after 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to an estimated increase in the number of recipients and the higher rate of allowance payable to existing claimants through salary progression and promotion in 2005-06.
f. Non-accountable Cash Allowance Scheme	11,474	54	17,300	80	13,990 (+21.9%)	69	18,900 (+35.1%)	91	The Non-accountable Cash Allowance Scheme covers eligible officers offered appointment from 1.6.2000. The increase in the 2005-06 draft estimate is mainly due to an estimated increase in the number of recipients and the higher rate of allowance payable to existing claimants through salary progression and promotion in 2005-06.
g. Air-conditioning Allowance	215	75**	284	90**	344 (+60.0%)	97**	344 (0%)	97**	The allowance has been ceased for officers occupying substantively a directorate post on or after 1.5.1999. The expenditure in 2005-06 is expected to remain at the same level as 2004-05.

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
h. House Allowance, Furniture and Domestic Appliances Allowances	15,545	11 819	16,100	12 100	15,600 (+0.4%)	11 900	15,700 (+0.6%)	12 000	The House Allowance has been ceased for officers offered appointment on or after 1.10.1990. The Furniture and Domestic Appliances Allowances have been ceased for officers offered appointment on or after 1.5.1999 (except officers directed to occupy post-tied quarters), and officers offered appointment before 1.5.1999 who are not occupying quarters and who receive a substantive salary on MPS 34 to 44 (or equivalent) on or after 1.7.2000. The estimated expenditure for 2005-06 is slightly higher than that for 2004-05 due to an increase in the estimated number of recipients of furniture and domestic appliances allowances (mainly occupants of departmental quarters).
i. Quarters									
(i) Hotel Subsistence Allowance ^{7#}	0	0	34	13	28 (N.A.)	11	9 (-67.9%)	3	The allowance, as a fringe benefit, has been ceased for officers offered appointment on or after 1.5.1999. Expenditure on this allowance varies from year to year as the allowance is provided on a need basis. The estimated expenditure for 2005-06 is less than that for 2004-05 because of an estimated decrease in the number of officers who will return from postings outside Hong Kong in 2005-06.
(ii) Housing Allowance for Disciplined Services	12,606	435	15,198	541	13,453 (+6.7%)	439	16,709 (+24.2%)	698	The estimated expenditure for 2005-06 is higher than the revised estimate for 2004-05. This is partly attributed to the slippage in Housing Department's completion of new public rental housing units in 2004, which were originally

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
									scheduled for allocation in 2004-05. Eligible applicants under the Special Quota of the Civil Service Public Housing Quota (CSPHQ) who have applied for these new estates could thus acquire public rental housing units and start to claim the allowance only at a later stage in 2004-05. As a result, there is a downward adjustment to the revised estimate of the allowance for 2004-05, and on the other hand, a projected increase in the estimate for 2005-06. In addition, it is anticipated that the public rental housing take-up rate under the Special Quota of the 2004-05 CSPHQ will be higher, thus resulting in a consequential increase in the number of claims for the allowance. The take-up rate is expected to be slightly higher as we expect some soon-to-retire disciplined services officers to move from their departmental quarters, which are to be disposed of with the purchase of surplus Home Ownership Scheme flats for re-provisioning departmental quarters for the disciplined services, upon successful application for the CSPHQ quota places.

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
(iii) Provision of hotel accommodation #	114	12	712	43	422 (+270.2%)	31	514 (+21.8%)	35	The provision of hotel accommodation, as a fringe benefit, has been ceased for officers offered appointment on or after 1.6.2000. Expenditure on this item varies from year to year as the allowance is provided on a need basis. The expenditure for 2005-06 is estimated to be higher than that for 2004-05 due to an estimated increase in the number of officers requiring the provision of hotel accommodation in 2005-06.
(iv) Removal Allowance	3,873	380	11,122	963	5,193 (+34.1%)	662	32,182 (+519.7%)	3 584	Expenditure varies from year to year as the allowance is provided on operational need. The expenditure for 2005-06 is estimated to be much higher than that for 2004-05 mainly due to an estimated increase in the requirement for the payment of removal allowance to occupants of departmental quarters in the disciplined services arising from the reprovisioning of departmental quarters for the disciplined services by surplus Home Ownership Scheme flats.

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
III. Passage Benefits	226,163		257,958		237,201 (+4.9%)		244,915 (+3.3%)		
a. Leave Passage Allowance (including expenditure on Sea Passage) [#]	65,187	1 825	64,235	1 771	58,528 (-10.2%)	1 758	56,707 (-3.1%)	1 702	The decrease in the 2005-06 draft estimate is mainly due to a projected decrease in the number of recipients with the departure of some officers on overseas terms. The provision of Sea Passage has been ceased for officers offered appointment on or after 1.12.1984. The provision of Leave Passage Allowance, as a fringe benefit, has been reviewed and tightened up from 1.6.2000. For officers offered appointment on or after that date, the allowance is non-accountable and payable to the officers only and not their family members.
b. School Passage Allowance	151,980	*7 118	181,439	*7 757	167,377 (+10.1%)	*7 356	176,545 (+5.5%)	*7 743	The allowance has been ceased for officers offered appointment on or after 1.8.1996. The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of officers claiming the allowance for their dependent children undertaking overseas education.
c. First Appointment Passage	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Expenditure is met from departmental votes, subject to CSB's approval for granting the passage.

Allowance	2003-04		2004-05		2004-05		2005-06		Remarks
	Actual expenditure (\$000)	Actual no. of recipients	Approved estimate (\$000)	Estimated no. of recipients	Revised estimate ⁶ (\$000)	Projected no. of recipients	Draft estimate (\$000)	Estimated no. of recipients	
d. Baggage Allowance [#]	2,620	**1 346	3,657	**1 711	3,320 (+26.7%)	**1 282	3,276 (-1.3%)	**1 379	Actual expenditure varies from year to year depending on the cost of transportation of baggage up to the eligible officers' entitlement. The benefit, as a fringe benefit, has been ceased for officers offered appointment on or after 1.1.1999, except for those provided with First Appointment Passage. The increase in the 2004-05 revised estimate is mainly due to an increased number of staff movements in the external offices.
e. Travelling expenses	6,376	**13 972	8,627	**15 873	7,976 (+25.1%)	**13 680	8,387 (+5.2%)	**14 916	The increase in the 2005-06 draft estimate is mainly due to a projected increase in the number of dependent children of eligible officers receiving School Passage Allowance, who may claim travelling expenses when they take school passage. The benefit has been ceased for officers offered appointment on or after 1.1.1999, except for those provided with First Appointment Passage.
Total	4,485,855		4,602,601		4,379,832 (-2.4%)		4,354,097 (-0.6%)		

Footnotes :

Number of recipients marked with * means the number of students.

Number of recipients marked with ** means the number of claims.

Expenditure items marked with # include allowances payable to officers who are posted outside Hong Kong. Provision of the allowances to these officers arises from the officers' external postings; they are not provided to the officers as fringe benefits.

⁶ The percentage change is a comparison of the 2004-05 revised estimate with the actual expenditure in 2003-04.

⁷ Recipients include family members of eligible civil servants.

Annex III

Fringe benefit types of allowances that have been ceased or tightened up

Allowances	Date of cessation
Sea Passage	Ceased for officers offered appointment on or after 1.12.1984.
House Allowance	Ceased for officers offered appointment on or after 1.10.1990.
Private Tenancy Allowance	Ceased for officers offered appointment on or after 1.10.1990.
Overseas Education Allowance	Ceased for officers offered appointment on or after 1.8.1996.
School Passage Allowance	Ceased for officers offered appointment on or after 1.8.1996.
Baggage Allowance	The allowance, as a fringe benefit, has been ceased for officers offered appointment on or after 1.1.1999 except officers provided with First Appointment Passage.
Travelling expenses	Ceased for officers offered appointment on or after 1.1.1999 except for officers provided with First Appointment Passage.
Accommodation Allowance	Ceased for officers offered appointment on or after 1.1.1999.
Air-conditioning Allowance	Ceased for officers occupying substantively a directorate post on or after 1.5.1999.
Furniture and Domestic Appliances Allowances	Ceased for officers offered appointment on or after 1.5.1999 (except for officers directed to occupy post-tied quarters), and officers offered appointment before 1.5.1999 who are not occupying quarters and who receive a substantive salary on MPS 34 to 44 (or equivalent) on or after 1.7.2000.
Hotel Subsistence Allowance	The allowance, as a fringe benefit, has been ceased for officers offered appointment on or after 1.5.1999.
Local Education Allowance	Ceased for officers offered appointment on or after 1.6.2000.
Home Purchase Allowance	Ceased for officers offered appointment on or after 1.6.2000.

Allowances	Date of cessation
Home Financing Allowance	Ceased for officers offered appointment on or after 1.6.2000.
Rent Allowance	Ceased for officers offered appointment on or after 1.6.2000.
Hotel accommodation	As a fringe benefit, this has been ceased for officers offered appointment on or after 1.6.2000.
Leave Passage Allowance	Ceased for the family members of officers offered appointment on or after 1.6.2000.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CSB041

Question Serial No.

0719

Head : 188 Treasury

Subhead (No. & title) :

Programme : (2) Payment of Salaries, Pensions and Benefits

Controlling Officer : Director of Accounting Services

Director of Bureau : Secretary for the Civil Service

Question :

Regarding the Indicators for performance, the actual number of passage applications processed in 2004 was 28 835, representing an increase of 817 applications over 2003. However, the planned number of passage applications processed for 2005 is 31 000, i.e. 2 165 applications more than the actual number of applications processed in 2004, representing a more than two-fold increase over the previous year. What are the reasons?

Asked by : Hon. WONG Ting-kwong

Reply :

Passage applications consist principally of those for leave passage and school passage. The increase in the number of passage applications expected to be processed in 2005 is mainly due to a projected increase in the number of School Passage Allowance claims made by eligible officers for their dependent children studying overseas.

Signature

Name in block letters

Post Title

Date

Mrs Lucia LI

Director of Accounting Services

6 April 2005