

Replies to initial written questions raised by Financial Committee Members

In examining the Estimates of Expenditure 2007-08

[Controlling Officer: Permanent Secretary, Chief Executive's Office]

[Session No.: 7] [File name: CEO-el.doc]

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
CEO001	0125	TAM Heung-man	21	2101 – Chief Executive's Office
CEO002	0126	TAM Heung-man	21	2101 – Chief Executive's Office
CEO003	0179	LEUNG Yiu-chung	21	2101 – Chief Executive's Office
CEO004	0350	YEUNG Sum	21	2101 – Chief Executive's Office
CEO005	0351	YEUNG Sum	21	2101 – Chief Executive's Office
CEO006	0352	YEUNG Sum	21	2101 – Chief Executive's Office
CEO007	0353	YEUNG Sum	21	2101 – Chief Executive's Office
CEO008	0416	MA Lik	21	2102 – Executive Council
CEO009	0471	CHAN Wai-yip, Albert	21	2101 – Chief Executive's Office
CEO010	0796	FUNG Kin-kee, Frederick	21	2101 – Chief Executive's Office
CEO011	0797	FUNG Kin-kee, Frederick	21	2101 – Chief Executive's Office
CEO012	0798	FUNG Kin-kee, Frederick	21	2102 – Executive Council
CEO013	0799	FUNG Kin-kee, Frederick	21	2102 – Executive Council
CEO014	0800	FUNG Kin-kee, Frederick	21	2101 – Chief Executive's Office
CEO015	0801	FUNG Kin-kee, Frederick	21	2101 – Chief Executive's Office
CEO016	0985	LEUNG Kwok-hung	21	2101 – Chief Executive's Office
CEO017	1646	FUNG Kin-kee, Frederick	21	2101 – Chief Executive's Office
CEO018	1668	LAU Wong-fat	21	2101 – Chief Executive's Office
CEO019	2597	WONG Ting-kwong	21	2101 – Chief Executive's Office

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

Reply Serial No.

CEO001

Question Serial No.

0125

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for the Chief Executive's Office in 2007-08 is proposed to be \$3.8 million higher than the revised estimate for 2006-07 due to the increased requirement for operating expenses. Will the Administration give specific reasons for such an increase in operating expenses?

Asked by: Hon. TAM Heung-man

Reply:

The estimated increase of \$3.8M (or by 7.1%) in the provision for 2007-08 over the revised estimate for 2006-07 is attributable to the additional provisions for "Personal Emoluments" (PE) (\$2.3M) and "Remuneration for Special Appointments" (\$1.7M), offset by savings in "General Departmental Expenses".

The increase in PE is due to full-year effect of remuneration for two non-directorate posts created in late 2006-07 and necessary provisions to cater for the new term CE who will assume office in July 2007. In this regard, the Special Finance Committee noted the changes in the establishment of the Chief Executive's Office in examining the 2006-07 Draft Estimates and the Finance Committee approved in November 2005 the revised remuneration package for the third term CE. The increase in "Remuneration for Special Appointments" is required for the payment of contractual gratuities to four officers under special appointments whose contracts will end in June 2007.

Signature _____

Name in block letters _____

Ms CHANG King-yiu

Post Title _____

Permanent Secretary, Chief Executive's Office

Date _____

12 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO002

Question Serial No.

0126

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for the remuneration for special appointments for the Chief Executive's Office in 2007-08 is some \$1.6 million higher than the revised estimate for 2006-07. Will the Administration explain the increase in remuneration, its use and intended benefit?

Asked by: Hon. TAM Heung-man

Reply:

The increase of \$1.6M in "Remuneration for Special Appointments" for 2007-08 against the revised estimate for 2006-07 is mainly attributable to the payment of contractual gratuities to four officers under special appointments when their contracts end in June 2007.

Each of the four officers under special appointments viz. Director of the Chief Executive's Office, Information Coordinator, Senior Special Assistant and Special Assistant performs different but essential duties to support the Chief Executive, as explained in relevant submissions to the Finance Committee seeking its approval for the setting up of the Chief Executive's Office, implementation of the accountability system for principal officials and the re-organization of this Office.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO003

Question Serial No.

0179

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for 2007-08 is \$3.8 million higher than the revised estimate for 2006-07 mainly due to the increased requirement for operating expenses. Please inform this Committee of the details.

Asked by: Hon. LEUNG Yiu-chung

Reply:

The estimated increase of \$3.8M (or by 7.1%) in the provision for 2007-08 over the revised estimate for 2006-07 is attributable to the additional provisions for "Personal Emoluments" (PE) (\$2.3M) and "Remuneration for Special Appointments" (\$1.7M), offset by savings in "General Departmental Expenses".

The increase in PE is due to full-year effect of remuneration for two non-directorate posts created in late 2006-07 and necessary provisions to cater for the new term CE who will assume office in July 2007. In this regard, the Special Finance Committee noted the changes in the establishment of the Chief Executive's Office in examining the 2006-07 Draft Estimates and the Finance Committee approved in November 2005 the revised remuneration package for the third term CE. The increase in "Remuneration for Special Appointments" is required for the payment of contractual gratuities to four officers under special appointments whose contracts will end in June 2007.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO004

Question Serial No.

0350

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

What are the actual expenses, revised estimate and estimated expenses for the management of the Government House for the financial year of 2005-06, 2006-07 and 2007-08 respectively?

Asked by: Hon. YEUNG Sum

Reply:

The actual, revised estimate of and estimated management expenses for the Government House in 2005-06, 2006-07 and 2007-08 are \$3.96M, \$4.53M and \$4.99M respectively.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO005

Question Serial No.

0351

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

What are the actual expenses, revised estimate and estimated expenses for the management of the Chief Executive's country residence at Fanling for the financial year of 2005-06, 2006-07 and 2007-08 respectively?

Asked by: Hon. YEUNG Sum

Reply:

The actual, revised estimate of and estimated management expenses for the Fanling Lodge in 2005-06, 2006-07 and 2007-08 are \$0.46M, \$0.48M and \$0.48M respectively.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO006

Question Serial No.

0352

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

Regarding the Chief Executive's wife undertaking a wide range of public and social engagements, please provide details of the number of engagements undertaken by the incumbent Chief Executive's wife, and the expenses incurred and estimated expenses for 2005-06, 2006-07 and 2007-08 respectively.

Asked by: Hon. YEUNG Sum

Reply:

The Chief Executive's wife had 85 and 60 public engagements in 2005-06 and 2006-07 respectively. We do not provide separate provisions for the Chief Executive's wife to attend public or social functions.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO007

Question Serial No.

0353

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for the remuneration for special appointments in 2007-08 is \$1.67 million higher than the revised estimate for 2006-07. What are the reasons? Please provide details of such special appointments and the remuneration required for each special appointment.

Asked by: Hon. YEUNG Sum

Reply:

The increase of \$1.67M in "Remuneration for special appointments" for 2007-08 against the revised estimate for 2006-07 is mainly attributable to the payment of contractual gratuities to four officers under special appointments, viz. Director of the Chief Executive's Office (DCEO), Information Coordinator (IC), Senior Special Assistant (SSA) and Special Assistant (SA), when their contracts end in June 2007.

Total remunerations for the post-holders under special appointments in 2007-08, including the payment of contractual gratuities when contracts of the incumbents end in June 2007, are as follows -

DCEO: \$3.4M

IC: \$2.4M

SSA: \$2.4M

SA: \$1.0M

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO008

Question Serial No.

0416

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (2) Executive Council

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

When the third term of the Chief Executive assumes office, he might make major reforms in the structure of the Executive Council. Has the Administration made proper provision of staff and resources for this purpose and made adjustments on the estimate for staff establishment?

Asked by: Hon. MA Lik

Reply:

We have not made any provision for the purpose of meeting possible changes to the Executive Council. Should there be a need, we will redeploy staff and other resources internally as far as possible to meet any such expenses. If necessary, we may also seek additional funding under the established mechanism.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO009

Question Serial No.

0471

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for 2007-08 is 7.1% higher than the revised estimate for 2006-07 mainly due to the increased requirement for operating expenses. Please inform this Committee of the reasons for such an increase and the breakdown of the estimate.

Asked by: Hon. CHAN Wai-yip, Albert

Reply:

The estimated increase of \$3.8M (or by 7.1%) in the provision for 2007-08 over the revised estimate for 2006-07 is attributable to the additional provisions for "Personal Emoluments" (PE) (\$2.3M) and "Remuneration for Special Appointments" (\$1.7M), offset by savings in "General Departmental Expenses".

The increase in PE is due to full-year effect of remuneration for two non-directorate posts created in late 2006-07 and necessary provisions to cater for the new term CE who will assume office in July 2007. In this regard, the Special Finance Committee noted the changes in the establishment of the Chief Executive's Office in examining the 2006-07 Draft Estimates and the Finance Committee approved in November 2005 the revised remuneration package for the third term CE. The increase in "Remuneration for Special Appointments" is required for the payment of contractual gratuities to four officers under special appointments whose contracts will end in June 2007.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO010

Question Serial No.

0796

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

Will the Administration explain why the revised estimate for 2006-07 under this programme is 3.2% less than the original, and the areas in which resources have been reduced under this programme and the reasons for the reduction?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

The minor reduction of 3.2% in the provision for revised estimate over the original estimate for 2006-07 is mainly attributable to savings in energy consumption and personal emoluments.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 13 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO011

Question Serial No.

0797

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

While expenses might be incurred in the Chief Executive's Office during the 2007 Chief Executive Election period, please inform this Committee of the details and amount of the election expenses to be deducted from the expenses of the Chief Executive's Office, and the amount that might be saved as a result.

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

According to the "Guidelines on Election-related Activities in respect of the Chief Executive Elections" (the Guidelines), a candidate should not use any public resources for the purpose of promoting his election or prejudicing the election of another candidate or other candidates at the election. In this regard, any security, transportation, secretarial services and living quarters to which a candidate is entitled to use for his private purposes by virtue of his post or job are not treated as public resources. Candidates are required to report to the Chief Electoral Officer on the full election expenses within a specified period as prescribed under the Guidelines. At the same time, the Chief Executive in his capacity as a candidate will also cover and pay for any of the above permissible resources used for the purpose of his election-related activities.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO012

Question Serial No.

0798

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (2) Executive Council

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

Will the Administration explain why the revised estimate for 2006-07 under this programme is 0.6% higher than the original?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

The increase of 0.6% in the revised estimate over the original estimate for 2006-07 is attributable to the additional provisions for "Honoraria for Non-official Members of the Executive Council" pursuant to the minor increase in the monthly rate under the established price adjustment mechanism.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO013

Question Serial No.

0799

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (2) Executive Council

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The third term of the Chief Executive will assume office on 1 July 2007. Please inform this Committee whether the Administration has included in the 2007-08 estimate any expenses that might incur from possible changes to the Executive Council to be made by the next term of Government, including addition of members or restructuring. Or has any provision been made for this purpose? If so, what are the details? If not, what are the reasons?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

We have not made any provision for the purpose of meeting possible changes to the Executive Council. Should there be a need, we will redeploy staff and other resources internally as far as possible to meet any such expenses. If necessary, we may also seek additional funding under the established mechanism.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO014

Question Serial No.

0800

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

Please inform this Committee whether the Administration has included in the 2007-08 estimate any expenses that might incur from celebrations to be organized for the 10th anniversary of the unification in 2007. If so, please provide the breakdown and amount. If not, what are the reasons?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

We have not made any separate provision for meeting the expenses for the 10th anniversary celebration activities. The Administration has set up a Celebrations Coordination Office under the Home Affairs Bureau to organise and coordinate the celebration activities.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO015

Question Serial No.

0801

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The third term of the Chief Executive will assume office on 1 July 2007. Please inform this Committee whether the Administration has included in the 2007-08 estimate any expenses that might incur from possible changes to the functions and structure of the Chief Executive's Office to be made by the next term of Government. Or has any provision been made for the purpose? If so, what are the details? If not, what are the reasons?

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

We have not made any provision for the purpose of meeting possible changes to the functions and structure of the Chief Executive's Office except for the new remuneration package for the third term Chief Executive, as approved by the Finance Committee in November 2005. Should there be a need, we will redeploy staff and other resources internally as far as possible to meet any such expenses. If necessary, we may also seek additional funding under the established mechanism.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO016

Question Serial No.

0985

Head: 21 - Chief Executive's Office

Subhead (No. & title): 000 Operational expenses

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

Regarding the "personnel related expenses", please inform this Committee of the number of staff under Mandatory Provident Fund contribution and Civil Service Provident Fund contribution respectively, and the reasons why there is a significant difference between the estimated expenses for 2007-8 and the revised estimate for 2006-07.

Asked by: Hon. LEUNG Kwok-hung

Reply:

For the revised estimates in 2006-07, the provision for Mandatory Provident Fund (MPF) contribution is to cover the post-holders of three non-directorate posts on agreement terms. Nevertheless, two of these post-holders will be considered for confirmation to permanent terms in 2007-08. In this case, the Office has to make contribution to the Civil Service Provident Fund (CSPF) instead. Hence, provisions for both MPF and CSPF contributions are proposed in the draft estimates for 2007-08, as compared with the provision for MPF contribution only in 2006-07.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 14 March 2007

Examination of Estimates of Expenditure 2007-08
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CEO017

Question Serial No.

1646

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for 2007-08 is 7.1% higher than the revised estimate for 2006-07 due to the increased requirement for operating expenses, as explained by the Administration. Please inform this Committee of the details of such an increase.

Asked by: Hon. FUNG Kin-kee, Frederick

Reply:

The estimated increase of \$3.8M (or by 7.1%) in the provision for 2007-08 over the revised estimate for 2006-07 is attributable to the additional provisions for "Personal Emoluments" (PE) (\$2.3M) and "Remuneration for Special Appointments" (\$1.7M), offset by savings in "General Departmental Expenses".

The increase in PE is due to full-year effect of remuneration for two non-directorate posts created in late 2006-07 and necessary provisions to cater for the new term CE who will assume office in July 2007. In this regard, the Special Finance Committee noted the changes in the establishment of the Chief Executive's Office in examining the 2006-07 Draft Estimates and the Finance Committee approved in November 2005 the revised remuneration package for the third term CE. The increase in "Remuneration for Special Appointments" is required for the payment of contractual gratuities to four officers under special appointments whose contracts will end in June 2007.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO018

Question Serial No.

1668

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for the Chief Executive's Office in 2007-08 is \$3.8 million (7.1%) higher than the revised estimate for 2006-07 mainly due to the increased requirement for operating expenses. Please inform this Committee of the details of such an increase.

Asked by: Hon. LAU Wong-fat

Reply:

The estimated increase of \$3.8M (or by 7.1%) in the provision for 2007-08 over the revised estimate for 2006-07 is attributable to the additional provisions for "Personal Emoluments" (PE) (\$2.3M) and "Remuneration for Special Appointments" (\$1.7M), offset by savings in "General Departmental Expenses".

The increase in PE is due to full-year effect of remuneration for two non-directorate posts created in late 2006-07 and necessary provisions to cater for the new term CE who will assume office in July 2007. In this regard, the Special Finance Committee noted the changes in the establishment of the Chief Executive's Office in examining the 2006-07 Draft Estimates and the Finance Committee approved in November 2005 the revised remuneration package for the third term CE. The increase in "Remuneration for Special Appointments" is required for the payment of contractual gratuities to four officers under special appointments whose contracts will end in June 2007.

Signature _____

Name in block letters _____ Ms CHANG King-yiu

Post Title _____ Permanent Secretary, Chief Executive's Office

Date _____ 12 March 2007

Examination of Estimates of Expenditure 2007-08

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

Reply Serial No.

CEO019

Question Serial No.

2597

Head: 21 - Chief Executive's Office

Subhead (No. & title):

Programme: (1) Chief Executive's Office

Controlling Officer: Permanent Secretary, Chief Executive's Office

Director of Bureau: Director of the Chief Executive's Office

Question:

The provision for 2007-08 is \$3.8 million (7.1%) higher than the revised estimate for 2006-07 mainly due to the increased requirement for operating expenses. What are included in these operating expenses?

Asked by: Hon. WONG Ting-kwong

Reply:

The estimated increase of \$3.8M (or by 7.1%) in the provision for 2007-08 over the revised estimate for 2006-07 is attributable to the additional provisions for "Personal Emoluments" (PE) (\$2.3M) and "Remuneration for Special Appointments" (\$1.7M), offset by savings in "General Departmental Expenses".

The increase in PE is due to full-year effect of remuneration for two non-directorate posts created in late 2006-07 and necessary provisions to cater for the new term CE who will assume office in July 2007. In this regard, the Special Finance Committee noted the changes in the establishment of the Chief Executive's Office in examining the 2006-07 Draft Estimates and the Finance Committee approved in November 2005 the revised remuneration package for the third term CE. The increase in "Remuneration for Special Appointments" is required for the payment of contractual gratuities to four officers under special appointments whose contracts will end in June 2007.

Signature _____

Name in block letters _____

Ms CHANG King-yiu

Post Title _____

Permanent Secretary, Chief Executive's Office

Date _____

12 March 2007