

**SUPPLEMENTARY NOTE TO
ITEM FOR FINANCE COMMITTEE
[FCR(2014-15)37]**

PURPOSE

This note provides an update on the proposed funding provisions and establishment ceilings of the relevant Heads of Expenditure as well as the effective date of the staffing proposals to give effect to the proposed establishment of the Innovation and Technology Bureau (ITB).

JUSTIFICATION

2. The proposed changes to the 2014-15 Estimates to give effect to the establishment of the ITB as set out in FCR(2014-15)37 were discussed at the Finance Committee (FC) meetings on 3 February, 5 February, 6 February and 14 February 2015 but were yet to be put to vote.

3. The substance of the proposals as set out in FCR(2014-15)37 remains unchanged. However, due to the lapse of time, we need to make the following necessary technical revisions to the proposals –

- (a) proposing changes to the 2015-16 Estimates instead of the 2014-15 Estimates;
- (b) adjusting the proposed funding provision on the assumption that the ITB will be established by 1 July 2015;
- (c) adjusting the proposed establishment ceilings for the new Head of Expenditure for ITB and the existing Heads of Expenditure for the Office of the Government Chief Information Officer, Communications and Technology Branch (to be renamed Communications and Creative Industries Branch) of the Commerce and Economic Development Bureau and the Innovation and Technology Commission on the basis of the 2014-15 civil service pay adjustment set out in FCR (2014-15)47 as approved by the FC on 16 January 2015; and

/(d)

- (d) updating the effective date of the staffing proposals for the establishment of the ITB to tie in with the commencement date of the resolution passed under section 54A of IGCO (the 2015 resolution)^{Note} on transfer of statutory functions for the proposed establishment of the ITB.

Encl. The above revisions are shaded in grey for easy reference in the attached Enclosure to FCR(2014-15)37A.

PROPOSAL

4. We invite FC to consider FCR(2014-15)37 in conjunction with FCR(2014-15)37A and to approve the proposed changes to the 2015-16 Estimates.

Commerce and Economic Development Bureau
June 2015

^{Note} The notice for moving the motion in respect of the 2015 resolution was given to the LegCo on 28 April 2015. The resolution was subsequently passed by the LegCo on 3 June 2015. The commencement date of the 2015 resolution is the 14th day after the day on which the FC approves the proposal to make changes to the Estimates of Expenditure 2015-16 to provide for matters arising from the establishment of the ITB, or the 14th day after the day on which the 2015 resolution is passed, whichever is the later.

ITEM FOR FINANCE COMMITTEE

**NEW HEAD “GOVERNMENT SECRETARIAT :
INNOVATION AND TECHNOLOGY BUREAU”**

**HEAD 47 - GOVERNMENT SECRETARIAT :
OFFICE OF THE GOVERNMENT CHIEF
INFORMATION OFFICER**

**HEAD 55 - GOVERNMENT SECRETARIAT :
COMMERCE AND ECONOMIC DEVELOPMENT
BUREAU (COMMUNICATIONS AND TECHNOLOGY
BRANCH)**

**HEAD 155 - GOVERNMENT SECRETARIAT :
INNOVATION AND TECHNOLOGY COMMISSION**

Members are invited to approve the following changes to the 2015-16 Estimates to give effect to the establishment of a new Innovation and Technology Bureau –

- (a) creating a new Head of Expenditure entitled “Government Secretariat: Innovation and Technology Bureau” and a Recurrent Subhead under the General Revenue Account to account for the expenditure of Innovation and Technology Bureau, with the Permanent Secretary for Innovation and Technology as the Controlling Officer;
- (b) renaming the Head of Expenditure for the Communications and Technology Branch of the Commerce and Economic Development Bureau, and renaming the Controlling Officer;

- (c) providing a funding provision of up to \$25,495,000 to the new Head of Expenditure, assuming the new Bureau can be established within 2015-16; and
- (d) providing an establishment ceiling of \$13,485,000 in terms of total notional annual mid-point salary value to the new Head of Expenditure and making consequential changes to the establishment ceilings of –

Head 47 - Government Secretariat : Office of the Government Chief Information Officer;

Head 55 - Government Secretariat : Commerce and Economic Development Bureau (Communications and Technology Branch) (to be renamed Government Secretariat : Commerce and Economic Development Bureau (Communications and Creative Industries Branch)); and

Head 155 - Government Secretariat : Innovation and Technology Commission.

PROBLEM

For the purpose of establishing the Innovation and Technology Bureau (ITB), we need to provide funds for three politically-appointed officials (PAOs) (including the Director of Bureau (DoB), the Deputy Director of Bureau (DDoB) and the Political Assistant to the DoB), the Permanent Secretary of the proposed ITB and the necessary support for them, and make the necessary cost-neutral changes to the 2015-16 Estimates of Expenditure.

PROPOSAL

2. We propose the following changes to the 2015-16 Estimates of Expenditure to give effect to the establishment of ITB –

- (a) creation of a new Head of Expenditure with a new Recurrent Subhead under the Operating Account of the General Revenue Account (GRA) for ITB, with the Permanent Secretary for Innovation and Technology (PSIT) as the Controlling Officer;
- (b) renaming the Head of Expenditure in respect of the Communications and Technology Branch (CTB) of the Commerce and Economic Development Bureau (CEDB) and renaming the Controlling Officer;
- (c) assuming the new Bureau can be established within 2015-16 –
 - (i) provision of up to \$25,495,000 for the relevant Subhead of the new Head of Expenditure. The actual provision required would be adjusted downward on a pro rata basis by about \$2,708,000 per month if the new Bureau could not be established by 1 July 2015;
 - (ii) a transfer of up to \$2,118,000 from the approved provisions for Head 47 (Office of the Government Chief Information Officer (OGCIO)), Head 55 (CTB) and Head 155 (Innovation and Technology Commission (ITC)) to the new Head of Expenditure of ITB. The actual reduction would be adjusted downward on a pro rata basis by about \$235,000 per month if the new Bureau could not be established by 1 July 2015;
 - (iii) provision of an establishment ceiling of \$13,485,000 expressed in terms of total notional annual mid-point salary (NAMS) value to the new Head of Expenditure; and
 - (iv) a transfer of \$2,824,000 in terms of NAMS value from Heads 47, 55 and 155 to the new Head of Expenditure,

Encl. 1 together with other detailed changes as set out in Enclosure 1.

JUSTIFICATION

Establishment of the ITB

3. The justifications for establishing the ITB and the updated staffing proposals have been set out in the Establishment Subcommittee (ESC) paper EC(2014-15)7 and Finance Committee paper FCR(2014-15)36A. As also explained in these papers, the staffing proposals for the establishment of the new ITB are intended to take effect from the commencement date of the resolution passed under section 54A of the Interpretation and General Clauses Ordinance (Cap. 1) for the transfer of the statutory functions (the 2015 resolution). The Secretary for Commerce and Economic Development gave notice on 28 April 2015 of his intention to move the motion on the 2015 resolution at the Legislative Council (LegCo) meeting of 20 May 2015. The resolution was subsequently passed by the LegCo on 3 June 2015. For the purpose of computing the proposed changes to the 2015-16 Estimates in this paper and its enclosures, 1 July 2015 has been assumed to be the date of the establishment of ITB.

Creation of new Head and Subhead for ITB

4. The expenditure of bureaux (or branches in a bureau if the bureau concerned has more than one branch) in the Government Secretariat is charged to separate Heads of Expenditure under the GRA. With the proposed establishment of ITB, we need to create one new Head for the new bureau, and to rename the existing Head of Expenditure of CTB.

5. The proposed ITB will be headed by the Secretary for Innovation and Technology who will have overall responsibility for policy matters relating to innovation and technology and information technology (hereinafter collectively referred to as innovation and technology).

6. We propose to create a new Head to account for the expenditure of ITB with a new *Subhead 000 Operational expenses* under the Operating Account of the GRA, with PSIT as the Controlling Officer. Details of the 2015-16 provision under the new Head presented in the Estimates format with supporting explanations are in Enclosure 2.

Encl. 2

Changes in funding provision and establishment ceiling

7. Under the Operating Account of the new Head for the new ITB, we propose to earmark a funding provision of \$25,495,000 charged to *Subhead 000 Operational Expenses*, mainly for –

- (a) the proposed creation of the PAO positions, the PSIT post, and the supporting civil service posts for the new ITB; and
- (b) the transfer of provision consequential to the deployment of civil service posts from the following three relevant existing Heads to the new Head for ITB –

Head 47 - Government Secretariat : Office of the Government Chief Information Officer;

Head 55 - Government Secretariat : Commerce and Economic Development Bureau (Communications and Technology Branch) (to be renamed Government Secretariat : Commerce and Economic Development Bureau (Communications and Creative Industries Branch); and

Head 155 - Government Secretariat : Innovation and Technology Commission.

8. The proposed provision of \$25,495,000 is to meet the recurrent expenditure of ITB from the date of establishment of ITB to the end of the current financial year, on the assumption that the expenditure will be required for the period from 1 July 2015 to 31 March 2016. The actual provision for 2015-16 will be adjusted on a pro rata basis as from the date of establishment of the ITB if it falls on a date after 1 July 2015. The expenditure for the full year will be included in the Draft Estimates in future financial years. The relevant Non-recurrent Subheads under the Operating Account and Capital Account Subheads will be created through the standing procedures and delegation of authority as and when required after the new ITB comes into operation.

9. We also propose an establishment ceiling of \$13,485,000 in terms of total NAMS value for the creation of 27 non-directorate civil service posts, which includes the provision for a total of eight non-directorate posts to be transferred from CTB (two in number), ITC (two) and OGCI (four) for providing the necessary support to ITB. With the transfer of eight non-directorate posts to ITB¹, the proposed ceiling of \$13,485,000 for the new Head of ITB will be partly offset by the total reduction of \$2,824,000 in the establishment ceilings of the Heads of CTB, ITC and OGCI. The net increase of \$10,661,000 hence represents the

¹ The eight non-directorate posts include one Senior Information Officer, one Information Officer, one Executive Officer II, one Personal Secretary II, two Clerical Assistant, one Typist and one Workman II.

Encls.
3-5

proposed creation of 19 non-directorate posts² for the new ITB. Details of the changes in the Estimates of CTB (to be renamed as Communications and Creative Industries Branch (CCIB)), ITC and OGCIO are provided at Enclosures 3 to 5.

Changes to the title of Controlling Officer and Head of Expenditure of CTB

10. With the establishment of the proposed ITB, CEDB will continue to comprise two branches. While the title and responsibilities of the Commerce, Industry and Tourism Branch remain unchanged, CTB will be renamed as CCIB after the transfer of the innovation and technology portfolio to the proposed ITB. We propose to rename the Head of Expenditure of CTB as “Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch)” with the Permanent Secretary for Commerce and Economic Development (Communications and Creative Industries) as the new Controlling Officer.

FINANCIAL IMPLICATIONS

11. For the purpose of estimating the funding provision for the proposed ITB, we assume that the establishment of ITB would require a total provision of \$25,495,000 under its new Head of Expenditure from 1 July 2015 to 31 March 2016 to be partly offset by a total decrease of \$2,118,000 in provision for the Heads of CTB, ITC and OGCIO from which net transfer has to be made from their original Estimates. The net increase of \$23,377,000 represents the staff cost of the DoB, DDoB, Political Assistant to the DoB, PSIT and the necessary staffing and administrative support to them for the nine-month period up to March 2016. If the actual date of establishment of ITB is later than 1 July 2015, the provision allocated in 2015-16 to the new Head for ITB will be adjusted on a pro-rata basis through the standing administrative arrangements. The detailed supplementary provision required by the relevant Head and Subheads, and the offsetting decrease in the Estimates of other Heads and Subheads are set out in the Enclosures. Details of the 2015-16 provision under the relevant Heads presented in the Estimates format with supporting explanations are set out in the Enclosure 2 to 5.

² The 19 non-directorate posts include one Administrative Officer, one Chief Information Officer, one Principal Information Officer, one Chief Executive Officer, one Senior Executive Officer, one Executive Officer I, two Personal Assistants, one Senior Personal Secretary, three Personal Secretaries I, two Clerical Officers, three Assistant Clerical Officers, one Personal Chauffeur and one Chauffeur.

PUBLIC CONSULTATION

12. We consulted the LegCo Panel on Information Technology and Broadcasting as well as the LegCo Panel on Commerce and Industry on the proposal on 14 and 15 April 2014 respectively. The Panel on Information Technology and Broadcasting held a further meeting on 3 May 2014 to receive deputations. Most of the deputations supported the establishment of ITB and both Panels supported the establishment of ITB as soon as possible. The proposal was also supported by the ESC at its meeting of 11 June 2014.

BACKGROUND

13. The Chief Executive announced in the 2014 Policy Address his intention to re-initiate the setting up of an ITB and work with various sectors to formulate objectives and policies for the development of innovation and technology in Hong Kong.

14. Innovation and technology are important economic drivers. They also underpin the development of various other economic sectors. To fully capture the opportunities provided by advancements in technology and the commercial potential they offer, it is important to have a dedicated policy bureau to provide high level leadership and stronger policy coordination across the stakeholders in the innovation and technology industries. The new ITB will strengthen, both in depth and breadth, the policy and support for the development of innovation and technology.

General Revenue Account for the 2015-16 Estimates

(a) Creation of New Subhead and Increase in Estimates and Establishment Ceiling

Head	New Subheads from date of transfer [*]	Estimates (\$)		Supplementary Provisions Sought		Establishment Ceiling [#] (\$)		Increase in Establishment Ceiling (\$)	Details of the Head from date of transfer
		Prior to date of transfer	From date of transfer	Subheads	(\$)	Prior to date of transfer	From date of transfer		
New Head – Government Secretariat: Innovation and Technology Bureau (ITB)	000 Operational expenses	-	25,495,000	000 Operational expenses	25,495,000	-	13,484,580	13,484,580	Enclosure 2
				Sub-total :	25,495,000				
Total Supplementary Provision Sought					25,495,000	Total Increase in Establishment Ceiling		13,484,580	

(b) Decrease in Estimates and Establishment Ceiling

Head	Estimates (\$)		Savings		Establishment Ceiling [#] (\$)		Decrease in Establishment Ceiling (\$)	Details of the Head from date of transfer
	Prior to date of transfer*	From date of transfer	Subheads	(\$)	Prior to date of transfer	From date of transfer		
55 – Government Secretariat: Commerce and Economic Development Bureau (Communications and Technology Branch) (CTB)	340,399,000	340,127,000	000 Operational expenses	272,000	56,977,560	56,614,080	363,480	Enclosure 3
			Sub-total:	272,000				
155 – Government Secretariat: Innovation and Technology Commission (ITC)	620,295,000	620,050,000	000 Operational expenses	245,000	112,071,000	111,744,780	326,220	Enclosure 4
			Sub-total:	245,000				
47 – Government Secretariat: Office of the Government Chief Information Officer (OGCIO)	714,743,000	713,142,000	000 Operational expenses	1,601,000	341,025,420	338,891,160	2,134,260	Enclosure 5
			Sub-total:	1,601,000				
Total Decrease in Estimates Offsetting Supplementary Provisions Sought in Part (a)				2,118,000	Total Decrease in Establishment Ceiling		2,823,960	

* “Date of transfer” in this Enclosure means the effective date of the establishment of ITB, which is assumed to be 1 July 2015 for the purpose of computing the proposed changes to the 2015-16 Estimates in this enclosure. The actual date of transfer will be the commencement date of the resolution passed under section 54A of the Interpretation and General Clauses Ordinance (Cap. 1) for the transfer of the statutory functions for the purpose of establishing the proposed Innovation and Technology Bureau. If eventually the date of establishment of ITB is later than 1 July 2015, the provision allocated in 2015-16 to the new Head of ITB will be adjusted on a pro-rata basis through the standing administrative arrangements. The revised provision of CTB, OGCI0 and ITC arising from the transfer of eight posts to ITB will also be appropriately adjusted through standing procedures.

[#] The Establishment Ceiling will be rounded up to the nearest thousand for the presentation in Estimates.

**NEW HEAD — GOVERNMENT SECRETARIAT:
INNOVATION AND TECHNOLOGY BUREAU**

Sub-
head
(Code)

Estimate
2015-16

\$'000

Operating Account

Recurrent		
000	Operational expenses	25,495
	Total, Recurrent.....	25,495
	Total, Operating Account	25,495
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	Total Expenditure	25,495
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**NEW HEAD — GOVERNMENT SECRETARIAT:
INNOVATION AND TECHNOLOGY BUREAU**

Details of Expenditure by Subhead

The estimate of the amount required in 2015-16 for the salaries and expenses of the Innovation and Technology Bureau is \$25,495,000.

Operating Account

Recurrent

2 Provision of \$25,495,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Innovation and Technology Bureau.

3 The establishment as at the date of transfer will be 31 permanent posts. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during the remainder of 2015-16, but the notional annual mid-point salary value of all such posts must not exceed \$13,485,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2015-16 (Estimate) (\$'000)
Personal Emoluments	
- Salaries.....	16,691
- Allowances	-
- Job-related allowances.....	-
Personnel Related Expenses	
- Mandatory Provident Fund contribution.....	41
- Civil Service Provident Fund contribution	-
Departmental Expenses	
- General departmental expenses	8,763
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	25,495

**Head 55 — GOVERNMENT SECRETARIAT: COMMERCE AND
ECONOMIC DEVELOPMENT BUREAU (COMMUNICATIONS AND
CREATIVE INDUSTRIES BRANCH)**

Sub- head (Code)	Estimate 2015-16
	<u>\$'000</u>
Operating Account	
Recurrent	
000	Operational expenses.....
	142,371
	Total, Recurrent
	142,371
Non-Recurrent	
700	General non-recurrent.....
	197,756
	Total, Non-Recurrent
	197,756
	Total, Operating Account.....
	340,127
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	Total Expenditure.....
	340,127
	<u><u>340,127</u></u>

Head 55 — GOVERNMENT SECRETARIAT: COMMERCE AND ECONOMIC DEVELOPMENT BUREAU (COMMUNICATIONS AND CREATIVE INDUSTRIES BRANCH)

Details of Expenditure by Subhead

The estimate of the amount required in 2015-16 for the salaries and expenses of the Communications and Creative Industries Branch is \$340,127,000.

Operating Account

Recurrent

2 Provision of \$142,371,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Communications and Creative Industries Branch.

3 The establishment as at the date of transfer will be 112 permanent posts. It is expected that there will be an increase of six posts including two supernumerary posts in the remainder of 2015-16. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during the remainder of 2015-16, but the notional annual mid-point salary value of all such posts must not exceed \$56,615,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

**2015-16
(Estimate)
(\$'000)**

Personal Emoluments

- Salaries	74,681
- Allowances	1,248
- Job-related allowances	4

Personnel Related Expenses

- Mandatory Provident Fund contribution	221
- Civil Service Provident Fund contribution	1,701

Departmental Expenses

- General departmental expenses	64,516
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142,371

**Head 55 — GOVERNMENT SECRETARIAT: COMMERCE AND
ECONOMIC DEVELOPMENT BUREAU (COMMUNICATIONS AND
CREATIVE INDUSTRIES BRANCH)**

Commitments						
Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2015	Estimated expenditure 1.4.2015 to the day prior to the day of transfer	Balance
			_____	_____	_____	_____
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700	<i>General non-recurrent</i>					
	016	Film Guarantee Fund#	30,000	621	-	29,379
	438	DesignSmart Initiative#	250,000	248,240	31	1,729
	480	Film Development Fund	520,000	281,677	2,733	235,590
	830	Design Incubation Programme.....	26,250	7,292	6,400	12,558
	866	CreateSmart Initiative	600,000	363,413	36,671	199,916
	897	Hong Kong Design Centre.....	250,000	170,000	12,300	67,700
		Total	1,676,250	1,071,243	58,135	546,872

The commitment items of Film Guarantee Fund and DesignSmart Initiative have been revoked in April 2015.

**Head 155 — GOVERNMENT SECRETARIAT:
INNOVATION AND TECHNOLOGY COMMISSION**

Sub-head (Code)		Estimate 2015-16 \$'000
	Operating Account	
	Recurrent	
000	Operational expenses	<u>547,335</u>
	Total, Recurrent.....	<u>547,335</u>
	Non-Recurrent	
700	General non-recurrent.....	<u>63,000</u>
	Total, Non-Recurrent.....	<u>63,000</u>
	Total, Operating Account.....	<u>610,335</u>
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	Capital Account	
	Plant, Equipment and Works	
603	Plant, vehicles and equipment	<u>4,315</u>
661	Minor plant, vehicles and equipment (block vote).....	<u>5,400</u>
	Total, Plant, Equipment and Works.....	<u>9,715</u>
	Total, Capital Account.....	<u>9,715</u>
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	Total Expenditure.....	<u><u>620,050</u></u>

Head 155 — GOVERNMENT SECRETARIAT: INNOVATION AND TECHNOLOGY COMMISSION

Details of Expenditure by Subhead

The estimate of the amount required in 2015-16 for the salaries and expenses of the Innovation and Technology Commission is \$620,050,000.

Operating Account

Recurrent

2 Provision of \$547,335,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of the Innovation and Technology Commission.

3 The establishment as at the date of transfer will be 204 permanent posts. No change in establishment is expected in the remainder of 2015-16. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during the remainder of 2015-16, but the notional annual mid-point salary value of all such posts must not exceed \$111,745,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2015-16 (Estimate) (\$'000)
Personal Emoluments	
- Salaries	129,032
- Allowances	2,009
- Job-related allowances	2
Personnel Related Expenses	
- Mandatory Provident Fund contribution	513
- Civil Service Provident Fund contribution	3,026
Departmental Expenses	
- General departmental expenses	78,390
Subventions	
- Hong Kong Productivity Council	192,885
- Hong Kong Applied Science and Technology Research Institute Company Limited	141,478
	547,335

**Head 155 — GOVERNMENT SECRETARIAT:
INNOVATION AND TECHNOLOGY COMMISSION**

Commitments						
Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2015	Estimated expenditure 1.4.2015 to the day prior to the date of transfer	Balance
			\$'000	\$'000	\$'000	\$'000
Operating Account						
700		<i>General non-recurrent</i>				
	860	Research and Development Cash Rebate Scheme.....	200,000	115,298	15,700	69,002
			200,000	115,298	15,700	69,002
Capital Account						
603		<i>Plant, vehicles and equipment</i>				
	843	For Temperature Laboratory of Standards and Calibration Laboratory to replace an existing humidity chamber	2,800	1,046	—	1,754
	844	For Length Laboratory of Standards and Calibration Laboratory to set up new service for measurement of three-dimensional spatial coordinates and dimensions	3,000	—	—	3,000
	852	For Acoustics Laboratory of Standards and Calibration Laboratory to set up new calibration service for head and torso simulator	2,300	—	—	2,300
	859	For Low Frequency Laboratory of Standards and Calibration Laboratory to replace the quantum hall resistance system	3,500	—	—	3,500
	882	For Direct Current Laboratory of Standards and Calibration Laboratory to set up new calibration services for luminous flux of reference light sources	4,200	4,173	3	24
			15,800	5,219	3	10,578
		Total.....	215,800	120,517	15,703	79,580

**Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE
GOVERNMENT CHIEF INFORMATION OFFICER**

Sub-head (Code)	Estimate 2015-16
	\$'000
Operating Account	
Recurrent	
000 Operational expenses	670,319
Total, Recurrent	670,319
Non-Recurrent	
700 General non-recurrent	42,250
Total, Non-Recurrent	42,250
Total, Operating Account	712,569
Capital Account	
Plant, Equipment and Works	
661 Minor plant, vehicles and equipment (block vote)	573
Total, Plant, Equipment and Works	573
Total, Capital Account	573
Total Expenditure	713,142

Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE GOVERNMENT CHIEF INFORMATION OFFICER

Details of Expenditure by Subhead

The estimate of the amount required in 2015-16 for the salaries and expenses of the Office of the Government Chief Information Officer (OGCIO) is \$713,142,000.

Operating Account

Recurrent

2 Provision of \$670,319,000 under *Subhead 000 Operational expenses* is for the salaries, allowances and other operating expenses of OGCIO.

3 The establishment as at the date of transfer will be 640 permanent posts. No change in establishment is expected in the remainder of 2015-16. Subject to certain conditions, the controlling officer may under delegated power create or delete non-directorate posts during the remainder of 2015-16, but the notional annual mid-point salary value of all such posts must not exceed \$338,892,000.

4 An analysis of the financial provision under *Subhead 000 Operational expenses* is as follows:

	2015-16 (Estimate) (\$'000)
Personal Emoluments	
- Salaries.....	362,299
- Allowances	6,000
- Job-related allowances.....	100
Personnel Related Expenses	
- Mandatory Provident Fund contribution	705
- Civil Service Provident Fund contribution	3,227
Departmental Expenses	
- Hire of services and professional fees	181,180
- Data processing.....	42,200
- General departmental expenses	30,465
Other Charges	
- Hosting Platform for e-Government Services.....	44,143
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	670,319
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**Head 47 — GOVERNMENT SECRETARIAT: OFFICE OF THE
GOVERNMENT CHIEF INFORMATION OFFICER**

Commitments

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.2015	Estimated expenditure 1.4.2015 to the day prior to the date of transfer	Balance
			\$'000	\$'000	\$'000	\$'000
<i>Operating Account</i>						
700		<i>General non-recurrent</i>				
	877	Internet Access for Needy Students	220,000	98,612	29,000	92,388
	894	Enriched IT Programme in Secondary Schools.....	75,000	—	—	75,000
		Total	295,000	98,612	29,000	167,388
