

立法會
Legislative Council

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From : Clerk to the Legislative Council

To : All Members of the Legislative Council

Council meeting of 16 March 2016

Proposed resolution under the Public Finance Ordinance

The Secretary for Financial Services and the Treasury will move, at the Council meeting of 16 March 2016, a proposed resolution under section 7(1) of the Public Finance Ordinance (Cap. 2). The proposed resolution is attached for Members' consideration. The President has directed that the proposed resolution be printed in the terms in which it was handed in on the Agenda of the Council.

2. The speech, in both Chinese and English, which the Secretary will deliver when moving the proposed resolution is also attached.

(Ms Dora WAI)
for Clerk to the Legislative Council

Encl.

Public Finance Ordinance

Resolution

(Under section 7(1) of the Public Finance Ordinance (Cap. 2))

Resolved that—

1. Authority is hereby given for a sum not exceeding \$90,454,884,000 to be charged on the general revenue for expenditure on the services of the Government in respect of the financial year commencing on 1 April 2016.
2. Subject to this Resolution, the sum so charged may be expended against the heads of expenditure as shown in the Estimates of Expenditure 2016–17 laid before the Legislative Council on 24 February 2016 or, if the Estimates are changed under the provisions of the Public Finance Ordinance (Cap. 2) as applied by section 7(2) of that Ordinance, as shown in the Estimates as so changed.
3. Expenditure in respect of any head of expenditure must not exceed the aggregate of the amounts authorized by paragraph 4 to be expended in respect of the subheads in that head of expenditure.
4. Expenditure in respect of each subhead in a head of expenditure must not exceed—
 - (a) for an Operating Account Recurrent subhead of expenditure, an amount equivalent to—

- (i) except if the subhead is listed in Schedule 1 to this Resolution, 20% of the provision shown in the Estimates in respect of that subhead;
- (ii) if the subhead is listed in Schedule 1 to this Resolution, the percentage of the provision shown in the Estimates in respect of that subhead that is specified in that Schedule in relation to that subhead; and
- (b) for an Operating Account Non-Recurrent subhead of expenditure or a Capital Account subhead of expenditure, an amount equivalent to—
 - (i) except if the subhead is listed in Schedule 2 to this Resolution, 100% of the provision shown in the Estimates in respect of that subhead;
 - (ii) if the subhead is listed in Schedule 2 to this Resolution, the amount that is specified in that Schedule in relation to that subhead,
 or such other amount, not exceeding an amount equivalent to 100% of the provision shown in the Estimates in respect of that subhead, as may in any case be approved by the Financial Secretary.

Schedule 1

			[para. 4(a)]	
Head of Expenditure			Subhead	Percentage of provision shown in Estimates
37	Department of Health	000	Operational expenses	25
46	General Expenses of the Civil Service	013	Personal allowances	30
59	Government Logistics Department	225	Traffic Accident Victims Assistance Scheme—levies	100
90	Labour Department	280	Contribution to the Occupational Safety and Health Council	30
		295	Contribution to the Occupational Deafness Compensation Board	30
120	Pensions	026	Employees' compensation, injury, incapacity and death related payments and expenses	35

Head of Expenditure			Subhead	Percentage of provision shown in Estimates
152	Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch)	000	Operational expenses	25
155	Government Secretariat: Innovation and Technology Commission	000	Operational expenses	25
170	Social Welfare Department	157	Assistance for patients and their families	100
		176	Criminal and law enforcement injuries compensation	25
		177	Emergency relief	100
		179	Comprehensive social security assistance scheme	30
		180	Social security allowance scheme	30

Schedule 2

[para. 4(b)]

Head of Expenditure		Subhead	Amount \$
106	Miscellaneous Services	689 Additional commitments	0
		789 Additional commitments	1,000,000,000
184	Transfers to Funds	984 Payment to the Capital Works Reserve Fund	0
		987 Payment to the Capital Investment Fund	0
		988 Payment to the Loan Fund	0
		991 Payment to the Civil Service Pension Reserve Fund	0

Footnote

Head of Expenditure		Amount shown in the Estimates	Initial amount of funds on account
		\$'000	\$'000
21	Chief Executive's Office.....	110,502	22,101
22	Agriculture, Fisheries and Conservation Department	1,318,098	345,858
25	Architectural Services Department.....	1,975,984	396,450
24	Audit Commission.....	161,137	32,228
23	Auxiliary Medical Service.....	99,060	24,476
82	Buildings Department.....	1,308,654	261,731
26	Census and Statistics Department	768,519	153,704
27	Civil Aid Service	106,387	22,118
28	Civil Aviation Department	945,666	197,134
33	Civil Engineering and Development Department	2,607,215	524,344
30	Correctional Services Department.....	3,655,769	769,630
31	Customs and Excise Department.....	3,432,065	755,937
37	Department of Health	7,790,054	2,085,809
92	Department of Justice	2,240,887	448,720
39	Drainage Services Department	2,570,653	535,649
42	Electrical and Mechanical Services Department.....	489,448	128,190
44	Environmental Protection Department.....	5,487,145	2,689,406
45	Fire Services Department	5,597,598	1,438,565
49	Food and Environmental Hygiene Department.....	6,401,904	1,498,997
46	General Expenses of the Civil Service	3,507,673	766,735

Head of Expenditure		Amount shown in the Estimates	Initial amount of funds on account
		\$'000	\$'000
166	Government Flying Service.....	577,612	357,105
48	Government Laboratory	464,970	152,915
59	Government Logistics Department.....	602,467	270,603
51	Government Property Agency.....	1,942,685	419,656
143	Government Secretariat: Civil Service Bureau	578,897	115,780
152	Government Secretariat: Commerce and Economic Development Bureau (Commerce, Industry and Tourism Branch).....	2,081,992	674,010
55	Government Secretariat: Commerce and Economic Development Bureau (Communications and Creative Industries Branch).....	414,369	272,217
144	Government Secretariat: Constitutional and Mainland Affairs Bureau.....	607,974	123,873
138	Government Secretariat: Development Bureau (Planning and Lands Branch).....	318,303	147,213
159	Government Secretariat: Development Bureau (Works Branch)	416,940	116,148
156	Government Secretariat: Education Bureau	53,184,149	11,746,804
137	Government Secretariat: Environment Bureau	77,841	19,569
148	Government Secretariat: Financial Services and the Treasury Bureau (Financial Services Branch).....	765,513	531,263
147	Government Secretariat: Financial Services and the Treasury Bureau (The Treasury Branch).....	373,588	186,750
139	Government Secretariat: Food and Health Bureau (Food Branch).....	147,914	29,583

Head of Expenditure		Amount shown in the Estimates	Initial amount of funds on account
		\$'000	\$'000
140	Government Secretariat: Food and Health Bureau (Health Branch)	52,238,020	11,279,743
53	Government Secretariat: Home Affairs Bureau	1,841,596	448,698
135	Government Secretariat: Innovation and Technology Bureau.....	43,379	8,676
155	Government Secretariat: Innovation and Technology Commission.....	588,346	157,912
141	Government Secretariat: Labour and Welfare Bureau.....	807,521	226,375
47	Government Secretariat: Office of the Government Chief Information Officer.....	743,371	178,551
142	Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary	957,957	197,458
96	Government Secretariat: Overseas Economic and Trade Offices	391,552	79,101
151	Government Secretariat: Security Bureau	480,555	96,111
158	Government Secretariat: Transport and Housing Bureau (Transport Branch).....	278,824	104,269
60	Highways Department	2,915,194	588,079
63	Home Affairs Department	2,393,355	564,285
168	Hong Kong Observatory.....	292,276	67,452
122	Hong Kong Police Force	17,303,546	3,724,866
62	Housing Department.....	287,616	57,524
70	Immigration Department	4,268,122	873,282

Head of Expenditure	Amount shown in the Estimates	Initial amount of funds on account
	\$'000	\$'000
72 Independent Commission Against Corruption	1,011,622	204,530
121 Independent Police Complaints Council	62,263	12,733
74 Information Services Department.....	457,589	93,742
76 Inland Revenue Department	1,506,385	301,277
78 Intellectual Property Department	147,456	29,492
79 Invest Hong Kong.....	128,235	25,647
174 Joint Secretariat for the Advisory Bodies on Civil Service and Judicial Salaries and Conditions of Service	29,211	5,843
80 Judiciary.....	1,587,460	325,151
90 Labour Department.....	1,947,292	681,374
91 Lands Department.....	2,357,013	478,108
94 Legal Aid Department	1,007,656	201,742
112 Legislative Council Commission	850,107	195,119
95 Leisure and Cultural Services Department.....	8,372,380	1,878,536
100 Marine Department.....	1,310,704	341,947
106 Miscellaneous Services	25,092,749	1,316,189
180 Office for Film, Newspaper and Article Administration	46,865	9,373
114 Office of The Ombudsman	110,820	22,164
116 Official Receiver's Office	190,582	38,165
120 Pensions	33,046,690	6,616,733

Head of Expenditure		Amount shown in the Estimates	Initial amount of funds on account
		\$'000	\$'000
118	Planning Department	657,196	137,691
136	Public Service Commission Secretariat.....	25,016	5,004
160	Radio Television Hong Kong	978,448	267,326
162	Rating and Valuation Department	513,650	102,730
163	Registration and Electoral Office	1,114,285	223,337
169	Secretariat, Commissioner on Interception of Communications and Surveillance	20,126	4,026
170	Social Welfare Department	61,631,797	16,705,055
181	Trade and Industry Department.....	773,651	492,949
186	Transport Department.....	2,858,507	698,090
188	Treasury	376,380	75,276
190	University Grants Committee.....	17,966,125	3,593,225
194	Water Supplies Department.....	7,923,917	1,599,441
173	Working Family and Student Financial Assistance Agency	8,270,472	1,795,216
		381,333,511	85,390,884
184	Transfers to Funds	44,864,000	5,064,000
Total		426,197,511	90,454,884

* The initial amount of funds on account under Head 106 includes \$1 billion under Subhead 789 Additional commitments for contingency.

Speech by the Secretary for Financial Services and the Treasury
Moving the Vote on Account Resolution
in the Legislative Council on 16 March 2016

President,

I move the motion, as printed on the Agenda, be passed.

2. The purpose of this motion is to seek funds on account to enable the Government to carry on its services between the start of the financial year on 1 April 2016 and the time when the Appropriation Ordinance 2016 comes into operation. This is a long established and essential procedure. The specific arrangements also follow those of recent years.

3. According to the Budget timetable this year, the Legislative Council will resume the Second Reading Debate of the Appropriation Bill 2016 at its meeting on 20 April 2016. As such, the Appropriation Ordinance 2016 would not come into operation before late April 2016. To ensure that Government will not need to halt public services, including services closely related to people's livelihood such as education, social welfare, healthcare and security due to the lack of funds when the new financial year starts on 1 April 2016, we need to propose this motion.

4. The funds on account sought under each subhead in accordance with the fourth paragraph of the resolution have been determined with reference to the relevant provisions in the 2016-17 Estimates of Expenditure. The initial amount of funds on account under each head which has incorporated requirements at subhead level is provided in the form of a footnote to this speech. The aggregate amount of funds on account is **\$90,454,884,000** before the Appropriation Ordinance 2016 comes into operation. This represents around 21% of the total appropriation of **\$426,197,511,000** under the Appropriation Bill 2016. The proposed funds on account should be able to cope with only around two months of the Government's operational requirements.

5. Subject to the above aggregate amount not being exceeded, the resolution enables the Financial Secretary to vary the funds on account in respect of any subhead, but these variations must not exceed the provision for that subhead in the 2016-17 Estimates of Expenditure. To enhance transparency and in line with the established practice, we will report to the Finance Committee of this Council if the Financial Secretary has exercised this authority to meet necessary requirements.

6. The Government has to make payments for a large number of expenditure items every day. Taking the first week between 1 April and 8 April of the 2016-17 financial year as an example, numerous government expenditure items to be settled during the week include –

- (a) payments for the Comprehensive Social Security Assistance and Social Security Allowance totalling around \$1.5 billion to about 165 000 families and 200 000 individuals respectively;
- (b) pension gratuities of around \$700 million to retired civil servants;
- (c) subvention payments of around \$4.2 billion to the Hospital Authority;
- (d) subvention payments of around \$700 million to the Vocational Training Council; and
- (e) grants of around \$1.3 billion to UGC-funded institutions and subsidies of around \$300 million to over 700 kindergartens.

There are also other expenses such as salaries of contract staff as well as accounts payable to suppliers.

7. It takes at least two to three working days for government departments and banks to process a large number of payments made by autopay. It also takes some days to complete the statutory procedures after passage of the VoA resolution including the gazettal process and procedures for issuance of the VoA warrant, so that the Government can make payments starting from 1 April as usual. Today (i.e. 16 March) is the Council's last scheduled meeting in March. In order to ensure that Government has the necessary resources to continue those services provided to the public, I urge Members to support the motion today.

8. The vote on account will be subsumed upon the enactment and commencement of the Appropriation Ordinance 2016.

9. President, I beg to move.