

**Item (a): A detailed breakdown of the expenditure of the Administration Branch for each year from 2003-2004 to 2012-2013; and the reasons(s) for any significant increases**

A breakdown of the total expenditure of the Administration Branch (ADM) for each year from 2003-04 to 2012-13 are :-

	2003-04 (\$'000)	2004-05 (\$'000)	2005-06 (\$'000)	2006-07 (\$'000)	2007-08 (\$'000)
Staff Cost	27,742	25,739	25,549	26,500	43,029
General Departmental Expenses (GDE)	423	425	518	681	619
<b>Total Expenditure</b>	<b>28,165</b>	<b>26,164</b>	<b>26,067</b>	<b>27,181</b>	<b>43,648</b>

	2008-09 (\$'000)	2009-10 (\$'000)	2010-11 (\$'000)	2011-12 (\$'000)	2012-13 (\$'000)
Staff Cost	47,732	48,622	50,298	48,139	52,751
General Departmental Expenses (GDE)	964	647	675	614	2,484
<b>Total Expenditure</b>	<b>48,696</b>	<b>49,269</b>	<b>50,973</b>	<b>48,753</b>	<b>55,235</b>

### **Staff Cost**

- There was a significant increase of expenditure in ADM since 2007-2008 which was mainly attributable to
- the transfer of 32 Chinese Language Officers and transcribers from the Operations Department (annual staff cost of around \$11.4M );
  - in the same year, the Office of Strategic Research (OSR) was established under the ADM (annual staff cost of around \$2M until its eventual disbandment in September 2012).
  - the Centre of Anti-Corruption Studies (CACS) was set up in December 2008 and formally opened in April 2009 (annual staff cost of around \$4M). The CACS was also under ADM except that it was transferred to the Corruption Prevention Department for the period from January 2011 to August 2012, as reflected in the ups and downs of the staff cost of ADM in the 2010-11 and 2011-12 financial years.

- Other related increases in the staff cost included pay rises, increments and MPF, etc.

### **General Departmental Expenditure (GDE)**

- The increase in GDE in 2008-09 was mainly attributable to the procurement of books, journals and furniture, etc for the opening of the CACS in April 2009.
- With the return of the CACS to ADM in September 2012, there was a significant increase in the GDE in 2012-13 mainly due to the payment of around \$1.2M to two local universities commissioned to carry out research projects. In the same financial year, the CACS organised a major regional academic summit from 28 February to 2 March 2013 involving an expenditure of around \$0.6M.
- Other related increases in GDE were attributable to the rising Composite Consumer Price Index which has increased by 22% from 2005 to 2012.