

APPENDIX B

ANALYSIS OF EXPENDITURE AND REVENUE

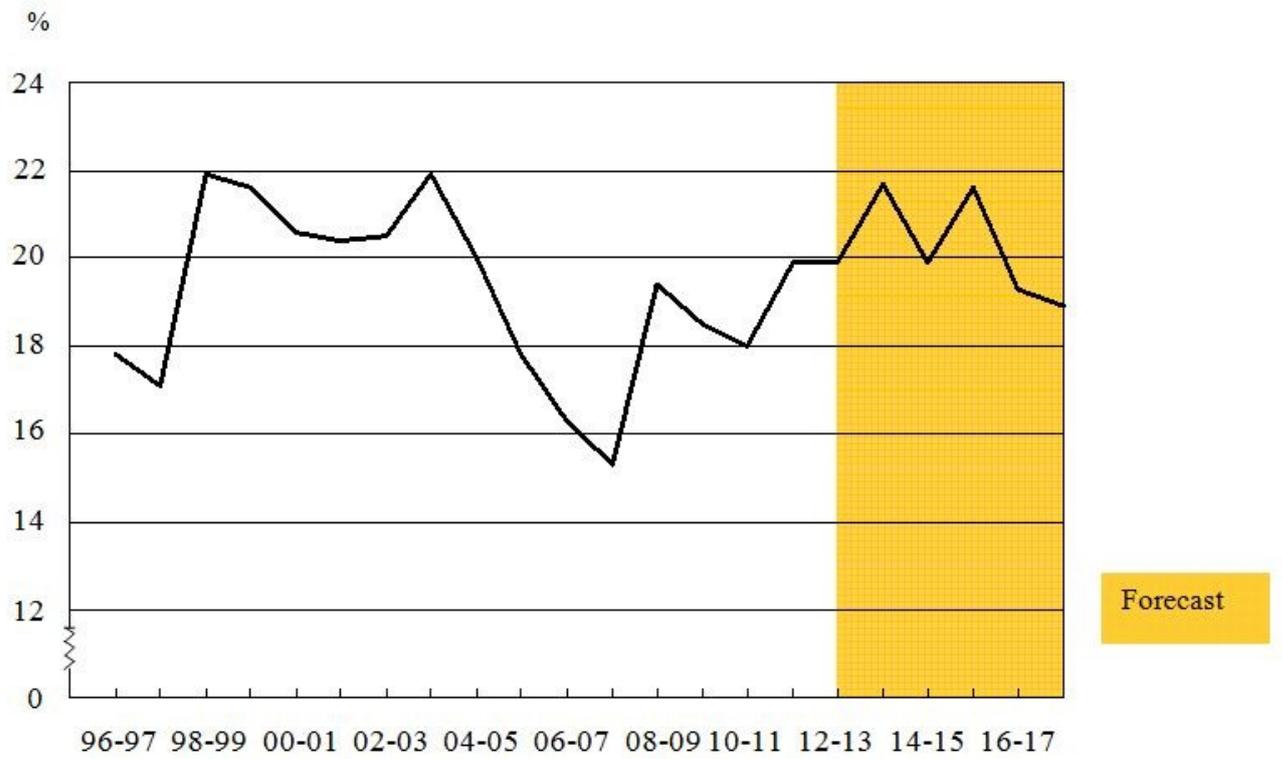
CONTENTS	Page
SECTION I THE ESTIMATES IN THE CONTEXT OF THE ECONOMY	
Relationship between Government Expenditure, Public Expenditure and GDP	16
SECTION II ANALYSIS OF RECURRENT PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP	
Recurrent Public Expenditure — Year-on-Year Change	19
Recurrent Government Expenditure — Year-on-Year Change	20
Percentage Share of Expenditure by Policy Area Group — Recurrent Public Expenditure Recurrent Government Expenditure	21
SECTION III ANALYSIS OF TOTAL PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP	
Total Public Expenditure — Year-on-Year Change	22
Total Government Expenditure — Year-on-Year Change	23
Percentage Share of Expenditure by Policy Area Group — Total Public Expenditure Total Government Expenditure	24
SECTION IV MAJOR CAPITAL PROJECTS ESTIMATED TO BEGIN IN 2013-14	25
SECTION V TRENDS IN PUBLIC EXPENDITURE: 2008-09 TO 2013-14	27
SECTION VI ANALYSIS OF GOVERNMENT REVENUE	29
SECTION VII CLASSIFICATION OF EXPENDITURE BY POLICY AREA GROUP	30

SECTION I THE ESTIMATES IN THE CONTEXT OF THE ECONOMY

Relationship between Government Expenditure, Public Expenditure and GDP

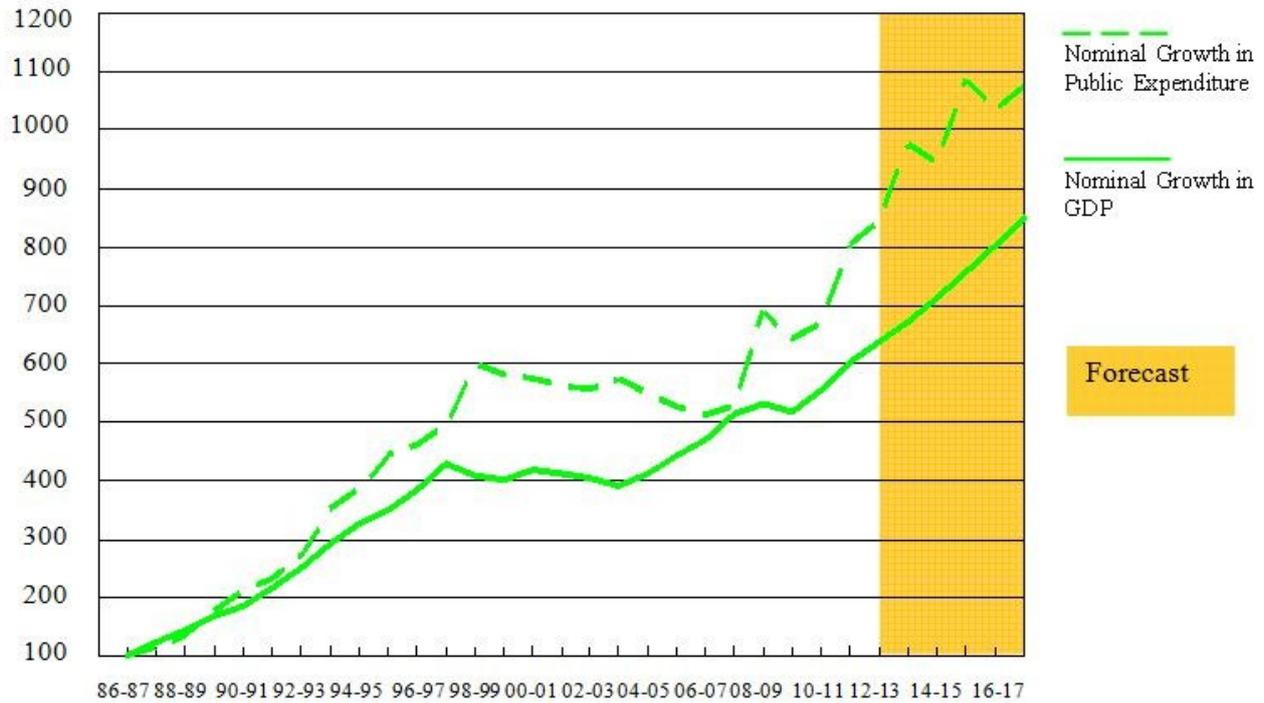
	2013–14 Estimate ₹m
General Revenue Account	
Operating	352,000
Capital	3,397
	<hr/> 355,397
Capital Investment Fund	865
Capital Works Reserve Fund	77,839
Innovation and Technology Fund	785
Loan Fund	3,808
Lotteries Fund	1,289
	<hr/> 439,983
Government Expenditure	
Trading Funds	5,152
Housing Authority	21,933
	<hr/> 467,068
Public Expenditure	
	<hr/>
GDP	2,152,300
Public Expenditure in terms of percentage of GDP	21.7%

Public Expenditure in terms of Percentage of GDP



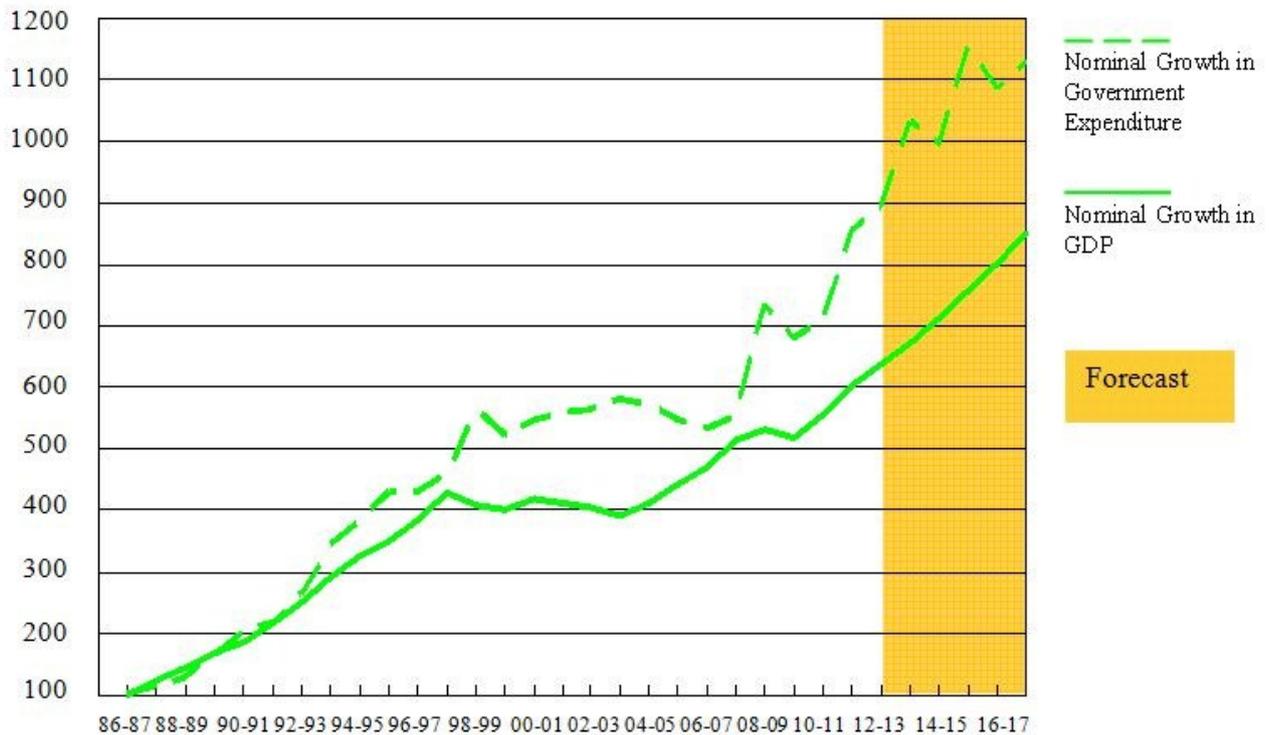
Comparison of Cumulative Growth in Public Expenditure
with Cumulative Growth in GDP
since the Introduction of Medium Range Forecast

Index
(86-87 = 100)



Comparison of Cumulative Growth in Government Expenditure
with Cumulative Growth in GDP
since the Introduction of Medium Range Forecast

Index
(86-87 = 100)



SECTION II ANALYSIS OF RECURRENT PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

Recurrent Public Expenditure : Year-on-Year Change

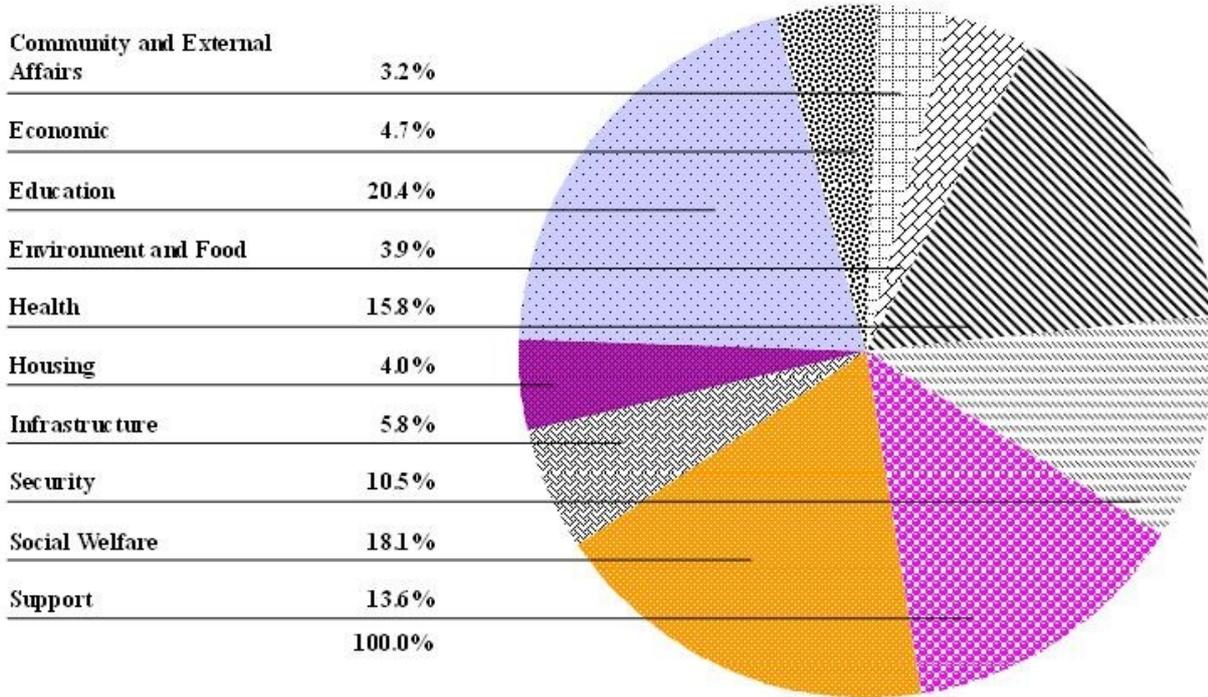
	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate in Nominal Terms %	in Real Terms %
Education	55,526	60,692	62,953	3.7	2.9
Social Welfare	40,333	42,694	55,699	30.5	26.8
Health	41,491	46,121	48,765	5.7	4.9
Security	29,341	31,184	32,441	4.0	3.4
Infrastructure	16,202	17,232	18,049	4.7	2.5
Economic	12,727	13,385	14,345	7.2	4.9
Housing	10,096	11,637	12,362	6.2	2.3
Environment and Food	10,422	11,144	11,884	6.6	4.9
Community and External Affairs	8,572	9,181	9,728	6.0	4.1
Support	32,442	36,591	42,036	14.9	12.9
	<u>257,152</u>	<u>279,861</u>	<u>308,262</u>	10.1	8.4

SECTION II ANALYSIS OF RECURRENT PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

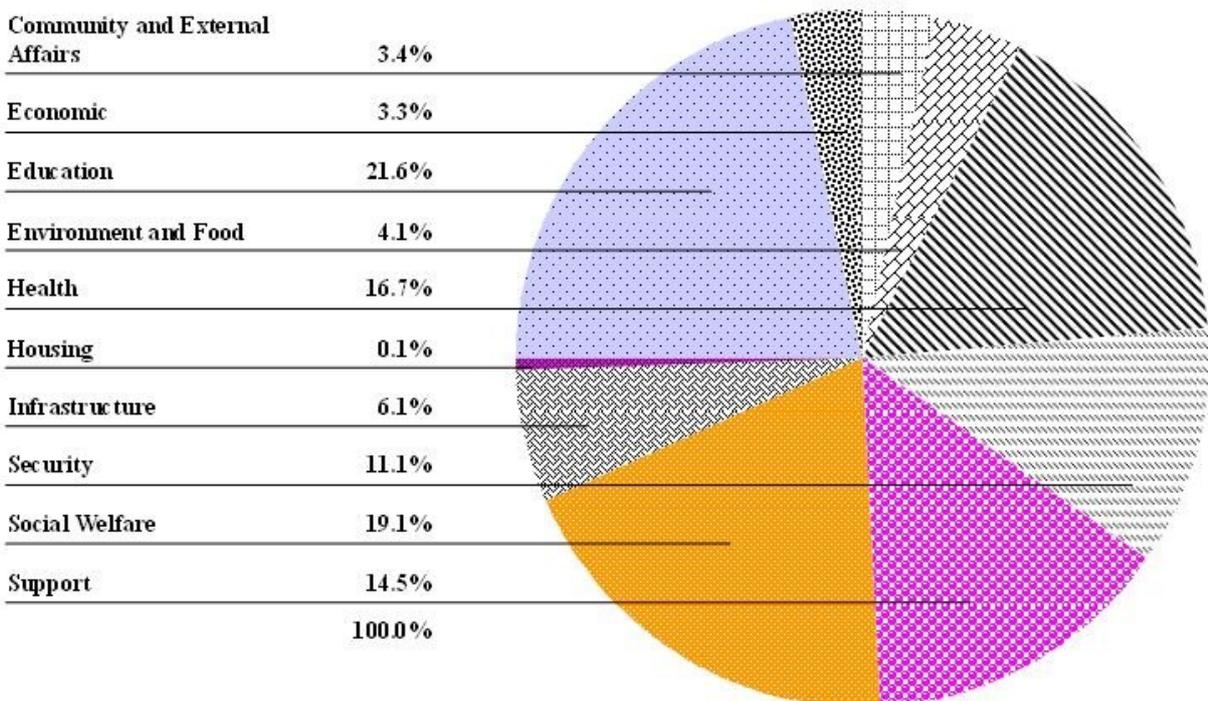
Recurrent Government Expenditure : Year-on-Year Change

	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate	
				in Nominal Terms %	in Real Terms %
Education	55,526	60,692	62,953	3.7	2.9
Social Welfare	40,333	42,694	55,699	30.5	26.8
Health	41,491	46,121	48,765	5.7	4.9
Security	29,341	31,184	32,441	4.0	3.4
Infrastructure	16,012	17,057	17,856	4.7	2.5
Economic	8,137	8,762	9,632	9.9	8.5
Housing	220	251	288	14.7	14.5
Environment and Food	10,422	11,144	11,884	6.6	4.9
Community and External Affairs	8,572	9,181	9,728	6.0	4.1
Support	32,442	36,591	42,036	14.9	12.9
	<u>242,496</u>	<u>263,677</u>	<u>291,282</u>	10.5	8.9

**Percentage Share of Expenditure by Policy Area Group
Recurrent Public Expenditure : 2013-14 Estimate**



**Percentage Share of Expenditure by Policy Area Group
Recurrent Government Expenditure : 2013-14 Estimate**



SECTION III ANALYSIS OF TOTAL PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

Total Public Expenditure : Year-on-Year Change

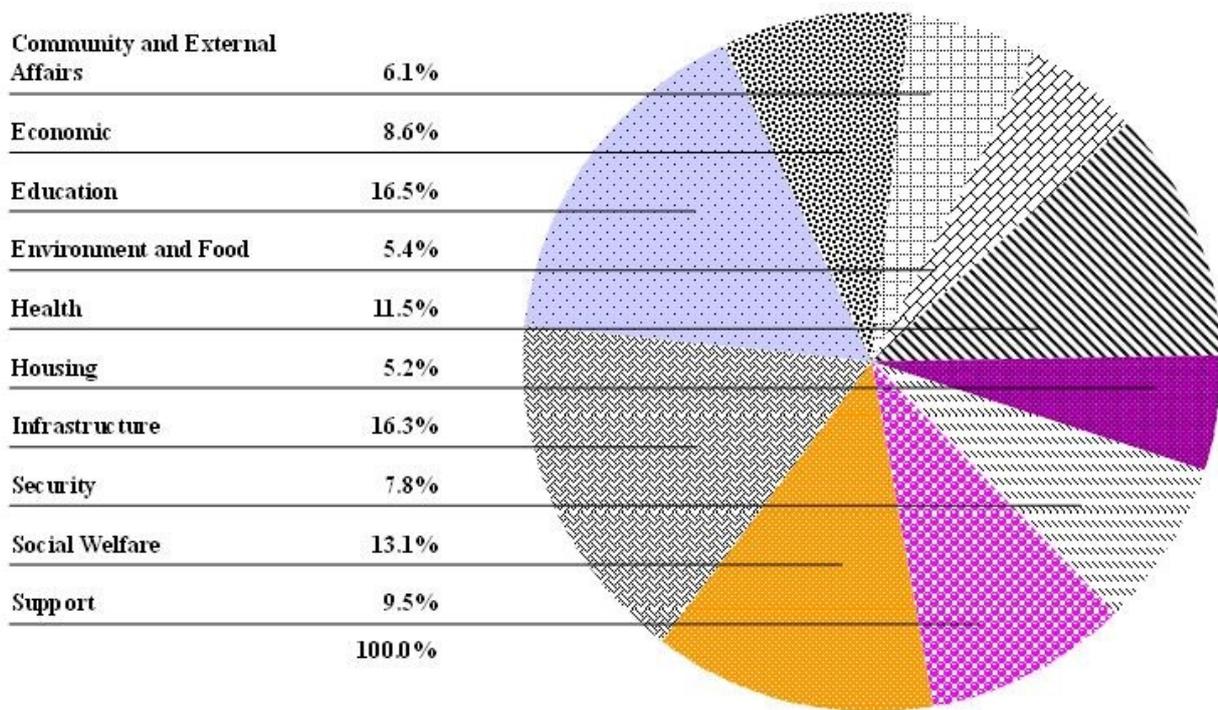
	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate	
				in Nominal Terms %	in Real Terms %
Education	67,891	77,799	76,884	-1.2	-2.2
Social Welfare	43,346	45,940	61,186	33.2	29.6
Health	45,297	59,491	53,732	-9.7	-10.6
Security	31,522	33,732	36,586	8.5	7.4
Infrastructure	52,545	62,261	76,144	22.3	16.7
Economic	47,302	33,577	40,106	19.4	17.8
Housing	18,918	22,117	24,501	10.8	6.2
Environment and Food	17,733	19,206	25,007	30.2	27.2
Community and External Affairs	26,033	13,315	28,451	113.7	111.1
Support	35,054	38,089	44,471	16.8	14.6
	<u>385,641</u>	<u>405,527</u>	<u>467,068</u>	15.2	12.7

SECTION III ANALYSIS OF TOTAL PUBLIC/GOVERNMENT EXPENDITURE BY POLICY AREA GROUP

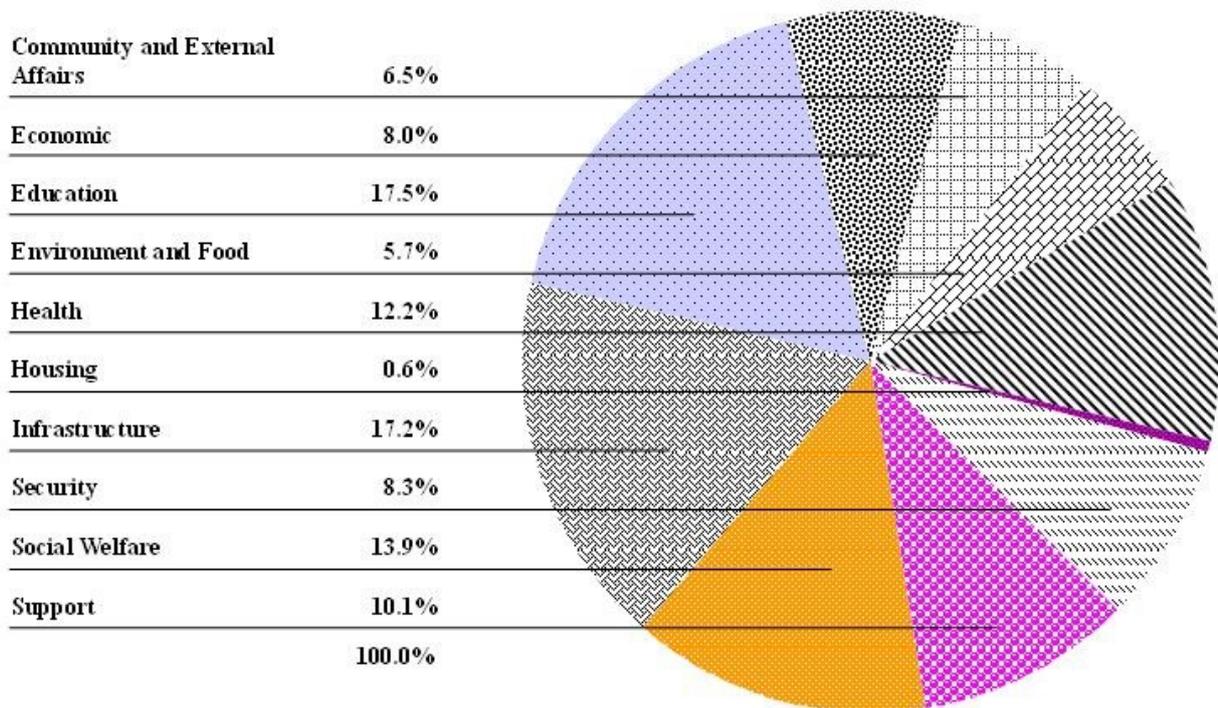
Total Government Expenditure : Year-on-Year Change

	2011–12 Actual \$m	2012–13 Revised Estimate \$m	2013–14 Estimate \$m	Increase/Decrease over 2012–13 Revised Estimate	
				in Nominal Terms %	in Real Terms %
Education	67,891	77,799	76,884	-1.2	-2.2
Social Welfare	43,346	45,940	61,186	33.2	29.6
Health	45,297	59,491	53,732	-9.7	-10.6
Security	31,522	33,732	36,586	8.5	7.4
Infrastructure	52,350	62,072	75,930	22.3	16.7
Economic	42,671	28,803	35,168	22.1	20.8
Housing	2,140	2,168	2,568	18.5	18.4
Environment and Food	17,733	19,206	25,007	30.2	27.2
Community and External Affairs	26,033	13,315	28,451	113.7	111.1
Support	35,054	38,089	44,471	16.8	14.6
	<u>364,037</u>	<u>380,615</u>	<u>439,983</u>	15.6	13.2

Percentage Share of Expenditure by Policy Area Group
Total Public Expenditure : 2013-14 Estimate



Percentage Share of Expenditure by Policy Area Group
Total Government Expenditure : 2013-14 Estimate



SECTION IV MAJOR CAPITAL PROJECTS ESTIMATED TO BEGIN IN 2013-14

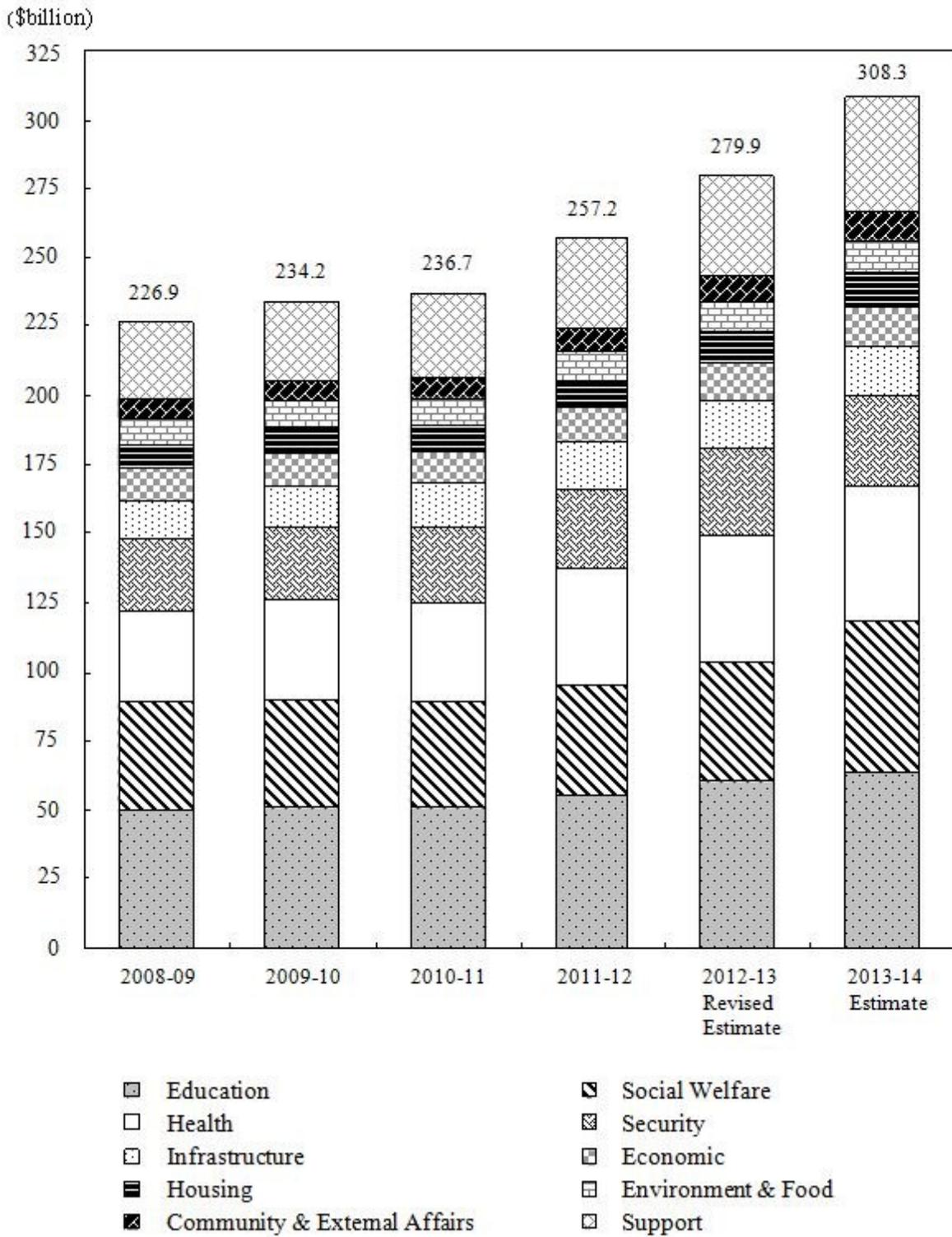
Major capital projects estimated to begin in 2013-14 include –

	Project Estimates \$ million
Infrastructure	54,570
— Construction of additional floors on Central Piers Nos. 4, 5 and 6	
— Improvement of fresh water supply to Cheung Chau	
— Infrastructure works for housing sites adjacent to Lung Ping Road at Tai Wo Ping, Shek Kip Mei	
— Kai Tak development—stages 3A and 4 infrastructure at north apron area of Kai Tak Airport	
— Kwun Tong Town Centre redevelopment—provision of grade-separated pedestrian linkages (Yuet Wah Street Pedestrian Linkage)	
— Liantang/Heung Yuen Wai Boundary Control Point and associated works—regulation of Shenzhen River stage 4	
— Public transport interchange at Area 13, Hung Shui Kiu	
— Reconstruction and rehabilitation of Kai Tak nullah from Tung Kwong Road to Prince Edward Road East	
— Site formation and associated infrastructural works for development of columbarium, crematorium and related facilities at Sandy Ridge Cemetery—detailed design and site investigation	
— Tseung Kwan O–Lam Tin Tunnel—detailed design and site investigation	
— Tuen Mun–Chek Lap Kok Link—construction works	
— Water supply to Pak Shek Kok reclamation area, Tai Po—stage 2	
— Widening of Tolo Highway/Fanling Highway between Island House Interchange and Fanling—stage 2	
Health	16,104
— Establishment of Centre of Excellence in Paediatrics	
— Government, Institution or Community facilities in the Kwun Tong Town Centre redevelopment—additional medical and health facilities	
— Refurbishment of Hong Kong Buddhist Hospital	
— Reprovisioning of Yaumatei Specialist Clinic at Queen Elizabeth Hospital	
— Ward renovation in Kwai Chung Hospital	
Security	2,535
— Relocation of part of the offices of the Department of Justice to the Main and East Wings of the Former Central Government Offices	
— Relocation of the Court of Final Appeal and the Development Office of the Judiciary to No. 8 Jackson Road	
— Reprovisioning of Yau Ma Tei Police Station	
Education	1,672
— A 30-classroom primary school at Site 1A-3, Kai Tak Development, Kowloon	
— A 30-classroom primary school at Site 1A-4, Kai Tak Development, Kowloon	
— Development of the Vocational Training Council International Culinary College	
— Redevelopment of Tung Wah Group of Hospitals Wong Fut Nam College at Oxford Road, Kowloon	

	Project Estimates \$ million
Community and External Affairs	1,661
— Cycle tracks connecting North West New Territories with North East New Territories—Tuen Mun to Sheung Shui section (Stage 1)	
— Improvement works at Mui Wo, phase 1	
— Lei Yue Mun Waterfront Enhancement Project—construction of a public landing facility	
— Lei Yue Mun Waterfront Enhancement Project—development of a waterfront promenade and related improvement works	
— Re provisioning of Shanghai Street refuse collection point and street sleepers' services units to the site at Hau Cheung Street, Yau Ma Tei for the phase II development of the Yau Ma Tei Theatre project	
— Sports centre in Area 4, Tsing Yi	
Environment and Food	1,169
— Outlying Islands sewerage, stage 2—Lamma village sewerage phase 2, package 1	
— Outlying Islands sewerage, stage 2—Peng Chau village sewerage phase 2	
— Sewerage in Nam Wa Po and Wai Tau	
— Tolo Harbour sewerage of unsewered areas, stage 2—phase 1	
— West New Territories landfill extension—consultants' fees and investigations	
Economic	488
— Providing sufficient water depth for Kwai Tsing Container Basin and its approach channel	
Support	370
— Relocation of the printing workshop of Government Logistics Department	

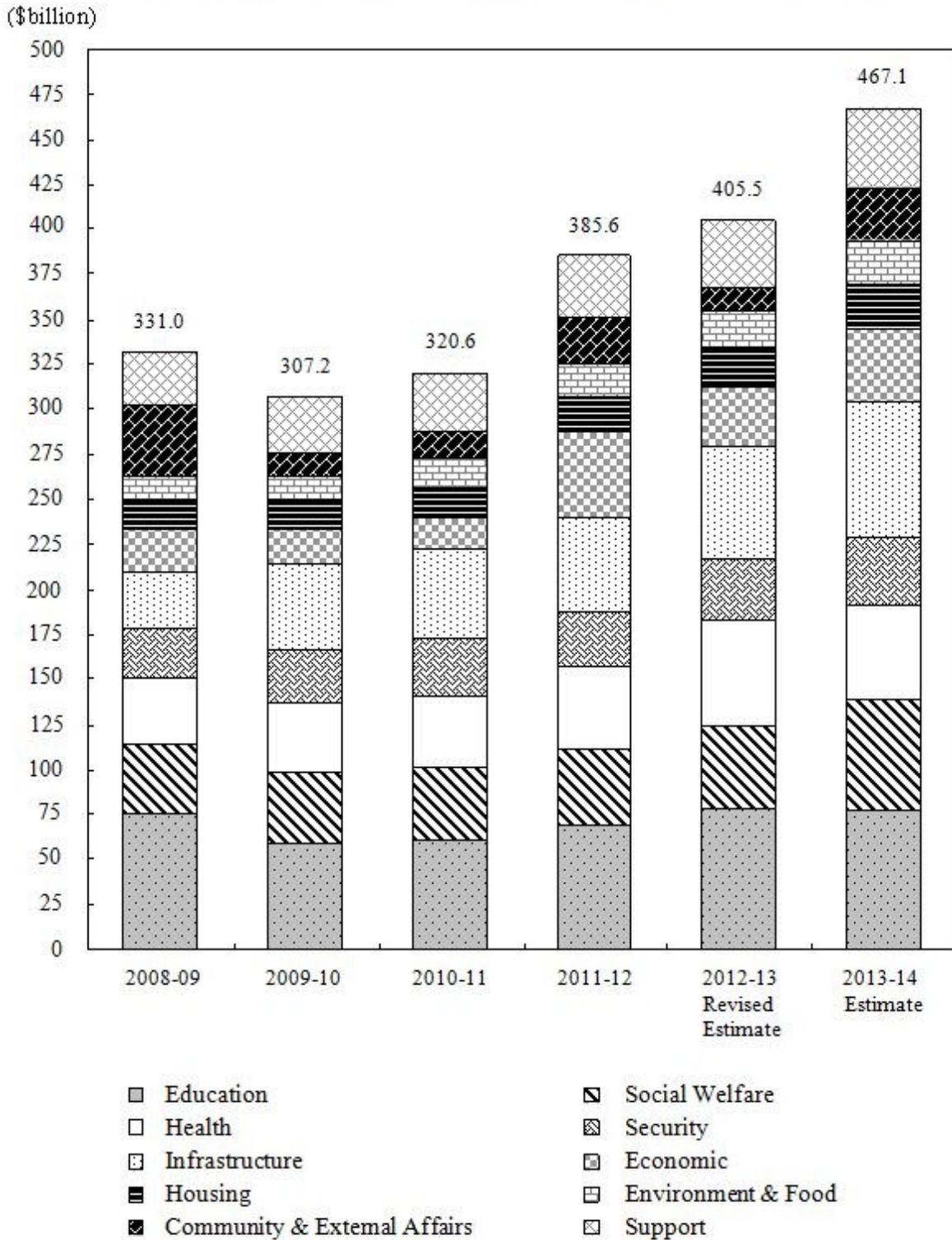
SECTION V TRENDS IN PUBLIC EXPENDITURE : 2008-09 TO 2013-14

Recurrent Public Expenditure by Policy Area Group 2008-09 to 2013-14



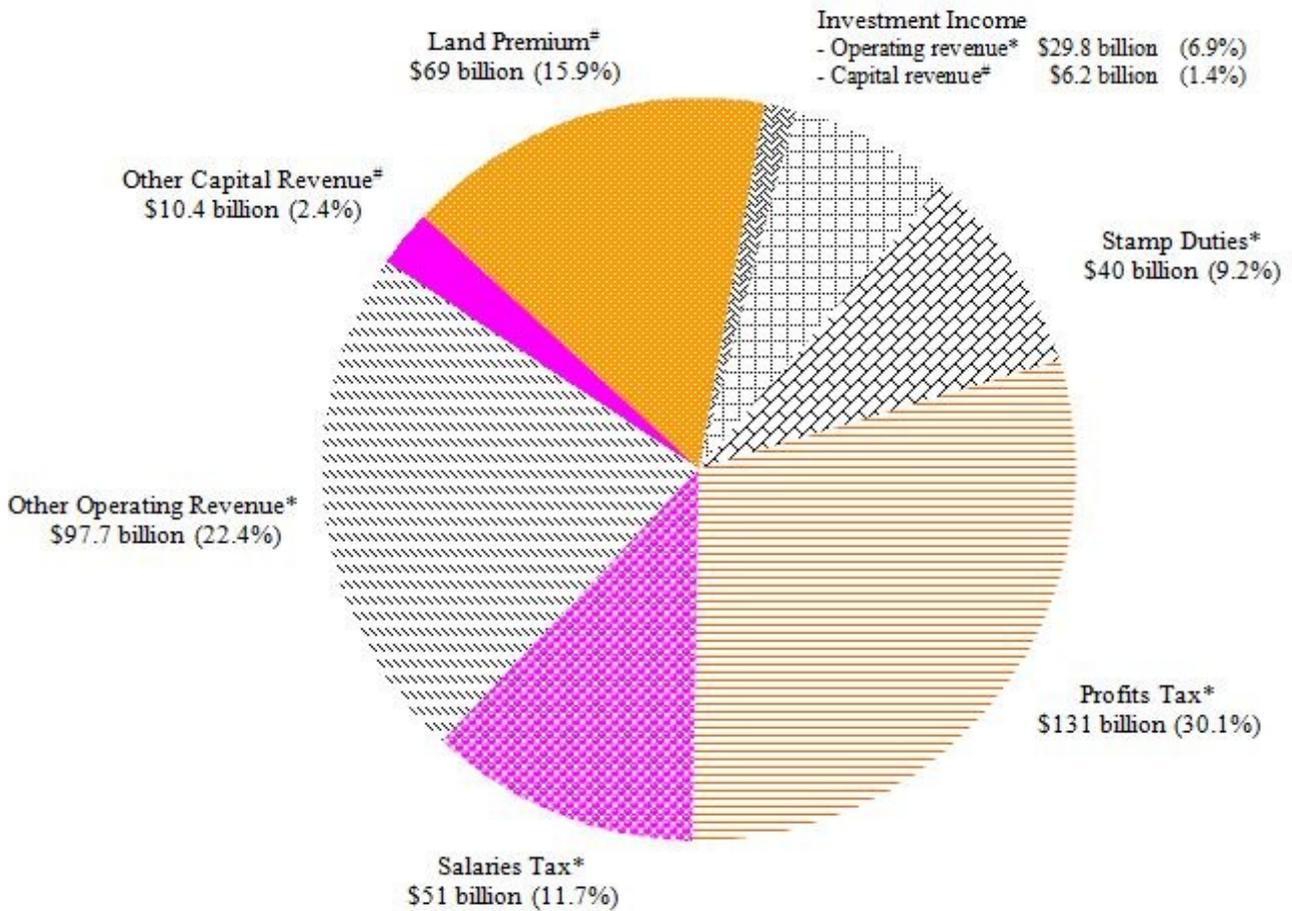
SECTION V TRENDS IN PUBLIC EXPENDITURE : 2008-09 TO 2013-14

Total Public Expenditure by Policy Area Group 2008-09 to 2013-14



SECTION VI ANALYSIS OF GOVERNMENT REVENUE

2013-14 Estimate (\$435.1 billion)



* Operating Revenue	\$349.5 billion	(80.3%)
# Capital Revenue	\$85.6 billion	(19.7%)

SECTION VII CLASSIFICATION OF EXPENDITURE BY POLICY AREA GROUP

Policy Area Group	Policy Area (Note)	
Community and External Affairs	19	District and Community Relations
	18	Recreation, Culture, Amenities and Entertainment Licensing
Economic	3	Air and Sea Communications and Logistics Development
	6	Commerce and Industry
	8	Employment and Labour
	1	Financial Services
	17	Information Technology and Broadcasting
	34	Manpower Development
	4	Posts, Competition Policy and Consumer Protection
	7	Public Safety
	5	Travel and Tourism
Education	16	Education
Environment and Food	2	Agriculture, Fisheries and Food Safety
	32	Environmental Hygiene
	23	Environmental Protection, Conservation, Power and Sustainable Development
Health	15	Health
Housing	31	Housing
Infrastructure	22	Buildings, Lands, Planning, Heritage Conservation, Greening and Landscape
	21	Land and Waterborne Transport
	24	Water Supply, Drainage and Slope Safety
Security	12	Administration of Justice
	13	Anti-corruption
	10	Immigration Control
	9	Internal Security
	11	Legal Administration
	20	Legal Aid
Social Welfare	14	Social Welfare
	33	Women's Interests
Support	26	Central Management of the Civil Service
	30	Complaints Against Maladministration
	28	Constitutional and Mainland Affairs
	27	Intra-Governmental Services
	25	Revenue Collection and Financial Control
	29	Support for Members of the Legislative Council

Note: Details of individual heads of expenditure contributing to a particular policy area are provided in an index in Volume I of the 2013-14 Estimates. The index further provides details, by head of expenditure, of individual programmes which contribute to a policy area.