

Speech

LC: SFST's speech in moving the Vote on Account Resolution

Wednesday, March 19, 2014

Following is the English translation of a speech by the Secretary for Financial Services and the Treasury, Professor K C Chan, in moving the Vote on Account Resolution in the Legislative Council today (March 19):

President,

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

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 April 1, 2014 and the time when the Appropriation Ordinance 2014 comes into operation. This is a long established and essential procedure. The specific arrangements also follow those of recent years.

According to the Budget timetable this year, the Legislative Council will at its meeting on April 16, 2014 resume the Second Reading Debate and then proceed to the Third Reading of the Appropriation Bill 2014. As such, the Appropriation Ordinance 2014 would not come into operation on or before March 31, 2014. To ensure that when the new financial year starts on April 1, 2014, 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, we need to propose this motion.

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 2014-15 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 \$78,677,470,000 before the Appropriation Ordinance 2014 comes into operation. This represents around 23 per cent of the total appropriation of \$335,848,320,000 under the Appropriation Bill 2014. The proposed funds on account should be able to cope with only around two months of the Government's operational requirements.

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 2014-15 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.

In order to ensure that Government has the necessary resources to continue providing services to the public, I urge Members to support the motion today.

The vote on account will be subsumed upon the enactment and commencement of the Appropriation Ordinance 2014.

President, I beg to move.

Ends