

“Enhanced Productivity Programme : 2000-01” Booklet

Report on EPP Savings -- Food and Environmental Hygiene Department

The Environment and Food Bureau (EFB), the Food and Environmental Hygiene Department (FEHD) and the Leisure and Cultural Services Department (LCSD) have only been established since 1 January 2000 upon the reorganisation of municipal services.

In the reorganisation, total savings of some \$700 million were generated. Of this amount, \$96 million were savings in direct expenses incurred by the former Provisional Municipal Councils. The remaining \$604 million was derived largely from institutional efficiency, economies of scale, streamlining of staffing structure and other enhanced productivity initiatives. As \$604 million well exceeds 1% of the aggregate annual recurrent expenditure of the new structure, EFB, FEHD and LCSD are deemed to have achieved the 1% savings required for 2000-01 under EPP.

Like others in the Government, the new Bureau and Departments will be required to deliver the remaining 4% savings by 2002-03.