

**Presentation by Secretary for Constitutional Affairs
at the Special Meeting of the Finance Committee
on Monday, 25 March 2002**

Mr Chairman,

Good morning, Honourable Members. I am pleased to have the opportunity to brief you on the main areas of work undertaken by the Constitutional Affairs Bureau and talk about our estimates of expenditure in 2002-03. Our workload remains heavy in the coming financial year but our estimated provision of \$36.6 million is the smallest among all policy bureaux.

Implementation of the Basic Law

2. The Constitutional Affairs Bureau (CAB) is responsible for providing advice and assistance to other policy bureaux and departments, to ensure that the formulation and implementation of policies comply with the relevant provisions of the Basic Law. We will continue our efforts on this front to facilitate the implementation of the Basic Law.

Maintaining Cordial Working Relationship with the CPG, other Mainland Authorities and Macao Special Administrative Region Government (MSARG)

3. CAB works closely with the Hong Kong and Macao Affairs Office (HKMAO) of the State Council to cultivate and maintain a cordial and constructive working relationship between the HKSARG and the Central People's Government (CPG) and other Mainland authorities. We also assist bureaux and departments of the HKSARG in establishing direct channels of contact with their Mainland counterparts. Officials on both sides have enhanced their mutual understanding through various forms of exchange and have established a cordial relationship in many areas of work.

4. Since Macao's reunification in December 1999, CAB has been coordinating the exchanges between the HKSARG and the MSARG.

External Affairs and Working Relationship with the MFA Office

5. CAB keeps an overview of the HKSAR's external affairs and acts as the focal point of contact between the HKSARG and the Office of the Commissioner of the Ministry of Foreign Affairs of the PRC in the HKSAR (MFA Office). We will continue to maintain close liaison with the MFA

Office and manage HKSAR's external affairs in accordance with the principle of "One Country, Two Systems" and the Basic Law.

Accountability of Principal Officials

6. The Government aims to introduce the accountability system for principal officials on 1 July. In the coming few months, CAB will coordinate the preparatory work for the implementation of the new accountability system, which includes drafting the employment contract for principal officials appointed under the accountability system, and formulating the remuneration package, employment conditions and the code of practice. We will continue to exchange views with the Panel on Constitutional Affairs, the academics and other sectors.

7. We will present the detailed proposals relating to the new accountability system for principal officials to the Legislative Council in mid April. We will explain the arrangements in detail when we launch the package of proposals.

Electoral Issues

8. On the electoral front, we propose to provide the Registration and Electoral Office (REO) with a provision of about \$114.8 million in the 2002-03 financial year, which represents an increase of \$51 million over the revised estimate of the last financial year. This provision is mainly for the preparation work of the District Council elections in 2003. In addition, the REO has proceeded with the development of a new Electoral and Registration System. This system, which will be put into operation by the end of 2003, will assist REO in preparing future elections more effectively.