

**Replies to supplementary questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2006-07**

**Director of Bureau : Secretary for Financial Services and the Treasury
Session No. : 3**

Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
S-FSTB(FS)01	S08	TO Kun-sun, James	148	Financial Services
S-FSTB(FS)02	S16	TAM Heung-man	148	Financial Services

Examination of Estimates of Expenditure 2006-07
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-FSTB(FS)01

Head: 148 – Government Secretariat :
Financial Services and the Treasury
Bureau (Financial Services Branch)

Subhead (No. & title):
000 Operational
expenses

Question Serial No.

S08

Programme: Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services)

Director of Bureau: Secretary for Financial Services and the Treasury

Question :

With reference to reply serial no. FSTB(FS)008, please advise :

In preparing the estimate for this Subhead, the provision for the “Insider Dealing Tribunal” was earmarked on the estimation that 7 cases (3 cases that will resume hearing and 4 cases waiting to be heard) would be handled in this year. Why is there no such estimation for the “Market Misconduct Tribunal”?

Asked by: Hon. TO Kun-sun, James

Reply:

The Market Misconduct Tribunal (MMT) was established in April 2003 following the enactment of the Securities and Futures Ordinance. The MMT covers five other types of market misconduct (namely false trading; price rigging; disclosure of information about prohibited transactions; disclosure of false or misleading information inducing transactions; and stock market manipulation) in addition to insider dealing. The MMT inquires into market misconduct that occurred on or after 1 April 2003. The Insider Dealing Tribunal continues in existence to inquire into cases of insider dealing that occurred before 1 April 2003.

Since the MMT has not commenced any hearing for the time being, we have not earmarked financial provision in the draft estimates for 2006-07. Should the need arise, we will deploy the necessary resources to cater for the need in the course of 2006-07.

Signature _____

Name in block letters _____

Kevin Ho

Post Title _____

Permanent Secretary for Financial Services
and the Treasury (Financial Services)

Date _____

15.3.2006

Examination of Estimates of Expenditure 2006-07
**CONTROLLING OFFICER'S REPLY TO
SUPPLEMENTARY QUESTION**

Reply Serial No.

S-FSTB(FS)02

Head: 148 – Government Secretariat :
Financial Services and the Treasury
Bureau (Financial Services Branch)

Subhead (No. & title):
000 Operational
expenses

Question Serial No.

S16

Programme: Financial Services

Controlling Officer: Permanent Secretary for Financial Services and the Treasury (Financial Services)

Director of Bureau: Secretary for Financial Services and the Treasury

Question :

The Administration only explained the uses of the general departmental expenses in reply serial no. FSTB(FS)012, while the reason for the increase of expenditure was not mentioned. Please provide the detailed work plan and justification for such increase of expenditure.

Asked by: Hon. TAM Heung-man

Reply:

In 2006-07, the Financial Services Branch is committed to promoting Hong Kong's financial services outside Hong Kong. Strengthening co-operation with the Pan-Pearl River Delta region on financial services and continuing to enhance Hong Kong's position as a major asset management centre in Asia are two key initiatives. To achieve this objective, we will consider organising activities such as visits, exhibitions, seminars or forums. The detailed work plan has not been finalised pending consultations with potential collaborating organisations.

Signature _____

Name in block letters _____

Kevin Ho

Post Title _____

Permanent Secretary for Financial Services
and the Treasury (Financial Services)

Date _____

17.3.2006