

**Opening Statement by
Secretary for Constitutional and Mainland Affairs
at the Special Meeting of the Finance Committee
on 24 March 2009**

Madam Chairman,

I wish to brief Members on the financial estimates of the Constitutional and Mainland Affairs Bureau (CMAB) in 2009-10 and our work priorities in the coming year.

Estimates of Expenditure of CMAB

2. In 2009-10, CMAB is allocated \$465.2 million, which is about 36% higher than the revised estimates for 2008-09.

3. The estimated increase mainly caters for the provision of funding for the following items:

- (1) to deal with matters relating to the World Expo 2010 Shanghai;
- (2) to provide funding for the setting up and operation of four support service centres for ethnic minorities;
- (3) to strengthen exchanges with Taiwan;
- (4) to enhance law enforcement by the Office of the Privacy Commissioner for Personal Data; and
- (5) to set aside resources for the Equal Opportunities Commission to facilitate its enforcement of the Race Discrimination Ordinance upon its full implementation.

4. The amount of allocation to World Expo 2010 Shanghai and the four support service centres for ethnic minorities exceeds \$100 million. This takes up the majority of additional resources allocated.

Mainland Affairs

5. In 2008-09, we have taken forward proactively the work relating to Mainland affairs and achieved substantive progress.

Hong Kong/Guangdong Co-operation

6. On Hong Kong/Guangdong co-operation, following the promulgation of the “Outline of the Plan for the Reform and Development of the Pearl River Delta” (the Outline) by the National Development and Reform Commission in January this year, we have followed up with Guangdong on the implementation of the Outline and reached consensus on enhancing Guangdong-Hong Kong co-operation.

7. In the coming year, we will continue to work with Guangdong to press ahead with the implementation of the Outline, including the joint formulation of the regional co-operation plans on specialized topics and drawing up of the “Framework Agreement for Hong Kong-Guangdong Co-operation”, with a view to opening up new room for development for both Guangdong and Hong Kong.

HKSAR’s work in support of reconstruction in the Sichuan earthquake stricken areas

8. On the support for reconstruction in the Sichuan earthquake stricken areas, the Legislative Council has approved \$6 billion to take forward the first two stages of reconstruction work. This covers over 120 projects including schools, medical and rehabilitation facilities and infrastructure facilities, as well as the projects undertaken by Hong Kong non-government organizations (NGOs).

9. We will continue to take forward the reconstruction work, including maintaining close liaison with the relevant Sichuan counterparts and following up on the progress of projects, coordinating cross-bureau efforts and processing NGOs’ funding applications.

World Expo 2010 Shanghai

10. HKSAR will participate actively in the World Expo 2010 Shanghai to be held in May next year, including the construction of a stand-alone Hong Kong Pavilion, holding of a dedicated exhibition in the Urban Best Practices Area (UBPA) and presentation of a series of cultural performances and promotion activities. We will continue to undertake the

preparation work.

11. The total estimated expenditure for HKSAR's participation in the World Expo is about \$346 million, of which about \$145 million is the project cost for the design and construction of the Hong Kong Pavilion. The remaining \$201 million is the expenditure for the Hong Kong Pavilion, UBPA exhibition and other relevant activities.

Mainland Offices

12. In 2009-2010, we estimate that the expenditure for the four Mainland Offices to be \$121 million, which is about 5% higher than the revised estimates of last year. The Mainland Offices will continue to enhance liaison with the provincial and municipal governments and local organizations in the Mainland, step up efforts on promoting communications, economic and trade ties, and pursue investment promotion.

Taiwan-related Matters

13. With the significant improvement in cross-Strait relations, HKSAR's overall strategy in handling Taiwan affairs complements this development. In the past year, we introduced various measures to foster exchanges and economic and trade co-operation between Hong Kong and Taiwan, including the setting up of an office in Taipei by the Trade Development Council.

14. Regarding the work in 2009-10, I would like to highlight a few points:

- (1) We will provide more resources for promoting exchanges between Hong Kong and Taiwan, including sponsoring NGOs for organizing seminars and other activities to promote mutual understanding. We have already earmarked \$4 million for this purpose.
- (2) We will also press ahead the early formation of the Hong Kong-Taiwan Business Cooperation Committee to foster closer co-operation between the private and commercial sectors of the two places.

- (3) We will take the initiative to invite personalities from different sectors in Taiwan to visit Hong Kong and to brief them on the development of Hong Kong and the implementation of “One Country, Two System” in the SAR.
- (4) We will also enhance official exchanges and interaction with Taiwan. We have agreed with the Mayor of Taichung City to organize the “Hong Kong-Taiwan Inter-City Forum” on 15 April in Hong Kong to discuss issues relating to tourism, as well as economic and trade between Hong Kong and Taichung.

Constitutional Development

15. Although the public consultation on the electoral arrangements for 2012 has been postponed slightly from the first half of this year to the fourth quarter, we still need to continue to make preparations for the public consultation exercise at this stage. The objective of the HKSAR Government to determine the two electoral methods for 2012 within the current tenure has not changed.

Basic Law Promotion

16. In 2009-10, we have earmarked \$16 million for promotion of the Basic Law. Together with the resources of other departments, the estimated expenditure in this regard will amount to about \$20 million.

Rights of Individuals

Race Discrimination Ordinance and providing support services for ethnic minorities

17. On the work relating to human rights, we will continue to promote the understanding and respect of the public towards equal opportunity and human rights. We are pressing ahead the full implementation of the “Race Discrimination Ordinance” around the middle of this year. The Equal Opportunities Commission (EOC) will also introduce “the Code of Practice on Employment” at the same time.

18. On the other hand, we are implementing the arrangements for NGOs to establish four support service centres in different areas to provide telephone interpretation services for ethnic minorities and arrange other activities including language training classes. These centres are expected to commence operation in the middle of this year.

19. With the full implementation of the “Race Discrimination Ordinance”, the EOC will be responsible for the relevant enforcement work. The Government proposes to allocate \$76.1 million to EOC and has reserved funding of about \$4 million as additional resources available upon the full implementation of the Ordinance.

Office of the Privacy Commissioner for Personal Data

20. In 2008-09, we have allocated an additional \$6.6 million to the Office of the Privacy Commissioner for Personal Data, which represents an increase of 19% over the revised estimate in 2007-08.

21. In 2009-10, we will continue to allocate more resources to the Office, with the provision of \$44.5 million. This represents an increase of about 4% over the revised estimates of last year, which caters for strengthening the enforcement team of the Office and enhancing professional support on information technology. Thus, within two years, we have increased the allocation to the Office by 23%

Others

The 60th anniversary of the founding of the People’s Republic of China (PRC)

22. This year marks the 60th anniversary of the founding of the PRC. The Financial Secretary has already earmarked funding in the Budget for organizing celebration activities. CMAB and the Mainland Offices will complement the plans of the Central Authorities, and participate in and organize celebration events that will take place in the Mainland.

Registration and Electoral Office (REO)

23. As year 2009-10 is not an election year, the provision for REO will decrease from about \$328 million in the revised estimates of 2008-09 to about \$78 million. The provision caters for the department’s basic

expenditures, mainly for staff emoluments, undertaking the voter registration exercise and updating the voter register, as well as reserve for holding by-elections.

24. This concludes my opening remarks. If Members have any questions on the above estimates of expenditures, I will be pleased to answer them.

Constitutional and Mainland Affairs Bureau
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