

**Opening Statement by
Secretary for Constitutional and Mainland Affairs
at the Special Meeting of the Finance Committee
on 22 March 2010**

Madam Chairman,

I wish to brief Members on the financial estimates of the Constitutional and Mainland Affairs Bureau (CMAB) in 2010-11 and our work priorities in the coming year.

Estimates of Expenditure of CMAB

2. In 2010-11, CMAB is allocated \$569.7 million, which is about 36% higher than the revised estimates for 2009-10.

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

- (a) matters relating to the HKSAR's participation in the World Exposition 2010 Shanghai China (World Expo 2010);
- (b) enhancing further co-operation and exchanges with Taiwan;
- (c) strengthening economic co-operation with Shenzhen;
- (d) enhancing the provision of support services for ethnic minorities;
- (e) additional subvention for further strengthening the manpower of the Equal Opportunities Commission (EOC) for implementation of the Race Discrimination Ordinance (RDO), creation of the position of the Chief Operations Officer to enhance the administration and governance of the EOC; and
- (f) additional subvention for strengthening the manpower of the Office of the Privacy Commissioner for Personal Data (PCPD) to enhance enforcement and promotional work.

4. The amount of allocation to the World Expo 2010 and the support services for ethnic minorities is about \$200 million. This takes up the majority of additional resources allocated.

Mainland Affairs

Hong Kong-Guangdong co-operation

5. On Hong Kong-Guangdong co-operation, the HKSAR Government is drawing up a framework agreement for Hong Kong-Guangdong co-operation and formulating regional co-operation plans on specialised topics, with a view to further enhancing co-operation between Hong Kong and Guangdong. Work relating to the framework agreement has been progressing well, and we believe that the agreement can be signed with Guangdong in the near future. The framework agreement will serve as an agenda for Hong Kong-Guangdong co-operation, laying a foundation for both parties to seek to incorporate the initiatives relating to Hong Kong-Guangdong co-operation into the National 12th Five-year Plan.

6. As for the development of Qianhai in Shenzhen for the cooperation of modern services industries, the current consensus is for the Shenzhen Municipal Government to take up the leading role, and be responsible for the development and management of the Qianhai area, while the HKSAR Government will provide comments on the study and formulation of issues such as development planning and policies. A joint expert group has been established to closely follow up on the specific co-operation direction and content.

To complement the preparation of the National 12th Five-Year Plan

7. As regards the support to the preparation of the National 12th Five-Year Plan, the HKSAR Government has been maintaining close liaison with the National Development and Reform Commission (NDRC) since the establishment of direct working relationship in 2008. In May 2009 and January 2010, the HKSAR Government delegation met with the NDRC in Beijing to discuss our complementary work relating to the Plan. Representatives of the NDRC and Hong Kong and Macao Affairs Office of the State Council also visited Hong Kong in September last year to have direct exchanges with the relevant bureaux.

World Expo 2010

8. The World Expo 2010 will be opened in May. HKSAR will participate actively in the event. Apart from building the Hong Kong Pavilion and holding a dedicated exhibition in the Urban Best Practices Area, during the Expo period, we will organise 20 performing arts programmes and two visual art exhibitions at Expo site venues and other performing arts venues. Different themes will also be adopted for each month in organizing events and activities to promote Hong Kong. In addition, we have also participated in the “Expo Shanghai Online” to stage our exhibitions online. The works on various fronts are basically ready. There is only 39 days left before the opening of the Expo. We will continue to strive to achieve the best in our participation.

9. 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 operating expenditure for the Hong Kong Pavilion, UBPA exhibition and other relevant activities. In 2010-11, the estimated operating expenditure is about \$160 million.

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

10. On the support for reconstruction in the Sichuan earthquake stricken areas, HKSAR’s reconstruction support projects are progressively advancing to the construction stage. We, together with the Development Bureau, will continue to liaise closely with the relevant Sichuan counterparts, and monitor the progress of projects and the use of funds to ensure the proper use of resources. We will also continue to coordinate cross-bureau efforts in these areas.

Mainland Offices

11. In 2010-11, the financial provision for Mainland Offices is \$122 million, representing an increase of 6% compared with the revised estimate for 2009-10.

12. A new Shenzhen Liaison Unit will be set up under the Hong Kong Economic and Trade Office in Guangdong. The Unit will be tasked to deal with the increasing workload flowing from closer Hong Kong-Guangdong and Hong Kong-Shenzhen cooperation. The Unit is expected to commence operation in the second quarter this year.

Taiwan-related Matters

13. In the past year, we introduced various measures to foster exchanges between Hong Kong and Taiwan and thereby enhancing the relations and interaction between the two places. In the coming year, we will increase the provision from \$4 million to \$10 million a year for further enhancing exchanges and co-operation with Taiwan. Our major work will include –

- (a) setting up the “Hong Kong – Taiwan Economic and Cultural Co-operation and Promotion Council” as a new platform to enhance cooperation with the “Taiwan – Hong Kong Economic and Cultural Co-operation Council” in various public policy areas that are of concern of both parties;
- (b) promoting the early formation of the “Hong Kong – Taiwan Business Co-operation Committee” to foster closer cooperation between the private and commercial sectors in the two places; and
- (c) continuing to sponsor non-governmental organisations for organising forums, seminars and related activities and to invite Taiwan personalities from different sectors to visit Hong Kong.

Constitutional Development

14. The three-month public consultation on “Methods for Selecting the Chief Executive and for Forming the Legislative Council in 2012” ended on 19 February. We are now concluding the views received, in the hope that we can formulate a proposed package that will be supported by the public and endorsed by the LegCo. Our aim is to complete the process of amending Annexes I and II to the Basic Law before the LegCo summer recess in 2010.

2010 Legislative Council By-election for the 5 Geographical Constituencies

15. The LegCo By-election for the 5 Geographical Constituencies (GCs) will be held on 16 May 2010. The estimated expenditure for the conduct of the by-election is about \$159 million. We are working closely with the Electoral Affairs Commission on the necessary preparations for the upcoming by-election.

Basic Law Promotion

16. This year marks the 20th anniversary of the promulgation of the Basic Law. In 2010-11, we have set aside \$16 million for promotional activities related to the Basic Law.

Rights of the Individual

Promotion of Racial Equality and Integration

17. On the work relating to human rights, we will continue to promote the public's understanding of and respect for equal opportunities and human rights. The RDO came into full implementation in July 2009. We will, in the near future, finalise the Administrative Guidelines on Promotion of Racial Equality, as well as action checklists prepared by relevant bureaux, departments and public authorities. This will help promote racial equality and ensure equal access to public services.

18. At the same time, we are enhancing the support services for ethnic minorities. The four support service centres commenced operation last year. We have increased the funding to them for further enhancement of their services, such as the provision of after-school tutorial classes for ethnic minority students.

19. To strengthen the governance of the EOC and for the implementation of the RDO, additional subvention will be provided to the EOC in 2010-11 to cover the additional manpower expenditure for a Chief Operations Officer as well as various positions for complaints handling, promotion and education as well as administrative support in enforcing the RDO. The Government proposes to allocate \$83.1 million to the EOC in 2010-11. Compared with the revised estimate of 2009-10, the above subvention represents an increase of about 4%.

Review of the Personal Data (Privacy) Ordinance

20. The Government is committed to strengthening the protection of personal data privacy and has been providing resources at an appropriate level to the PCPD to enhance enforcement and promotion work. In 2010-11, we propose to increase the subvention to the PCPD to \$48.6 million, which is about 8% higher than the 2009-10 revised estimates. Compared with PCPD's subvention in 2007-08 when this Bureau took over the policy responsibility for human rights matters, there has been a one-third increase, which is considerable when compared with the percentage increase in allocation generally available to Government

departments. Of the proposed allocation in 2010-11, \$4.57 million is for the creation of five posts to step up PCPD's enforcement and promotion work.

21. In addition, we have, in conjunction with the PCPD, conducted a comprehensive review of the Personal Data (Privacy) Ordinance. We completed the public consultation in November last year. We are consolidating and analysing the views collected and drafting the public consultation report. We will then formulate the way forward and arrange for further public discussions on possible legislative proposals.

Promotion of equal opportunities in relation to sexual orientation and gender identity

22. We will continue to promote equal opportunities for people of different sexual orientations and transgendered persons. In 2010-11, we propose to allocate about \$0.9 million to administer the Equal Opportunities (Sexual Orientation) Funding Scheme and organise other publicity and education programmes.

Code on Access to Information

23. The Government is committed to the proper implementation of and compliance with the Code on Access to Information (the Code). In January this year, The Ombudsman announced its Direct Investigation Report on Administration of the Code. We attach great importance to the observations and recommendations in the Report. We are working with various bureaux and departments to implement appropriate measures, including enhanced training and promotion within the Government, to follow up the recommendations for more effective administration of the Code.

Others

Registration and Electoral Office

24. The provision for the Registration and Electoral Office will increase from about \$75 million in the revised estimates of 2009-10 to about \$247 million in 2010-11. The provision covers-

- (a) the conduct of the 2010 LegCo by-election;
- (b) the preparation for the 2011 District Council election and the 2011 Election Committee subsector elections;
- (c) the supervision of the 2011 Village Representative elections;
and
- (d) the department's basic expenditures.

25. 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
March 2010