Opening Statement by Secretary for Constitutional and Mainland Affairs at the Special Meeting of the Finance Committee on 2 April 2015

Chairman,

I wish to brief Members on the main points of the financial estimates of the Constitutional and Mainland Affairs Bureau ("CMAB") in 2015-16.

Estimates of Expenditure of CMAB

2. In 2015-16, CMAB is allocated \$580.6 million, which is \$3.4 million (about 0.6%) slightly higher than the revised estimates for 2014-15. The financial provision is mainly used in the following areas-

(I) Constitutional Development

3. The two-month public consultation on the method for selecting the Chief Executive ("CE") by universal suffrage has ended on 7 March The HKSAR Government is summarising and consolidating the views received during the consultation, with a view to publishing later this month the consultation report and submitting to the Legislative Council ("LegCo") for discussion a draft motion to amend Annex I to the Basic law regarding the method for selecting the CE. We hope that the LegCo could endorse the motion to complete the Third Step of the "Five-step Process" of constitutional development before the summer recess of the LegCo. We will work hard to secure endorsement of a two-thirds majority of all Members of the LegCo, so that five million eligible voters in Hong Kong can, for the first time, elect the next CE by universal suffrage through "one person, one vote" in 2017 as scheduled. In this regard, we have set aside about \$5 million (excluding staff cost) and created 6 time-limited posts in 2015-16 for the work on constitutional development.

(II) Promoting the Basic Law

4. In 2015-16, we have continued to set aside about \$16 million

for organising promotional activities to facilitate the public's awareness and understanding of the Basic Law. The 4 April 2015 marks the 25th anniversary of the promulgation of the Basic Law. The HKSAR Government will organise different types of large-scale activities during this period to promote a more in-depth understanding of the "one country, two systems" principle and the Basic Law in the community.

(III) Electoral Arrangements

2015 District Council Election

5. The District Council ("DC") ordinary election will be held on 22 November this year to elect 431 members to the District Councils. The Government will continue to work closely with the Electoral Affairs Commission ("EAC") to make practical arrangements to ensure that the 2015 DC ordinary election will be conducted in a fair, open and honest manner in accordance with the relevant legislation. The EAC will conduct a public consultation to solicit views on the "Proposed Guidelines on Election-related Activities in respect of the District Council Election", and consult the LegCo Panel on Constitutional Affairs on the same and the practical arrangements for the election in mid this year.

2015 Voter Registration

6. In line with the past practice, we will launch a large-scale voter registration campaign in mid-May this year to encourage eligible persons to register as electors and remind registered electors to update their registration particulars. We will also launch a series of publicity measures to raise the awareness of the community about voter registration, and coordinate with the Independent Commission Against Corruption to remind the public of the importance of providing true and accurate information for registration. The Registration and Electoral Office ("REO") will continue to implement checking measures and inquiry process in the 2015 voter registration cycle. If there is evidence that a person is suspected of providing false information for voter registration intentionally, the REO will refer the case to the law enforcement agencies for follow up action in accordance with the established procedures.

2016 Legislative Council Election

7. According to the Decision adopted by the Standing Committee

of the National People's Congress on 31 August 2014, the existing formation method of the LegCo as prescribed in Annex II to the Basic Law will not be amended. In other words, the formation method of the fifth term LegCo will continue to apply to the sixth term LegCo in 2016. We consulted the LegCo Panel on Constitutional Affairs on the proposed necessary technical amendments for the 2016 LegCo election on 16 March this year and plan to introduce an amendment Bill into the LegCo this quarter.

(IV) Rights of the Individual

8. In 2015-16, subventions to the Equal Opportunities Commission ("EOC") and the Office of the Privacy Commissioner for Personal Data ("PCPD") will remain the major parts of the estimated total provision in human rights under the Bureau. Nevertheless, we will continue to carry out promotional and educational work in certain areas.

Sexual Minorities

- 9. To better address the issue of discrimination faced by sexual minorities, we established the Advisory Group on Eliminating Discrimination against Sexual Minorities ("Advisory Group") in June 2013 to advise on matters relating to concerns about discrimination faced by sexual minorities in Hong Kong. Under the auspices of the Advisory Group, a consultant commissioned by the government is conducting a focussed study on discrimination experienced by sexual minorities. The study report will be completed by second quarter of this year. The study would provide a solid basis to facilitate the Advisory Group's further discussion of recommendations on strategies and measures to eliminate discrimination. We will report to the LegCo Panel on Constitutional Affairs shortly on the progress of work of the Advisory Group.
- 10. We will also continue the promotion of equal opportunities for people of different sexual orientations and transgenders through public education and publicity, including the provision for the Equal Opportunities (Sexual Orientation) Funding Scheme, continuing to promote the Code of Practice against Discrimination in Employment on the Ground of Sexual Orientation to public and private sector

organisations, and promoting the message concerned through a variety of channels and platforms.

Promotion of Children's Rights

11. The HKSAR Government is determined to promote children's rights. In 2015-16, we have earmarked about \$3.32 million (excluding staff cost) for implementing programmes for enhancing children's rights promotion. We will continue to promote children's rights through, inter alia, the Children's Rights Education Funding Scheme, the Children's Rights Forum, continued efforts in publicity and public education, and the engagement of the Radio Television Hong Kong to produce television programmes on promoting children's rights.

EOC and PCPD

The EOC continues to be responsible for the implementation of the four anti-discrimination ordinances, including Sex Discrimination Ordinance (Cap.480), Disability Discrimination Ordinance (Cap.487), Family Status Discrimination Ordinance (Cap.527) and Race Discrimination Ordinance (Cap.602). The total subvention for the EOC in 2015-16 is \$105.1 million. The PCPD continues to enforce the Personal Data (Privacy) Ordinance. In 2015-16, we will allocate \$70.51 million to the PCPD.

(V) Mainland Affairs and Co-operation with Taiwan

13. In 2015-16, the financial provision for the Mainland and Taiwan Offices is \$257.9 million, representing an increase of 6.9% when compared with the revised estimates for 2014-15, mainly due to the setting up of liaison units in the Mainland.

Setting up liaison units in the Mainland

14. With the establishment of the Wuhan Economic and Trade Office ("ETO") in April last year, the HKSAR Government has a more comprehensive network in the Mainland, with the Shanghai ETO in the

east, the Guangdong ETO in the south, the Chengdu ETO in the west, the Beijing Office in the north and the Wuhan ETO in the central region. To further expand the network of the Mainland Offices, so that each Mainland Office will be linked with one or two liaison units, we set up a liaison unit under the Beijing Office in Liaoning Province in December last year. We plan to set up a liaison unit in Shandong Province under the Shanghai ETO this year. The Shandong liaison unit will be located in Jinan, the capital city of Shandong Province, to strengthen liaison and communication with the provincial government as well as facilitate Hong Kong residents and enterprises in capitalizing on the opportunities brought about by the development of the east region. We also plan to set up a liaison unit in the central region next year upon the full operation of the Wuhan ETO.

National Five-Year Plans

15. The HKSAR Government has submitted its proposals for the National 13th Five-Year Plan to the Central Government. The HKSAR Government will continue to maintain close communication with the National Development and Reform Commission and other relevant Central authorities through the established liaison mechanism, with a view to consolidating and enhancing the competitive advantages of Hong Kong, and contribute to the long-term development of the country.

Regional Co-operation

- 16. For regional co-operation with the Mainland, Hong Kong and the Fujian Province have long enjoyed close ties. At the First Hong Kong-Fujian Co-operation Conference co-chaired by the Chief Secretary for Administration ("CS") and the Vice-Governor of Fujian Province in January this year, the governments of HKSAR and Fujian Province reached consensus on enhancing the economic and trade co-operation and financial co-operation, and signed an agreement on each of the two fronts. The Hong Kong-Fujian Co-operation Conference has brought exchanges and co-operation between Hong Kong and Fujian to a new level.
- 17. We will also continue to enhance communication and co-operation with Guangdong, the Pan-Pearl River Delta Region, the

municipalities of Shanghai and Beijing, and promote the strengths of Hong Kong, as well as the economic and trade relations with the regions concerned.

- 18. At the 17th Plenary of the Hong Kong/Guangdong Co-operation Joint Conference ("HK/GDCJC") held in November last year, both sides agreed that the key initiative for this year will be to successfully implement the basic liberalization of trade in services between Hong Kong and Guangdong. The Plenary also agreed to further strengthen co-operation in various areas which straddle across financial and professional services, cross-boundary infrastructure, tourism, environmental protection, culture, etc. On the basis of such a consensus, Hong Kong and Guangdong formulated the 2015 Work Plan at the 20th Working Meeting of the HK/GDCJC held in March this year that covered a number of co-operation items in the above areas. Both sides would actively push forward the respective major works in the future.
- 19. The Central Government announced in December last year the establishment of three more pilot Free Trade Zones ("pilot FTZs"). Among them, the Guangdong Pilot FTZ will cover the three new areas of Nansha, Qianhai and Hengqin. The setting up of the GD Pilot FTZ provides a good opportunity for Hong Kong to leverage on its edge to further promote in-depth co-operation between Guangdong and Hong Kong.
- 20. On Hong Kong and Shenzhen co-operation, the CS and the Mayor of the Shenzhen Municipal Government, co-chaired the Hong Kong/Shenzhen Co-operation Meeting on 30 January this year. Both sides agreed to push forward the co-operation in the areas of Qianhai development, financial services, youth co-operation and medical service in the coming year.

<u>Development of Hong Kong – Taiwan Relations</u>

21. Hong Kong and Taiwan continue to promote exchanges and co-operation on various fronts such as economic and trade, cultural, tourism, social livelihood, city management and law enforcement through the "Hong Kong-Taiwan Economic and Cultural Cooperation and

Promotion Council" and the "Taiwan-Hong Kong Economic and Cultural Co-operation Council". In addition, our "Hong Kong Economic, Trade and Cultural Office" in Taiwan will continue to promote Hong Kong through organising and participating in various activities.

Constitutional and Mainland Affairs Bureau April 2015