

**Speaking Notes for S for S
At the Special FC Meeting on 24 March 2003**

Mr. Chairman and Members,

- In the draft Estimates for the coming financial year (2003/2004), the allocation of \$27.9 billion on the security policy area group represents 9.8% of the total public expenditure. The two policy areas of Internal Security and Immigration under my responsibility will account for \$24.2 billion, which is slightly lower than my allocation of \$24.9 billion for the current financial year.
- The reduction in my allocation will contribute towards the Government's overall plan in reducing operating expenditure and containing the growth in public expenditure, leading to a balanced budget by 2006-07. We aim to do more with less by using our resources more cost-effectively and by making full use of the market. We will continue to ensure that Hong Kong remains a secure and safe city. The essential services that we provide, especially those carried out by our frontline disciplined staff, will not be affected in any way as we shall continue to meet all performance targets that we have pledged to the public. We will deploy some of the savings achieved from our streamlined operation to introduce new or enhanced services. I will briefly highlight some of these services.

Law and order

- Overall, the Police Force will have a net reduction of 286 posts, most of which are for support and administrative work. On the other hand, we will create 40 posts to strengthen operational front-line capability at the

Lok Ma Chau Border Crossing Point and in policing the West Rail.

Immigration Control

- We will continue to improve conditions at our boundary crossings to facilitate the flow of passengers, vehicles and goods between Hong Kong and the Mainland. Our plans include further streamlining of procedures, improvement works at Lok Ma Chau and Lo Wu, introduction of automated passenger clearance and automated vehicle clearance at end 2004, and implementation of colocation of immigration and customs facilities on the Shenzhen side.
- With the passage of the ROP Bill into law on 19 March, the Immigration Department will roll out the smart ID cards at end May and launch the territory-wide replacement exercise in July this year.
- Following the announcement of the Population Policy, a new Admission Scheme for Mainland Talents and Professionals will be implemented from July while the Capital Investment Entrant Scheme will be launched in the 3rd quarter of this year. The workload arising from both schemes will be absorbed internally by the Immigration Department.

Public Safety

- To cope with the increasing demand, we will create 74 additional posts to strengthen the emergency ambulance service. We will continue to extend paramedic ambulance service to all ambulances in phases, with a view to achieving full implementation by April 2005. On the fire services side, we will create 5 additional posts for training purposes in preparation for the commissioning of a new fire station.

- We have earmarked \$85M for the procurement and replacement of fire appliances, ambulances and equipment to enhance our rescue capability and training facilities. We will continue to improve operational efficiency through organizational re-engineering.

Custody and Rehabilitation of Offenders

- We will continue with our efforts on the rehabilitation of offenders. The Correctional Services Department will launch a three-year publicity campaign from 2003-4 onwards to promote community support for rehabilitated offenders with a provision of \$4.8M deployed from the department's savings.
- We will continue to pursue long and short term proposals for relieving the over-crowding problem in penal institutions.

Countering the Menace of Drugs

- We will continue to provide treatment and rehabilitation services to drug abusers and to steer people away from drugs through education and publicity. A new drug treatment centre in Tuen Mun is scheduled to open in the second quarter of 2003. A 900 square metres exhibition hall dedicated to drug preventive education will be completed in late 2003 to serve as a focal point for promoting anti-drug messages to the public.

Anti-money Laundering/Counter-terrorist Financing

We will continue to actively participate in the international efforts against money laundering and terrorist financing through our membership in the

Financial Action Task Force and the Asia/Pacific Group on Money Laundering. Locally, we will continue to coordinate the work of the government, the financial regulators and the private sector to ensure that our measures are effective and comply with the leading international standards.

Mr. Chairman, this concludes my opening remarks. My colleagues and I will be happy to answer questions from Members.