

**Special Meeting of the Finance Committee
to examine the Estimates of Expenditure 2003–04**

Opening Statement by the Secretary for Justice

Chairman and Members, Good afternoon.

2. On 5 March the Government published the Estimates of Expenditure for the next financial year running from 1 April 2003 to 31 March 2004. For the Department of Justice, a total provision of \$988.4 Million is sought under Head 92. Details of our expenditure are set out in the Estimates.

3. The mission of the Department of Justice is to uphold the rule of law, to provide efficient and effective legal services to the Government and to maintain and improve the present legal system. Our work is delivered through 5 programmes and each of them is led by a Law Officer. I would like to highlight some major areas of work in each of these programmes.

Programme 1 – Prosecutions

4. In the year to come, we will continue to prosecute cases fairly and firmly, in accordance with the established prosecution policy which is detailed in *‘The Statement of Prosecution Policy and Practice,’* which we issued in October 2002.

5. Several recent pieces of legislation are expected to have an impact on the work of the Prosecutions Division. These include the United Nations (Anti-Terrorism Measures) Ordinance and the United Nations Sanctions (Afghanistan) Regulations. We are determined to do all we can to combat all forms of terrorist activity and to strike at its financing. Through redeployment of counsel within the Prosecutions Divisions, we have appointed a Prosecution Policy Coordinator on Anti-Terrorism, and our organised crime team has been restructured to accommodate this new area of prosecutorial responsibility. The Division’s Asset Recovery Unit will assume direct responsibility for applications to the courts for the seizure of any terrorist assets which are located in Hong Kong.

6. The Securities and Futures Ordinance will come into operation on 1 April 2003. It provides parallel civil and criminal regimes to deter market misconduct, including insider dealing, stock market manipulation and false trading in securities and futures contracts. Some at least of the criminal cases to arise are expected to be substantial, sophisticated and serious. The Prosecutions Division will develop the capacity of one its existing commercial crime teams to advise on and to prosecute cases which arise as a result of the criminalisation of market misconduct.

Programme 2 – Civil

7. The workload of the Civil Division has been on the increase over the past few years in terms of both volume and complexity. While the number of referrals for advice and other legal services may level off in 2003, the complexity of matters for advice and legal representation will unlikely to abate. Proceedings against Government, particularly proceedings in respect of claims under the Civil Service Regulations and the right of abode claims (both involving a large number of applicants/claimants), will continue to add strain to the limited resources available.

8. As in the case of the Prosecutions Division, the Civil Division will be expected to handle cases of a complicated nature under the Securities and Futures Ordinance. A Market Misconduct Tribunal under the Judiciary will be set up to handle, in addition to insider dealing, five other specified types of market misconduct.

Programme 3 – Legal Policy

9. In order to ensure that future policy formulation on access to justice and legal services will meet the community's needs, the Legal Policy Division will be commissioning a comprehensive review of the demand for, and supply of, legal and related services in Hong Kong. This review will be assisted by an advisory committee, which includes representatives of the Law Society, the Bar Association, the two law faculties, the Judiciary Administrator and others. The review will investigate and provide accurate information on legal needs in the community and how existing legal services are meeting those needs. The consultancy study is expected to take two to three years to complete. We anticipate that once this

comprehensive empirical data is available, it will greatly assist the Administration and other legal stakeholders to make well-informed policy decisions in this area.

10. The Legal Policy Division will continue to be involved in the review of legal education and training. It will have representatives on the Steering Committee and, after its establishment, on the proposed Standing Committee on Legal Education and Training. It is expected that a four-year LLB degree will commence next year; that radical changes will be made to the PCLL course; and that a conversion course will be developed for those with overseas degrees who wish to take the PCLL course.

11. In the next financial year, the Legal Policy Division will continue its work in promoting the rule of law and the Basic Law, in promoting Hong Kong as a regional centre for legal services, in assisting local lawyers to provide services relating to the Mainland, and in developing mutual understanding of the legal systems in Hong Kong and the Mainland.

Programme 4 – Law Drafting

12. The Law Drafting Division will continue to draft sound and enforceable legislation according to the timetable agreed with the Policy Bureaux. Our counsel will continue to provide comprehensive legal advice on the planning of legislative proposals, vetting all subsidiary legislation produced by statutory bodies and assisting in steering government legislation through the Executive and Legislative Councils.

Programme 5 – International Law

13. In the coming year, the International Law Division will continue to provide advice on international law issues, negotiate international agreements or contribute as legal advisers in negotiations and handle requests for international legal co-operation to bring benefits to the HKSAR. The Mutual Legal Assistance Unit under this Division will continue to handle and co-ordinate requests to and from the HKSAR concerning surrender of fugitive offenders, mutual legal assistance and transfer of sentenced persons.

Expenditure

14. As Members are aware, the Department of Justice, along with other parts of the Government, is required to achieve a 1.8% efficiency saving on our 2003-04 operating expenditure. The proposed provision of \$988.4 Million for 2003-04 already has reflected this 1.8% efficiency saving which is equivalent to roughly \$17.5 Million in dollar terms. We will endeavour to achieve more than this amount of saving – to over \$18 Million - through delayering of the administrative structure, reduction in payment of allowances and reduced expenditure in eight other departmental expenditure items. We have provided details of our 10-item saving list to the Panel of the Administration of Justice and Legal Services. Our saving list should have demonstrated that the Department will strive to achieve savings without compromising the quality of our legal services.

15. In 2003-04 the Department of Justice will continue to work closely with Government Bureaux and Departments and the legal profession in discharging our vital responsibility of maintaining the rule of law. We will also strive to maintain the standard of our professional services through a most cost-effective delivery.

16. My colleagues and I will be pleased to provide any further information you and your Members may require.

17. Thank you.

Department of Justice
March 2003