

**Legislative Council Panel on Constitutional Affairs
Financial Provision for the
Office of the Privacy Commissioner for Personal Data in 2008-09**

Purpose

This paper updates Members on the financial provision for the Office of the Privacy Commissioner for Personal Data (“PCPD”) in 2008-09. Members are invited to note the content of this paper.

Background Information on the PCPD

2. The PCPD is an independent statutory body established in December 1996 under the Personal Data (Privacy) Ordinance (“PDPO”) (Cap. 486) to monitor, enforce, and promote compliance with the PDPO. The Privacy Commissioner for Personal Data is empowered under the Ordinance to employ his own staff to assist him in the performance of his functions and exercise of his powers under the PDPO. As at 1 December 2008, the working strength of the PCPD is 51.

3. The operational expenses of the PCPD are financed by Government subvention, and a very small amount of income is generated from the PCPD’s activities such as the membership fees of its Data Protection Officers’ Club.

Financial Provision for the PCPD in 2008-09

4. The Government is firmly committed to the protection of personal data privacy. We strive to provide resources at an appropriate level to support the PCPD in the effective enforcement of the PDPO.

5. The financial provision for the PCPD in 2008-09 as approved by the Finance Committee of the Legislative Council is \$39.1M. It represents an increase of \$2.8M (or about 7.7%) over the revised estimates of \$36.3M for 2007-08.

6. Of the extra provision of \$2.8M, \$1.8M is for strengthening the enforcement team of the PCPD. This provision has been used for the creation of three posts, which are dedicated to undertaking self-initiated compliance investigations into suspected breaches of the PDPO and providing information technology support. The remaining \$1M is for stepping up the promotion and educational work to promote public awareness on protection of personal data. Moreover, we have

subsequently allocated an additional provision amounting to \$1.42M to the PCPD to cater for pay rise.

7. In view of the public concern over recent personal data leakage incidents and expectations for the PCPD to more vigorously enforce the PDPO, we have conducted an in-year review of the resource requirements of the PCPD. In order to enable the PCPD to step up its enforcement actions, including conducting self-initiated compliance investigations and inspections of personal data systems, we plan to provide from our operating expenditure envelope for 2008-09 an additional allocation of \$2.4M, which can be used by the PCPD to further strengthen its enforcement team on compliance enforcement work.

8. In sum, as compared with the revised estimates in 2007-08, the total additional allocation provided to the PCPD in 2008-09 amounts to \$6.62M (or 18.2% increase). Within this total, an additional provision of \$4.2M is dedicated to strengthening the PCPD's enforcement team. This represents a significant enhancement of resources allocated and should enable the PCPD to proactively enforce the PDPO, so as to better protect personal data privacy.

9. To enhance protection of personal data privacy, we will keep under review the PCPD's resource requirements and consider if more resources have to be provided to the PCPD in future to address its operational needs, including the need to strengthen its manpower and in-house information technology expertise to support its enforcement work. The exact amount of provision to be allocated to the PCPD in 2009-10 will be examined and determined in the context of the 2009-10 Budget exercise.

**Constitutional and Mainland Affairs Bureau
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