

Speech: New Chair of Charity Commission gives first major speech

Good morning

I am delighted to be here with you this morning. It is great to be among so many people involved in such a wide range of charitable endeavours. Thank you for having me here.

This is my first substantial speech as Chair of the Charity Commission. I started in the role at the end of February.

So it is early days for me. And I don't come here this morning pretending to have all the answers. I know I have much to learn from you about the charity and voluntary sector.

But I am clear on what motivated me to take on the role, and on what I want to achieve in the job.

And I'd like to use this opportunity today to set that out.

What drives me, first and foremost, is the importance and immense potential of people's charitable endeavour for our society.

Charity has a meaning and a value that is immeasurable, and lies beyond the sum of what individual charities achieve for their beneficiaries.

It's a value that endures well beyond the reach of any organisational structure.

At its heart, charity is about attitudes, behaviours and qualities that unite us and that we can all sign up to.

Qualities such as purpose, conviction, selflessness, generosity.

Qualities that we admire when we see them in strangers, and that make us feel proud. So much so we look for ways to associate ourselves with people who display them: they are our fellow Brits, our family, friends and neighbours – whatever their race or religion.

And they are qualities that make our communities stronger, and better.

This potential of charity to build meaning and to contribute to a healthy, successful society is profound.

So it must be nurtured and promoted. And many of you do that, every day, as do the thousands of people who work alongside you in your organisations.

But we have a problem.

Some organisations that act as the vehicles of that charitable endeavour, namely the charities on the Commission's register, are no longer trusted automatically by the public to foster what it is I've just described.

And that means all charities can no longer expect the public to give them the benefit of the doubt.

That's not just my opinion. It's the conclusion of extensive, independent research, the latest of which is underway right now and will be published later this year.

I have seen some early findings. And they are sobering.

They show that people now trust charities no more than they trust the average stranger they meet on the street.

It is vital, in my view, that we understand why that is the case – and work together to change what's gone wrong so we can put it right.

Sir Stuart suggested earlier that increased public scrutiny of charities is part of a wider trend. And I agree with him.

We need to examine the problem through the same lens that we use to understand the decline in trust in big business and politics.

People clearly are less trusting of institutions and of those in positions of authority than they once were. But that's not because our parents and grandparents were more naïve.

It's because people now have more evidence to prove their suspicions. They are more sceptical of those in powerful roles or in positions that were once associated with respect, because they can see or have experienced directly how those groups really have let them down.

The failings may manifest themselves in different ways. And in the worst cases we've seen people horrifically abuse and show contempt for the respected position that they hold. But whatever the failing, it adds up to people seeing and believing that those in charge of important institutions are running them in their own interests, for their own benefit.

What we can't escape, is that the underlying causes of public distrust are the same in the public, private and our own sector.

Just as some big businesses have failed the reasonable expectations of the public, so have some charities.

And what we need to understand is that, the expectations of you are even higher because you are charities.

In this modern world of swift communication and greater democracy, people have been provided enough proof to realise they can't even rely on those they thought always do better – because they exist for no other reason than to do

good.

I am not holding charities responsible for failings in other sectors. But nor are they innocent bystanders.

The revelations about Oxfam in Haiti and senior staff conduct in other big charities shows that this sector is part of that wider story.

And it's a story that matters more for charities than it does for organisations that measure success by size, or by the bottom line.

For example, the brand of a big supermarket will be damaged when the public see its leaders fail. But people will still buy their groceries. The supermarket's fundamental purpose is not fatally undermined as a result.

But all a charity has is its purpose. So when a charity's purpose is undermined, whether through misconduct or other failures, your very reason for existence comes into question.

That's why people are so appalled when charity workers in a devastated country exploit the vulnerable they were sent to help.

That's why people feel betrayed when charities seem to respond to misconduct among senior staff by protecting the charity's reputation, rather than by rooting out and stopping the bad practice.

And that's what leads them to question very high pay in charities and doubt whether money that's raised and donated makes it to the end cause.

It's therefore no surprise that the research I've already mentioned... also tells us that people want transparency from charities.

But again, we need to really understand why they are asking for this.

After all, most of us lead busy lives. Few of us are prepared to spend our free time working out which energy tariff is most cost effective for us, never mind want to spend time looking at detailed financial information about charities.

So why the focus on information about and from charities? It is a proxy for something far more profound. They want proof that you are who you say you are.

The phrase Sir Stuart has used is 'living your values'. It's a useful form of words, because it is evocative.

But I want to add to it. What I propose we're talking about here are standards; standards of conduct and behaviour, and standards of competence.

I really welcome the NCV0's decision to ask Dame Mary Marsh to develop a code of conduct for safeguarding in charities. But we must keep in mind that Dame Mary's important work will be a means to an end, and not an end in itself. People want us to show, not tell.

The public want to be able to trust that, no matter how you slice a charity, what you'll find is a relentless focus on its charitable purpose. And that means demonstrating that the way charities prioritise, behave and conduct themselves is focussed solely on delivering the right results.

I had the pleasure, a few weeks ago, of visiting a charity in Nottingham, my home town.

The charity is called ThinkForward, and it works in deprived areas helping young people make the difficult transition from education to employment. It focuses on those young people most at risk of dropping out.

I met Sally, an impressive, driven young woman who is a beneficiary of ThinkForward.

She told me, in terms, that one of the reasons the charity has made such a difference to her – to her perspective and outlook – is that she believes those running it are genuine, and really care about helping people like her. In other words, that they are walking their talk.

Sally was an inspiration for lots of reasons. And listening to her brought home to me the immense responsibility charities have.

Imagine what might happen in the heart and mind of a young person like Sally if she had a bad experience with a charity claiming to help her. If she had reason to believe those running it were in one sense or another exploiting her.

That charity would not just have failed to make an impact for Sally. It wouldn't just be a case of one less point on the impact measurement scale. It would have done active harm.

That's why it matters so much that charities are relentlessly focused on their mission for the public benefit and on achieving that mission with earnest diligence and while working to the highest standards of conduct and decency.

I've spent a long time setting out the problem of public trust. So let me give you my early thoughts on what we need to do about it.

And this is where the Commission as regulator comes in.

We're currently reviewing our strategy; our current strategic plan ends this year. But what is already clear to me, is the fundamental aim of the Commission.

To help increase – I would say rebuild – trust in charities as vehicles for charitable endeavour.

And the way we will do that is by understanding and articulating the public interest in charity.

This is about more than careful and faithful application of charity law. It's about setting the bar that we believe charities can be expected to reach based on what we know about the factors that drive trust.

Because the Commission's job is not to represent charities to the public, but to represent the public interest to you.

To help you understand what the public expect, and to help you respond.

Not to undermine the independence of individual charities. But to help the sector respond to the reasons the public cherish what it is you do. And to hold the sector as a whole, and its leadership, to account against that bar. I am clear, this is the single most useful and supportive thing we as the regulator can do for charities, and the sector.

We also have our own challenges at the Commission.

First, we are under intense resource pressure. We have seen significant increases in volumes of case work – including most recently around safeguarding concerns. And like other public bodies, we have seen our funding cut drastically – by 50% in real terms over the past 8 years.

I am grateful to my predecessor William Shawcross for all of his work for the organisation.

During his time as Chair, William led a transformation of the Commission. As a result, the Commission has become more proactive, more robust, more effective at holding charities to account on behalf of the public. And most recently, William was successful in securing additional short term funding for the organisation, which will go some way to helping us manage the increased work load.

But we need to do more.

In the context of rebuilding public trust, we must be able to do two things:

The first is to step in and investigate where there are serious concerns about a charity.

It won't have escaped you that we recently placed several well-known charities under formal inquiry – Oxfam, RNIB, The Save the Children Fund.

I am absolutely confident that investigating these charities is merited on the basis of the evidence the Commission holds.

In each case we have different but very serious concerns that we must examine within the confines of a formal investigation.

But as the regulator that promotes the public interest in charities, we have to do more than just investigate when things go wrong.

The second thing we need to do, is help make sure things stay right.

Promoting trust also requires us to be effective in setting out what the public expect from charities. So that charities can help prevent bad things from happening in the first place, and respond in a way that promotes trust when, sadly, human failings do occur.

And so the very same principle I set out earlier applies to the Commission. We too must be crystal clear about our purposes and aims. And we must be able to demonstrate that everything we do – from registering charities, to providing guidance, to investigating – and how we conduct ourselves, is in single-minded pursuit of our purpose.

To help rebuild public trust in charities, so that they continue to inspire charitable endeavour, for the benefit of our society.

The Commission's strategy review continues. We plan to publish our new strategic plan in the summer.

Between now and then, I intend to do a lot of listening. First, to the public whose interest we exist to represent.

And, not least of all, to charities. To you.

Because I believe we can and must work together to ensure that the public – whom we all serve – has well-founded confidence in charities.

I hope what I've said today hasn't sounded too dour. I don't mean to be down-beat. Because I am optimistic.

Yes, we have a problem. But I am confident that we also have the solution.

I am confident in charities' ability to rebuild public trust in their organisations, if they set their minds to it.

And I believe that you have the power, to begin reversing the trend of declining public trust and social cohesion in society more generally.

If you can't lead this change – when you don't have to worry about the sometimes conflicting demands of shareholders – then nobody can.

As I said at the start, I believe charity – what you in this room here and the other 167,000 charities on our register do – is at the very heart of our society.

Collectively, you have a crucial collective importance and amazing potential.

That's why I joined the Commission and that's why I am looking forward to working with you in the months and years ahead.

Not as an adversary, nor as a cosy friend, but as your partner. Your partner in a shared, vital mission to rebuild public trust in what charity does and has the real potential to help our society achieve.

Thank you

Speech: PM speaks at the Commonwealth Business Forum: 16 April 2018

Good morning everyone.

I would like to start by thanking the Lord Mayor for hosting us here today at the beautiful Guildhall, the home of the City of London's administrators for almost 600 years.

As we have just heard, the building has witnessed its fair share of history over the centuries. And today it is a privilege to add to the rollcall of great events with the 11th Commonwealth Business Forum.

We are here today to discuss how best to make this a more prosperous Commonwealth for all, with contributions from leading figures in some of the world's top businesses.

And this is just one of four such fora running this week ahead of the Commonwealth Heads of Government Meeting, giving a voice to hundreds of people who, in so many different ways, do so much to make our Commonwealth the amazing institution it is.

There is the People's Forum, providing a platform for the Commonwealth's incredible Civil Society groups. The Women's Forum will look at ways of overcoming the challenges still faced by a great many women and girls. And, perhaps most important of all, there is the Commonwealth Youth Forum.

It is so important because, while the Commonwealth itself is a venerable institution, its citizens are much younger: almost two thirds are under the age of 30.

The young people of today are the Commonwealth of tomorrow, its business leaders, its innovators, its heads of government.

They have incredible potential, and we as a Commonwealth have a duty to help them reach it.

That is why I have put youth at the heart of this week's agenda, and why I began this morning by meeting with some of the Youth Forum's delegates.

As we talked about their ideas and aspirations, about their vision for the future of the Commonwealth, I was struck by the vital role that businesses like yours have in tackling their concerns and giving substance to their ambitions.

They called for cleaner oceans and greater sustainability.

You can help deliver that by changing business practices and creating innovative new products and solutions.

They called for action on youth unemployment.

You, as entrepreneurs and business leaders, create the jobs and opportunities our young people need and, by driving our economies, you fund the schools and colleges that equip them with the skills they need.

And the members of the Youth Forum called for an inclusive Commonwealth where greater prosperity is enjoyed by everyone.

That is something that simply cannot be achieved without strong, successful businesses. Because the best way to raise living standards for all is through economic growth based on free enterprise operating in inclusive, fair and open rules-based markets.

A key part of that, one that has become more important in the years since the Commonwealth was founded, is international trade – and it is an area in which the Commonwealth is flourishing.

The 2018 Commonwealth Trade Review predicted that trade between member states will be worth \$700 billion by 2020. Here in the UK, for example, the value of our exports to fellow members is roughly double what it was 20 years ago.

Yet risks remain. Global growth is fragile. The challenges posed by protectionism are all too clear. And the world economy is changing, as new technology creates new jobs in some industries while supplanting them in others.

If Commonwealth businesses are to flourish in such times, if we are to deliver and secure the prosperous future our young people want and deserve, then the Commonwealth and national governments must not be afraid to act.

Because although the system of international commerce has done much good for the world, it can always be improved. Playing fields can be levelled, barriers removed, the benefits opened up to all.

So while we should be unapologetic in our support for free and inclusive trade, we should also work hand in hand with businesses to make it more efficient and effective, for example by supporting the use of international standards.

Shared standards have huge potential to stimulate trade.

They create a common language for trading partners across the globe, enhance trust in supply chains and stimulate innovation.

Greater use of these international standards across the Commonwealth will reduce the costs of trade between members, as well as with partners beyond the Commonwealth, for greater global benefit.

That is why the UK will be funding an all-new Commonwealth Standards Network, which will support developing countries in particular to better meet existing international standards.

The network will provide a significant opportunity for national standards experts to collaborate and share best practice.

And it will empower developing countries to have a stronger voice in the international standards community – something that has benefits on a global scale.

We will also be funding a Trade Facilitation Programme, supporting and providing technical assistance to selected Commonwealth countries in implementing the World Trade Organisation's Trade Facilitation Agreement. Full implementation of the WTO agreement is estimated to reduce trade costs by up to 16 per cent for the less-developed countries.

It will cut the average time needed to import goods by 47 per cent, and the time taken to export by as much as 91 per cent, a huge boost for businesses across the Commonwealth.

But no amount of action on these fronts will truly be successful if half the Commonwealth's citizens continue to face significant barriers to participation in the economy.

If our family of nations is to realise its full potential, then we must take action to boost women's access to economic opportunity, and empower them to create and build their own businesses.

Many members have already signed up to the Buenos Aires Declaration on Trade and Women's Economic Empowerment, which seeks to remove barriers to, and support, the participation of women in trade.

It is an impressive start, but I believe we can go further.

So, over the next two years, the UK will work with the International Trade Centre to deliver a new programme: SheTrades Commonwealth.

SheTrades will offer Commonwealth-wide support to help countries break down gender barriers in international trade.

It will provide a forum for member states to work collectively and share best practice.

And will compile the data needed to identify what works and track progress over time.

The programme will also deliver targeted interventions in a number of countries, providing training for women entrepreneurs, connecting them to market and investment opportunities, and helping firms overcome barriers to engaging with women-owned businesses.

Boosting women's participation is the right thing to do, but business equality is not just about doing what is right – there are real economic benefits.

It has been estimated that if women played the same role as men in labour

markets, as much as \$28 trillion could be added to global GDP by 2025.

If Commonwealth members are not giving women an equal opportunity to succeed in business and in trade, they are trying to take on some of the biggest economies in the world with one hand tied behind their backs.

That will not change overnight. But SheTrades represents an important step in the right direction – one that, like the other initiatives I have talked about today, will deliver benefits across the Commonwealth and beyond.

When we all work to the same standards, when we break down barriers to trade and when we empower women to take their rightful place in the economy, the benefits are felt not just by countries and individuals involved.

Freer, easier trade means stronger economies, more jobs, more choice and lower prices – and that is true here in the UK, across the Commonwealth and around the world.

With its unique scope and global voice, such a Commonwealth can set a powerful example to the world, one that demonstrates and underlines the importance of protecting free trade and the rules-based international order.

Today's initiatives are an example of what can be done to make that happen, of how governments can lay the groundwork for growth. But you in business also have a vital role to play.

The discussions here will feed into the full summit, so I hope you take the chance to share ideas and insights, to identify new challenges and new opportunities, to highlight where Commonwealth governments can step up and do more and even where, perhaps, we should step back and do a little less.

The Commonwealth has never just been about heads of state and government.

It has always been an organisation in which people and businesses from around the world can come together and work together to improve all our lives.

This is your forum, and this is your Commonwealth.

So let us make it an organisation that works for all of us, and shape a future of which we can all be proud.

Press release: International Development Secretary hails role of innovation and finance in helping

developing countries to build back better after natural disasters

International Development Secretary Penny Mordaunt will today highlight the important role that science, innovation and the City of London can play in helping developing countries build resilience against and recover after natural disasters.

At an event at Lloyd's of London Ms Mordaunt will join Dame Inga Beale, CEO of Lloyd's of London, to showcase how science and technology are powering the design of innovative financial products which are helping developing countries recover more quickly after extreme climates and disasters.

At the event – held on the first day of the Commonwealth Heads of Government Meetings this week – Ms Mordaunt will announce:

- A package of support to the Caribbean to help prepare for future disasters and explore how innovative finance products can provide much-needed pay-outs quickly, to help speed up the recovery of businesses and critical services, like hospitals, power and schools.
- An increase in continued support to the Pacific disaster risk insurance pool (PCRAFI) following the disaster wreaked by Hurricane Gita in Tonga last year, to strengthen its proven ability to pay out following future disasters.

Ms Mordaunt will also reflect on the progress of Global Parametrics, a UK aid-backed social enterprise that is using cutting-edge climatic, seismic and financial risk modelling to build products that make a real difference when natural disasters hit. This includes a recently launched facility with its first client, VisionFund, which will help 4 million people access crucial finance to rebuild their lives and businesses in the wake of natural disasters.

Speaking ahead of the event International Development Secretary Penny Mordaunt said:

Last year Hurricanes Irma and Maria showed once again the destruction extreme weather events can cause – and the devastating effect this can have on the lives of families and communities.

When disaster does strike, it is crucial that finance is easily and quickly available to help people rebuild their homes and livelihoods. The use of science, real-time data and innovative finance can be game-changing – helping to cut response times and get countries back on their feet faster.

Dame Inga Beale, CEO of Lloyd's of London said:

Insurance exists to provide critical support in times of disaster, enabling quick recovery and economic protection. Sadly, many of the world's most vulnerable countries also have the biggest protection gap, meaning that recovery is slow and costs so high that rebuilding takes significantly longer.

Lloyd's has worked in partnership with the Department for International Development to co-sponsor the Global Centre for Disaster Protection's first Innovation Lab focussed on developing new financial instruments that combine incentives for resilience with risk transfer. This initiative is part of a collaborative effort to help mitigate the devastating and long-term economic and social impacts of disasters most keenly felt by developing nations around the world and across the Commonwealth.

The International Development Secretary will also announce a partnership with the Met Office and the World Bank to strengthen weather forecasting systems and deliver new technologies and innovative approaches to help vulnerable communities use climate warnings and forecasts to better prepare for shocks across Asia.

International Development Secretary, Penny Mordaunt said:

Changing global climates will impact all our lives, but can have deadly consequences for the world's poorest people. By improving the use of forecasting information such as early-warning systems, and sharing the Met Office's world-leading expertise, we can help governments and communities prepare for these shocks, so fewer lives are lost each year to extreme weather.

Professor Stephen Belcher, the Met Office Chief Scientist, said:

The Commonwealth brings together a rich heritage and shared cultural values. But these aren't the only common bonds linking member states. Each is also inextricably connected by the shared impacts of weather and climate. Improving resilience and forecasting will provide a lifeline for vulnerable communities helping them to cope with weather and climate shocks through measures which improve food security and provide protection from extremes of weather.

There can surely be no better aspiration than sharing cutting edge climate science to improve the fortunes and prospects of people in their day-to-day lives.

The Commonwealth Heads of Government Meetings take place this week in London, bringing together representatives from business, civil society and government from across the Commonwealth.

Notes to editors

Caribbean – Package to strengthen resilience

- Following the devastating impact of last year's hurricane season, DFID is announcing up to £19m of additional support for Caribbean countries to strengthen capability for early recovery at a regional and national level, and to work with countries to develop options to strengthen disaster preparedness and financial resilience.
- This will be the highest priority of our new Centre for Global Disaster Protection in 2018. The Centre for Global Disaster Protection brings developing countries together with partners including the UK Government, the World Bank, civil society and the private sector with the shared goal of enhancing resilience to climate and disasters. The Centre works with governments to strengthen disaster preparedness, embed early action and enhance their financial resilience, including through the use of financial tools like insurance.
- In January, the Centre ran its first Innovation Lab in partnership with Lloyd's of London to explore how innovations in finance could help countries to build back smarter after disasters. The event brought together more than 50 people from across the finance, humanitarian, engineering and development sectors. A first report by Risk Management Solutions, Vivid Economics and re:focus partners on the outcomes of the Lab will be available from today (16 April 2018).

Asia – Regional Resilience to a Changing Climate programme

The UK will provide up to £23.5 million through the Met Office (£12 million), World Bank (£10 million), and activities directly executed by DFID (£1.5 million) over four years. The programme will deliver:

- At least ten pilots of new technologies and innovations to deliver climate information and advice to vulnerable groups of people;
- One regional and four sub-regional forecasting and early-warning systems, to provide targeted information on the impacts of weather events such as floods and storms;
- Improved access for 30 million people to climate information, services and early warning systems;
- Three regional bodies established to deliver seasonal and long-term climate projections and analysis;
- And will mobilise additional resources for building climate and environmental resilience from national, international and private sector sources.

Uplift to Pacific disaster risk insurance pool (PCRAFI)

- The UK is providing a further £1.3 million to the PCRAFI, in the wake of major devastation to Tonga following hurricane Gita on top of £6.2 million of capital already provided.
- At the Commonwealth Summit in 2015 the Prime Minister announced £15 million to help extend an international disaster risk insurance fund to the Pacific Islands.

- In February this year, Tonga, Samoa and Fiji were hit by Cyclone Gita. Gita was particularly severe when it hit Tonga and there was widespread damage. The nation's parliament building was amongst the buildings destroyed.
- Tonga is one of 5 Pacific nations that has disaster risk insurance in place with PCRAFI, thanks to UK support. The Government of Tonga received £2.8 million (\$3.5 million) within 10 days of being hit, which helped speed recovery.

Global Parametrics

- Global Parametrics is a UK social enterprise – started with funding from DFID and KFW – with a focus on using cutting-edge climatic and seismic risk modelling to offer financial products that improve recovery and resilience in the event of natural and climatic disasters
- DFID has invested £1.5m into Global Parametrics. In addition, DFID has also provided a loan of £6.4m.
- Global Parametrics products are backed by the Natural Disaster Fund. Like an insurer, the Natural Disaster Fund collects premiums and makes pay-outs when natural disasters occur.
- DFID has invested £25 million in the Natural Disaster Fund over 20 years, in order to support pioneering new products from Global Parametrics.
- Global Parametrics has partnered with microfinance institution VisionFund to launch the world's largest non-government climate insurance scheme.
- The scheme will provide automatic disaster-linked pay-outs to microfinance institutions in Kenya, Malawi, Mali, Zambia, Cambodia and Myanmar, allowing them to provide new loans to allow families and small businesses to get back on their feet after a disaster.
- DFID made £2m available to finance disaster recovery loans by VisionFund during last year's El Nino. Following loan repayments, DFID was able to reinvest all of that that money in other development projects

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Six illegal workers jailed

Six illegal workers, comprising two Indonesians, two Vietnamese and two Pakistanis, were jailed by Shatin and Tuen Mun Magistrates' Courts on April 13 and 14 respectively.

During an anti-illegal worker operation conducted on April 10, Immigration Department (ImmD) investigators raided a restaurant in Jordan. Two female Indonesian illegal workers, aged 32 and 34, were arrested. When intercepted, they were found to be washing dishes. Upon identity checking, they produced for inspection recognisance forms issued by the ImmD, which prohibit them from taking employment. Further investigation revealed that they were non-refoulement claimants. In addition, one of them was also suspected of using and being in possession of a forged Hong Kong identity card. An employer suspected of employing the illegal workers was arrested and the investigation is ongoing.

During an anti-illegal worker operation mounted on April 11, ImmD investigators raided two restaurants in Sham Shui Po and Tsim Sha Tsui. Two female Vietnamese illegal workers, aged 28 and 44, were arrested. When intercepted, they were found working as odd-job workers. Upon identity checking, they were found to be illegal immigrants. In addition, one of the illegal workers was suspected of using and being in possession of suspected forged Hong Kong identity cards. Two employers suspected of employing the illegal workers were also arrested and the investigation is ongoing.

Furthermore, during operation "Twilight" conducted on April 12, Immigration Department (ImmD) investigators raided an industrial building in Kwai Chung. Two male Pakistani illegal workers, aged 26 and 29, were arrested. When intercepted, they were found to be loading goods. Upon identity checking, they produced for inspection recognisance forms issued by the ImmD, which prohibit them from taking employment. Further investigation revealed that they were non-refoulement claimants. In addition, they were also suspected of using and being in possession of identity cards relating to other persons.

The six illegal workers were charged at Shatin and Tuen Mun Magistrates' Courts, on April 13 and 14 respectively, with taking employment after landing in Hong Kong unlawfully and remaining in Hong Kong without the authority of the Director of Immigration or while being a person in respect of whom a removal order or deportation order was in force and they were sentenced to 15 months' imprisonment. In addition, four of them were also charged with using and being in possession of a forged Hong Kong identity card or identity cards relating to other persons, and they were sentenced to imprisonment ranging from 12 months to 15 months. All sentences are to run concurrently, making a total of 15 months' imprisonment.

The ImmD spokesman warned that, as stipulated in section 38AA of the Immigration Ordinance, illegal immigrants or people who are the subject of a removal order or a deportation order are prohibited from taking any

employment, whether paid or unpaid, or establishing or joining in any business. Offenders are liable upon conviction to a maximum fine of \$50,000 and up to three years' imprisonment. The Court of Appeal has issued a guideline ruling that a sentence of 15 months' imprisonment should be applied in such cases.

The spokesman also warned that it is an offence to use or possess a forged Hong Kong identity card or an identity card relating to other person. Offenders are liable to prosecution and a maximum penalty of a \$100,000 fine and up to 10 years' imprisonment.

The spokesman reiterated that it is a serious offence to employ people who are not lawfully employable. The maximum penalty is imprisonment for three years and a fine of \$350,000. The High Court has laid down sentencing guidelines that the employer of an illegal worker should be given an immediate custodial sentence. According to the court sentencing, employers must take all practicable steps to determine whether a person is lawfully employable prior to employment. Apart from inspecting a prospective employee's identity card, the employer has the explicit duty to make enquiries regarding the person and ensure that the answers would not cast any reasonable doubt concerning the lawful employability of the person. The court will not accept failure to do so as a defence in proceedings. It is also an offence if an employer fails to inspect the job seeker's valid travel document if the job seeker does not have a Hong Kong permanent identity card. The maximum penalty for failing to inspect such a document is imprisonment for one year and a fine of \$150,000.

Under the existing mechanism, the ImmD will, as a standard procedure, conduct initial screening on vulnerable persons, including illegal workers, illegal immigrants, sex workers and foreign domestic helpers, who are arrested during any operation, with a view to ascertaining whether they are trafficking in persons (TIP) victims. When any TIP indicator is revealed in the initial screening, the officers will conduct a full debriefing and identification by using a standardised checklist to ascertain the presence of TIP elements, such as threat and coercion in the recruitment phase and the nature of exploitation. Identified TIP victims will be provided with various forms of support and assistance, including urgent interference, medical services, counselling, shelter, temporary accommodation and other supporting services. The ImmD calls on TIP victims to report crimes to the relevant departments.

[Transcript of media session by Secretary for Justice](#)

Following is the transcript of remarks by the Secretary for Justice, Ms Teresa Cheng, SC, at a media session after attending the special meeting of Finance Committee of the Legislative Council today (April 16):

Reporter: Mr Wang (Director of the Liaison Office of the Central People's Government in the Hong Kong Special Administrative Region, Mr Wang Zhimin) said Hong Kong's system is flawed regarding upholding national security. Do you think he is putting pressure on the Government to enact Article 23?

Secretary for Justice: Enacting Article 23 is a constitutional duty of the Hong Kong SAR Government, so that is something to be done. But the important thing is, when it is to be done, it is a matter that the Chief Executive has said a number of times, she will find the appropriate moment that the society and the circumstances would be suitable before this is being looked at. So, at the moment, I would like you all to bear that in mind, and then we will find the appropriate time to discuss the content and how we are going to deal with it. Thank you very much.

(Please also refer to the Chinese portion of the transcript.)