

For discussion
on 11 May 2009

**Legislative Council Panel on
Information Technology and Broadcasting**

**Retention of the Non-Civil Service Position of
Secretary-General of the Film Development Council**

Purpose

This paper briefs Members on the Administration's proposal to retain the non-civil service position of Secretary-General of the Film Development Council (SG/FDC) for a further period of two years.

Proposal

2. We propose to extend the non-civil service position of SG/FDC, currently at the equivalent rank of D2, for a period of two years after the expiry of the current term in November 2009.

Background

3. The film industry is the flagship of the creative industries in Hong Kong. It contributes significantly to the development of our service industries as well as tourism, and enhances the international and cultural image of Hong Kong. However, there has been a decrease in the number of film productions, particularly small-to-medium budget films, as well as box office revenue in recent years. With a shrinking film market and a decreasing number of local productions, the film industry is facing a difficult time. The Government is committed to providing a favourable environment conducive to the long-term and healthy development of the Hong Kong film industry. The setting up of the Film Development Council (FDC) and the Film Development Fund (FDF) are key measures to support the Hong Kong film industry.

4. On 22 June 2007, the Administration sought agreement from the Establishment Sub-Committee (ESC) of the Legislative Council to the creation of the position of SG/FDC for a period of two years vide ESC Paper No. EC(2007-08)9. The intention of creating the SG/FDC position was to strengthen support for the FDC and the administration of the FDF. The ESC supported the Administration's proposal, which was subsequently approved by the Finance Committee (FC) on 6 July 2007 vide FC Paper No. FCR(2007-08)26. The SG/FDC position was subsequently filled on 16 November 2007 through open recruitment. The position will lapse on 16 November 2009.

5. The position of SG/FDC is created under the Television and Entertainment Licensing Authority (TELA), and reports directly to the Commissioner for Television and Entertainment Licensing. SG/FDC is tasked to head the Secretariat of the FDC and provide support to the FDC as well as its Vetting Committee and Panel of Examiners set up for the FDF. He is also responsible for assisting the FDC and the Government in formulating strategies and action plans for the development of the Hong Kong film industry, as well as promotion of Hong Kong films locally and abroad. In addition, SG/FDC assists with the administration and management of public funds that promote the development of the film industry, including the FDF and the Film Guarantee Fund (FGF). The existing organisation chart of TELA is at **Enclosure 1**. The existing job description of SG/FDC is at **Enclosure 2**.

Justifications

6. Since his appointment, SG/FDC and his team have been providing very effective secretariat, administrative and logistical support to the FDC and its committees¹, including managing the FDF and the FGF, conducting researches and commissioning studies, providing film shooting facilitative services, implementing initiatives agreed by the FDC, co-ordinating and liaising with stakeholders in the film industry, as well as promoting Hong Kong films locally and abroad. Major highlights of the work conducted by the FDC led by SG/FDC are set out in the ensuing paragraphs.

¹ The FDC has set up four standing committees to pursue film-related issues, including the Fund Vetting Committee, the Support Services Committee, Mainland Market Committee and Government Services Committee. It also set up a Panel of Examiners comprising 42 Members from the industry to help examine funding applications for film production.

Management of FDF

7. The FDF supports a wide range of projects conducive to the long-term development of the Hong Kong film industry (e.g. mega events for the promotion of Hong Kong films, seminars for exchanges between filmmakers, production of teaching kits for the film industry, etc.). Following the injection of \$300 million into the FDF in July 2007, its scope was expanded to provide support to finance the production of small-to-medium budget films (i.e. not exceeding \$12 million). As the head of the Secretariat of the FDC, SG/FDC provides administrative support to the FDC in vetting funding applications and following up on the arrangements relating to the preparation of contracts, disbursement of funds, monitoring the use of funds, etc. SG/FDC also actively promotes the use of the FDF to produce films and closely liaises with concerned organisations to facilitate their applications for funding support for projects conducive to the long-term development of the Hong Kong film industry.

8. So far, the FDF has processed 19 applications for financing film production, 12 of which have been approved with total funding of around \$33 million. It has also approved a total of 24 film-related projects which are beneficial to the healthy and long-term development of the film industry, with total funding of over \$38 million. The FDC Secretariat is now reviewing the operation of the FDF in consultation with the film industry to ensure it meets the needs of the industry. The SG/FDC will play a key role in conducting the review. We briefed Members on the conduct of the review at the meeting of the Information Technology and Broadcasting Panel held on 7 April 2009 vide LC paper No. CB(1)1191/08-09(03).

Promotion of Hong Kong Films

9. The FDC rolled out a large-scale project named “Hong Kong Film New Action” in December 2008 to revitalize the market for Hong Kong films in Taiwan and Southeast Asia, further expand the Mainland market, and promote the new generation of film directors. The key elements of the project are to introduce the Hong Kong new generation

directors to the major markets for Chinese language films, including the Mainland, Taiwan, Singapore and Malaysia; to enhance the Hong Kong film industry's understanding of the latest development in these markets; to enhance the understanding of the producers, distributors and investors in these markets of the business opportunities in Hong Kong; and to seek opportunities for collaboration in film production.

10. The FDC led delegations to visit Taiwan, Guangzhou, Singapore and Malaysia from December 2008 to February 2009. A film festival was held in each place highlighting the productions of the new generation directors. Besides promoting Hong Kong films and the new generation directors, the delegations' meetings with the film industry in these markets were able to establish a basis for cooperation for exploring more market opportunities.

11. A series of business forums and promotional sessions were staged in end March 2009 to further pursue the objectives of the project. The business forums and promotional sessions provided film practitioners from the Chinese language film markets in the five places concerned opportunities to engage in direct business negotiations. New generation directors of the Hong Kong film industry participated in the business forums and promotional sessions to showcase their works and discuss with investors and filmmakers opportunities for co-operation. The FDC prepared publicity materials for the participating directors so that they could promote themselves and their works. In the 2009-10 financial year, the FDC will continue to advance the "Hong Kong Film New Action" initiative by promoting the works of the new generation directors to the audience of the Mainland, Taiwan, Singapore and Kuala Lumpur where publicity and film festivals will be organised.

12. SG/FDC has been playing a key co-ordinating role in supporting the work of the FDC, liaising closely with members of the film industry both locally and overseas. The work undertaken by him in the past two years will continue in future. Indeed, such work will only increase in the coming years in view of Government's commitment to step up efforts to promote Hong Kong's creative industries. As the flagship of Hong Kong's creative industries, the film industry will be one of the priority areas in Government's promotional measures.

13. Considering the above, we see it to be essential to continue to have a dedicated officer at the present level of D2 with strong leadership skills to head the FDC Secretariat in order to take forward and implement the recommendations and decisions of the FDC. We therefore propose that the position of SG/FDC be retained for another two years with effect from 16 November 2009.

Length of Extension of the SG/FDC Position

14. We have considered the case of the two-year extension as compared with other lengths of extension for the post. As demonstrated in the previous exercise, a two-year contract for SG/FDC will enable us to attract a candidate with the right calibre and experience to take up the position. We therefore consider the two-year extension to be appropriate. We will review the long-term need of the position during the extension period.

Establishment of the dedicated office – Create Hong Kong

15. In our proposal to establish in the Commerce and Economic Development Bureau the dedicated office for supporting creative industries, Create Hong Kong (CreateHK), the Film Services Office (FSO) of TELA, including the Secretariat of the FDC, will be redeployed to the CreateHK along with SG/FDC position. After the redeployment, SG/FDC will report to the Head of CreateHK (as Assistant Head (2)) and will lead the Administration Section of the CreateHK in addition to the FSO. The organisation chart of the proposed CreateHK is at **Enclosure 3**. The revised job description of SG/FDC after the redeployment is at **Enclosure 4**. We briefed the Panel on Information Technology and Broadcasting on the set-up of CreateHK and the proposed redeployment at the Panel meeting held on 9 February 2009. Members supported the redeployment proposal. The redeployment proposal has received ESC's recommendation (vide ESC Paper EC (2009-10)1 and will be submitted to FC for approval on 22 May 2009.

Non-directorate Establishment under the SG/FDC

16. FSO has 26 non-directorate civil service posts and four

non-civil service contract (NCSC) staff. Apart from redeploying all civic service staff and NSCS positions in FSO, four other non-directorate civil service posts will be redeployed from TELA to CreateHK to provide administrative support.

Alternatives considered

17. In view of the enhanced scope and increased workload of the FDC, the Government's commitment to promote Hong Kong's creative industries, and the expertise required of the position, it is operationally not possible for the other directorate officers of comparable ranks in the Communications and Technology Branch to take up the duties of SG/FDC. If the SG/FDC position could not be retained, the support and service to the FDC at the directorate level would be substantially weakened, to the detriment of the efficient and effective operation of the FDC.

Financial Implications

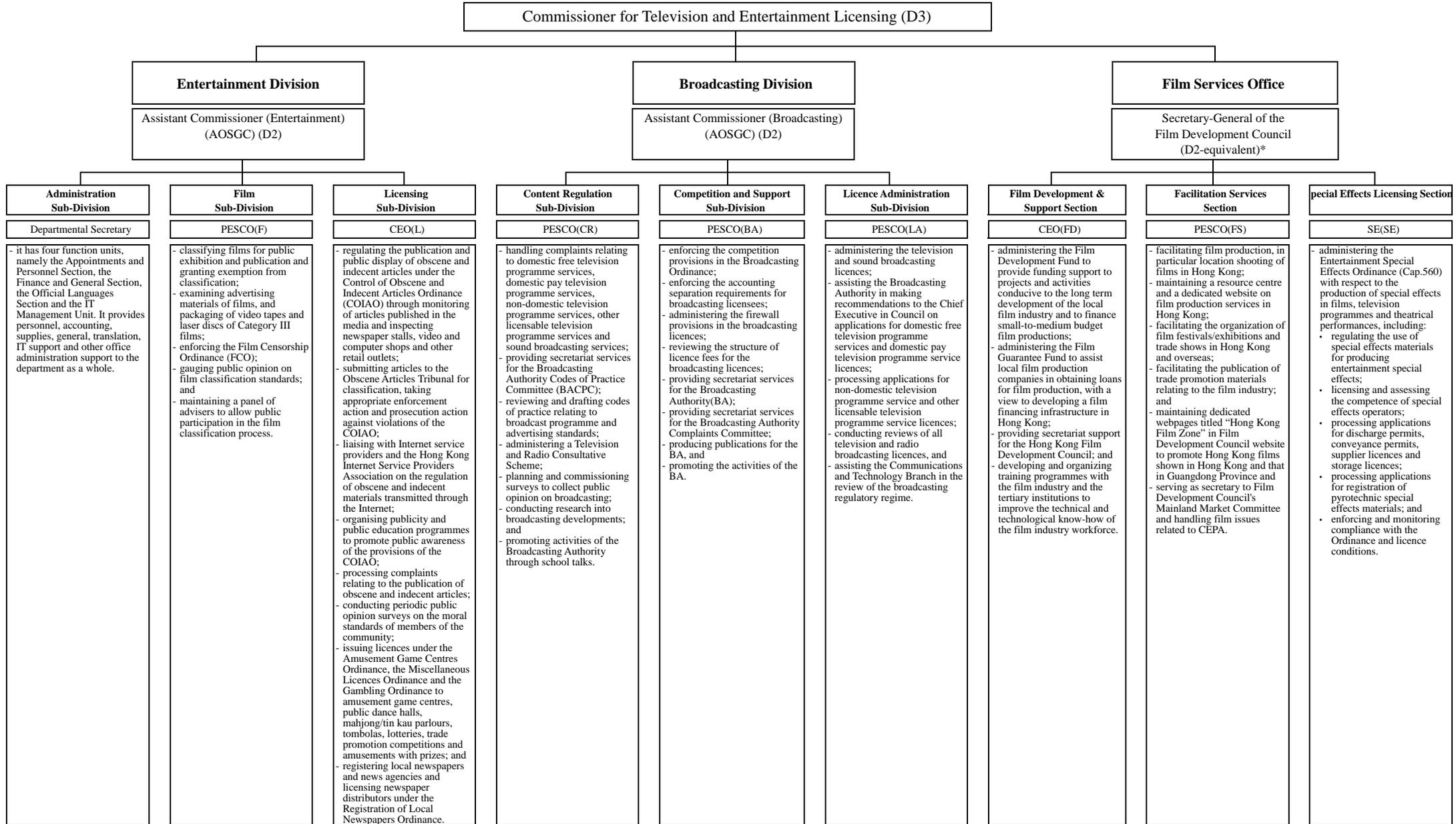
18. The total remuneration package for the proposed extension of the non-civil service position of SG/FDC will not exceed the full annual average staff cost of \$2,144,000 (including salaries and staff on-cost) for a civil service post ranked at Administrative Officer Staff Grade C (D2) level.

Way Forward

19. Subject to Members' views, we will seek the ESC's endorsement on the proposed extension, and then the approval from the FC. Subject to approval, the two-year extension of the SG/FDC position will take effect on 16 November 2009.

Communications and Technology Branch
Commerce and Economic Development Bureau
May 2009

Existing Organisation Chart of Television and Entertainment Licensing Authority



Legend: AOSGC: Administrative Officer Staff Grade C
 PESCO: Principal Entertainment Standards Control Officer
 * Non-civil service position

CEO: Chief Executive Officer
 SE: Senior Geotechnical Engineer

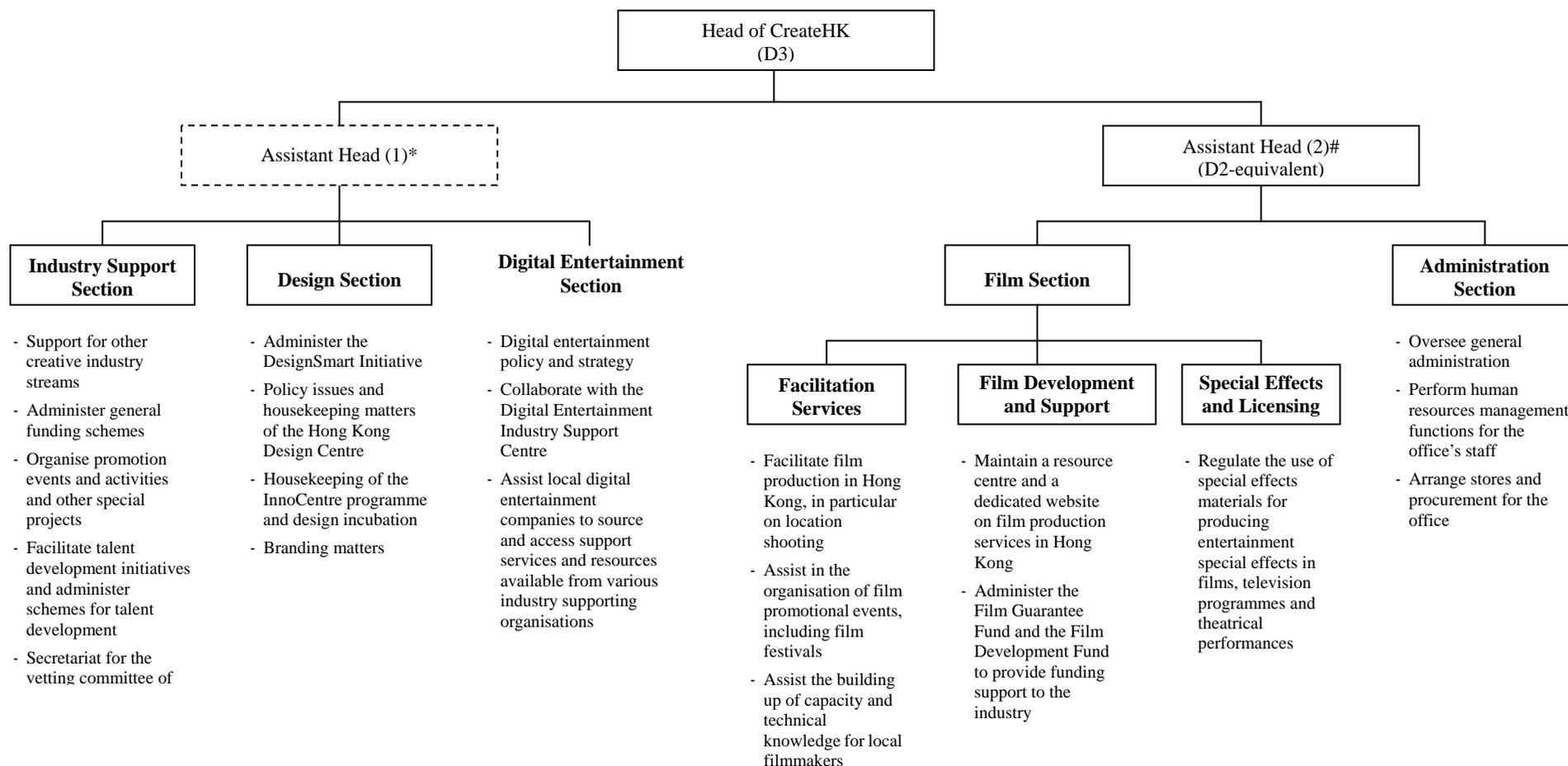
**Existing Job Description
Secretary-General of Film Development Council**

- Post title** : Secretary-General of Film Development Council
- Rank** : A Non-civil Service Position at the equivalent rank of D2
- Responsible to** : Commissioner for Television and Entertainment Licensing

Main Duties and Responsibilities –

1. To supervise the Secretariat of the Film Development Council, which advises the Government on the formulation of long-term, medium-term and short-term strategies for the development of the film industry.
2. To assist the Commissioner for Television and Entertainment Licensing in overseeing the administration and management of all public funds (including the Film Development Fund, the Film Guarantee Fund, and other funds for the film sector as appropriate) established to promote the development of the film industry, and assist the film Development Council in formulating advice to the Government on the use of such funds.
3. To conduct film-related researches and commission external studies.
4. To implement government initiated measures to revitalise the Hong Kong film industry and support its long-term development, and to review the effectiveness of these measures.
5. To co-ordinate with the film industry and government/public organisations to ensure smooth implementation of all publicly funded film-related activities, and collaborate with them to promote the film industry.
6. To represent Hong Kong in marketing and promoting Hong Kong films internationally.
7. To liaise with relevant bureaux and departments on legislative measures (e.g. anti-piracy) to safeguard the interest of the film sector.
8. To oversee the day-to-day operation of the Secretariat of the Film Development Council, including general management and personnel matters.

Proposed Organisation Chart of the Office of Create Hong Kong, Communications and Technology Branch



Legend:

Head of CreateHK - Head of Create Hong Kong

* The redeployment plan of the Assistant Head (1) of CreateHK (AH(1)) is being considered and may be finalised after the office has been created. The section heads of the Industry Support, Design and Digital Entertainment sections will report directly to the Head of CreateHK until the post of AH(1) has been established.

Non-civil service position

**Revised Job Description
Assistant Head (2) of the Create Hong Kong /
Secretary-General of Film Development Council**

Post title : Assistant Head (2) of the Create Hong Kong (CreateHK) /
Secretary-General of Film Development Council

Rank : A Non-civil Service Position at the equivalent rank of D2

Responsible to : Head of CreateHK

Main Duties and Responsibilities –

1. To supervise the Secretariat of the Film Development Council, which advises the Government on the formulation of long-term, medium-term and short-term strategies for the development of the film industry.
2. To assist the Head of CreateHK in overseeing the administration and management of all public funds (including the Film Development Fund, the Film Guarantee Fund, and other funds for the film sector as appropriate) established to promote the development of the film industry, and assist the film Development Council in formulating advice to the Government on the use of such funds.
3. To conduct film-related researches and commission external studies.
4. To implement government initiated measures to revitalise the Hong Kong film industry and support its long-term development, and to review the effectiveness of these measures.
5. To co-ordinate with the film industry and government/public organisations to ensure smooth implementation of all publicly funded film-related activities, and collaborate with them to promote the film industry.
6. To represent Hong Kong in marketing and promoting Hong Kong films internationally.
7. To liaise with relevant bureaux and departments on legislative measures (e.g. anti-piracy) to safeguard the interest of the film sector.
8. To oversee the day-to-day operation of the Secretariat of the Film Development Council, including general management and personnel matters.

9. To oversee the Administration Section of the CreateHK in carrying out general administration, performing human resources management functions, and arranging stores and procurement for the CreateHK.
