

**Replies to initial written questions raised by Finance Committee Members
in examining the Estimates of Expenditure 2011-12**

**Director of Bureau : Secretary for Commerce and Economic Development
Session No. : 6**

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CEDB(CT)042	0416	WONG Yuk-man	55	Broadcasting and Creative Industries
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Reply Serial No.	Question Serial No.	Name of Member	Head	Programme
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Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)001

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3474

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Radio Television Hong Kong (RTHK) will develop into a public service broadcaster. Will the Administration allocate resources for conducting further studies and consultation on the transformation of RTHK in 2011-12? If so, what are the work plan and estimate of expenditure? If not, why?

Asked by: Hon. CHAN Tanya

Reply: In September 2009, we announced the way forward for the development of public service broadcasting in Hong Kong with the decision to retain RTHK as a government department and taskit to take up the mission to serve as the public service broadcaster of Hong Kong. Extensive consultation had been conducted afterwards on the future operation of RTHK. In August 2010, we promulgated the RTHK Charter and set up the Board of Advisors, signifying a milestone in RTHK's development.

To fulfill its mission as a public service broadcaster, RTHK will embark on various new development initiatives in the next few years, including the preparation for the launch of digital audio broadcasting and digital terrestrial television broadcasting services, facilitating community participation in broadcasting, planning for the re-provisioning of the Broadcasting House as well as establishing a digital media asset management system. In December 2010, we announced a package of arrangements to fully support RTHK in taking forward its new initiatives. Additional resources are also provided in 2011-12 for RTHK to launch various new services and projects.

We will brief the Panel on Information Technology and Broadcasting of the Legislative Council from time to time on the directions and plans for the future development of RTHK, and consult the public on individual issues such as the arrangements for community participation in broadcasting.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)002

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3475

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: What are the specific work and breakdown of expenditure in respect of promoting the development of cultural and creative industries by the Bureau in 2010-11? In 2011-12, what is the specific work plan of the Bureau in this regard and what are the details of the initiatives as well as the breakdown of the estimated expenditure?

Asked by: Hon. CHAN Tanya

Reply: Create Hong Kong (CreateHK) takes the lead to drive the development of creative industries in Hong Kong with a seven-pronged strategy formulated in consultation with the Legislative Council and the industries. The strategy is -

- (a) nurturing a pool of creative human capital;
- (b) facilitating start-ups and development of creative establishments;
- (c) generating demand for creativity and expanding local market size for creative industries;
- (d) promoting creative industries on the Mainland and overseas to help explore outside markets;
- (e) fostering a creative atmosphere within the community;
- (f) developing creative clusters in the territory to generate synergy and facilitate exchanges; and
- (g) organising major events to promote Hong Kong as Asia's creative capital.

Since its inception, CreateHK has been collaborating with the creative industries closely in formulating plans that are conducive to creative industries development and in line with the above strategy. CreateHK facilitates projects conducive to the development of local creative industries through its funding schemes, namely the CreateSmart Initiative which provides financial support to projects conducive to the development of the creative industries in Hong Kong; the DesignSmart Initiative which, through strengthening support for design and innovation, promotes the wider use of design and innovation in industries to help them move up the value chain; and the Film Development Fund which finances small-to-medium budget film productions and sponsors other film-related projects that are beneficial to the long term development of the Hong Kong film industry.

In the financial year of 2010-11, CreateHK has been promoting the development of the creative industries in accordance with the above seven-pronged strategy. The estimated expenditure of CreateHK for the year is \$187 million, including \$48.8 million for emoluments and departmental expenses and \$138 million for general non-recurrent items (which include allocations for the various funding schemes administered by CreateHK as well as for the operation of Hong Kong Design Centre).

In 2011-12, CreateHK will continue with its work according to the above strategy and facilitate projects that are conducive to the development of local creative industries through its funding schemes. The estimated expenditure of CreateHK for the year is \$239 million, including \$51.2 million for emoluments and departmental expenses and \$188 million for general non-recurrent items.

Name in block letters	Miss Elizabeth TSE
Post Title	Permanent Secretary for Commerce and Economic Development (Communications and Technology)
Date	17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)003

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3476

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Many prospective cultural and creative industries practitioners have reflected that there are difficulties in developing these industries in Hong Kong such as setting up of studios, conducting marketing campaigns, etc. Will resources be allocated in 2011-12 for reviewing the adequacy and effectiveness of the existing support for local creative industries as well as collecting comments from the practitioners of the cultural and creative industries so as to help them overcome their existing difficulties? If so, what are the work plan and respective estimates of expenditure? If not, why?

Asked by: Hon. CHAN Tanya

Reply: Since its inception, Create Hong Kong (CreateHK) has been maintaining close liaison with the creative industries to understand their needs and provide a range of focused support to nurture creative talent and establishments. Two of the support programmes, namely Design Incubation Programme (DIP) and Cyberport Digital Entertainment Incubation-cum-Training Programme (IncuTrain Programme), offer assistance to start-ups in the relevant fields. During the two-year incubation period under DIP, each incubatee is eligible for a financial assistance package to help cover part of the costs in office rental, operation, business promotion and development, training, and technical and management matters; IncuTrain Programme provides office space at discount rates, access to specialised hardware and software facilities, business development advice, legal services and marketing support to the incubates. These 2 programmes will continue in 2011-12.

CreateHK also helps promote creative industries development through its funding schemes. Such schemes include the CreateSmart Initiative which provides financial support to projects conducive to the development of the creative industries in Hong Kong; the DesignSmart Initiative which, through strengthening support for design and innovation, promotes the wider use of design and innovation in industries to help them move up the value chain; and the Film Development Fund which finances small-to-medium budget film productions and sponsors other film-related projects that are beneficial to the long term development of the Hong Kong film industry. We are committed to helping the industries explore the Mainland and overseas markets. Funding support has been given to local creative talents in the film, design, advertising and short film production industries for their participation in competitions overseas in order to raise their profile internationally. Internship opportunities have been provided for young people aspiring to developing a career in creative industries. Assistance has also been offered to the industries in organising activities on the Mainland and overseas to establish a platform for business promotion and marketing activities. We also facilitate the organisation of major creative events in Hong Kong to develop the city into Asia's creative capital.

In 2011-12, CreateHK will continue to maintain close liaison with the industries and join hands to further promote the development of the industries. The office will review the adequacy and effectiveness of the support measures for the industries from time to time and widely consult the industries for comments. The related expenditure and manpower will be met by the existing resources.

Name in block letters	<u>Miss Elizabeth TSE</u>
Post Title	<u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u>
Date	<u>17.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)004

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3477

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Many practitioners in the creative industries opine that Hong Kong is lacking in a social environment and system which is conducive to creativity. In particular, the existing regulation on the contents of movies, television programmes and publications is rather stringent. Such stringent regulation has been criticised by many people for possible stifling of creative ideas in Hong Kong. Will resources be allocated in 2011-12 for reviewing the existing content regulation mechanism for movies, television programmes and publications? If so, what are the schedule, work plan and estimate of expenditure? If not, why?

Asked by: Hon. CHAN Tanya

Reply: It is required under the Film Censorship Ordinance (Cap 392) that films intended for public exhibition have to be approved by the Film Censorship Authority (FCA). Films are either classified under the three-tier classification system or exempted from classification (those eligible for exemption include educational, cultural, religious and promotional films). To ensure that the film censorship system and the classification standards are in line with community aspirations, the FCA would conduct public opinion surveys in every two to three years to collect views from members of the public. According to the findings of the past surveys, most correspondents found the existing three-tier film classification system acceptable and considered the current classification standards appropriate. In July 2010, the Television and Entertainment Licensing Authority (TELA) commissioned an independent consultant to conduct the "2010 Public Opinion Survey on Film Classification System" which is scheduled to be completed in 2011. The consultancy fee is \$782,000. TELA will analyse carefully public views collected on the film classification standards and use them as reference in conjunction with the current classification standards.

The contents of television programmes are regulated by the Broadcasting Ordinance (BO) (Cap 562) and the Broadcasting Authority Ordinance (Cap 391). The Broadcasting Authority (BA) issues a code of practice in respect of the contents of television programmes for licensees' reference in accordance with the BO. The Codes of Practice Committee of the BA reviews the codes of practice from time to time to ensure the provisions therein are updated and to secure proper standards of broadcasting services in line with public expectations. In 2011-12, the BA will review some of the provisions of the code of practice on the contents of television programmes. The related expenditure will be absorbed by the existing resources of TELA.

The contents of publications are regulated by the Control of Obscene and Indecent Articles Ordinance (COIAO) (Cap 390). The first round of public consultation on the review of the COIAO has been conducted and a large number of responses have been collected. Public views received showed no evident consensus on various aspects of the consultation. We are now

studying in detail the way forward for the review of the COIAO in accordance with the views received. The expenditure of the review will be met by the existing provisions of the Commerce and Economic Development Bureau and TELA.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)005

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3583

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: I have received many complaints about the disputes between the public and the telecommunications operators. Under the existing mechanisms, these complaints may not be dealt with satisfactorily. Will resources be allocated in 2011-12 for reviewing the procedures and mechanism of settling dispute cases involving the telecommunications operators? Will more resources for handling such cases be allocated? If so, what are the details? If not, why?

Asked by: Hon. CHAN Tanya

Reply: The Office of the Telecommunications Authority (OFTA) regulates the telecommunications industry under the powers conferred by the Telecommunications Ordinance (TO) and is committed to safeguarding the interests of the telecommunications service users. Upon receipt of consumer complaint, if it involves possible breach of the TO or licence conditions by a telecommunications operator and with prima facie evidence, OFTA will carry out investigation and consider taking enforcement action subject to individual circumstances. OFTA will also strive to help the parties concerned settle the dispute so as to deal with the complaint properly.

In 2011-12, OFTA will continue allocate resources for handling complaints. Meanwhile, OFTA will closely monitor and analyse the contents and trend of the consumer complaints as well as review the complaint handling mechanism so that more effective measures for preventing and addressing disputes can be timely introduced.

OFTA has implemented proactive plans to protect consumer interests, including studying the feasibility of implementing a voluntary Customer Complaint Settlement Scheme by the industry; promoting the implementation of *Code of Practice for Telecommunications Service Contracts* by the industry to enhance transparency in the contracting process and introduce a cooling-off period for contracts; and reinforcing consumer education, say, on the technological development of telecommunications and points to note when subscribing telecommunications service, etc.

The resources needed for the above-mentioned efforts will be met by the OFTA Trading Fund.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)006

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2658

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme:

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide details of the studies commissioned to consultants by the Communications and Technology Branch of the Commerce and Economic Development Bureau and its departments for the purposes of formulating and assessing policies, if any, in the following format:

- (a) Please provide information on the funded studies on public policy and strategic public policy from 2008-09 to 2010-11 in the following table:

Name of consultant	Channel through which the studies are commissioned (auction / tender / others (please specify))	Title, content and objective of the studies	Consultancy fee (\$)	Commencement date	Progress of studies (under planning / in progress / completed)	Follow-up actions on the studies taken by the Administration and their progress (if any)	If completed, have they been made public? If so, through what channels? If not, why?
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- (b) Are there any projects for which provision will be allocated for conducting consultancy studies in 2011-12? If so, please provide the following information:

Name of consultant	Channel through which the studies are commissioned (auction / tender / others (please specify))	Title, content and objective of the project	Consultancy fee (\$)	Commencement date	Progress of studies (under planning / in progress / completed)	Will the studies be made public if they are expected to be completed in 2010-11? If so, through what channels? If not, why?
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- (c) What are the criteria for selecting research institutions to which the consultancy studies are commissioned?

Asked by: Hon. HO Sau-lan, Cyd

Reply: (a)

Name of consultant	Channel through which the	Title, content and objective of the studies	Consultancy fee (\$)	Commencement date	Progress of studies (under	Follow-up actions on the studies taken by	If completed, have they been made
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MVA HONG KONG LIMITED	studies are commissioned (auction / tender / others (please specify))	Project title:	930,000	October 2008	planning / in progress / completed)	the Administration and their progress (if any)	public? If so, through what channels? If not, why?
MVA HONG KONG LIMITED	Tender	Project title: Market Survey on Hong Kong Films in South East Asia Market	930,000	October 2008	Completed in August 2009	Two briefing sessions were held in March and May of 2009 respectively to inform the industry players of the data collected as well as the findings and conclusions of the consultant with a view to assisting the local film industry to adjust their strategies on South East Asia market. Moreover, film festivals and promotional programmes had been held in the three places by the Film Services Office to promote Hong Kong films and facilitate business matching.	Released to the attendees (including industry players and students) at the "Hong Kong Film New Action – Business Forums and Promotional Sessions" on 26 March 2009 held during the Hong Kong International Film and TV Market. Findings of the survey were released to the public (mainly the industry players) on 12 May 2009 at the Hong Kong City Hall.
		Content:					
		Collecting information of South East Asia's film markets (mainly those of Singapore, Malaysia and Taiwan), including:					
		<ul style="list-style-type: none"> ● Macro-economic data and information of the film industries; ● The condition of the film markets; ● The renting and retailing performance of videos; ● The broadcasting of films at TV channels; and ● The market condition of online movies/ videos. 					
		Objective:					
		The study aims at helping the industry players to have an idea of the demand and level of acceptance for Hong Kong films by South East Asia's film markets, thus facilitating them to map out a proper market strategy.					

HKUST Research and Development Corporation Ltd.	Others (quotations invited)	Study on the establishment of a viable mechanism to collect and analyse the economic implications of Hong Kong R&D and innovation activities	981,251	October 2006	Completed	The study report provides valuable reference materials and analyses which are useful to the Administration for further discussions on the subjects in the future.	The report is mainly for internal reference.
IBM Global Business Services	Others (quotations invited)	The development of and demand for data centres in Hong Kong	1,288,000	April 2008	Completed	The study report provides reference materials for formulating strategies for promoting the development of data centres in Hong Kong.	The summary of the report has been uploaded onto the webpage of Digital 21 Strategy Advisory Committee.
The University of Hong Kong	Tender (in the form of inviting proposals)	Project title: Study on the application of ICT by Hong Kong SMEs The study aims at providing a better understanding of the extent of ICT application by SMEs and their barriers and incentives. It also provides recommendations to the Administration to encourage SMEs to use ICT.	682,300	12/1/2009	Completed	The Administration has encouraged SMEs to use ICT with reference to the recommendations of the study report.	Members of the Digital 21 Strategy Advisory Committee have been informed of the study report which has been uploaded onto the webpage of the Committee.
Frost & Sullivan	Tender (in the form of inviting proposals)	Project title: Economic Benefit Analysis of Developing Hong Kong into a Regional Data Centre Hub The study aims at examining the economic benefits that data centre development may bring to Hong Kong and assisting the Administration in mapping out facilitation measures in this regard.	1,296,000	19/5/2010	In progress (close to completion)	The Administration is exploring appropriate measures for promoting the development of data centres so as to strengthen Hong Kong's position as a business and financial hub.	Members of the Digital 21 Strategy Advisory Committee will be informed of the study report which will be uploaded onto the webpage of the Digital 21 Strategy for public information.

FutureGov	Provision of service by invitation (FutureGov is the only organisation in Asia which has close liaison with various government departments in respect of e-Government study)	Project title: E-engagement activities of the government in foreign countries The study aims at examining the strategies and implementation of e-engagement in USA, UK, Australia and Singapore.	295,000	1/11/2010	Completed	The study report will be distributed to the bureaux/ departments for reference.	The report will be submitted to the Panel on Information Technology and Broadcasting of the Legislative Council.
The Social Sciences Research Centre of the University of Hong Kong	Quotations	Public opinion surveys on tele-communications service (including 5 telephone surveys and 2 focus group discussions).	Absorbed by the Office of the Telecommunications Authority (OFTA) Trading Fund	March 2008	Completed	Relevant policy guides have been mapped out and the regulatory approach reviewed.	The consultancy report has uploaded onto OFTA's webpage.
CityU Professional Services Limited	Quotations	Consultancy study on the electromagnetic compatibility of ultra-wideband radio-communications devices	Absorbed by the OFTA Trading Fund	April 2008	Completed	The way forward for the licensing issue has been announced.	The consultancy report has been uploaded onto OFTA's webpage.
Plum Consulting Ltd	Tender	To determine the auction reserve price of spectrum, and decide on the principle and means of determining the level of spectrum utilisation fee in respect of spectrum assigned administratively in different frequency bands.	Absorbed by the OFTA Trading Fund	June 2008	Completed	(a) OFTA had adopted the recommendations of the consultant in determining the reserve price of spectrum since 2009. (b) Besides, the Commerce and Economic Development Bureau issued a consultation paper on the spectrum utilisation fee in respect of spectrum assigned administratively to invite public comments on the proposals in November 2010. The consultation exercise was completed in February 2011. OFTA is now examining the feedbacks of the industry.	(a) Not applicable (b) The consultancy report has been uploaded onto OFTA's webpage.
Frost & Sullivan (Singapore) Pte Ltd	Quotations	To study the economic benefits of the landing of new submarine cables	Absorbed by the OFTA Trading Fund	21/7/2009	Completed	OFTA had implemented more effective and convenient measures in	The consultancy report has been uploaded onto OFTA's

in Hong Kong and recommend measures to facilitate the landing of new submarine cables in Hong Kong.

April 2010 to facilitate the laying of new submarine cables in Hong Kong by interested parties. The measures included the launch of a dedicated webpage on OFTA's website to set out relevant details and the provision of one-stop service to the operators.

webpage.

Analysys Consulting Limited	Tender	Study on a spectrum trading scheme in Hong Kong	Absorbed by the OFTA Trading Fund	April 2009	Completed	Comments of the consultant are being considered.	Not applicable
Mott MacDonald	Quotations	To study the design of vented manhole covers and conduct frequent inspection to reduce the risk of gas explosion	Absorbed by the OFTA Trading Fund	5/3/2010	Completed	After discussion, OFTA and the industry had formulated a guideline and implementation schedule in respect of the design of vented manhole covers and inspections on telecommunications manholes.	The guideline has been uploaded onto OFTA's webpage.

(b)

Name of consultant	Channel through which the studies are commissioned (auction / tender / others (please specify))	Title, content and objective of the project	Consultancy fee (\$)	Commencement date	Progress of studies (under planning / in progress / completed)	Will the studies be made public if they are expected to be completed in 2010-11? If so, through what channels? If not, why?
The Social Sciences Research Centre of the University of Hong Kong	Quotations	Survey on telecommunications service	To be absorbed by the OFTA Trading Fund	Contract signed in February 2011.	Under planning	The survey report will be uploaded onto OFTA's webpage.
Consultancy agreement is not signed yet and the name of the consultant cannot be disclosed for the time being	Tender	To study the impact of the development of next generation networks on the regulation system of telecommunications service	To be absorbed by the OFTA Trading Fund	The study is scheduled to be launched in April 2011.	Under planning	The study is expected to be completed in September 2011 and the study report will be uploaded onto OFTA's webpage.

- (c) In awarding a consultancy project to a consultant, we will consider the qualifications and experience of the company, its expertise in the subject matter, the research methods proposed, work plan and schedule and the quotations on the project before the most suitable one is selected.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce and Economic
Development
Post Title (Communications and Technology)
Date 17.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)007

Question Serial No.

2757

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme:

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: In regard to the implementation of the Framework Agreement on Hong Kong/Guangdong Co-operation (the Framework Agreement) and growing co-operation between Hong Kong and the Mainland in recent years, please provide relevant information on Hong Kong/Mainland cross-boundary projects or programmes in which the Commerce and Economic Development Bureau (Communications and Technology Branch) and departments under its purview are or have been involved.

- (a) For Hong Kong/Mainland cross-boundary projects or programmes from 2008-09 to 2010-11, please provide information in the following format:

Project/ programme title	Details, objective and whether it is related to the Framework Agreement	Expenditure involved	Name of Mainland department/ organisation involved	Progress (%) completed, start date, anticipated completion date)	Have the details, objective, amount involved or impact on the public, society, culture and ecology been released to the public? If so, through which channels and what were the manpower and expenditure involved? If not, what are the reasons?

- (b) For Hong Kong/Mainland cross-boundary projects or programmes in 2011-12, please provide information in the following format:

Project/ programme title	Details, objective and whether it is related to the Framework Agreement	Expenditure involved	Name of Mainland department/ organisation involved	Progress (%) completed, start date, anticipated completion date)	Will the details, objective, amount involved or impact on the public, society, culture and ecology be released to the public? If so, through which channels and what will be the manpower and expenditure involved? If not, what are the reasons?

- (c) Apart from the projects or programmes listed above, are there any other modes of cross-boundary co-operation? If so, what are they? What were the manpower and

expenditure involved in the past 3 years, and how much financial and manpower resources are earmarked in the 2011-12 Estimates?

Asked by: Hon. HO Sau-lan, Cyd

Reply: (a) The Hong Kong/Mainland cross-boundary projects or programmes from 2008-09 to 2010-11 are as follows:

Project/ programme title	Details, objective and whether it is related to the Framework Agreement	Expenditure involved	Name of Mainland department/ organisation involved	Progress (% completed, start date, anticipated completion date)	Will the details, objective, amount involved or impact on the public, society, culture and ecology be released to the public? If so, through which channels and what will be the manpower and expenditure involved? If not, what are the reasons?
Beijing–HK Film Business Matching Event cum HK Post Production Industry Exhibition in Beijing	The project aims at promoting the Hong Kong new generation of directors and their film projects as well as the post-production services in Hong Kong. It also provides the participants and the Mainland film investors with co-operation opportunities by organising business matching events, visits to Beijing film companies, press conferences, a networking dinner and a seminar. The project augments the Framework Agreement.	\$55,200	Representatives of Mainland film companies and film investors Beijing Enlight Pictures Co., Ltd.	Completed	A press conference was held jointly with the Hong Kong Film Development Council delegation in Beijing on 14 July 2009. The information of the project was released by existing staff and PR companies while the expenses were met by existing resources.
Hong Kong and Mainland Film Business Matching in Guangzhou	The project aims at promoting the Hong Kong new generation of directors and their film projects as well as the post-production services in Hong Kong. It also provides the participants and the Mainland film investors with co-operation opportunities by organising business matching events, press conferences, a networking luncheon and a seminar.	\$187,000	Motion-picture Specialised Committee of the Radio, Film & TV Association of Guangdong Province China Film Co-Production Corporation Guangdong Film Association and the Association of Film and TV Production of Guangdong Province Representatives	Completed	A press conference was held in Guangzhou on 18 January 2010. The information of the project was released by existing staff while the expenses were met by existing resources.

	The project augments the Framework Agreement.		of Mainland film companies and film investors		
Hong Kong Films Retrospective 2010 in Guangzhou	The project aims at enhancing the understanding and interest of Guangdong audience in Hong Kong films and local culture as well as facilitating exchanges of film culture between the two places so as to explore the Guangdong market for Hong Kong films. Activities included film shows, an opening ceremony of the film shows and a film forum. The project augments the Framework Agreement.	\$617,560	State Administration of Radio, Film and Television (SARFT) Guangdong Province Film Company China Film South Cinema Circuit Co. Ltd.	Completed	A press conference was held at the conference room of the Television and Entertainment Licensing Authority on 24 May 2010. The information of the project was released by existing staff and the expenses were met under existing resources.
Hong Kong and Mainland Film Cooperation Business Matching in Shanghai (including a business matching event, an opening ceremony and a seminar)	The project aims at promoting the Hong Kong new generation of directors and their film projects as well as the post-production services in Hong Kong. It also provides the participants and the Mainland film investors with co-operation opportunities. The seminar aims at providing an opportunity for the Hong Kong new generation directors/producers to exchange views on film creativity and development directions with the students of the Shanghai Theatre Academy. The project augments the Framework Agreement.	\$252,000	Representatives of Mainland film companies and film investors Shanghai Theatre Academy	Completed	An opening ceremony was held in conjunction with the Hong Kong Films Retrospective 2010 in Shanghai on 18 October 2010. The information of the project was released by existing staff and the expenses were met under existing resources.
Hong Kong Films Retrospective 2010 in Shanghai (including film shows, an opening ceremony of	The project aims at introducing the original façade of various types of Hong Kong films to the Mainland audience so as to facilitate exchanges of film culture between the two places and assist the	\$328,900	SARFT, Shanghai Film Group Corporation, Shanghai United Circuit	Completed	A press conference was held at the conference room of the Television and Entertainment Licensing Authority on 8 October 2010. The information of the project was released by existing staff and the expenses were met under

the film shows and a film forum)	film industry to explore the Mainland market. The project augments the Framework Agreement.				existing resources.
The first Guangdong-Hong Kong-Macao Youth Film Festival	The project aims at consolidating the established market as well as other local markets in the Mainland for Cantonese films so as to explore more opportunities for independent producers and small to medium budget films. Activities included the free screening and voting in respect of selected films in Guangdong, Hong Kong and Macao, business matching events and a closing ceremony. The project augments the Framework Agreement.	\$349,500	Radio, Film & TV Administration of Guangdong Province Pearl River Film Group Co. Ltd. Guangdong Youth Federation	Completed	Press conferences were held at the conference room of the Television and Entertainment Licensing Authority on 14 January and 17 February 2011 respectively. The information of the project was released by existing staff and the expenses were met under existing resources.
“Hong Kong: Creative Ecologies —Business, Living, Creativity” Design Exhibition	The project featured a series of exhibitions held for 6 months during the Shanghai Expo as well as other activities (such as education workshops) to highlight to Shanghai residents and a global audience the standard and competitive edge of Hong Kong designers from various perspectives. It displayed the energy, style, innovation and branding power of Hong Kong designers. The project augments the Framework Agreement.	\$8,379,000		The exhibitions in Shanghai were held from 15 May to 31 October 2010. The exhibition in Hong Kong is now held staging at the Hong Kong Heritage Museum and will end on 11 May 2011.	The organiser is responsible for the publicity work. Details of the project have been uploaded onto the website of Create Hong Kong. The work concerned is handled by existing staff and the expenses are met under existing resources.
Participation in the 6th China (Shenzhen) International New Media-Movie-TV-Animation Festival to promote Hong Kong new media creative force activities	The project consisted of the setting up of a Hong Kong Pavilion, the staging of a Shenzhen-Hong Kong Movie-TV-Animation Forum and the participation in various activities in the 6th China International New Media-Animation Festival, including the recommendation of	\$493,050	Jointly organised by SARFT and the Shenzhen Municipal Government Shenzhen Bureau of Culture, Radio, Film & TV Shenzhen Media Group	Completed	The organiser was responsible for the publicity work.

	<p>some Hong Kong short films to participate in the King Bonn award competition.</p> <p>The project aims at showcasing to the Mainland industry the new media development in Hong Kong as well as promoting co-operation and exchanges between the industries of Hong Kong and the Mainland.</p> <p>The project augments the Framework Agreement.</p>				
<p>Memorandum of Understanding (MOU) on Co-operation between Hong Kong Design Centre (HKDC) and Shenzhen Industrial Design Profession Association (SIDA)</p>	<p>The signing of the MOU on Co-operation aims at, through optimising the resources of the two places, developing a common platform for exchanges, training and organising exhibitions and forums in the aspect of design.</p> <p>The Framework Agreement covers the project.</p>	<p>Limited expenditure was involved</p>	<p>SIDA</p>	<p>The MOU on Co-operation was signed in December 2008 with no specific project and timeframe.</p>	<p>The information of the project was released by HKDC through its existing staff and the expenses were met under its existing resources.</p>
<p>Co-operation Agreement between HKDC and Shanghai Industry Design Center</p>	<p>The Co-operation Agreement aims at promoting exchanges between Shanghai and Hong Kong in the fields of design, culture and creative industries as well as developing a collaboration platform.</p> <p>Both parties carry out publicity and promotional work with their own resources and channels, and encourage members to participate in the activities held in the two places.</p> <p>The project augments the Framework Agreement.</p>	<p>No actual expenditure was involved</p>	<p>Shanghai Industry Design Center</p>	<p>The Co-operation Agreement was signed in October 2010 and specific work is still under discussion.</p>	<p>The information of the project was released by HKDC by its existing staff and the expenses were met under its existing resources.</p>
<p>Memorandum of Understanding on Co-operation by Dongguan Foreign Trade & Economic Co-operation Bureau / Hong Kong Productivity Council / Hong Kong Design</p>	<p>Supported by the established advisory platform for the transformation and upgrading of Hong Kong-invested enterprises, the three parties have been optimising their own advantages in resources and strengthening the</p>	<p>No actual expenditure was involved</p>	<p>Dongguan Foreign Trade & Economic Co-operation Bureau</p>	<p>The Co-operation Agreement was signed in February 2011 and specific work is still under discussion.</p>	<p>The information of the project was released by HKDC through its existing staff and the expenses were met under its existing resources.</p>

Centre on the Transformation and Upgrading of Hong Kong-invested Enterprises in Dongguan	services for enterprises on industrial design and branding development, etc with a view to assisting the transformation and upgrading of Hong Kong-invested enterprises in Dongguan. The project augments the Framework Agreement.				
CODE Poster Exhibition	Held at the InnoCentre, the Exhibition displays the entries of 70 winners in the CODE Poster Competition. The project augments the Framework Agreement.	Mainly funded by the organiser at Shenzhen with limited contribution from HKDC	Shenzhen Creative Culture Center	Scheduled to complete at the end of March 2011	The information of the project was released by HKDC through its existing staff and the expenses were met under its existing resources.
Designer Development Programme for Electrical Appliances Manufacturing	The project, targeted at local designers and product development engineers of electrical appliances, aims at improving their knowledge on latest product design technical know-how and branding strategy as well as strengthening the foundation of local electrical appliances manufacturing industry on product design. The project includes seminars, workshops and overseas internship. Some of the works of the participants have won prizes in the 12th Hong Kong Household Electrical Appliances Design & Innovation Competition and have been showcased in the 5th Guangdong Industrial Design Week in 2010. The project augments the Framework Agreement.	\$1,570,170	China Industrial Design Association The Economic & Information Commission of Guangdong Province	From October 2009 to September 2011	The organiser is responsible for the publicity work. Details of the project have been uploaded onto the webpage of the DesignSmart Initiative (DSI). The work concerned is handled by existing staff and the expenses are met under existing resources.
Fashion World Talent Awards	By presenting the Fashion World Talent Awards, the project aims at promoting the development of Hong Kong fashion industry and discovering talents from fashion and other related fields, bringing	\$4,043,100	TVS	Completed	The organiser was responsible for the publicity work. Details of the project had been uploaded onto the webpage of DSI. The work concerned was handled by existing staff and the expenses were met under

	<p>them onto the world stage. Participants were recruited in Hong Kong and Guangzhou to compete for the Talent Awards for fashion designer, image stylist and fashion photographer. The project augments the Framework Agreement.</p>				existing resources.
Development of a common innovation platform for the design and manufacturing industries	<p>The study, from a perspective of strategic design, explores how to align the collaboration between the design and manufacturing industries of Hong Kong. Through a series of conferences and study tours held at Pearl River Delta (PRD), the stakeholders express their needs and exchange views. Besides, with reference to the PRD's experiences, the stakeholders come to understand how to make use of design for strategic thinking and as a value-added tool of the enterprise, and joint development of high value-added products and services can be carried out on a common platform. The project augments the Framework Agreement.</p>	\$1,583,000	<p>Municipal Governments of Shenzhen, Shunde and Zhongshan, OCT-LOFT of Shenzhen and Shunde Industrial Design Park.</p>	From August 2009 to May 2011	<p>The organiser is responsible for the publicity work. Details of the project have been uploaded onto the webpage of DSI. The work concerned is handled by existing staff and the expenses are met under existing resources.</p>
Shoe Fountain - discovering shoe design talents with creative shoe designs	<p>The project aims at providing a platform for young shoe designers to go through the prototyping, manufacturing and marketing processes, as well as nurturing young aspiring designers so as to enhance the competitiveness of Hong Kong shoe industry globally. The products will be displayed at the 21st International Exhibition on Shoes & Leather Industry held in Guangzhou and the 19th China International</p>	\$1,742,270	<p>Guangdong Shoe Manufacturers Association Canton Footwear Association China National Garment Association China World Trade Center Company Ltd. The Sub-Council of Textile Industry, China Council for the Promotion of</p>	From May 2010 to June 2011	<p>The organiser is responsible for the publicity work. Details of the project have been uploaded onto the webpage of DSI. The work concerned is handled by existing staff and the expenses are met under existing resources.</p>

	Clothing & Accessories Fair held in Beijing. The project augments the Framework Agreement.		International Trade		
The Second Greater China Illustration Awards	The project aims at developing a platform for fostering creativity and exploring business opportunities for the illustration industries in the Greater China region as well as promoting Hong Kong as a creative capital within the region. The competition is open to the illustrators and design students from Hong Kong, the Mainland, Taiwan and Macao. Four exhibitions of the winning entries will be held by the organiser in the Mainland, Hong Kong and Taiwan respectively. The project augments the Framework Agreement.	\$1,595,760	The Office of the Organising Committee of the China (Hangzhou) Cultural & Creative Industry Expo	From March 2011 to October 2012	The organiser is responsible for the publicity work. Details of the project have been uploaded onto the webpage of DSI. The work concerned is handled by existing staff and the expenses are met under existing resources.
Memorandum of Understanding on Co-operation between Hong Kong Design Centre (HKDC) and Shenzhen Industrial Design Profession Association (SIDA)	Through optimising the resources of the two places, the project aims at developing a common platform for exchanges, training and organising exhibitions and forums in the aspect of design. The project augments the Framework Agreement.	Limited expenditure was involved	SIDA	“Business of Design Week - Shenzhen Industrial Design Forum” is scheduled to be held in Shenzhen in December 2011 as a concurrent event of Business of Design Week.	The information of the project is released by HKDC.
Visit to Shenzhen	A delegation of Hong Kong designers and businessmen will be organised to attend seminars and workshops in Shenzhen to study the creative industries of the city. The project augments the Framework Agreement.	Limited expenditure was involved	SIDA	Scheduled in May 2011	The information of the project is released by HKDC.
2008 China (Shanghai) International Creative Industry Exhibition	With the participation of HKDC, the Exhibition introduced the creative works of Hong Kong designers and provides the	\$900,000	Shanghai Creative Industry Association Shanghai International	Completed	The information of the project was released by HKDC.

	designers with opportunities to exchange, trade and co-operate with other exhibitors and visitors. The project augments the Framework Agreement.		Exhibition Co., Ltd. of Shanghai Expo Group		
2009 “Creativity in Business” Seminar Series	To allow Hong Kong SMEs to have first-hand knowledge of the Mainland market and enterprises as well as establish business network through study tours/briefing sessions, exchange activities and small-scale exhibitions. The project augments the Framework Agreement.	\$2 million	The Municipal People’s Governments of Shenzhen, Dongguan, Guangzhou, Foshan and Zhongshan	Completed	The organiser was responsible for the publicity work.
2010 “Creativity in Business” Seminar Series	To allow Hong Kong SMEs to have first-hand knowledge of the Mainland market and enterprises as well as establish business network through study tour/briefing sessions, exchange activities, small-scale exhibitions. The project augments the Framework Agreement.	\$2.18 million	The Municipal People’s Governments of Dongguan, Jiangmen, Guangzhou and Xiamen	Completed	The organiser was responsible for the publicity work.
The 4th China (Shenzhen) International Cultural Industries Fair (ICIF)	A creative Hong Kong pavilion was set up at the 4th ICIF to showcase the achievements of Hong Kong’s cultural and creative industries. A forum and a concert by Hong Kong Chinese Orchestra were organised on the Hong Kong Day with a view to promoting exchanges in the fields of creative industries, culture and arts between Hong Kong and the Mainland. The project augments the Framework Agreement.	\$5.8 million	Ministry of Culture, Ministry of Commerce, SARFT, General Administration of Press and Publication, Guangdong Provincial People’s Government, Shenzhen Municipal People’s Government	Completed	The organiser was responsible for the publicity work.
The Guangdong-Hong Kong Technology Co-operation Funding Scheme (TCFS)	It aims at providing R&D funding for technological projects conducted jointly by Guangdong and Hong Kong (including Shenzhen and Hong Kong) organisations, enhance collaboration	A total of 55 TCFS projects were approved during 2008-09 to 2010-11, involving a funding of about \$204 million under the	Guangdong Provincial Department of Science and Technology and the Shenzhen Science & Technology, Industry, Trade	Open for application each year since the Scheme’s introduction in 2004	The Innovation and Technology Commission (ITC) announces the details and arrangements of the Scheme every year to invite applications. The amount of funding approved by ITC has been uploaded onto its website.

	among universities, research institutions and industry in the two places, and upgrade the technology level of industry in the Greater Pearl River Delta region. The Scheme is set out in Chapter 4 of the Framework Agreement.	Innovation and Technology Fund (ITF).	and Information Committee		
Pilot run of applications for mutual recognition of electronic signature certificates issued by Guangdong and Hong Kong (the pilot run)	With a view to enhancing the business environment for cross-border e-business, the pilot run is a trading facilitation measure for early and pilot implementation in Guangdong Province under the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA). Supporting the enterprises in the two places to conduct the pilot run is also one of the initiatives to enhance the business environment for e-business under the Framework Agreement.	The Hong Kong Government has contributed a sum of \$25,000 for setting up and maintaining the dedicated website of "Pilot for Mutual Recognition of Electronic Signature Certificates Issued by Hong Kong and Guangdong"	MIIT and the Economic and Information Commission of Guangdong Province	The authorities of Guangdong and Hong Kong launched the dedicated website and announced the application procedure on 15 April 2010. As at the end of February 2011, a total of 2 applications have been received and approved. Estimates for the pilot run will end on 14 April 2012.	The information is released on news.gov.hk and the website of the OGCIO. Details and objectives of the initiative are also available at the dedicated website for the pilot run. Apart from the HK\$25,000 for setting up and maintaining the website, the publicity work does not involve additional manpower and expenditure.
Guangdong-Hong Kong RFID Technology Application Summit	Since its inception in 2006, the Summit seeks to explore the deliverables of the co-operation projects between Guangdong and Hong Kong, and release and share the information of the latest projects, with a view to promoting the development of "Internet of Things" and RFID technology. The annual Summit has different topic each year. The topic for 2008 Summit is about promoting the adoption of RFID technology by Guangdong and Hong Kong with the provision of a common platform; the topic for 2009 Summit is about expediting technology transfer and innovation and fostering Guangdong-Hong Kong	The Administration had sponsored \$80,000 each for the three Summits in 2008, 2009 and 2010.	With the Economic & Information Commission of Guangdong Province and OGCIO of Hong Kong as the advisors, the Summit is co-organised by Guangdong RFID Technology Service Center and Hong Kong R&D Centre for Logistics & Supply Chain Management Enabling Technologies.	The 3rd, 4th and 5th Summits were held in Guangzhou on 23 July 2008, 18 September 2009 and 10 September 2010 respectively.	The Summit is open to the public. The information of the project is released by Guangdong RFID Technology Service Center and Hong Kong R&D Centre for Logistics & Supply Chain Management Enabling Technologies. Apart from the sponsorship of \$80,000 for each Summit, no extra manpower or expense is incurred by the publicity work.

	co-operation on the development of modern information service industry; and the topic for 2010 Summit is about experiencing the wisdom of China, Hong Kong and Guangdong. To encourage the industry to align the standard of practice in respect of RFID is one of the objectives of the Framework Agreement.				
To reduce the Guangdong/Hong Kong mobile roaming service charges	Hong Kong Office of the Telecommunications Authority (OFTA) and the Mainland authorities proactively studied feasible options for lowering the cross-border communication tariffs so as to reduce the Guangdong/Hong Kong mobile roaming service charges with a view to facilitating the development of cross-border communication services between Guangdong and Hong Kong. The project augments the Framework Agreement.	No additional resources involved	MIIT, Guangdong Communications Authority	In a meeting held in Guangzhou in August 2010, the Mainland and Hong Kong authorities reached a consensus by agreeing that “single-card-multiple-numbers service”, being an effective substitute for cross-border mobile roaming service, is much more economical than the traditional mobile voice roaming service. The telecommunication regulatory authorities in Guangdong and Hong Kong will encourage proactive co-operation between operators in both places to promote the “single-card-multiple-numbers service”.	Operators in Guangdong and Hong Kong have launched a great variety of “single-card multiple numbers services” through mutual business cooperation. Thus, no separate release of the details is needed. The telecommunications regulatory bodies in the Mainland and Hong Kong will continue to closely monitor the development of the market.

(b) The Hong Kong/Mainland cross-boundary projects or programmes for 2011-12 already known are as follows:

Project/ programme title	Details, objective and whether it is related to the Framework	Expenditure involved	Name of Mainland department/	Progress (% completed, start date, anticipated	Will the details, objective, amount involved or
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	Agreement		organisation involved	completion date)	impact on the public, society, culture and ecology be released to the public? If so, through which channels and what will be the manpower and expenditure involved? If not, what are the reasons?
Showcasing Hong Kong's Creativity – Hong Kong Publishing and Printing Industry Joining Three International Book Fairs	Through the setting up of a Hong Kong Pavilion at Beijing International Book Fair, the project aims at demonstrating to the world the creativity and the accomplishments of the publishing and printing industry of Hong Kong. Under the project, a Hong Kong Pavilion will also be set up at Frankfurt Book Fair in October 2011 and at Taipei International Book Exhibition in February 2012 respectively. The project augments the Framework Agreement.	\$4,812,180		A Hong Kong Pavilion will be set up at Beijing International Book Fair from 31 August to 4 September 2011.	The organiser is responsible for the publicity work. The details of the project have been uploaded onto the webpage of CreateHK. The work concerned is handled by existing staff and the expenses are met under existing resources.
The Guangdong-Hong Kong Technology Co-operation Funding Scheme (TCFS)	It aims at providing R&D funding for technological projects conducted jointly by Guangdong and Hong Kong (including Shenzhen and Hong Kong) organisations, enhance collaboration among universities, research institutions and industry in the two places, and upgrade the technology level of industry in the Greater Pearl River Delta region. The Scheme is set out in Chapter 4 of the Framework Agreement.	It is estimated that 9 TCFS projects will be approved in 2011-12, involving ITF funding of about \$31 million.	Guangdong Provincial Department of Science and Technology and the Shenzhen Science & Technology, Industry, Trade and Information Committee	To be confirmed.	The Innovation and Technology Commission will announce the details and arrangements of the Scheme for 2011 to invite applications.
The 6th Guangdong-Hong Kong RFID Technology	It has been one of the key focus areas in 2011 under the Framework Agreement to continue	To be confirmed. A sponsorship of \$80,000 is expected from	With the Economic & Information Commission of	To be confirmed. Scheduled to be held in Guangzhou in	Relevant information will be released by Guangdong RFID

Application Summit	to organise the RFID Summit to further promote Guangdong-Hong Kong co-operation on the application of RFID and “Internet of Things” and drive the development of strategic emerging industries. Office of the Government Chief Information Officer and the Economic & Information Commission of Guangdong Province are now discussing the topic of 2011 Summit.	the Administration.	Guangdong Province and Office of the Government Chief Information Officer of Hong Kong as the advisors, the Summit is co-organised by Guangdong RFID Technology Service Center and Hong Kong R&D Centre for Logistics & Supply Chain Management Enabling Technologies.	September 2011.	Technology Service Center and Hong Kong R&D Centre for Logistics & Supply Chain Management Enabling Technologies prior to the Summit. Apart from the sponsorship for the Summit, no extra manpower and expenses will be involved for the publicity work.
Co-operative arrangement on establishing a contingency notification mechanism on major faults of the Guangdong-Hong Kong cross-border telecommunications networks	To strengthen co-operation in areas relating to contingency handling of major faults of the cross-border telecommunications networks (i.e. the major public telecommunications land cable transmission channels connecting Guangdong and Hong Kong as well as the telecommunications business carried by them) by establishing a mutual notification mechanism for speedy and effective message exchanges to enhance the contingency capabilities of dealing with emergencies so as to ensure the reliability and safety of the telecommunications networks between Guangdong and Hong Kong. The project augments the Framework Agreement.	Guangdong and Hong Kong will bear the operating costs respectively with their own existing resources. No additional expenditure will be involved.	MIIT, Guangdong Communications Authority	In April 2010, Guangdong Communications Authority and Hong Kong OFTA jointly drafted a document on co-operative arrangement. The draft document, after being amended by the MIIT, has been submitted to the Hong Kong and Macao Affairs Office for approval.	Upon official signing of the document, the contents will be made public. The channels for publication are to be decided.
Industry exchange	To participate in Guangdong-Hong Kong telecommunications industry seminars to be held by the telecommunications industry every year.	No additional resource will be involved.	Guangdong Communications Authority	Will continue to be conducted on a regular basis.	Not applicable

	<p>Through business and regulatory exchanges/briefings between representatives of the telecommunication industry and industry regulatory bodies of both places, opportunities for business expansion for Hong Kong businessmen in Guangdong will be increased.</p> <p>The project augments the Framework Agreement.</p>				
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- (c) Apart from the above projects or programmes, we have been co-operating with broadcasters in the Mainland for many years. For instance, Radio Television Hong Kong (RTHK) has collaborated with Guangdong Radio and Television, Radio Foshan and Radio Shanghai in radio and television programme productions to enhance the variety and content of programmes. Such cooperation usually takes the form of simulcast or exchange of programmes with the collaborating parties but do not involve payment to each other. Moreover, we are currently discussing with relevant Mainland broadcasters on the relaying of national radio and television programmes by RTHK when its digital audio broadcasting and digital terrestrial television services are launched in the future.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce and Economic
Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)008

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0702

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Commerce and Economic Development Bureau will continue to work with the Development Bureau and the selected operator in taking forward the revitalisation project of the Former Hollywood Road Police Married Quarters site. What are the details of the specific work arrangements? What are the expenditure and manpower involved?

Asked by: Hon. IP Kwok-him

Reply: An operator has been selected to conduct the conservation and revitalisation project of the Former Hollywood Road Police Married Quarters site for developing it into a creative industries landmark. The Architectural Services Department (ASD) is now working on the detailed revitalisation design. It is envisaged that the Administration will seek funding approval from the Finance Committee within this legislative session and invite tender proposals during summer, with the revitalisation works scheduled to commence in early 2012 with a view to completing it by end of 2013. The Government will finance part of the works at an estimated cost of around \$400 million, and the selected operator will be responsible for part of the capital costs, project preparatory costs and future operating costs at \$110 million. The Development Bureau, Commerce and Economic Development Bureau and ASD will work closely with the selected operator to implement the project and realise the project vision of promoting the development of creative industries. This Bureau has no plan to provide more manpower for this project and the related expenses will be met by our existing resources.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)009

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0703

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Commerce and Economic Development Bureau will continue to encourage the wider use of design to add value to Hong Kong's goods and services. Has the effectiveness of the work in the past been evaluated? Please give an account of the details of the specific work arrangements in the coming year. What are the expenditure and manpower involved?

Asked by: Hon. IP Kwok-him

Reply: The DesignSmart Initiative (DSI) was launched in 2004 to provide funding support for design-related activities.

As at end February 2011, a total of 545 applications have been received under DSI among which 375 projects have been approved with a total funding of \$165 million.

DSI has provided funding support for a number of major events which enhance the design knowledge and professional standards of the industry as well as provide design companies and designers with more networking and co-operation opportunities. One of the events is the Business of Design Week which has become a significant annual design event in Asia. DSI also provided funding support to about 280 small and medium enterprises for encouraging the use of design to improve product and service quality and enhance their competitiveness. The funding involved amounts to \$22 million and the scheme has achieved very effective result.

CreateHK will review DSI from time to time to ensure its effective operation to drive and enhance the development of the design industry in Hong Kong.

In 2011-12, the Government will continue to encourage the wider use of design to add value to Hong Kong's goods and services through the above supporting and funding initiatives.

The Design Section of CreateHK, also being the DSI Secretariat, is responsible for the promotion of design. The estimated expenditure of the Section for the financial year of 2011-12 is \$58.1 million, including \$4.6 million for emoluments for 9 staff members and departmental expenses, \$32.5 million for the various funding schemes under DSI and \$21 million for supporting Hong Kong Design Centre.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)010

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0704

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that this year the Commerce and Economic Development Bureau will follow through the enactment of the Communications Authority Bill to establish the Communications Authority and the Office of the Communications Authority. What is the schedule for the enactment of the Bill? What are the expenditure and manpower involved?

Asked by: Hon. IP Kwok-him

Reply: The Communications Authority Bill (the Bill) has been introduced into the Legislative Council in June 2010 and is now being considered by the Bills Committee. We expect that the Communications Authority (CA) will be established in about 9 months after the enactment of the Bill.

The Office of the Communications Authority (OFCA), a government department that will operate as a trading fund, will provide administrative support to the CA. The expenditure involved in the establishment of the CA and OFCA will be absorbed by the OFCA Trading Fund. As for manpower, the future OFCA Trading Fund will be formed by merging the existing Office of the Telecommunications Authority and the division in charge of broadcasting in the Television and Entertainment Licensing Authority. We have no plan to increase manpower for the establishment of the CA and OFCA.

Name in block letters Miss Elizabeth TSE

Permanent Secretary for Commerce
and Economic Development

Post Title (Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0705

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Commerce and Economic Development Bureau will continue to monitor the effectiveness of self-regulatory schemes for safeguarding consumers' interests this year. What are the contents of this follow-up plan? Please give an account of the expenditure and manpower involved.

Asked by: Hon. IP Kwok-him

Reply: The Office of the Telecommunications Authority (OFTA) has been working closely with the Communications Association of Hong Kong (CAHK), a major telecommunications industry association, in implementing self-regulatory schemes within the industry. After consultation with OFTA and the industry players, CAHK promulgated the following 2 industry codes of practice in 2010 –

Code for the Provision of Chargeable Mobile Content Services: With a view to safeguarding consumers' interests in using chargeable mobile content services, OFTA worked closely with CAHK and the industry and promulgated this voluntary code in January 2010 to regulate the sales and promotional practices of third party content service providers in providing mobile content services; and

Code of Practice for Telecommunications Service Contracts: Promulgated in December 2010, this code of practice serves as guidelines for the telecommunications industry in drawing up contracts on telecommunications services with its customers so as to enhance transparency in the contracting process. By introducing a cooling-off period for contracts, it also helps further protect consumers' interest and increase customer satisfaction.

With the full implementation of the former Code in June 2010, the number of relevant complaints received by OFTA has dropped substantially. We believe that this self-regulatory scheme has been effective in addressing the issue concerned. As for the latter Code, OFTA will closely monitor its implementation and maintain close dialogue with the industry and CAHK to establish if the Code needs to be improved in future, taking into account the experience of enforcement, the complaint statistics before and after the scheme's implementation as well as the feedback of the public.

As regards person-to-person telemarketing calls made by the telecommunications industry, CAHK issued a relevant code of practice to its members on 2 March 2011. Members who agree to adopt the code will do so by May 2011 and set out their status of adoption on their websites.

OFTA has been playing a role in fostering the implementation of the self-regulatory schemes and liaising with the industry. For the effective implementation of the *Code for the Provision of Chargeable Mobile Content Services*, CAHK has established an administrative agency in April 2010 with its first-year expenditure partly sponsored by the industry and partly funded by OFTA. The expenditure incurred by OFTA has been absorbed by the OFTA Trading Fund. As for the other 2 self-regulatory schemes, the related manpower and expenditure have been absorbed mainly by the industry while the staff costs incurred by OFTA would be absorbed by the OFTA Trading Fund.

Name in block letters	<u>Miss Elizabeth TSE</u>
Post Title	<u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u>
Date	<u>17.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)012

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0706

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Commerce and Economic Development Bureau will follow up on the public consultation relating to the pilot Customer Complaint Settlement Scheme this year. What is the follow-up plan? Please give an account of the expenditure and manpower involved.

Asked by: Hon. IP Kwok-him

Reply: The Office of the Telecommunications Authority (OFTA) issued a public consultation paper on the Customer Complaint Settlement Scheme (CCSS) on 8 June 2010 to seek the views of the public and the industry on the proposals relating to the implementation of the CCSS for the telecommunications industry on a long term and sustainable basis. As at the closing date of the consultation exercise on 8 December 2010, OFTA received a total of 13 submissions from the industry (including 10 telecommunications operators and trade associations) and other parties (including the Consumer Council and a law firm). In brief, the industry expressed different views on the proposals set out in the public consultation paper.

Taking into account the outcomes of the consultation, OFTA will consider possible options for implementing a long term CCSS. OFTA will also consult the industry on the practicality of implementing the scheme by the industry on a voluntary basis. It is expected that a preliminary option will be formulated within this year.

OFTA expects that the funding for implementing a long term CCSS should be borne by the industry. If necessary, OFTA would consider making a contribution for the initial setting up costs so as to kick start the scheme. As the option to be adopted and relevant details are yet to be finalised, OFTA is unable to estimate the expenditure and manpower to be involved at the moment. Nevertheless the expenses so incurred will be met by the OFTA Trading Fund.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)013

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0054

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: What are the details of the self-regulatory schemes for telecommunications services and what are the manpower and expenditure involved? Are person-to-person telemarketing calls being covered under the schemes? Has the public been consulted on the effectiveness of the schemes?

Asked by: Hon. IP LAU Suk-ye, Regina

Reply: The Office of the Telecommunications Authority (OFTA) has been working closely with the Communications Association of Hong Kong (CAHK), a major telecommunications industry association, in implementing self-regulatory schemes within the industry. After consultation with OFTA and the industry players, CAHK promulgated the following 2 industry codes of practice in 2010 –

Code for the Provision of Chargeable Mobile Content Services: With a view to safeguarding consumers' interests in using chargeable mobile content services, OFTA worked closely with CAHK and the industry and promulgated this voluntary code in January 2010 to regulate the sales and promotional practices of third party content service providers in providing the mobile content services; and

Code of Practice for Telecommunications Service Contracts: Promulgated in December 2010, this code of practice serves as guidelines for the telecommunications industry in drawing up contracts on telecommunications services with its customers so as to enhance transparency in the contracting process. By introducing a cooling-off period for contracts, it also helps further protect consumers' interest and increase customer satisfaction.

With the full implementation of the former Code in June 2010, the number of relevant complaints received by OFTA has dropped substantially. We believe that this self-regulatory scheme has been effective in addressing the issue concerned. As for the latter Code, OFTA will closely monitor its implementation and maintain close dialogue with the industry and CAHK to establish if the Code needs to be improved in the future, taking into account the experience of enforcement, the complaint statistics before and after the scheme's implementation as well as the feedback of the public.

As regards person-to-person telemarketing calls being made by the telecommunications industry, CAHK issued a relevant code of practice to its members on 2 March 2011. Members who agree to adopt the code will do so by May 2011 and state their status of adoption on their websites.

OFTA has been playing a role in fostering the implementation of the self-regulatory schemes and liaising with the industry. For the effective implementation of the *Code for the Provision of Chargeable Mobile Content Services*, CAHK has established an administrative agency in April 2010 with its first-year expenditure partly sponsored by the industry and partly funded by OFTA. The expenditure incurred by OFTA has been met by the OFTA Trading Fund. As for the other 2 self-regulatory schemes, the related manpower and expenditure have been absorbed mainly by the industry while the staff costs incurred by OFTA would be met by the OFTA Trading Fund.

We will closely monitor the effectiveness of and public response to the various self-regulatory schemes. We will also brief the Panel on Information Technology and Broadcasting of the Legislative Council of the implementation progress and seek Members' views in due course.

Name in block letters	Miss Elizabeth TSE
Post Title	Permanent Secretary for Commerce and Economic Development (Communications and Technology)
Date	17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)014

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0055

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: How many cases have been received under the pilot Customer Complaint Settlement Scheme (CCSS)? How many of them are resolved and what is the expenditure involved?

Asked by: Hon. IP LAU Suk-ye, Regina

Reply: With a view to providing an alternative dispute resolution scheme for resolving contractual disputes between telecommunications service providers and their customers outside the judicial system, the Office of the Telecommunications Authority (OFTA) proposed the setting up of a Customer Complaint Settlement Scheme (CCSS). The pilot programme for the CCSS (Pilot Programme) was conducted from 2008 to 2010 to test its practicality and efficacy. As such, the Pilot Programme was operated on a limited scale. It was conducted on a voluntary basis, and dispute cases were referred to the Pilot Programme by the participating operators.

The pilot CCSS followed a two-stage approach. The first stage was mediation. In order to assist the customer and the operator to reach a mutually acceptable agreement to resolve their dispute, OFTA staff would attempt to conduct informal mediation between the parties. If mediation did not result in a settlement, the case would proceed to the second stage for adjudication by the Hong Kong International Arbitration Centre (HKIAC).

Three operators participated in the Pilot Programme and 18 cases had been handled. Out of the 18 cases, 6 had been resolved during the mediation stage, and the remaining 12 cases were resolved by adjudication.

With respect to the expenditure of the Pilot Programme, the adjudication services were provided by HKIAC free of charge. OFTA was responsible for providing the necessary manpower and other resources for administrative support. OFTA would conduct the mediation between the parties in the first stage before referring the cases to HKIAC. The expenses so incurred were absorbed by the OFTA Trading Fund.

Name in block letters Miss Elizabeth TSE

Permanent Secretary for Commerce
and Economic Development

Post Title (Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)015

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1727

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme:

Controlling Permanent Secretary for Commerce and Economic Development
Officer: (Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: What is the reason for the increase of three non-directorate posts in 2011-12? What are the ranks of these posts and the expenses for their emoluments involved?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The Communications and Technology Branch plans to create three non-directorate posts in 2011-12, including one Assistant Trade Officer II and one Executive Officer II to support Create Hong Kong office and another EO II to provide administrative support. The full year cost of emoluments for these posts is about \$1.042 million.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)016

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1728

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: The estimate for 2011-12 represents a substantial increase of 26.1% over the revised estimate for 2010-11. According to the Bureau, such an increase is partially due to the increase in the expenses required for general non-recurrent items. What are these items? Please give a breakdown of the expenses so required.

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The estimate for 2011-12 represents a substantial increase of 26.1% (\$60.7 million) over the revised estimate for 2010-11. This is mainly due to the increased cash flow requirement for general non-recurrent items such as the Film Development Fund (\$61.1 million) and the CreateSmart Initiative (\$73.3 million). The total amount of provision for these 2 items is \$134.4 million which is \$51.52 million higher than the revised estimate of \$82.88 million for 2010-11.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)017

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1729

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: The revised estimate for 2010-11 is 28.1% lower than the original estimate for the same year. Why?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The revised estimate for 2010-11 is 28.1% (\$6.5 million) lower than the original estimate for the same year. This is mainly due to the re-deployment of resources between the Programmes (\$5.4 million) and a decreased provision of \$1 million earmarked for the Telecommunications (Competition Provisions) Appeal Board.

Name in block letters Miss Elizabeth TSE
Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)018

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0850

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide the estimate of expenditure, details and progress regarding the task of “studying the implications of the development of the next generation networks on the regulation of telecommunications services” in 2011-12.

Asked by: Hon. LAU Wai-hing, Emily

Reply: The Office of the Telecommunications Authority (OFTA) will commission a consultant to conduct the study on the implications of the development of the next generation networks on the regulation of telecommunications services. OFTA has invited tenders for the consultancy study and is now evaluating the tender proposals received. We expect that the consultancy contract will be awarded shortly. The study is scheduled to start in April 2011 and complete in September 2011.

The expenditure of the study will be absorbed by the OFTA Trading Fund.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)019

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0851

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: How much provision will be earmarked for considering the way forward for the review of the Control of Obscene and Indecent Articles Ordinance (Cap. 390)? What is the direction and timeframe of the review?

Asked by: Hon. LAU Wai-hing, Emily

Reply: A large number of submissions had been received during the first round of the public consultation on the review of the Control of Obscene and Indecent Articles Ordinance (COIAO). Public views received showed no evident consensus on various aspects of the consultation. We are now studying in detail the way forward for the review of the COIAO in accordance with the views received. The expenditure of the review will be absorbed by the existing provisions of the Commerce and Economic Development Bureau and the Television and Entertainment Licensing Authority.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce and Economic
Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)020

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0852

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: How much provision will be earmarked in 2011-12 for establishing the Communications Authority and the Office of the Communications Authority? What is the schedule of their establishment? When will the Administration rationalise and align the Telecommunications Ordinance and the Broadcasting Ordinance? What is the estimated time required for completing the task?

Asked by: Hon. LAU Wai-hing, Emily

Reply: The Communications Authority Bill (the Bill) has been introduced into the Legislative Council in June 2010 and is now being considered by the Bills Committee.

We expect that the Communications Authority (CA) will be established in about 9 months after the enactment of the Bill. After the establishment of the CA, we will give priority to the review of the Telecommunications Ordinance and the Broadcasting Ordinance. The review schedule is subject to the work plan to be devised jointly with the CA after its establishment.

The expenditure involved in the establishment of the CA and the Office of the Communications Authority (OFCA) will be absorbed by the OFCA Trading Fund.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)021

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0853

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide the 2011-12 estimate for the Board of Advisors for Radio Television Hong Kong (RTHK). What is the work plan of the Board in 2011-12? Will the meetings of the Board be open to the public so as to enhance the transparency of the meetings?

Asked by: Hon. LAU Wai-hing, Emily

Reply: RTHK will provide secretariat support to the Board of Advisors through internal re-deployment of staff. No separate estimate in 2011-12 is made for the Board of Advisors.

The major task of the Board of Advisors in 2011-12 is to examine and discuss the arrangements for community participation in broadcasting, and provide advice to RTHK accordingly.

The agenda, discussion papers and minutes of meeting of the Board of Advisors have been made public by uploading onto the website of RTHK so that the public may know the discussions at its meetings. There is no plan for the meetings of the Board of Advisors to be open to the public.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)022

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0854

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide the estimate of expenditure, details and progress regarding the task of “overseeing the launch of digital audio broadcasting” in 2011-12. Will a study on opening up of the airwaves be included?

Asked by: Hon. LAU Wai-hing, Emily

Reply: In November 2010, the Chief Executive in Council gave approval in principle to 3 applications for sound broadcasting licences to provide digital audio broadcasting (DAB) services. The licences are being prepared for the Chief Executive in Council’s approval as soon as possible. As we understand it, the broadcasters, upon issue of the licences, will seek to launch their DAB services within this year. Radio Television Hong Kong (RTHK) also plans to provide DAB services next year. The three prospective licensees and RTHK will provide a total of 18 programme channels which offer listeners radio services of more programme choices and better sound quality. The Commerce and Economic Development Bureau and the departments concerned will promote the development of DAB with their existing resources.

As radio spectrum is a scarce and valuable public resource and broadcasting services have far-reaching impact on the public, the broadcasting licence applications have to be processed carefully and in line with public interest. Subject to the availability of spectrum resources, there is no pre-set limit on the number of licensed broadcasters. The applications received would be processed in accordance with the legislation and established procedures. RTHK is now actively exploring opportunities for the public to participate in broadcasting, including the setting up of the Community Broadcasting Involvement Fund to assist community organisations to take part in broadcasting on RTHK’s digital channel.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce and Economic
Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)023

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0855

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide the estimate of expenditure and details regarding the task of “continuing to oversee the development plans for Radio Television Hong Kong (RTHK) as a public service broadcaster” in 2011-12. Will the task include allowing RTHK to establish dedicated television and radio channels for broadcasting news and public affairs programmes?

Asked by: Hon. LAU Wai-hing, Emily

Reply: In 2011-12, we will continue to oversee the preparation and implementation of various new services and initiatives to be launched by Radio Television Hong Kong (RTHK).

To fulfill its mission as a public service broadcaster, RTHK will embark on various new development initiatives in the next few years, including the preparation for the launch of digital audio broadcasting (DAB) and digital terrestrial television (DTT) broadcasting services, facilitating community participation in broadcasting, planning for the re-provisioning of the Broadcasting House as well as establishing a digital media asset management system.

In respect of radio channels, RTHK has been allocated spectrum frequencies to launch a total of 5 DAB programme channels. Four of the new DAB programme channels will initially be used for simulcasting the existing four AM channels to improve reception quality, with gradual enhancement of programme content, including the introduction of community participation in broadcasting. The other programme channel will be used for relaying national radio programmes to enhance public understanding about matters concerning the Mainland.

As for the television channels, RTHK will adopt a progressive and step-by-step strategy in developing its own DTT service. In the next few years, RTHK will give priority to the rollout of transmission network, requisition of transmission equipment and facilities as well as conducting technical trials.

At present, RTHK does not have plans to establish dedicated radio or television channels for broadcasting news and public affairs programmes.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)024

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0752

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Commerce and Economic Development Bureau will continue to develop Hong Kong's position in creativity and innovation in the region. Will the Administration inform the Committee of the following -

- (a) Have specific objectives and measures for further implementation been formulated in this connection? If so, what are the details? If not, why?
- (b) As for the CreateSmart Initiative, has any comprehensive review of its effectiveness and the ambit for funding in the future been made? If so, what are the details? If not, why?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) Create Hong Kong (CreateHK) takes the lead to promote the development of the creative industries in Hong Kong with the seven-pronged strategy formulated in consultation with the Legislative Council and the industries. The strategy is -
 - (i) nurturing a pool of creative human capital;
 - (ii) facilitating start-ups and development of creative establishments;
 - (iii) generating demand for creativity and expanding local market size for creative industries;
 - (iv) promoting creative industries on the Mainland and overseas to help explore outside markets;
 - (v) fostering a creative atmosphere within the community;
 - (vi) developing creative clusters in the territory to generate synergy and facilitate exchanges; and
 - (vii) organising major events to promote Hong Kong as Asia's creative capital.

Since its inception, CreateHK has been collaborating with the creative industries closely in formulating plans that are conducive to creative industries development and in line with the above strategies. In 2011-12, we will continue to work with the industry players and other strategic partners to implement collaborative projects. Funding support will be provided to organise major events so as to foster a creative atmosphere in

the local community and attract talents from the region to Hong Kong for exchange and collaboration with a view to further promoting our creative industries. The major events include annual signature events such as Entertainment Expo Hong Kong and Business of Design Week, as well as the first-ever Asian Online Games Awards, Hong Kong Asian-Pop Music Festival, Asia Rainbow TV Awards, Hong Kong International Mobile Film Awards and SIGGRAPH Asia Conference which will be held in Hong Kong for the first time.

- (b) So far over 110 applications for support to projects in the creative industries have been received under the \$300 million CreateSmart Initiative (CSI), among which over 40 applications have been approved with a funding of more than \$70 million. CreateHK reviews the CSI from time to time to ensure its smooth and effective operation to achieve the expected targets as well as to promote and strengthen the development of the creative industries in Hong Kong.

Name in block letters	<u>Miss Elizabeth TSE</u>
Post Title	<u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u>
Date	<u>17.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)025

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0753

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Communications and Technology Branch will follow through the enactment of the Communications Authority Bill to establish the Communications Authority and the Office of the Communications Authority. Will the Administration inform the Committee of the following -

- (a) Has the Administration devised any objectives and schedule in respect of the merging of the Broadcasting Authority and the Telecommunications Authority as well as the completion of the legislative process? If so, what are the details? If not, why?
- (b) Is there any difficulty in the merger? If so, what are the details? If not, why does it take so long to complete the merger? Does the Administration expect any impact of the implementation of the merger on the expenditure and manpower? If so, what are the details? If not, why?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) The Communications Authority Bill (the Bill) has been introduced into the Legislative Council in June 2010 and is now being considered by the Bills Committee. It is expected that the Communications Authority (CA) will be established in about 9 months after the enactment of the Bill.
 - (b) The drafting of the Bill was more complicated than originally expected as a large number of provisions of the Broadcasting Ordinance and the Telecommunications Ordinance had to be amended correspondingly. A longer time than expected had been taken to seek legal advice and comments from the concerned parties. The Bill is now being considered by the Bills Committee of the Legislative Council. We hope that the Bill can be enacted as soon as possible.

The Office of the Communications Authority (OFCA), a government department that will operate as a trading fund, will provide administrative support to the CA. The expenditure involved in the establishment of the CA and OFCA as well as the future recurrent expenditure of OFCA will be absorbed by the future OFCA Trading Fund. The OFCA Trading Fund will be formed by merging the Office of the Telecommunications Authority and the division in charge of broadcasting in the Television and Entertainment Licensing Authority. We have no plan to increase manpower for the establishment of the CA and OFCA.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)026

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0754

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Communications and Technology Branch will implement procedures to facilitate laying of new submarine cables to Hong Kong in a simpler and speedier manner. Will the Administration inform the Committee of the following –

- (a) Is there any substantive progress in the implementation of the above-mentioned procedures? Is there any difficulty in the implementation work?
- (b) Has the Administration expedited the implementation of the above-mentioned procedures by “facilitating the development of more high-end data centres in Hong Kong” (paragraph 116 of the 2011-12 Budget Speech)? If so, what are the details? If not, why?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) Facilitating the laying of new submarine cables to Hong Kong is one of the items on the Policy Agenda in 2009-10. The Office of the Telecommunications Authority (OFTA) has been implementing a series of measures since April 2010 to help interested parties to install new submarine cable systems in Hong Kong. The measures include the introduction of a dedicated webpage at OFTA's website which provides information on landing submarine cables in Hong Kong, and the provision of a single-point-of-contact service to the interested operators. Such measures have been well received by the industry since their implementation and the landing of 2 new submarine cable systems is expected to take place between 2012 and 2013. OFTA and other government departments concerned have set up a task group on the landing of these 2 cable systems and working sessions have been held to discuss the details so as to allow the timely processing of applications for statutory approvals. We have made encouraging progress for the two projects with the active coordination of the authorities concerned.
 - (b) The Administration has been supportive to the development of data centres in Hong Kong. The Office of the Government Chief Information Officer and Invest Hong Kong are actively promoting Hong Kong as the hub for data centres in the Asia Pacific region and providing support for establishments which intend to invest and set up data centres. The Administration has also been working closely with the Hong Kong Science and Technology Parks Corporation (HKSTP) in granting land for developing data centres. Last year, about 8 hectares of land were granted by HKSTP for developing high-end data centres. The 2009-10 Policy Address also put forward initiatives to optimise the use of

industrial buildings so as to facilitate wholesale conversion or redevelopment of existing industrial buildings for other uses including data centres.

Data centres are an essential part of the infrastructure of a knowledge-based economy. Promoting the development of data centres helps consolidate Hong Kong's status as a business and financial centre. To this end, the Administration will -

- (i) establish a one-stop-service website, scheduled to be launched in around mid-2011, for disseminating information related to the development of data centres;
- (ii) step up measures for promoting to the data centre sector optimal use of the existing industrial buildings and industrial sites; and
- (iii) explore other facilitating measures, including studying the feasibility of and arrangements for granting land suitable for developing high-end data centres.

Name in block letters	Miss Elizabeth TSE
Post Title	Permanent Secretary for Commerce and Economic Development (Communications and Technology)
Date	17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)027

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0759

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: A pilot Customer Complaint Settlement Scheme (CCSS) was launched in 2008 with a view to resolving disputes between the telecommunications service providers and customers. It is also mentioned in *Matters Requiring Special Attention in 2011-12* that the Administration will follow up the public consultation relating to the CCSS. Will the Administration inform the Committee of the following –

- (a) How many telecommunications service providers have joined the CCSS so far? How many cases have been received to date and how are they being followed up?
- (b) When will a comprehensive review in respect of the CCSS be conducted and what is the schedule? Has the Administration discussed with the industry the viability of setting up a long-term CCSS? If so, what are the details? If not, why? How much expenditure and manpower are expected to be involved under the CCSS in 2011-12?

Asked by: Hon. TAM Wai-ho, Samson

Reply:

- (a) The pilot programme for the Customer Complaint Settlement Scheme (Pilot Programme) was conducted from 2008 to 2010 by the Office of the Telecommunications Authority (OFTA) and operated on a voluntary basis. Three operators participated in the Pilot Programme and 18 cases had been handled. Out of the 18 cases, 6 had been resolved during the mediation stage, and the remaining 12 cases were resolved by adjudication.
- (b) OFTA issued a public consultation paper on the Customer Complaint Settlement Scheme (CCSS) on 8 June 2010 to seek the views of the public and the industry on the proposals relating to the implementation of the CCSS for the telecommunications industry on a long term and sustainable basis. As at the closing date of the consultation exercise on 8 December 2010, OFTA received a total of 13 submissions from the industry (including 10 telecommunications operators and trade associations) and other parties (including the Consumer Council and a law firm). In brief, the industry expressed different views on the proposals set out in the public consultation paper.

Taking into account the outcomes of the consultation, OFTA will consider possible options for implementing a long term CCSS. OFTA will also consult the industry on the practicality of implementing the scheme by the industry on a voluntary basis. It is expected that a preliminary option will be formulated within this year.

OFTA expects that the funding for implementing a long term CCSS should be borne by the industry. If necessary, OFTA would consider making a contribution for the initial

setting up costs so as to kick start the scheme. As the option to be adopted and relevant details are yet to be finalised, OFTA is unable to estimate the expenditure and manpower to be involved at the moment. Nevertheless the expenses so incurred will be met by the OFTA Trading Fund.

Name in block letters Miss Elizabeth TSE
Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)028

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0760

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Brief Description* of the Programme that the DesignSmart Initiative is administered through Create Hong Kong (CreateHK) and in *Matters Requiring Special Attention in 2011-12* that the scheme will continue to be administered under CreateHK. Will the Administration inform the Committee of the following -

- (a) What are the highest and lowest funding amount of the funded projects since the launch of the scheme? Does the Administration evaluate the effectiveness of the scheme so far? If so, what are the results of the evaluation? If not, why?
- (b) What are the expected manpower and expenditure to be allocated in 2011-12?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) The DesignSmart Initiative (DSI) scheme was launched in 2004 to provide funding support for design-related activities.

As for the funding amount of the approved projects since the launch of the scheme, the lowest amount is \$7,000 while the highest amount is \$9.97 million. As at end February 2011, a total of 545 applications have been received under DSI scheme among which 375 projects have been approved with a total funding of \$165 million.

DSI has provided funding support for a number of major events which enhance the design knowledge and professional standards of the industry as well as provide companies and designers with more networking and co-operation opportunities. One of the events is the Business of Design Week which has become a significant annual design event in Asia. DSI also provided funding support to about 280 small and medium enterprises for encouraging the use of design to improve product and service quality and enhance their competitiveness. The funding involved amounts to \$22 million and the scheme has achieved very effective result.

- (b) The Design Section of CreateHK, also being the DSI Secretariat, is responsible for the promotion of design. The estimated expenditure of the Section for the financial year of 2011-12 is \$58.1 million, including \$4.6 million for emoluments for 9 staff members and departmental expenses, \$32.5 million for the various funding schemes under DSI and \$21 million for supporting Hong Kong Design Centre.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)029

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0761

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Commerce and Economic Development Bureau will continue to promote Hong Kong as Asia's creative capital. In this connection, will the Administration inform the Committee of the following -

- (a) What specific strategies and measures have been taken to achieve the above objective in 2010-11? Will there be new policies and measures taken to cope with the situation in 2011-12?
- (b) What are the manpower and expenditure to be allocated in 2011-12 as compared with 2010-11?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) After consultation with the Legislative Council and the industries, Create Hong Kong (CreateHK) formulated a seven-pronged strategy to drive the development of creative industries in Hong Kong. The strategy includes organising major events to promote Hong Kong as Asia's creative capital.

In 2010-11, funding support was provided by CreateHK to organise major events, including annual signature events such as Entertainment Expo Hong Kong and Business of Design Week, as well as the first-ever Hong Kong Asian-Pop Music Festival, Asia Rainbow TV Awards, Hong Kong International Mobile Film Awards, etc. In 2011-12, we will continue to work with industry players and other strategic partners to implement collaborative projects. Funding support will be provided to organise major events to foster a creative atmosphere in the local community and attract talents from the region to Hong Kong for exchange and collaboration, with a view to promoting Hong Kong as Asia's creative capital. New projects in 2011-12 include Asian Online Games Awards and SIGGRAPH Asia Conference which will be held in Hong Kong for the first time.

- (b) In the financial year of 2010-11, there are 56 staff members in CreateHK and the estimated expenditure is \$187 million, including \$48.8 million for emoluments and departmental expenses and \$138 million for general non-recurrent items (which include allocations for the various funding schemes administered by CreateHK as well as for the operation of Hong Kong Design Centre). In 2011-12, there will be 62 staff members in CreateHK and the estimated expenditure is \$239 million, including \$51.2 million for emoluments and departmental expenses and \$188 million for general non-recurrent items.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)030

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2033

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: Under the Film Guarantee Fund (FGF) scheme, one project each was funded and being monitored in 2009 and 2010. What are the contents of the two projects? Is such a number for cases approved normal? What measures will be taken by the Administration to encourage more applications?

Asked by: Hon. TAM Wai-ho, Samson

Reply: “Projects funded and being monitored” under the Film Guarantee Fund (FGF) scheme are those projects with a loan guarantee and being monitored. The film project funded and being monitored in 2010 is the same project funded and being monitored in 2009. The applicant of this project secured a loan guarantee under the FGF scheme earlier on but failed to execute the contract signed with the lending institution and repay the loan within the specified period. The lending institution took action to recover the arrears by invoking the contract conditions. The applicant then, with the approval of the Government, signed an agreement with the lending institution for the repayment of the outstanding loan. The applicant started to repay the outstanding loan in September 2010 in accordance with the agreement. Thus the project was monitored in 2009 and 2010.

No application was received between 2009 and 2010. In view of the low utilisation rate of the FGF scheme in the past two years, we will review the operation of the scheme to examine whether it should be retained.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)031

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2034

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the implications of the development of the next generation networks on the regulation of telecommunications services will be studied. In this regard, will the Administration inform the Committee of the following-

- (a) When will the above study be started and completed? What is the schedule of the study; and
- (b) What is the expenditure involved for commissioning a consultant to conduct the study?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) The Office of the Telecommunications Authority (OFTA) will commission a consultant to conduct the study on the implications of the development of the next generation networks on the regulation of telecommunications services. OFTA has invited tenders for the consultancy study and is now evaluating the tender proposals received. We expect that the consultancy contract will be awarded shortly. The study is scheduled to start in April 2011 and complete in September 2011.
 - (b) The expenditure of the study will be absorbed by the OFTA Trading Fund.

Name in block letters Miss Elizabeth TSE

Permanent Secretary for Commerce
and Economic Development

Post Title (Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)032

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0566

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (2) Telecommunications

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in *Matters Requiring Special Attention in 2011-12* that the Communications and Technology Branch will follow up on the public consultation relating to the pilot Customer Complaint Settlement Scheme (CCSS). Please provide the following information-

- (a) The details of the complaints processed under the CCSS in the past three years.
- (b) The expenditure of the CCSS for the past three years.
- (c) Have any complaints involving compensation been processed under the CCSS? If so, what is the amount of compensation involved for each of the past three years?

Asked by: Hon. TONG Ka-wah, Ronny

Reply: With a view to providing an alternative dispute resolution scheme for resolving contractual disputes between telecommunications service providers and their customers outside the judicial system, the Office of the Telecommunications Authority (OFTA) proposed the setting up of a Customer Complaint Settlement Scheme (CCSS). The pilot programme for the CCSS (Pilot Programme) was conducted from September 2008 to February 2010 to test its practicality and efficacy. As such, the Pilot Programme was operated on a limited scale. It was conducted on a voluntary basis, and dispute cases were referred to the Pilot Programme by the participating operators.

- (a) The pilot CCSS followed a two-stage approach. The first stage was mediation. In order to assist the customer and the operator to reach a mutually acceptable agreement to resolve their dispute, OFTA staff would attempt to conduct informal mediation between the parties. If mediation did not result in a settlement, the case would proceed to the second stage for adjudication by Hong Kong International Arbitration Centre (HKIAC).

Three operators participated in the Pilot Programme and 18 cases had been handled. Out of the 18 cases, 6 had been resolved during the mediation stage, and the remaining 12 cases were resolved by adjudication.

- (b) With respect to the expenditure of the Pilot Programme, the adjudication services were provided by HKIAC free of charge. OFTA was responsible for providing the necessary manpower and other resources for administrative support. OFTA would also conduct the mediation between the parties in the first stage before referring the cases to HKIAC. The expenses so incurred were met by the OFTA Trading Fund.

- (c) Under the Pilot Programme, the adjudicator would consider the claims and evidence based on the documents and materials submitted by the operator and the customer. The adjudicator would make an independent decision with one of the following outcomes: (i) a conclusion that the customer's case had no merit; or (ii) a requirement that the operator should waive charges, pay compensation, make refund payments, take certain practical action, etc. Among the cases referred to the Pilot Programme, there was no case in which the operator was required to pay compensation to the customer.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)033

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0567

Head: 55 – Government Secretariat : Subhead 700 General
Commerce and Economic (No. & non-recurrent
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: The revised estimated expenditure of the Film Development Fund (FDF) for 2010-11 is \$41,382,000. Please provide the following details -

- (a) What are the approval criteria and amount of funds granted for the funded film projects in 2010-11?
- (b) What are the film projects for which funding applications have been rejected?
- (c) Will participation in film festivals and exchange activities held overseas be funded by the FDF? What are the criteria for approving the applications? Is there a ceiling in the amount of the funding?

Asked by: Hon. TONG Ka-wah, Ronny

Reply: (a) The Hong Kong Film Development Council (HKFDC) evaluates film production financing applications with the assistance of its Fund Vetting Committee set up under the HKFDC and experts drawn from a Panel of Examiners who are professionals with experience in film production, financing, distribution, etc. They will assess the commercial feasibility of the film project based on the information, production budget and estimated net income of the film project as submitted by the applicant.

In 2010-11, a total of 14 applications for film financing have been received under the Film Development Fund (FDF) scheme (as at the end of February 2011). Six of these applications were approved, including 2 applications which are withdrawn by the applicants after approval (since the applicants have other financing arrangement). The details of the 4 approved applications are as follows –

	Film title	Applicant	Amount of funding approved
1.	Lola Mania	PPR Production Limited	\$5,250,000
2.	Beach Spike	Beach Spike Holdings (HK) Limited	\$2,799,836
3.	MicroSex Office	Mega-Vision Pictures Limited	\$1,723,750

4.	現實童話	Milkyway Image (Hong Kong) Limited	\$2,960,983
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- (b) In 2010-11 (as at the end of February 2011), a total of 3 applications for film financing and 7 applications for funding for other film-related projects were not approved due to their failure to meet the vetting criteria.
- (c) Apart from financing the production of small-to-medium budget films, the FDF also offers support for other film-related projects, including funding support for local film productions to attend international film festivals and financing forums. In 2010-11, the FDF has provided sponsorship for 14 films to participate in international film festivals, including *Echoes of the Rainbow* to attend the 2010 Berlin International Film Festival, *Overheard* to attend the 2009 Chungmuro International Film Festival and *The Child's Eye* to attend the 2010 Venice International Film Festival. The criteria for sponsorship are as follows –
- (i) The film should be a commercial film with not less than 60 minutes in duration;
 - (ii) The applicant organisation should be the copyright owner of the film;
 - (iii) The film should be produced by at least 1 film company that is incorporated in Hong Kong; and
 - (iv) Of the 5 categories of members of the film crew (namely director, screenwriter, leading actor, leading actress and producer), at least 3 of them should have at least 1 member who is a Hong Kong permanent resident.

The maximum sponsorship for local productions attending international film festivals and financing forums is \$600,000, and the actual amount to be granted depends on the types and level of recognition of the film festivals and financing forums concerned. Maximum sponsorship for Category A Film Festivals, such as Academy Awards, Festival de Cannes, Berlin International Film Festival and Venice International Film Festival, is \$600,000. Maximum sponsorship for Category B, such as Moscow International Film Festival, Toronto International Film Festival, Pusan International Film Festival, Asia Pacific Film Festival, is \$100,000. Film festivals other than those under Categories A and B are under Category C, with a maximum sponsorship at \$40,000.

Name in block letters Miss Elizabeth TSE

Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)034

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0568

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: The financial provision under the Programme of “Broadcasting and Creative Industries” for 2011-12 is \$293.5 million, representing a substantial increase of 26.1% over the revised provision of \$232.8 million for 2010-11. Please give an account of the reasons for the increase in expenditure and the relevant details.

Asked by: Hon. TONG Ka-wah, Ronny

Reply: The estimate for 2011-12 represents a substantial increase of 26.1% (\$60.7 million) over the revised estimate for 2010-11. This is mainly due to the increased cash flow requirement for general non-recurrent items such as the Film Development Fund (\$61.1 million) and the CreateSmart Initiative (\$73.3 million). The total amount of provision for these 2 items will be \$134.4 million which is \$51.52 million higher than the revised estimate of \$82.88 million for 2010-11. Besides, a provision of about \$7 million is set aside for the implementation of new initiatives and projects under our Policy Area.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)035

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2367

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: As regards the task of administering the funding schemes under Create Hong Kong (CreateHK), will the Administration inform the Committee of the following -

- (a) What are the details of the funding schemes under CreateHK? How many projects have been funded and how much funds have been granted since the establishment of CreateHK? What is the scope of these schemes?
- (b) What is the total expenditure of CreateHK since its establishment and how much resources have been allocated to it?
- (c) What is the estimated total expenditure of CreateHK for the coming year and how much resources will be allocated to it? What are the details?

Asked by: Hon. WONG Kwok-kin

Reply: (a) There are 3 funding schemes under Create Hong Kong (CreateHK), namely the CreateSmart Initiative (CSI) which provides financial support to projects that are conducive to the development of the creative industries in Hong Kong; the DesignSmart Initiative (DSI) which, through strengthening support for design and innovation, promotes the wider use of design and innovation in industries to help them move up the value chain; and the Film Development Fund (FDF) which finances small-to-medium budget film productions and sponsors other film-related projects that are beneficial to the long term development of the Hong Kong film industry.

From the establishment date of CreateHK to the end of February 2011, over 40 applications have been approved under CSI with a total funding of about \$80 million; over 120 applications have been approved under DSI with a total funding of about \$40 million; and over 30 film-related project applications have been approved under FDF with a total funding of about \$60 million. Besides, FDF provides financial support of over \$15 million for 5 film productions.

The approved projects under the 3 funding schemes cover the creative sectors of film, design, digital entertainment, architecture, advertising, music, television and publication.

- (b) After its establishment, the actual expenditure of CreateHK in 2009-10 and the estimated expenditure for 2010-11 amount to \$317 million, among which personal emoluments and departmental expenses account for \$84.4 million and general

non-recurrent items account for \$233 million (which include the funding of \$194 million granted and to be granted this year under the various funding schemes administered by CreateHK).

- (c) The estimated expenditure of CreateHK for 2011-12 is \$239 million, including \$51.2 million for personal emoluments and departmental expenses and \$188 million for general non-recurrent items (which include the funding of \$169 million to be granted this year under the various funding schemes administered by CreateHK).

We will continue to drive the development of creative industries in Hong Kong with the seven-pronged strategy formulated after consultation with the Legislative Council and the industries. The strategy is -

- (i) nurturing a pool of creative human capital;
- (ii) facilitating start-ups and development of creative establishments;
- (iii) generating demand for creativity and expanding local market size for creative industries;
- (iv) promoting creative industries on the Mainland and overseas to help explore outside markets;
- (v) fostering a creative atmosphere within the community;
- (vi) developing creative clusters in the territory to generate synergy and facilitate exchanges; and
- (vii) organising major events to promote Hong Kong as Asia's creative capital.

Name in block letters	<u>Miss Elizabeth TSE</u>
Post Title	<u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u>
Date	<u>17.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)036

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2415

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: With respect to broadcasting, film services and creative industries, the estimate for 2011-12 represents an increase of 9.4% over the original estimate for 2010-11. What are the details? What are the reasons for the increase?

Asked by: Hon. WONG Kwok-kin

Reply: The estimate for Programme (1) Broadcasting and Creative Industries for 2011-12 represents an increase of 9.4% (\$25.2 million) over the original estimate for 2010-11. This is mainly due to the increased cash flow requirement for general non-recurrent items such as the Film Development Fund (\$61.1 million) and the CreateSmart Initiative (\$73.3 million). The total amount of provision for these 2 items is \$134.4 million which is \$19.6 million higher than the original estimate of \$114.8 million for 2010-11.

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)037

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0506

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: The estimated figures on applications received and projects funded under the Film Development Fund (FDF) scheme in 2011 are close to those in 2010. What are the reasons for that? Will the Administration consider encouraging more filmmakers to apply for the FDF? How much funds have been granted to date? What is the share of such funds granted in the total amount of the FDF?

Asked by: Hon. WONG Ting-kwong

Reply: Estimation of the number of the applications received and projects funded under the FDF scheme for the coming year is made on the basis of the utilisation rate of the scheme for the previous year.

To make the FDF better meet the needs of the film industry, the Government reviewed the Film Development Fund Scheme for Financing Film Production in 2009 jointly with representatives from the film sector. After submission of a report to the Finance Committee of the Legislative Council, a series of measures were launched at the end of March 2010 to enhance the operation of the FDF scheme. The measures include -

- (a) raising the upper limit of the production budget of a film project supported by the FDF from \$12 million to \$15 million;
- (b) raising the upper limit of the Government's contribution per approved film project from 30% to 40%;
- (c) removing the 10 years' time-limit for relevant film-making experience in respect of the applicant, film director and producer; and
- (d) implementing procedures for the applicant to buy back the copyright of the film from the Government 5 years after it has been theatrically released.

Since the launch of the enhancement measures, a total of 14 applications for film financing have been received as at end February 2011. Of these applications, 6 are approved (including 2 applications which are withdrawn by the applicants afterwards due to changes in their plans). Comparing with the total of 7 applications received for film financing during the same period of 2009-10, the measures have played a positive role in promoting film production as well as the use of the FDF.

As at end February 2011, a total funding of \$157.77 million have been granted under the FDF for financing film production and funding other film-related projects. It accounts for about 49.3% of the total commitment of the FDF.

Name in block letters	<u>Miss Elizabeth TSE</u>
Post Title	<u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u>
Date	<u>17.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)038

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0507

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: In 2010-11, no application was received under the Film Guarantee Fund (FGF) scheme and only one project was funded and being monitored. What are the reasons for that and what is the amount of funding involved? Has the Administration considered facilitating more applications by those in need under the FGF scheme? If so, what are the details? If not, why?

Asked by: Hon. WONG Ting-kwong

Reply: There was a film project which was funded and being monitored under the Film Guarantee Fund (FGF) in 2010-11. The applicant of the project failed to execute the contract signed with the lending institution and repay the loan within the specified period in April 2007. The lending institution took action to recover the arrears by invoking the contract conditions. With the approval of the Government, the applicant and the lending institution then signed an agreement for the repayment of the outstanding loan. The applicant started to repay the outstanding loan in September 2010 in accordance with the agreement. The amount of loan guaranteed in the case is \$1.1242 million.

From 2009 to 2010, we had received several enquiries about the FGF from interested parties. Though at the end some of them applied for funding under the Film Development Fund (FDF), the enquiries reflected the interest and need of the industry in respect of the FGF except that the FDF scheme was more suitable for them in those cases.

The FGF scheme accepts application all year round. Eligible parties may file applications to any of the participating lending institutions. We will, as always, explain to the interested parties in detail the criteria and requirements for applying for loans under the scheme, with advice and assistance offered. We will also review the operation of the scheme to examine whether it should be retained.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce and Economic
Development
Post Title (Communications and Technology)
Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)039

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1777

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in paragraph 117 of the Budget Speech that a funding of more than \$70 million has been approved under the \$300 million CreateSmart Initiative. What are the funded projects? How is the effectiveness of the funded projects be evaluated? How much funds will be granted under the scheme in the financial year of 2011-12? What are the target projects?

Asked by: Hon. WONG Ting-kwong

Reply: As at end February 2011, over 120 applications supporting creative industries development have been received under the CreateSmart Initiative (CSI), and a total of \$80 million has been granted to over 40 projects. The list of projects approved since the establishment of CSI till end February 2011 is at Annex.

In evaluating the effectiveness of a funded project, the CSI Vetting Committee would consider whether it has achieved the intended objective of promoting the development of the creative industries, whether it has helped develop individual creative sectors or the local creative industries as a whole, and the participants' feedbacks on the project, etc. The project applicant is required to submit a completion report at the end of the project.

The estimated funds to be provided by CSI for the financial year of 2011-12 is \$73.28 million, and the actual amount to be granted will depend on the number and the contents of the approved projects. We will continue to use the funds to finance projects which promote the development of local creative industries and align with our strategy to drive creative industries development.

Name in block letters Miss Elizabeth TSE
Permanent Secretary for Commerce
and Economic Development
Post Title (Communications and Technology)
Date 17.3.2011

	Project Title	Amount of funding approved (HK\$)
1.	The 11th DigiCon6 Awards (preliminary comics and animation competition in Hong Kong)	534,500
2.	Hong Kong Pavilion at MIPCOM 2009	556,400
3.	Cyberport Venture Capital Forum 2009	408,850
4.	Holding ABU Robocon 2012 in Hong Kong	2,039,000
5.	New-Generation Global Promotion and Distribution Platform for Hong Kong Comics	1,936,440
6.	Industry Promotion and Talent Recruitment Campaign for Hong Kong Online Game Industry	1,321,175
7.	Hong Kong Digital Entertainment Industry Study Mission and Pavilion at Siggraph Asia 2009	742,774
8.	HK4As Kam Fan Awards Winners participation in International Awards	253,400
9.	Inno Design Tech (IDT) Expo - Inspiration Hall	640,340
10.	Hong Kong: Creative Ecologies – Business, Living, Creativity – an exhibition during Shanghai World Expo	8,379,000
11.	Hong Kong to the World – a documentary filmmaking competition co-organised with National Geographic Channel	1,560,000
12.	Hong Kong Music Fair 2010	1,495,000
13.	Cat's World International Animation Festival and Animated Shorts Competition	3,588,920

14.	build.hk – an online platform for the architectural industry	3,907,800
15.	HK4As Student Internship Programme 2010	485,000
16.	HK4As Graduate Trainee Programme 2010	2,890,000
17.	Digital Entertainment Leadership Forum 2010	607,000
18.	Hong Kong Animation and Digital Entertainment Pavilion in the Hong Kong International Film & TV Market	525,500
19.	Promoting Hong Kong to be the Host City of SIGGRAPH Asia 2011	7,365,824
20.	Hong Kong Digital Entertainment Summit	216,000
21.	The 12th Venice Biennale International Architecture Exhibition (Hong Kong Pavilion)	2,281,400
22.	Participation of “Annecy 2010” International Animation Film Festival	738,365.5
23.	Make A Difference Award	367,000
24.	Hong Kong International Mobile Film Festival & Awards 2011	1,993,750
25.	MaD 2011 – a youth creative event	2,912,000
26.	The 12th DigiCon6 Awards (preliminary comics and animation competition in Hong Kong)	528,570
27.	Hong Kong Pavilion at MIPCOM 2010	555,700
28.	Hong Kong Asian-Pop Music Festival	5,477,750
29.	CASBAA Convention 2010	600,000
30.	HK4As Representatives to Participate in International	603,400

	Awards	
31.	HK4As Student Internship Programme 2011	325,000
32.	HK4As Graduate Trainee Programme 2011	1,930,000
33.	Web 3.0 Asia	379,000
34.	Showcasing Creative Works to Inspire Cross Industry Matching in Commercial Applications	976,582
35.	Asia Rainbow TV Awards	5,267,160
36.	Kaleidoscope – History of Hong Kong Comics Touring Exhibition	1,058,830
37.	Inno Design Tech Expo 2010 – “Hong Kong Creative Force” Pavilion	350,000
38.	Animation Lab	690,100
39.	Promoting Hong Kong Game Industry by Organising Asia Online Game Awards	4,451,250
40.	Promotion Campaign on Creative Advertising and Marketing through Smartphone in Hong Kong	1,015,550
41.	Hong Kong Short Film : New Action Express – a support scheme for short film productions	2,710,500
42.	Hong Kong Animation and Digital Entertainment Pavilion in the Hong Kong International Film & TV Market 2011	390,400
43.	Showcasing Hong Kong’s Creativity – Hong Kong Publishing and Printing Industry Joining Three International Book Fairs	4,812,178

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)040

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1778

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: The way in which Create Hong Kong (CreateHK) will support the local creative industries is mentioned in paragraph 118 of the Budget Speech. What are the details of the expenditure to be incurred by CreateHK in the financial year of 2011-12? Please inform the Committee of the estimated expenditure for funding the architecture industry to establish a 3D online platform and supporting the local comics industry to develop a smart-phone platform. When will the funded projects be implemented?

Asked by: Hon. WONG Ting-kwong

Reply: After consultation with the Legislative Council and the industries, Create Hong Kong (CreateHK) has formulated a seven-pronged strategy to drive the development of creative industries in Hong Kong. The strategy is -

- (a) nurturing a pool of creative human capital;
- (b) facilitating start-ups and development of creative establishments;
- (c) generating demand for creativity and expanding local market size for creative industries;
- (d) promoting creative industries on the Mainland and overseas to help explore outside markets;
- (e) fostering a creative atmosphere within the community;
- (f) developing creative clusters in the territory to generate synergy and facilitate exchanges; and
- (g) organising major events to promote Hong Kong as Asia's creative capital.

In the coming year, CreateHK will continue to support the participation of local creative talent in major international competitions and exhibitions, provide internship opportunities for young people aspiring to developing a career in creative industries, assist the industries in organising activities on the Mainland and overseas and establishing a platform for promotion of their business and marketing activities, and organise major creative industry events in Hong Kong, etc.

The estimated expenditure of CreateHK for the financial year of 2011-12 is \$239 million, including \$51.2 million for personal emoluments and departmental expenses and \$187.9 million

for general non-recurrent items (which include allocations for the various funding schemes administered by CreateHK as well as for the operation of Hong Kong Design Centre).

A funding support of more than \$3.9 million and about \$1.94 million has been provided under the CreateSmart Initiative to Build.hk and New-generation Global Promotion and Distribution Platform for Hong Kong Comics respectively. The former, a 3D online platform established by local architectural industry, is tentatively scheduled to be launched in the second quarter this year while the latter, a smart phone platform adopted by local comics industry, has been launched in early January this year.

Name in block letters	<u>Miss Elizabeth TSE</u>
Post Title	<u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u>
Date	<u>17.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)041

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1994

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: As regards the enquiries relating to locations for film shooting, will the Administration provide the total number of enquiries received for the past three years (i.e. from 2008-09 to 2010-11)? What are the nationalities of the film companies (e.g. whether they are local or overseas production crews)? What are the types of the productions (e.g. whether they are films, short films or television programmes, etc)?

Asked by: Hon. WONG Ting-kwong

Reply: A total of 2 591 enquiries on location shooting¹ have been handled by the Film Services Office of Create Hong Kong for the past three financial years of 2008-09, 2009-10 and 2010-11 (as at end February 2011). The enquiries cover application procedures for location shooting, contact information, advice on filming locations, etc. Details of the production crews decided to conduct location shooting in Hong Kong after making enquiries are tabulated below -

Number of local production crews	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u> (as at the end of February 2011)
- Film productions (including general commercial films and independent films)	38	40	36
- Television productions (including commercial productions, music videos and productions of Radio Television Hong Kong)	29	24	18
- Advertising productions (including commercial advertisements, announcements of public interest, corporate videos, etc.)	43	40	48
- Works of film students (including students from tertiary institutions and professional training courses, etc)	7	8	10
Total	117	112	112

¹ The figure represents enquiries made by the production crews in respect of each location and each production crew may enquire about a number of locations.

Number of overseas production crews	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u> (as at the end of February 2011)
- Film productions (including general commercial films and independent films)	8	5	4
- Television productions	26 ²	17	21
- Advertising productions (including commercial advertisements, corporate videos, etc.)	12	22	35
Total	46	44	60

<u>Number of location shooting in Hong Kong by overseas production crews</u> <u>(2008/09 – 2010/11 (as at the end of February 2011))</u>			
Nation/Area	Film production	Television production	Advertising Production
Australia	2	4	4
Belgium	-	-	1
Brazil	-	1	-
Canada	-	-	1
China	-	6	7
Denmark	-	1	-
Finland	-	-	1
France	3	3	2
Germany	-	4	5
India	2	1	-
Indonesia	1	-	-
Israel	-	1	-
Italy	-	-	2
Japan	-	3	5
Korea	1	2	2
Latvia	1	-	-
Malaysia	-	1	-
Nepal	-	1	-
Netherlands	-	-	1
The Philippines	-	3	2
Poland	-	-	1
Portugal	-	1	-
Russia	1	-	-
Singapore	1	4	3
South Africa	-	1	-
Taiwan	-	-	1
Thailand	-	1	-

² Including a piece of student work.

UK	1	14 ³	12
USA	4	12	19
Number of visits :	17	64	69
Total :			150

Name in block letters Miss Elizabeth TSE

Post Title Permanent Secretary for Commerce
and Economic Development
(Communications and Technology)

Date 17.3.2011

³ Including 1 piece of student work.

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)042

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0416

Head: 55 – Government Secretariat : Subhead
Commerce and Economic (No. &
Development Bureau title):
(Communications and
Technology Branch)

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development
(Communications and Technology)

Director of Bureau: Secretary for Commerce and Economic Development

Question: No applications were received and processed under the Film Guarantee Fund (FGF) scheme in 2009 and 2010. Why were there no applications filed for funding under the FGF scheme? Does the Administration evaluate whether there is a need to retain the FGF scheme?

Asked by: Hon. WONG Yuk-man

Reply: From 2009 to 2010, we had received several enquiries about the Film Guarantee Fund (FGF) from interested parties. Though at the end some of them applied for funding under the Film Development Fund (FDF), the enquiries reflected the interest and need of the industry in respect of the FGF except that the FDF was more suitable for them in those cases.

In view of the low utilisation rate of the FGF in the past two years, we will review the operation of the scheme to examine whether it should be retained.

Name in block letters Miss Elizabeth TSE

Permanent Secretary for Commerce and
Economic Development
(Communications and Technology)

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)044

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0707

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will enhance collaboration on research and development (R&D) between Hong Kong and Guangdong under the Guangdong-Hong Kong Technology Cooperation Funding Scheme (TCFS) during the year. What are the details of the Scheme? How much expenditure and manpower is involved? Will the Administration review the effectiveness of previous collaboration?

Asked by: Hon. IP Kwok-him

Reply: TCFS was launched in 2004 to promote the development of advanced technology and transfer of R&D results in Guangdong and Hong Kong so as to enhance the productivity and competitiveness of enterprises in the 2 places. Projects under TCFS fall into 3 categories: Category A projects are funded by the Innovation and Technology Fund (ITF); Category B projects are funded by the relevant Mainland authorities; Category C projects are jointly funded by the governments of the 2 places. Since the introduction of TCFS, ITF has funded a total of 157 projects with a total funding of \$603 m.

In 2011-12, the estimated provision for Programme (1) Support for Research and Development is about \$46.7 m, which includes the support for TCFS, the Innovation and Technology Support Programme, the Patent Application Grant, and the R&D Cash Rebate Scheme, as well as the operation of the 5 R&D Centres, etc. At present, more than 50 staff members are involved in the assessment and administrative work under this Programme (including TCFS). We have not made any separate calculation of the percentage of expenditure on TCFS under the entire Programme.

ITC will actively explore possible improvements to the TCFS with the authorities in Guangdong and Shenzhen, and enhance communication with them on selecting themes for projects under the Scheme so as to include R&D focus areas which are of interest to the industry, academic and research sectors of both places. There may also be room for improvement to the procedures under TCFS. ITC will look into the issue during the second phase of ITF review.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)045

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1998

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (4) Planning for Innovation and Technology Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will organise the “Hong Kong Pavilion” at the China Hi-Tech Fair 2011 during the year. What are the details of the plan? Please specify how much expenditure and manpower is involved and what criteria will be used to evaluate the outcome to be achieved.

Asked by: Hon. IP Kwok-him

Reply: The China Hi-Tech Fair is one of the most important technology exchange platforms in the country. Participating in the Fair will help Hong Kong’s research institutions and enterprises to build a closer network and further promote technology collaboration with the Mainland. ITC and the Hong Kong Trade Development Council (HKTDC) will work together to organise the “Hong Kong Pavilion” at the China Hi-Tech Fair 2011 in Shenzhen in November this year to showcase Hong Kong’s research achievements and latest development to industries in the Mainland and overseas.

The expenditure for organising the “Hong Kong Pavilion” is estimated at \$600,000, which will be shared by ITC and HKTDC. They will work with participating organisations in organising the event. As such, no additional manpower is required.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)046

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1999

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (4) Planning for Innovation and Technology Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will promote innovation, technology and design culture to the general public and nurture more creative young talents during the year. What public promotion plans does ITC have in order to achieve the desired results? Please specify how much expenditure and manpower is involved.

Asked by: Hon. IP Kwok-him

Reply: During 2011-12, ITC will continue to promote an innovation, technology and design culture among the community by organising and supporting various publicity and educational events/schemes, which mainly include:-

- (a) Organising the InnoTech Month;
- (b) Organising the Hong Kong Student Science Project Competition 2011;
- (c) Supporting the Innovation and Technology Scholarship Award Scheme;
- (d) Supporting the Joint School Science Exhibition; and
- (e) Supporting the Centre of Creative Science and Technology located in the Hong Kong Science Park.

ITC will mainly mobilise its existing manpower in planning the above events/schemes. It will also partner with universities, primary and secondary schools, youth organisations, social service agencies, the business sector and relevant Government departments in organising the events/schemes. The total expenditure for all the ITC's publicity and educational events/schemes in 2011-12 is estimated at \$16 m. Organisations interested in putting up events to promote an innovation and technology culture may also apply for funding support through the General Support Programme under the Innovation and Technology Fund.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)047

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2000

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (6) Quality Support

Controlling Commissioner for Innovation and Technology
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will focus on the 4 selected trades with good potential in using testing and certification services, namely Chinese medicine, construction materials, food and jewellery during the year. What is the specific plan? Please specify how much expenditure and manpower is involved and the estimated number of practitioners from the industry to be benefited.

Asked by: Hon. IP Kwok-him

Reply: The Hong Kong Council for Testing and Certification (HKCTC) has set up a panel for each of the 4 selected trades, namely Chinese medicine, construction materials, food and jewellery, comprising members from the relevant trade, the testing and certification industry, academia, relevant Government departments and public bodies. These panels provide a co-operation platform for stakeholders to develop and promote new testing and certification services in the focus trades.

The 4 panels have set out initial work focuses. For example, they will work with the Chinese medicine, food, construction and jewellery trades to develop authenticity testing of Chinese herbal medicine, food safety system certification, product certification of construction materials, and standard testing methods for 2 types of jade respectively. We will also enhance the technical capabilities of the testing and certification industry in relevant fields, conduct pilot schemes as and when necessary, and promote new testing and certification services both within and outside Hong Kong.

In 2010-11, ITC's expenditure on quality support was about \$72.9 m and there were 98 staff involved in this area. They were mainly deployed to provide accreditation and calibration services, and information on international standards for the testing and certification industry, as well as secretariat support for HKCTC, including support for the work of the 4 panels. It is estimated that in 2011-12 the expenditure on this area will increase by 12.5% to \$82 m and the number of staff involved to 100.

As new testing and certification services are still being developed, we have not made any estimation of the number of practitioners in individual trade who stand to benefit. However, according to the latest statistics, employment in the private sector of the testing and certification industry in 2008 and 2009 were 12 420 and 12 610 respectively.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)048

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2006

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will provide funding assistance to the Partner State Key Laboratories (Partner SKLs) in Hong Kong to enhance their research capabilities during the year. What are the details of the plan? Please specify how much expenditure and manpower is involved.

Asked by: Hon. IP Kwok-him

Reply: Starting from the financial year 2011-12, the Innovation and Technology Commission will provide, through the Innovation and Technology Fund, annual financial support up to \$2 m to each Partner State Key Laboratories (Partner SKLs) in Hong Kong. The total funding is \$10 m over a 5-year period (5 years being the cycle for reassessment of SKLs by the State Ministry of Science and Technology). The funding may be used to engage research personnel or purchase research equipment.

It is hoped that the scheme will provide stable financial support to Partner SKLs so as to enable them to map out a long-term development plan and enhance their research capability. We will conduct a review on the scheme in 2014.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)049

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1709

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: What are the reasons for the significant increase of 38.2% in the revised estimate for 2010-11 over the original estimate for the same year?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The estimated expenditure for Programme (1) Support for Research and Development in the revised estimate for 2010-11 is 38.2% higher than that in the original estimate for the same year. This is mainly due to the fact that the Finance Committee had yet to approve the provision for the non-recurrent item of the Research and Development Cash Rebate Scheme when the original estimate for 2010-11 was drawn up. As such, the original estimate for 2010-11 did not include the expenses required for the implementation of the Scheme. Owing to the addition of relevant expenses (including the funding granted to the applicant companies, as well as administrative and staff expenses for operating the Scheme), there is an increase in the revised estimate for 2010-11 over the original estimate for the same year.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)050

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1710

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Commissioner for Innovation and Technology
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: The estimated expenditure for 2011-12 is 20.7% higher than the revised estimate for 2010-11. The Administration attributes this significant increase mainly to a non-recurrent item. What is the item about? How much expenditure is involved?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The non-recurrent item refers to the Research and Development Cash Rebate Scheme. The estimated expenditure for the Scheme in 2011-12 is \$15.4 m (including cash rebates granted to applicant companies, as well as the administrative and staff expenses for operating the Scheme), which is \$5.72 m more than the revised estimate of \$9.68 m for 2010-11.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)051

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1711

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: There were only 3 new projects under the R&D Centre for Logistics and Supply Chain Management Enabling Technologies (LSCM) in 2010. What are the reasons?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The LSCM received a total of 14 funding applications for research and development (R&D) projects in 2010. Having regard to the contents of the proposals and market demand, LSCM approved 3 of these applications at a total funding of about \$33 m under the Innovation and Technology Fund. The Innovation and Technology Commission is currently conducting a comprehensive review of the 5 R&D Centres, covering their performance and cost-effectiveness during the first 5-year operating period as well as recommendations to support future development. We plan to submit to the LegCo Panel on Commerce and Industry the outcome and recommendations of the review by the end of 2011.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)052

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1712

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Commissioner for Innovation and Technology
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: There were only 8 new projects under the Automotive Parts and Accessory Systems R&D Centre (APAS) in 2010. What are the reasons?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The APAS received a total of 14 funding applications for research and development (R&D) projects in 2010. Having regard to the contents of the proposals and market demand, APAS approved 8 of the applications at a total funding of about \$15 m under the Innovation and Technology Fund. The Innovation and Technology Commission is currently conducting a comprehensive review of the 5 R&D Centres, covering their performance and cost-effectiveness during the first 5-year operating period as well as recommendations to support future development. We plan to submit to the LegCo Panel on Commerce and Industry the outcome and recommendations of the review by the end of 2011.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)053

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1713

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the Guangdong-Hong Kong Technology Cooperation Funding Scheme (TCFS), the estimated number of projects funded and being monitored in 2011 is 77. Why is the figure on the decline year-on-year? What are the reasons?

Asked by: Hon. LAM Kin-fung, Jeffrey

Reply: The decline in the number of applications under TCFS in recent years may be due to the fact that the research institutions are now completing the research and development (R&D) projects approved earlier, and therefore the number of new applications is smaller than before. There may also be room for improvement to the procedures under TCFS. The Innovation and Technology Commission (ITC) will look into the issue during the second phase of the Innovation and Technology Fund review.

ITC will actively explore possible improvements to the TCFS 2011 with the Guangdong and Shenzhen authorities, and enhance communication with them on selecting themes for projects under the Scheme so as to attract more applications by including R&D focus areas which are of interest to the industry, academic and research sectors of both places.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)054

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2746

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (5) Infrastructural Support

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will continue to assist the Hong Kong Applied Science and Technology Research Institute (ASTRI) in strengthening its research and development (R&D) capabilities and lead research programmes in the 4 focus areas of communications technologies, consumer electronics, integrated circuit (IC) design and opto-electronics, as well as the emergent area of biomedical engineering. Would the Administration inform us of the specific work plan and the estimated expenditure required?

Asked by: Hon. LAM Tai-fai

Reply: ASTRI aims to promote Hong Kong's technological development and stimulate the growth of technology-based industry in Hong Kong. Its missions include performing high quality R&D, transferring the technologies developed to industry and promoting greater application of technology in industry. It currently engages in the development of the following 5 technology areas:

- (a) Communications Technologies (CT)
The CT Group will continue to pioneer the enabling technologies for the 4G mobile communication system, especially the TD-LTE standards strongly supported by China. These technologies will be incorporated into the design of 4G handsets, base stations and network elements. The CT domain is also developing technologies for digital RF repeaters and smart meters.
- (b) Consumer Electronics
The Enterprise and Consumer Electronics Group will continue to advance the multimedia and security technologies for different consumer applications. For e-learning applications, these technologies will ensure the copyright protection required by publishers while allowing convenient access by students.
- (c) Integrated Circuit Design (ICD)
The ICD Group will continue to increase the functionalities of IC components through miniaturization techniques. Examples include enhanced processing in television sets, 3D signal processors, individual converters for solar panels, and LED drivers for pico-projectors.
- (d) Opto-electronics
The Material and Packaging Technologies Group will continue to develop innovative packaging technologies for heat dissipation and component integration. Examples include improved thermal management for extending the lifetime of LED lighting, and miniaturization of optical components for handset camera and pico-projectors.

(e) Biomedical Electronics (BME)

The BME Team will continue to explore the insertion of ICT technologies in medical and healthcare applications. One example is in digital pathology where the images from microscope will be digitized, stored and distributed to improve patient care and personnel productivity.

It is worth mentioning that in the past year ASTRI has collaborated with different Government departments and public bodies to conduct R&D projects and will test the results when available, for example, a handy device for community nurses during home visits, LED streetlamp deployment on public roads of Hong Kong and an Ultimate e-Book for e-Learning.

ASTRI's operating expenditure is funded by ITC and the 2011-12 estimated subvention for ASTRI is \$133.5 m. ASTRI can also apply for funding support for its R&D projects under the Innovation and Technology Fund (ITF). In 2010-11 (as at 31 January 2011), the approved ITF funding for ASTRI was amounted to some \$290 m.

Name in block letters Miss Janet WONG
Post Title Commissioner for Innovation and Technology
Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)055

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2747

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (5) Infrastructural Support

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission (ITC) will continue to assist the Hong Kong Jockey Club Institute of Chinese Medicine (HKJCICM) in developing research and assisting local Chinese medicine development. Would the Administration provide a comparison of the specific work involved and the breakdown of the expenditures for the past 3 years (i.e. 2008-09 to 2010-11) with those for 2011-12?

Asked by: Hon. LAM Tai-fai

Reply: ITC has been promoting and supporting Chinese medicine development through the concerted efforts of the Government, industry, academia and research sectors. HKJCICM was established in 2001, with the Hong Kong Applied Science and Technology Research Institute (ASTRI) and the Hong Kong Jockey Club (Charities) Limited each holding 50% of its shares. It aims to promote research and development in Chinese medicine and the development of the Chinese medicine trade and to support the modernisation of Chinese medicine.

HKJCICM's research projects on Chinese medicine are mainly funded by the Hong Kong Jockey Club Charities Trust, whereas its operation cost, including staff salaries, accommodation, publicity and promotion, is funded by ASTRI. HKJCICM's expenditures for the past 3 financial years and the estimated expenditure for 2011-12 are as follows:

Item	2008-09 (\$ m)	2009-10 (\$ m)	2010-11 (\$ m)*	2011-12 (\$ m)*
Salaries	6.89	6.94	5.83	7.06
Office rental, maintenance of facilities and equipment	0.52	0.60	1.06	1.09
Professional and consultancy services	0.28	0.35	0.61	0.73
Promotional cost such as organising exhibitions and events	0.26	0.30	0.41	0.53
Other expenses	0.36	0.46	0.33	0.59
Total	8.31	8.65	8.24	10.0

Remark : *Estimated expenditure

With the evolving and changing environment related to the Chinese medicine industry in recent years, including enhanced research capability of our universities, establishment of the Hong Kong Council for Testing and Certification (with Chinese medicine among 1 of the 4 selected trades), and Hong Kong Science and Technology Parks Corporation's inclusion of biotechnology (including Chinese and western medicine) as one of the main clusters for new development, ITC is now conducting a comprehensive review on ways to better foster Chinese medicine development, which covers, among others, review of HKJCICM's work in the past decade and ways to strengthen collaboration between the Government, industry, academia and research sectors, so as to map out the strategies to promote and develop Chinese medicine in the future.

Name in block letters Miss Janet WONG
Post Title Commissioner for Innovation and Technology
Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)056

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2748

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission will administer the Research and Development (R&D) Cash Rebate Scheme to reinforce the research culture among business enterprises and encourage them to establish stronger partnership with designated local public research institutions. Regarding this, would the Administration please inform us of the specific developments and the estimated expenditure required?

Asked by: Hon. LAM Tai-fai

Reply: The R&D Cash Rebate Scheme was launched on 1 April 2010. Under the Scheme, we provide a cash rebate equivalent to 10% of the investments by enterprises in conducting applied R&D projects. The Scheme covers projects funded by the Innovation and Technology Fund (ITF projects) and applied R&D projects conducted by enterprises in partnership with local designated research institutions.

As at end-December 2010, a total of 153 applications have been approved within the first 9 months of the Scheme, involving a total cash rebate of \$4.46 m and benefiting 135 enterprises. The highest and lowest amount of cash rebate disbursed among the cases are \$814,500 and \$500 respectively. So far, all approved applications are related to ITF projects. We expect about 310 applications will be approved in 2011, with an estimated cash rebate of about \$14.4 m.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)057

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0195

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: Under Programme (1), the revised financial provision for 2010-11 is \$38.7 m and the estimated financial provision for 2011-12 is \$46.7 m. Please specify:

- (a) how much of the provision was used for the “Research and Development (R&D) Cash Rebate Scheme” in 2010, the details of the 153 applications approved and their amount of funding approved?
- (b) the rationale behind the projection that 310 applications will be approved under the Scheme in 2011 and the estimated amount to be involved.

Asked by: Hon. LEUNG Kwan-yuen, Andrew

Reply: (a) Under the 2010-11 Revised Estimate, the scope of Programme (1) “Support for Research and Development” in 2010-11 includes the staff and non-recurrent expenditure (viz. cash rebates disbursed to enterprises) for administering the R&D Cash Rebate Scheme, in addition to the Innovation and Technology Support Programme, the Patent Application Grant scheme, the Guangdong-Hong Kong Technology Cooperation Funding Scheme and the operation of the 5 R&D Centres and their R&D projects.

The R&D Cash Rebate Scheme launched on 1 April 2010 aims to encourage enterprises to establish stronger partnership with local research institutions. Under the Scheme, we provide a cash rebate equivalent to 10% of the investments by enterprises in conducting applied R&D projects. The Scheme covers projects funded by the Innovation and Technology Fund (ITF projects) and applied R&D projects conducted by enterprises in partnership with local designated research institutions (Partnership projects).

As at end-December 2010, a total of 153 applications have been approved during the first 9 months of the Scheme, involving a total cash rebate of \$4.46 m and benefiting 135 enterprises. The highest and lowest amount of cash rebate disbursed among these cases are \$814,500 and \$500 respectively. So far, all approved applications are related to ITF projects. Details of the amount of cash rebate disbursed are set out below:

Cash rebate	No. of cases
\$0 - \$9,999	62
\$10,000 - \$49,999	70
\$50,000 - \$99,999	15
\$100,000 or above	6
Total	153

- (b) We estimate the number of approved applications under the Scheme in 2011 to be about 310, and have made a provision of \$14.4 m for the Scheme's non-recurrent expenditure in 2011-12. In deriving this estimate, we have taken into account various factors including the number of new ITF projects approved and Partnership projects pre-registered, the proportion of eligible enterprises submitting applications in the past year, etc.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)058

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1067

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (5) Infrastructural Support

Controlling Commissioner for Innovation and Technology
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: How many tenants of the Hong Kong's 3 Industrial Estates (IEs) in Tai Po, Yuen Long and Tseung Kwan O use their units truly for industrial purposes? How many use them for storage or as office? What are the respective vacancy rates of the 3 IEs? Please set out the types of industrial production activities going on in the 3 IEs.

Asked by: Hon. LEUNG Mei-fun, Priscilla

Reply: One of the objectives for setting up Industrial Estates (IEs) is to offer land to industrial projects which cannot operate effectively in an ordinary multi-storey industrial or commercial building. Applications for admission to IEs are assessed on their individual merits according to the Hong Kong Science and Technology Parks Corporation (HKSTPC)'s established policies, which require the land to be used mainly for industrial purposes. Other supporting uses, such as for storage and as office in relation to production, are only permitted to a reasonable level. HKSTPC welcomes applications involving advanced technology and high investment and hiring a large number of technical personnel for admission to IEs.

As at February 2011, the occupancy rates of Tai Po IE, Yuen Long IE and Tseung Kwan O IE were 100%, 96% and 98% respectively. In other words, their vacancy rates are very low. The three IEs are home to over 160 local and international ventures, including those from data and information services, telecommunications, biotechnology and food processing industries.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)059

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0742

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Brief Description under this Programme that the Research and Development (R&D) Cash Rebate Scheme was introduced in April 2010, under which enterprises conducting applied R&D projects with the support of the Innovation and Technology Fund (ITF) or in partnership with local designated research institutions enjoy a cash rebate equivalent to 10% of their investments. In this regard, would the Administration please inform us:

- (a) of the highest and lowest amount of cash rebates granted to the 153 applications approved in 2010-11, as well as the main reasons for rejecting the other applications;
- (b) whether there is any indicator and timetable for evaluating the effectiveness of the Scheme; if so, of the details; if not, the reasons for that; and
- (c) whether it has considered optimizing the Scheme to cover and benefit more small and medium enterprises; if it has, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) The R&D Cash Rebate Scheme launched on 1 April 2010 aims to encourage enterprises to establish stronger partnership with local research institutions. Under the Scheme, we will provide a cash rebate equivalent to 10% of the investments by enterprises in conducting applied R&D projects. The Scheme covers projects funded by the ITF (ITF projects) and applied R&D projects conducted by enterprises in partnership with local designated research institutions.

As at end-December 2010, a total of 153 applications have been approved during the first 9 months of the Scheme, involving a total cash rebate of \$4.46 m and benefiting 135 enterprises. The highest and lowest amount of cash rebate disbursed among these cases are \$814,500 and \$500 respectively. All 9 applications rejected under the Scheme involve ITF projects which were approved before 1 April 2009 (i.e. the first day for receiving cash rebate applications), which do not meet the Scheme's eligibility requirements.

- (b)&(c) The estimated number of applications approved under the Scheme in 2011 is about 310. We have made a provision of \$14.4 m for the Scheme's non-recurrent expenditure (i.e. cash rebate disbursed to enterprises) in 2011-12. We will review the Scheme annually and conduct a comprehensive review in 2013, including the Scheme's coverage and level of cash rebate. We will submit progress reports to the LegCo Panel on Commerce and Industry and introduce improvement measures as appropriate during implementation.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)060

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0743

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Brief Description under this Programme that the Guangdong-Hong Kong Technology Cooperation Funding Scheme (TCFS) has been introduced under the Innovation and Technology Support Programme (ITSP). In this regard, would the Administration please inform us:

- (a) of the reasons for estimating a drop, rather than an increase, in the number of projects funded and being monitored from 95 in the previous year (2010) to 77 in 2011;
- (b) of the actual funding amount under the Scheme and the number of new projects funded in the last financial year (2010-11), and whether there will be any real growth expected in the amount of funding and the number of new projects funded in this financial year (2011-12) when compared with last year;
- (c) whether there are any successful cases among the projects funded in the past; if so, of the details; and
- (d) whether it has conducted any review of the deficiencies in the Scheme; if it has, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) The decline in the number of applications under TCFS in recent years may be due to the fact that the research institutions are now completing the research and development (R&D) projects approved earlier, and therefore the number of new applications is smaller than before. There may also be room for improvement to the procedures under TCFS. The Innovation and Technology Commission (ITC) will look into the issue during the second phase of review of the Innovation and Technology Fund.
 - (b) In the financial year 2010-11, a total of 11 projects were approved (according to the date of approval), involving a funding of about \$41 m. The figures for 2011-12 are not available at this stage as projects are still pending approval and confirmation from Mainland authorities and there will be another round of TCFS application later this year.
 - (c) Four of the successful cases under TCFS are set out in the Annex.
 - (d) ITC will actively explore possible improvements to the TCFS with the authorities in Guangdong and Shenzhen, and enhance communication with them on selecting themes for projects under the Scheme so as to attract more applications by including R&D

focus areas which are of interest to the industry, academic and research sectors of both places.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 11.3.2011

Examples of TCFS successful cases in recent years include –

- (1) Interactive Intention-Driven Upper-Limb Training Robotic System (Hong Kong organisation-in-charge: Hong Kong Polytechnic University)-

The project involves developing a novel interactive robotic system for upper-limb rehabilitation training for the elderly and people with an upper-limb motor disability. The system is controlled by the user's intention through detection of muscle activity [electromyography (EMG)], in the affected limb to assist the user to undergo intensive physical training on the impaired upper limb (hand, wrist, and elbow functions). The project has successfully developed an interactive robotic training system for rehabilitation, which has applied for patents in the United States and China, and been awarded a gold medal in the 62nd International Trade Fair "Ideas – Inventions – New Products" held in Germany. A local medical device company has expressed interest in the device and is commercialising this new system under a non-exclusive license.

- (2) Design and Build the Next Generation Energy Efficient Controllable Mechanical Metal Forming Presses (Hong Kong organization-in-charge: Chinese University of Hong Kong)-

The project aims to develop a mechanical metal forming press with a servomotor and programmed control. The technology is more controllable, faster and more energy-efficient than that used in conventional hydro presses. The project team of the Hong Kong side has worked with a Guangdong manufacturer and developed the first mechanical metal forming press with a servomotor and programmed control in China. One of the sponsoring organisations has adopted the technology for pilot production.

- (3) Realization of a Versatile Multimedia SoC Platform (Hong Kong organisation-in-charge: Solomon Systech Limited)-

The project aims to develop a System-on-a-Chip (SoC), together with the relevant software, for use in a versatile multimedia platform as a major component in portable multimedia consumer products. The project team of the Hong Kong side has worked with a Guangdong manufacturer and developed a series of mobile digital television product solutions that support the Chinese standards. They were introduced in the market in end 2008.

- (4) Real-Time Video Quality Enhancement System for Advanced Mobile Communications (Hong Kong organisation-in-charge: The Hong Kong University of Science and Technology)-

This project aims to boost up the effective utilization of the 3G video bandwidth and at the same time improve upon the picture quality of video content through an automatic exposure and backlight correction system on mobile phones. A local media content provider has adopted the technology in its new product for peer-to-peer video content streaming service.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (2) Fostering University-Industry Collaboration

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Brief Description under this Programme that the University-Industry Collaboration Programme (UICP) under the Innovation and Technology Fund (ITF) comprises 3 schemes, namely the Teaching Company Scheme, Matching Grant for Joint Research and Industrial Research Chair Scheme. Would the Administration please inform us:

- (a) of the actual funding amount, number of projects funded, as well as the highest and lowest amount of grants given under each of the above 3 schemes in 2010-11;
- (b) of the reasons for a reduction, rather than an increase, in the financial provision under this Programme from \$7 m in the last financial year (2010-11) to \$6.6 m in this financial year (2011-12);
- (c) given that the Industrial Research Chair Scheme aims to provide funding support to research efforts of universities and industry in technology fields which are not yet developed in Hong Kong but have good development potential, what specific projects were funded in the past 3 years (i.e. 2008, 2009 and 2010), and whether there were any successful cases involving the transformation of technology into products; if so, the percentage of such cases under the Scheme; if not, the reasons for that; and
- (d) whether it has conducted any review of the above 3 schemes; if it has, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) In 2010-11, the total ITF expenditure for the UICP is estimated to be about \$8 m. The details are as follows:

2010-11 (Revised Estimate)

	No. of projects funded	Total ITF expenditure on projects funded (\$'000)	Highest amount of grant for a funded project (\$'000)	Lowest amount of grant for a funded project (\$'000)
Teaching Company Scheme	9	400	80	40
Matching Grant	17	7,600	2,500	60

for Joint Research				
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In 2010-11, there is no funded project under the Industrial Research Chair Scheme.

- (b) Following the introduction of the new three-tier funding framework under the Innovation and Technology Support Programme (ITSP) in 2005 (including the setting up of 5 R&D centres), there have been a drop in the number of UICP applications and UICP projects funded in recent years because universities and the industry can participate in collaborative projects under ITF through the R&D Centres. It is anticipated that the situation in 2011-12 will be similar to that in the past 2 years. We will adjust the staffing arrangement for UICP through flexible deployment and optimal use of human resources.
- (c) In the past 3 years (from 2008 to 2010), the Innovation and Technology Commission (ITC) did not receive any funding applications under the Industrial Research Chair Scheme.
- (d) ITC is currently conducting a review on the scope and assessment framework of the ITF mechanism, and has completed the first phase of the review (including the assessment framework, provision of “follow-on” funding and funding for “cluster projects”, etc.). The outcome and proposals had been reported to the LegCo Panel on Commerce and Industry in November 2010. We expect to conduct the second phase of the review in 2011, covering the scope of UICP and related intellectual property arrangements to consider room for improvement under the existing mechanism.

Name in block letters Miss Janet WONG
Post Title Commissioner for Innovation and Technology
Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)062

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0745

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (3) Promotion of Technological Entrepreneurship

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: Under this Programme, the aim is for the Innovation and Technology Commission (ITC) to provide essential support to technology-based entrepreneurial activities. Would the Administration please inform us:

- (a) of the reasons for the substantial drop of 11.4%, rather than an increase, in the financial provision under this Programme for 2011-12 over the past financial year (2010-11);
- (b) given that ITC in collaboration with the Hong Kong Science and Technology Parks Corporation (HKSTPC) operates an incubation programme aimed at providing technology start-ups with support in marketing, finance, etc, how many incubation projects were funded under the programme in the past 3 years (i.e. 2008, 2009 and 2010), the respective percentages in respect of the successful and unsuccessful cases among the incubation projects, as well as the main reasons for the unsuccessful cases?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) In 2011-12, the amount of gratuities payable to non-civil service contract staff by the Innovation and Technology Commission (ITC) will be less than that in 2010-11 and therefore the estimated expenditure under Programme (2) is reduced, with the number of staff members under this Programme being unchanged.
 - (b) The Hong Kong Science and Technology Parks Corporation (HKSTPC) nurtures technology start-up companies through its incubation programme which provides office accommodation, laboratory facilities, marketing, financial, technical and management assistance in the initial years of these companies. Over the past 3 years (i.e. 2008-09 to 2010-11 (as at end of February)), a total of 159 companies have joined the incubation programme. Amongst them, 54 have graduated, 91 are being nurtured and 14 have withdrawn from the programme.

According to HKSTPC's information, most cases involving incubatees which have withdrawn from the programme relate to changes in market needs or the technologies or products developed could not meet the expectations of the market and clients. HKSTPC will continue to monitor the situation closely to ensure the incubation programme offers appropriate support to technology start-up companies.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)063

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0746

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (4) Planning for Innovation and Technology Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Brief Description under this Programme that the Financial Secretary (FS) has agreed to take up the chairmanship of the Steering Committee on Innovation and Technology so as to better co-ordinate the formulation and implementation of innovation and technology policies in Hong Kong, and the Innovation and Technology Commission (ITC) is responsible for providing secretariat support and policy input to the Steering Committee. In this regard, would the Administration please inform us:

- (a) whether it has allocated additional resources to implement the new arrangement as announced by FS; if it has, how much expenditure and manpower will be involved; if not, the reasons for that; and
- (b) whether it has considered disclosing the minutes of meetings of the Steering Committee to enable the public to gain knowledge of the major issues and outcome of discussion; if it has, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) ITC will provide secretariat services to the Steering Committee on Innovation and Technology with its existing manpower and resources. It does not involve any additional manpower or expenditure.
 - (b) To enhance the transparency of the work of the Steering Committee, we plan to upload the Committee's meeting agenda and summary of discussion on ITC's website in future.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)064

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0747

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (4) Planning for Innovation and Technology Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: In paragraph 114 of the Budget Speech 2011-12, the Financial Secretary announced that from April 2011, the Government will provide an annual sum up to \$2 m to each of the 12 Partner State Key Laboratories (Partner SKLs) in Hong Kong to support their operation. In this regard, would the Administration inform us:

- (a) of the basis on which the \$2 m funding support for their operation was set, together with its percentage in the annual operation expenditure of each of the 12 Partner SKLs; whether it considers the amount sufficient; and whether it will conduct an annual review; if not, the reasons for that;
- (b) how many applications for setting up Partner SKLs in Hong Kong are pending, together with their scopes of research, projects, expenditures, Mainland partners and expected processing time required; and
- (c) whether the \$2 m funding support for their operation is also applicable to the Partner SKLs approved in future; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) Starting from the financial year 2011-12, the Innovation and Technology Commission will provide, through the Innovation and Technology Fund, annual financial support up to \$2 m to each Partner State Key Laboratories (Partner SKLs) in Hong Kong. The total funding is \$10 m over a 5-year period (5 years being the cycle for reassessment of SKLs by the State Ministry of Science and Technology). The funding may be used to engage research personnel or purchase research equipment. It is hoped that the scheme will provide stable financial support to Partner SKLs so as to enable them to map out a long-term development plan and enhance their research capability. Although the operating expenses of different Partner SKLs may vary, the funding can cover about a quarter of their annual operating expenses on average.

We will conduct a review on the scheme in 2014.

- (b) The first round of applications for setting up Partner SKLs by Hong Kong universities through ITC's coordination was completed in June 2010. We will keep contact with the Ministry of Science and Technology (MOST) to explore opportunities of putting up a new round of application in due course.
- (c) Laboratories in Hong Kong which gain Partner SKL status from MOST in future may also receive funding support under the scheme.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)065

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0748

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (4) Planning for Innovation and Technology Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Brief Description under this Programme that during 2010-11, the Innovation and Technology Commission (ITC) enhanced technology co-operation with the Mainland through various co-operation mechanisms, including the Mainland/Hong Kong Science and Technology Cooperation Committee, the Pan-PRD Joint Conference on Regional Cooperation in Science and Technology, the Guangdong/Hong Kong Expert Group on Cooperation in Innovation and Technology, and the Steering Group on Shenzhen/Hong Kong Co-operation in Innovation and Technology. Would the Administration inform us of the co-operation matters discussed by Hong Kong and the Mainland through each of the above 4 mechanisms over the past 3 years (i.e. 2008, 2009 and 2010) and whether the SAR Government has taken any specific follow-up actions; if it has, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: To enhance technology co-operation with the Mainland at different levels, ITC has discussed various co-operation matters with relevant authorities over the past 3 years. The relatively notable co-operation matters and their latest developments are as follows:

At the central level, we have been working closely with the Ministry of Science and Technology (MOST) to promote technology co-operation between Hong Kong and the Mainland through the Mainland/Hong Kong Science and Technology Cooperation Committee. Since 2010, MOST has allowed research institutions set up in the Mainland by Hong Kong and Macao institutions to directly submit applications under the 973 Programme with a view to encouraging more Hong Kong research institutions and personnel to participate in national science and technology programmes. Starting from April 2011, we will provide financial support to the 12 existing Partner State Key Laboratories in Hong Kong through the Innovation and Technology Fund so as to enable them to further enhance their research capabilities.

Regarding Pan Pearl River Delta (Pan-PRD) co-operation, it was decided at the meeting of the Pan-PRD Joint Conference on Regional Cooperation in Science and Technology in 2010 that the priority task in the following year should be led by the Chinese Academy of Science and Technology for Development to conduct research/studies for the development of Pan-PRD under the National 12th Five-Year Plan.

With regard to our cooperation with Guangdong Province, ITC will continue to work with relevant authorities in Guangdong Province and Shenzhen to implement the Guangdong-Hong Kong Technology Cooperation Funding Scheme in 2011, and will enhance communication with them on selecting themes for projects under the scheme so as to attract more applications by including research and development focus areas which are of interest to the industry, academic and research sectors of both places.

As for our cooperation with Shenzhen, Shenzhen and Hong Kong have been actively promoting the development of the Shenzhen-Hong Kong Innovation Circle. The 3-year action plan involving government departments, universities, research institutions and non-governmental institutions of both places comprises 24 co-operation projects. Following a good progress in the first year, both sides will examine the progress of the projects in the second year at the meetings in 2011.

Name in block letters Miss Janet WONG
Post Title Commissioner for Innovation and Technology
Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)066

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0749

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (5) Infrastructural Support

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated in the Matters Requiring Special Attention in 2011-12 that the Innovation and Technology Commission will work closely with the Hong Kong Science and Technology Parks Corporation on its various development and business plans, including the implementation of appropriate recommendations of the study on the repositioning and revitalisation of the Industrial Estates. Would the Administration please inform us whether the above plans and recommendations cover measures to facilitate Hong Kong's development of high-end data centre services; if so, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: One of the objectives for setting up Industrial Estates (IEs) is to offer land to industrial projects which cannot operate effectively in an ordinary multi-storey industrial or commercial building. In recent years, high-end data centres are developing vibrantly in Hong Kong. The Hong Kong Science and Technology Parks Corporation (HKSTPC) welcomes this kind of project with advanced technology and high investment to apply for admission to IEs.

In the past year, HKSTPC granted about 8 hectares of land in the Tseung Kwan O IE according to its established policies on IEs for enterprises to set up high-end data centres.

We will report the details of the study on the repositioning and revitalisation of IEs to the LegCo Panel on Commerce and Industry later this year.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)067

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0750

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (7) Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and
Technology Research Institute Company Limited

Controlling
Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is stated under this Programme that the Hong Kong Productivity Council (HKPC) enhances the industry's competitiveness through the provision of integrated support across the value chain of the industry. Would the Administration inform us:

- (a) of the reasons for the 9.1% decline, rather than an increase, in the relevant financial provision for 2011-12 over the previous year (2010-11); and whether it has evaluated its impact on HKPC's service quality and outcome; if it has, of the details; if not, the reasons for that; and
- (b) given that it is stated in the Matters Requiring Special Attention in 2011-12 that HKPC will continue to promote technology commercialisation and effective intellectual property (IP) management to Hong Kong and Mainland enterprises, the resources which HKPC has invested in this regard over the past 3 years (i.e. 2008-09, 2009-10 and 2010-11); and whether it has achieved more significant impacts; if it has, of the details; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) The Government's recurrent subvention to HKPC in 2010-11 and 2011-12 remains the same at \$171 m. The Government also provides non-recurrent funding of \$8.9 m and \$5.2 m respectively in these 2 financial years for HKPC's procurement of plant and equipment. The difference between the provisions in the 2 financial years is due mainly to HKPC's loan repayment to the Government.

In 1988 and 1989, the Finance Committee approved a total commitment of \$267 m under the Development Loan Fund for constructing the HKPC Building in Kowloon Tong, which was subsequently completed in 1991. HKPC drew a total loan of \$249 m. In 1991-92, HKPC started making annual repayment of the loan plus interest by 20 instalments. As HKPC's operation relied mainly on Government's financial support and HKPC did not have any reserve at that time, the Government agreed to include the annual repayment required in its recurrent subvention to HKPC. With HKPC paying the last instalment of \$14 m in 2010-11, there is no need to provide additional provision in the 2011-12 recurrent subvention to HKPC.

- (b) On average, HKPC spent \$1.8 m each year to promote commercialisation of new technology for the period from 2008-09 to 2010-11. Some successful examples in the past 3 years are air purification, eco dye, magnesium alloy recycling, 3D CAD CAM design for underwear and light emitting diode (LED) lighting.

On IP management, HKPC spent an average sum of \$7.2 m each year for the period from 2008-09 to 2010-11, primarily for the provision of business IP protection and consultancy services. HKPC also provides assistance to enterprises in product design registration. In this area, HKPC provided assistance to 360, 417 and 410 enterprises respectively in each of these 3 years.

Name in block letters	<u>Miss Janet WONG</u>
Post Title	<u>Commissioner for Innovation and Technology</u>
Date	<u>15.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)068

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0751

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (7) Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and
Technology Research Institute Company Limited

Controlling
Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: According to paragraph 45 under the Brief Description of this Programme, the ASTRI's research areas include, among others, wireless communications and internet applications. Would the Administration please inform us: whether there were any projects on the next generation Internet, Internet of things and cloud computing conducted by the R&D Centre for Information and Communications Technologies (ICT R&D Centre) over the past 3 years (i.e. 2008, 2009 and 2010); if so, of the details and how much expenditure and manpower is involved; if not, the reasons for that?

Asked by: Hon. TAM Wai-ho, Samson

Reply: The following are the details of projects on the next generation Internet and Internet of things conducted by ICT R&D Centre over the past 3 years:

- (a) Next generation Internet - R&D projects include:
- (i) iShare Media Sharing Platform;
 - (ii) Mobile Peer Group Service Platform;
 - (iii) BE-DRM for Embedded P2P IPTV over Internet;
 - (iv) Computation and Information Management with Green Multi-Computer Systems;
 - (v) Mobile Social Networking Framework; and
 - (vi) P2P IPTV Quality of Experience.
- (b) Internet of things - R&D projects include:
- (i) Dualmode CWPAN/ZigBee RFIC Transceiver;
 - (ii) Next generation MMI for Digital Home; and
 - (iii) Smart OFDM Technology for Smart Meter & Smart Grid.

The rough figures of the expenditure and number of research personnel involved in the above projects for the past 3 years are set out below:

	Expenditure (\$ m)	No. of research personnel
2008	25.04	38
2009	12.21	29
2010	15.22	34

ASTRI signed a Memorandum of Understanding on 16 November 2010 with Shenzhen Institutes of Advanced Technology, Chinese Academy of Sciences, on cloud computing technologies and services. It intends to further explore research on cloud computing in 2011.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)069

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2196

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Commissioner for Innovation and Technology

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: There are 3 categories of projects under the Guangdong-Hong Kong Technology Cooperation Funding Scheme (TCFS): the first category covers projects funded under the Innovation and Technology Fund (ITF) of Hong Kong; the second category covers projects funded by relevant Mainland authorities; and the third category covers projects jointly funded by the governments of the 2 places. Please provide the respective numbers of applications received and processed, as well as the respective expenditures involved in connection with the projects under the 3 categories. What measures does the Administration have to speed up the process of application and monitor the approved projects?

Asked by: Hon. TAM Wai-ho, Samson

Reply: TCFS has been introduced since 2004 and it first covered only Guangdong Province. A similar funding mechanism was later set up with Shenzhen. The numbers of funding applications received and approved, as well as the amount of the ITF funding involved during 2004 to 2010 are as follows:

	No. of applications received	No. of applications approved	ITF funding (\$ m)
The 1 st category (Category A)	348	127	504
The 3 rd category (Category C)	144	30	97

Note: The 2nd category (Category B) projects are funded by authorities in Guangdong Province and Shenzhen and do not involve ITF funding.

As for Category B projects, according to the information provided by Guangdong Province and Shenzhen, over 860 projects were approved with a funding of more than \$1.98 b by Guangdong Province (excluding Shenzhen) as at end 2010, and over 150 projects were approved with a funding of more than \$78 m by Shenzhen as at end 2008.

The Innovation and Technology Commission is conducting a review on ITF's scope of funding and assessment mechanism. We reported the findings and recommendations of the first phase of the review, including improvements to ITF's project vetting process, to the LegCo Panel on Commerce and Industry in November 2010, and will consider ways to improve TCFS in the second phase of the ITF review.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)070

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2197

Head: 155 - Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Officer: Commissioner for Innovation and Technology

Director of Bureau: Secretary for Commerce and Economic Development

Question: The estimated provision for 2011-12 is 66.8% higher than the original estimate for 2010-11. This is mainly due to the increased cash flow requirement for a non-recurrent item and increased provision for departmental expenses. Would the Administration provide the details of this item and the manpower establishment and provision involved?

Asked by: Hon. TAM Wai-ho, Samson

Reply: The item refers to the Research and Development (R&D) Cash Rebate Scheme. The R&D Cash Rebate Scheme launched on 1 April 2010 aims to encourage enterprises to establish stronger partnership with local research institutions. Under the Scheme, we will provide a cash rebate equivalent to 10% of the investments by enterprises in conducting applied R&D projects. The Scheme covers projects funded by the ITF and applied R&D projects conducted by enterprises in partnership with local designated research institutions.

In the financial years 2010-11 and 2011-12, the expenditures required for the Scheme are \$9.68 m and \$15.4 m (including cash rebates granted to applicant companies, as well as the administrative and staff expenses for operating the Scheme) respectively.

At present, there are 4 staff members administering the Scheme in the Innovation and Technology Commission.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)071

Question Serial No.

2198

Head: 155 - Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (3) Promotion of Technological Entrepreneurship

Controlling Commissioner for Innovation and Technology
Officer:
Director of Bureau: Secretary for Commerce and Economic Development

Question: According to paragraph 18 under this Programme, the target of informing applicants of the result of their Small Entrepreneur Research Assistance Programme (SERAP) applications after receipt of full information is 50 working days but in 2010 the actual number of days required was only 30. Would the Administration consider revising the target to bring it more in line with the actual situation?

Asked by: Hon. TAM Wai-ho, Samson

Reply: In 2010, the number of working days required for informing applicants of the result of their SERAP applications after receipt of full information was 30 on average. While this reflected the overall situation of processing applications, the processing time required varied with individual cases. Out of the 71 applications processed in 2010, 11 required 40 working days or more to process. As such, we consider it more appropriate to keep the current target of 50 working days.

Name in block letters Miss Janet Wong

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)072

Question Serial No.

3832

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (1) Support for Research and Development

Controlling Commissioner for Innovation and Technology
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the new Research and Development (R&D) Cash Rebate Scheme, please inform us:

- (a) of the total number of applications received since its introduction, the expenditure involved and its response and outcome;
- (b) of the number of applications the Administration expects to receive in 2011-12 and the expenditure and manpower to be involved;
- (c) whether the Administration has a set of criteria to evaluate the effectiveness of the Scheme; if so, of the details; if not, the reasons for that.

Asked by: Hon. WONG Kwok-hing

Reply: (a) The R&D Cash Rebate Scheme was launched on 1 April 2010. Under the Scheme, we provide a cash rebate equivalent to 10% of the investments by enterprises in conducting applied R&D projects. The Scheme covers projects funded by the Innovation and Technology Fund and applied R&D projects conducted by enterprises in partnership with local designated research institutions.

As at end-December 2010, a total of 179 applications have been received and 153 approved within the first 9 months of the Scheme, involving a total cash rebate of \$4.46 m and benefiting 135 enterprises. The highest and lowest amount of cash rebate granted among the cases are \$814,500 and \$500 respectively.

- (b) We estimate number of applications approved under the Scheme in 2011 to be about 310 and have made a provision of \$14.4 m for the non-recurrent expenditure of the Scheme. Four staff members of the Innovation and Technology Commission are responsible for handling the work arising from the Scheme.
- (c) We will review the Scheme annually and conduct a comprehensive review in 2013, including the Scheme's coverage and level of cash rebate. We will submit progress reports to the LegCo Panel on Commerce and Industry and introduce improvement measures as appropriate during implementation.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)073

Question Serial No.

0497

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (2) Fostering University-Industry Collaboration

Controlling Commissioner for Innovation and Technology
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: On fostering university-industry collaboration, the expenditure for 2011-12 will decrease due to the reduced provision for general departmental expenses. What are the reasons? While the estimated number of applications for University-Industry Collaboration Programme (UICP) will be lower than that of last year, it is estimated that the number of projects funded will increase. What is the basis for such projection?

Asked by: Hon. WONG Ting-kwong

Reply: Following introduction of the new three-tier funding framework for the Innovation and Technology Support Programme (ITSP) under the Innovation and Technology Fund (ITF) in 2005 (including the setting up of 5 Research and Development (R&D) Centres), there have been a drop in the number of UICP applications in recent years because universities and the industry can participate in collaborative projects under ITF through the R&D Centres. It is anticipated that the situation in 2011-12 will be similar to that in the past 2 years. We will adjust the staffing arrangement for UICP through flexible deployment and optimal use of human resources.

We received 10 and 18 UICP applications in 2009 and 2010 respectively, and expect to receive around 14 applications in 2011. Given an increase in the number of new projects approved in the previous year and that the number of existing projects to be completed in 2011 is expected to be small, we estimate that the number of projects funded and being monitored in 2011 will be greater than that in 2010.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)074

Question Serial No.

0498

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (6) Quality Support

Controlling Commissioner for Innovation and Technology

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: How will the Administration provide support to the Hong Kong Council for Testing and Certification (HKCTC) in adopting a dual approach to develop the testing and certification industry - making improvements to the accreditation service and factors of production to enhance its competitiveness, while focusing on the testing and certification services for the 4 trades, namely Chinese medicine, construction materials, food and jewellery? Please set out the specific plan and estimated expenditure.

Asked by: Hon. WONG Ting-kwong

Reply: The Innovation and Technology Commission (ITC) is working closely with HKCTC in adopting a dual approach to implement its 3-year market-oriented development plan for the industry - making general improvements to the accreditation service and factors of production (i.e. manpower, technology, capital and land) of the testing and certification industry, while focusing on the development and promotion of new testing and certification services for the selected trades.

On the manpower front, HKCTC's work focus includes coordinating with universities, the Vocational Training Council (VTC) and the industry to organise talks and provide internship opportunities so as to allow students to gain a better understanding of the industry and help attract talent. To enhance practitioners' professionalism and technical capabilities, HKCTC will work with VTC, the Hong Kong Accreditation Service, trade associations, etc to organise seminars, workshops and short courses for them.

On the technology and capital front, HKCTC will collaborate with universities, the Government Laboratory, etc to provide briefings for the industry on the technology involved for selected topics. As part of ITC's efforts to enhance the Innovation and Technology Fund (ITF) mechanism, testing and certification now features prominently in the new ITF application form to encourage more technological research and development (R&D) for the testing and certification industry.

Given the stock in industrial and commercial premises in Hong Kong, the land supply should generally be able to cope with the demand of the testing and certification services. HKCTC will closely monitor the situation.

As for the 4 selected trades of Chinese medicine, construction materials, food and jewellery, HKCTC has set up a panel for each of them, comprising members from the relevant trade, the testing and certification industry, academia, relevant Government departments and public bodies. These panels provide a co-operation platform for stakeholders to develop and promote new testing and certification services in the focus trades. The 4 panels have set out initial work

focuses. For example, they will work with the Chinese medicine, food, construction and jewellery trades to develop authenticity testing of Chinese herbal medicine, food safety system certification, product certification of construction materials, and standard testing methods for 2 types of jade respectively.

HKCTC will also step up the promotion of Hong Kong's testing and certification services through various channels like trade fairs. With regard to access to the Mainland market, we have taken steps to implement Supplement VII to CEPA. Starting from this year, testing organisations in Hong Kong can for the first time undertake product testing for the China Compulsory Certification System on a pilot basis for 4 types of products processed in Hong Kong (i.e. toys, circuit installations, information technology equipment and lighting apparatus). This initiative is a good beginning in helping create business opportunities for local laboratories, and facilitating access to the Mainland market for products processed in Hong Kong. We will assist the industry in implementing this pilot scheme.

In 2010-11, ITC's expenditure on quality support was about \$72.9 m, which was mainly for providing accreditation and calibration services, and information on international standards for the testing and certification industry, as well as secretariat support for HKCTC to implement the above tasks. The estimated expenditure on this area for 2011-12 is increased by 12.5% to \$82 m.

Name in block letters	<u>Miss Janet WONG</u>
Post Title	<u>Commissioner for Innovation and Technology</u>
Date	<u>15.3.2011</u>

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)075

Question Serial No.

0499

Head: 155 – Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (7) Subvention: Hong Kong Productivity Council, Hong Kong Applied Science and
Technology Research Institute Company Limited

Controlling Commissioner for Innovation and Technology

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: What assistance will the Hong Kong Productivity Council (HKPC) provide in future to help local manufacturers in industrial upgrading, business transformation or relocating their operations? How many resources are involved? What is the estimated expenditure of the 3 subsidiary consulting firms in the Mainland for 2011-12?

Asked by: Hon. WONG Ting-kwong

Reply: In response to the changes in the Mainland's trade policy, HKPC launched the "Transform, Upgrade and Relocate for a New Horizon" (TURN) service platform in 2008 to assist Hong Kong manufacturers in the Pearl River Delta Region in industry upgrading and business transformation. Its services include business process re-engineering, production technology upgrading and automation, information and technology management, brand building, low-carbon manufacturing, industrial design and study and assessment of manufacturing base relocation. The 2011-12 estimated expenditure for the TURN service platform is about \$10 m.

HKPC operates 3 subsidiaries in the Mainland, which are located in Guangzhou, Shenzhen and Dongguan respectively. Their estimated expenditure for 2011-12 is about \$17.3 m.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)076

Question Serial No.

1773

Head: 155 – Government Secretariat :
Innovation and Technology
Commission

Subhead
(No. &
title):

Programme: (6) Quality Support

Controlling Commissioner for Innovation and Technology

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: According to paragraph 111 of the Budget Speech, the Hong Kong Council for Testing and Certification (HKCTC) has selected 4 trades, namely Chinese medicine, food, construction materials and jewellery, for focused development of testing and certification services. Such services include authenticity testing of Chinese herbal medicine, food safety system certification, product certification of construction materials, and development of standard testing methods for 2 types of jade. Please inform us of the measures to be taken by the Administration to dovetail the development of such services. What is the specific plan? How many resources are involved?

Asked by: Hon. WONG Ting-kwong

Reply: HKCTC has set up a panel for each of the 4 selected trades, namely Chinese medicine, construction materials, food and jewellery, comprising members from the relevant trade, the testing and certification industry, academia, relevant Government departments and public bodies. These panels provide a co-operation platform for stakeholders to develop and promote new testing and certification services in the focus trades.

The 4 panels have set out initial work focuses. They include introducing new testing and certification services such as authenticity testing of Chinese herbal medicine, food safety system certification, product certification of construction materials, and development of standard testing methods for 2 types of jade as mentioned in the Budget Speech; enhancing the technical capabilities of the testing and certification industry in relevant fields; conducting pilot schemes as and when necessary; and promoting new testing and certification services both within and outside Hong Kong.

In 2010-11, the Innovation and Technology Commission's expenditure on quality support was about \$72.9 m, which was mainly for providing accreditation and calibration services, and information on international standards for the testing and certification industry, as well as secretariat support for HKCTC, including support for the work of the 4 panels. The estimated expenditure on this area for 2011-12 is increased by 12.5% to \$82 m.

Name in block letters Miss Janet WONG

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)077

Question Serial No.

2835

Head: 155 - Government Secretariat : Subhead
Innovation and Technology (No. &
Commission title):

Programme: (3) Promotion of Technological Entrepreneurship

Controlling Commissioner for Innovation and Technology

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Cheung King-fung, aged 94, Chairman of the Hong Kong Invention Association Ltd, criticised the Budget as "super unhelpful". He wrote to John Tsang Chun-wah last October requesting more resources for innovation and technology. He suggested that the Innovation and Technology Commission (ITC) should encourage invention by relaxing the funding restriction to allow each inventor to submit multiple applications for grants instead of only 1.

- (a) Please set out the funding support provided by ITC to small and medium enterprises (SMEs) and individuals over the past 5 years; and
- (b) Will ITC relax the restriction that each inventor is only allowed to submit 1 application for grants? If not, what are the reasons?

Asked by: Hon. WONG Yuk-man

- Reply:
- (a) ITC provides support to SMEs' research and development (R&D) work mainly through the Small Entrepreneur Research Assistance Programme (SERAP) and the Patent Application Grant (PAG) under the Innovation and Technology Fund.
 - (i) SERAP provides pre-venture capital stage financing in the form of a grant of up to \$4 m per project on a dollar-for-dollar matching basis to support technology entrepreneurs and small enterprises to carry out R&D work. For the past 5 years, the total amount of approved funding under SERAP was \$132.8 m.
 - (ii) PAG aims to encourage local companies and inventors to capitalise their R&D results through patent registration. It is targeted at first-time patent-seekers (companies or individuals). To enhance our support to the industry, we have raised the maximum grant from \$100,000 to \$150,000 since 2010. For the past 5 years, the total amount of funding under PAG was \$56.3 m.
 - (b) As PAG targets at first-time patent-seekers (companies or individuals), we have no plan at this stage to revise its scope.

Name in block letters Miss Janet Wong

Post Title Commissioner for Innovation and Technology

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)078

Head: 47 – Government Secretariat :
Office of the Government
Chief Information Officer

Subhead
(No. & title):

Question Serial No.

3250

Programme: (1) Use of IT in Government

Controlling Government Chief Information Officer
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: What measures will the Government take to improve the public Wi-Fi service? What is the amount of expenditure involved?

Asked by: Hon. CHAN Tanya

Reply: We are now planning for the next generation of the Government Wi-Fi programme. This new programme aims to extend the current one to 2017 and enhance our Wi-Fi service. We plan to introduce new Wi-Fi transmission standard (IEEE 802.11n) to support wider signal coverage, enable faster data transfer and reduce signal interference, thus providing quicker and more stable communication service for the public. Moreover, in view of the insufficient address space of Internet Protocol version 4 (IPv4), we will enhance the current network to support the co-existence of Internet Protocol version 6 (IPv6) to cater for the anticipated service demand. The total expenditure required for the new programme is estimated to be around \$150 m. We are now preparing a paper on the programme for submission to the Information Technology and Broadcasting Panel for discussion next month. Subject to the support of the Panel, we will seek funding approval from the Finance Committee in May. Details of the programme will be set out in the paper.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)079

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3255

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

- Question:
- (a) What measures were taken by the Government in the financial year of 2010-11 to implement the “Be NetWise” campaign? What is the expenditure involved?
 - (b) What measures will be taken by the Government in the next financial year to implement the “Be NetWise” campaign? What will be the expenditure involved?

Asked by: Hon. CHAN Tanya

- Reply:
- (a) We allocated \$63 m in the 2009-10 financial year to implement a one-year “Be NetWise” Internet Education Campaign from September 2009 to November 2010. A wide range of activities, including large-scale promotion events, roving exhibitions, seminars, home visits, counselling service, mobile exhibitions, etc., involving over 450 000 participants were organised at territory-wide, district and school levels to promote the safe and healthy use of the Internet among students, parents and teachers. Professional education resource kits were also distributed to all primary and secondary schools to assist teachers and school social workers in carrying out Internet education in schools by providing them with systematic and practical reference materials.
 - (b) The “Be NetWise” Internet Education Campaign was successfully completed in November 2010 and no expenditure will be incurred in 2011-12 financial year. The central coordinator of the campaign, the Hong Kong Federation of Youth Groups, will continue to maintain the resources and services developed in the campaign, including the family support centre, online resource portal, handbook for parents, professional education resources for teachers and social workers, etc., with a view to sustaining the ongoing promotion of Internet education in the community and schools.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Government Chief Information Officer
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in the Matters Requiring Special Attention in 2011-12 that during the year, the Office of the Government Chief Information Officer (OGCIO) will continue to enhance information technology security awareness in the Government and monitor compliance of bureaux and departments (B/Ds) with the government information security requirements. How will OGCIO evaluate the effectiveness of the plan in the past given that data leakage incidents happened from time to time? What are the details of the plan for this year? Please state the expenditure and manpower involved.

Asked by: Hon. IP Kwok-him

Reply: Last year, we implemented various information security initiatives to enhance the information security knowledge and awareness among government staff, and further improved the technical measures and processing procedures, in order to ensure the compliance of departments with information security requirements effectively. Although it is difficult to completely avoid the occurrence of security incidents involving data leakage in the Government, the number of such incidents has declined last year while the security and follow-up arrangements have been enhanced.

In 2011-12, we will continue to carry out various security awareness promotion activities, including organising seminars, promoting information security messages through video and animation clips, and publishing relevant articles in staff newsletters and thematic web pages. To enhance the effectiveness of monitoring the compliance of B/Ds with information security requirements, we will further refine the monitoring and auditing mechanism. We will also introduce technical solutions to B/Ds to help them keep in pace with the ever-changing technology development. There are 9 staff in the IT security team of the OGCIO responsible for carrying out the above activities. The expenditure involving all the related activities is about \$6.4 m.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)081

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2002

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in the Matters Requiring Special Attention in 2011-12 that during the year, the Office of the Government Chief Information Officer (OGCIO) will study new e-engagement tools and continue to assist bureaux and departments (B/Ds) in implementing e-engagement initiatives. What are the details of the plan for this year? Please state the expenditure and manpower involved.

Asked by: Hon. IP Kwok-him

Reply: The OGCIO is exploring and developing three new Facebook applications to facilitate B/Ds in conducting questionnaire surveys, delivering live video broadcast and disseminating promotional materials via that platform. The above initiative, spanning from 2010-11 to 2011-12, involves an estimated expenditure of around \$130,000 and two man-months in staff resources in 2011-12. We expect these three applications can be launched for use by B/Ds in the first quarter of 2011-12.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Government Chief Information Officer

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in the Matters Requiring Special Attention in 2011-12 that during the year, the Office of the Government Chief Information Officer (OGCIO) will develop relevant strategies and measures to promote and support information and communications technology adoption among persons with disabilities. What are the details and progress of the plan concerned? How many people will be benefitted? Please state the expenditure and manpower involved.

Asked by: Hon. IP Kwok-him

Reply: In view of the low usage of information and communications technology (ICT) among persons with disabilities, we have initiated a number of targeted measures to promote the wider adoption of ICT among them. To facilitate experience sharing and exchanges on latest ICT development and support for persons with disabilities, we allocated \$0.4 m for the organisation of a forum in December 2010. The forum, with more than 200 participants from local and overseas ICT industry, non-government organisations (NGOs) serving persons with disabilities as well as public and private sector organisations, provided a platform for the exchange of ideas, tools, applications and assistive technologies on ICT adoption and support for persons with disabilities.

The OGCIO has also set aside \$3.6 m to support the development of ICT-based assistive tools and applications for persons with disabilities. OGCIO is now assessing the 39 proposals received in consultation with an advisory committee comprising representatives from the ICT industry and NGOs serving persons with disabilities.

We are also making preparations for launching a web accessibility campaign in mid-2011 to promote the adoption of web accessibility design in both public and private websites to facilitate access of online information and services by persons with disabilities. The campaign will cover a wide range of activities, including development of a management handbook on web accessibility for corporation executives, seminars and workshops on web accessibility international standards and best practices as well as web accessibility assessment and accreditation service for websites frequently visited by persons with disabilities. We have earmarked \$1 m for the implementation of this campaign.

During the year, OGCIO will continue to use the manpower under the existing establishment, including one Senior Systems Manager, one Systems Manager and two Analyst/Programmer Is, to implement the above initiatives under the supervision of a Chief Systems Manager, with a view to promoting wider ICT adoption among persons with disabilities.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Government Chief Information Officer

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in the Matters Requiring Special Attention in 2011-12 that during the year, the Office of the Government Chief Information Officer (OGCIO) will continue to promote information security awareness and education of the general public including small and medium sized enterprises and corporations. What are the details of the plan concerned? Please state the expenditure and manpower involved. Does the Administration consider the promotion activities in the past effective upon review?

Asked by: Hon. IP Kwok-him

Reply: The following are details of the plan of the OGCIO for promoting information security awareness and education:

- (a) Through a variety of channels, which include organising thematic seminars, distributing leaflets and posters, publishing information onto the one-stop information security portal, broadcasting radio episodes and organising logo design contest, etc., we continue to promote information security awareness and education among the general public including small and medium sized enterprises and corporations.
- (b) Through the public website on electronic authentication, we promote public awareness of risk assessment and security assurance requirements in handling different electronic transactions.
- (c) Through collaboration with the Hong Kong Police Force and the Hong Kong Computer Emergency Response Team Coordination Centre, we carry out the annual "Hong Kong Clean PC Day" campaign to promote information security awareness. The campaign includes 3 seminars for the general public and a symposium for the Internet service providers. Topics for these seminars will include trends and security issues related to mobile devices, social networking and fraudulent online transactions. These activities had been well received by the public and the industry. In 2010-11, with a total of more than 600 participants and over 80% of these participants gave excellent or very good ratings.

The estimated expenditure for the IT security team of OGCIO (which comprises 9 staff members) in 2011-12 is about \$6.4 m, including expenses for the above promotion activities.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)084

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0056

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Administration mentions the development of data centres every year, but no specific measures have been taken. Has the Administration formulated a timetable for it? If so, has it followed the timetable strictly? What are the manpower and expenditure involved?

Asked by: Hon. IP LAU Suk-ye, Regina

Reply: The Government supports the development of data centres in Hong Kong. The Office of the Government Chief Information Officer (OGCIO) and the Invest Hong Kong have been promoting Hong Kong as a data centre hub in Asia Pacific region, and providing assistance to interested investors. In parallel, the Government is working closely with the Hong Kong Science and Technology Parks Corporation (HKSTPC) in allocating sites for data centre use. In the past year, the HKSTPC granted about eight hectares of land for the development of high-end data centres. The 2009-10 Policy Address also announced incentive measures to optimise the use of industrial buildings, which facilitates the wholesale conversion or redevelopment of such buildings into data centres.

Data centres are essential infrastructure for a knowledge-based economy. To facilitate the development of data centres to entrench Hong Kong's position as a trade and financial hub, the Government will:

- (a) set up a one-stop portal, which will be launched around mid-2011, to disseminate information relevant to the development of data centres;
- (b) step up the promotion of optimising the use of existing industrial buildings and industrial sites in the data centre sector; and
- (c) explore other facilitation measures, including exploring the feasibility of allocating suitable sites for developing high-end data centres and related arrangements.

The above measures will mainly be undertaken and coordinated by three staff members in the OGCIO. The expenditure to develop the one-stop portal is estimated to be about \$1.5 m. Both the manpower and expenditure will be absorbed within the existing resources.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)085

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3294

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide details on the scheme to “encourage the development and application of ICT-related assistive technology for persons with disabilities” rolled out in 2010-11, including estimated expenditure, progress, effectiveness and the ways to encourage such development, etc. Has the Government assessed whether the budget is sufficient? Has the Government provided the persons with disabilities with financial support for making use of these research deliverables?

Asked by: Hon. LAU Wai-hing, Emily

Reply: The Office of the Government Chief Information Officer (OGCIO) has set aside \$3.6 m to support the development of ICT-based assistive tools and applications for persons with disabilities. OGCIO is now assessing 39 proposals received and will consult an advisory committee comprising representatives from ICT industry and non-government organisations (NGOs) serving persons with disabilities.

We expect that funding will be allocated to the selected projects in April 2011. All funded projects are expected to complete within 12 months. To facilitate use of the project deliverables by persons with disabilities, project owners are required to open up the intellectual property of the project deliverables for use by persons with disabilities as well as NGOs serving them free of charge. We will also arrange exhibition of the project deliverables to encourage more interested individuals or organisations to develop ICT-based assistive tools and applications for persons with disabilities.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)086

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0405

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: The financial provision for this Programme in 2011-12 is \$470.6 m. Please give details on the amount of provision to be allocated and the measures to be taken by the Administration to:

- (a) enhance central infrastructure to facilitate the further development of e-government services, including mobile services, by bureaux/departments (B/Ds); and
- (b) implement the green data centre strategy.

Asked by: Hon. LEUNG Kwan-yuen, Andrew

Reply: (a) The Office of the Government Chief Information Officer has formulated a Pan-government IT Strategy. Over the next five years, we will adopt the cloud computing model progressively to re-provision Government's central IT infrastructure and services. The planned initiatives include the establishment of a new application platform for e-services, the development of shared services for electronic information management and human resources management, the building of a framework for data centre hosting services, and the establishment of a virtualised infrastructure in the Government Central Computer Centre. In implementing these initiatives, we will seek funding according to the established mechanism.

In 2011-12, we will allocate around \$43.32 m to introduce the following major measures to facilitate the further development of e-government services by B/Ds:

- (i) enhancing the web site design and features of GovHK (including MyGovHK) for B/Ds to provide more efficient and convenient e-government services through this one-stop portal;
- (ii) conducting a study on the revamp of the mobile version of GovHK to facilitate B/Ds' provision of public information and services for users of mobile devices in the future;
- (iii) setting up a central Short Message Service (SMS) gateway for B/Ds to distribute information through SMS in a more cost-effective way; and
- (iv) further developing the "GeoInfo Map" platform to allow B/Ds to disseminate more geospatial information to the public.

We also plan to seek approval from the Finance Committee for funding provision of \$135 m over a four-year period commencing from the first quarter of 2011-12 to develop a new hosting infrastructure for e-government services to support B/Ds in delivering more e-government services, including mobile public services.

- (b) To implement the green data centre strategy, we will allocate around \$300,000 for introducing the following measures:
- (i) promulgating best practices on green data centre for reference and adoption by B/Ds;
 - (ii) developing sample requirements for green procurement and disposal of IT equipment and data centre facilities for reference and adoption by B/Ds; and
 - (iii) arranging training courses and experience sharing seminars on green data centre for government IT staff.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Government Chief Information Officer
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the launching of the dedicated portal for the elderly (“eElderly”), will the Administration inform this Committee of the following:

- (a) What are the details of the plan concerned? When will the portal be put into operation?
- (b) What are the estimated expenditure and manpower involved?
- (c) How will the Administration evaluate the effectiveness of the plan concerned?

Asked by: Hon. PAN Pey-chyou

- Reply:
- (a) The “eElderly” is an entry portal for the elderly, with contents catering for their needs and interests, such as those related to their daily lives, medical and health, housing and care, elder academy, social and recreational activities, as well as silver hair market information. The portal, designed to enable easy use and navigation by the elderly, aims at encouraging them to acquire Internet skills to engage with information and expand their horizon. The Office of the Government Chief Information Officer (OGCIO) has appointed the Hong Kong Society for the Aged (SAGE) through an open selection process to take forward the project. The portal commenced service in June 2010.
 - (b) The OGCIO has allocated \$2.8 m to SAGE as seed funding to develop the portal. The SAGE also undertakes about \$1.2 m of portal development and operational expenses through its internal resources and commercial sponsorship.
 - (c) An Advisory Committee, chaired by one of SAGE’s board of directors and comprising representatives from the Elderly Commission, elderly service professionals, information and communications technology professionals and the Government, has been established to steer and oversee the implementation and ongoing development of the portal. The project is also under the direct supervision of the Executive Director of SAGE. The OGCIO has requested the SAGE to provide regular progress reports on the development and operation of the portal (including number of registered users and total visits to the portal), and has organised regular project coordination meetings with the SAGE to review and monitor the project’s progress. Furthermore, the SAGE will conduct meetings with elderly services organisations and user representatives from time to time to monitor the effectiveness of the portal in terms of its design, features and content.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Administration intends to plan for the next generation of the Government Wi-Fi programme with a view to enhancing the provision of free public Wi-Fi service at selected government premises. Please provide this Committee with information on the following:

- (a) What is the total number of premises that currently provide free Wi-Fi service? What are the details of expenditure and manpower involved? What is the number of users?
- (b) What are the details of the next generation of the Government Wi-Fi programme? What are the expenditure and manpower involved? Will additional premises with Wi-Fi service be provided? If so, what are the details? If not, why not?
- (c) Is there a set of criteria currently adopted by the Administration to select telecommunications network for the provision of Wi-Fi service? If so, what are the details? If not, why not?

Asked by: Hon. PAN Pey-chyou

Reply: (a) The Government is currently providing free Wi-Fi service at 392 government premises. The total expenditure and manpower involved for service installation and programme implementation are \$130 m and 45 man-months respectively while the annual expenditure for service operation and support is \$5 m thereafter. In 2010, the service usage was about 5.7 million user connections.

- (b) The expenditure and manpower for the next generation of the Government Wi-Fi programme are estimated to be around \$150 m and 45 man-months respectively. We are now preparing a paper on the programme for submission to the Information Technology and Broadcasting Panel for discussion next month. Subject to the support of the Panel, we will seek funding approval from the Finance Committee in May. Details of the programme will be set out in the paper.

Regarding the locations for providing Wi-Fi service, we will discuss, on the basis of public demand, with the departments concerned to decide whether such service would be provided at additional locations.

- (c) The Government will uphold the principles of openness, transparency, fairness and value for money to acquire Wi-Fi service by open tendering. The Government will require that the selected telecommunications network service provider(s) must possess a valid telecommunications licence, comply with the mandatory requirements and attain the required service level as stipulated in the tender document.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)089

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0720

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the three grades of government IT staff (namely the Analyst/Programmer Grade, the Computer Operator Grade and the Data Processor Grade), please provide information on the following:

- (a) What is the breakdown by department of the existing establishment, number of staff and number of vacancies of the three grades? What is the respective number of vacancies of civil servants, non-civil service contract staff and staff of outsourced service providers?
- (b) Will additional staff be employed to fill the above vacancies in 2011-12? If so, which grade(s) and department(s) will be involved and what is the expenditure involved? If not, what measures will be taken by the department(s) concerned to address the problem of insufficient manpower?
- (c) Has the Office of the Government Chief Information Officer (OGCIO) assessed the adequacy of the manpower of the three grades? If so, what are the results of the assessment? Will the permanent establishment of the three grades be increased? If so, what are the detailed arrangements for the manpower increase? If no assessment has been conducted, what is(are) the reason(s) for that and will such assessment be carried out in the future?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) As at 31 December 2010, the establishment, number of staff and number of vacancies of the Analyst/Programmer Grade, Computer Operator Grade and Data Processor Grade respectively are as follows:

Grade	Existing establishment	Strength	Vacancy
Analyst/Programmer	788 (+13)	740	61
Computer Operator	441	428	13
Data Processor	185 (+1)	176	10
Total	1 414 (+14)	1 344	84

Note: Establishment figures include the number of permanent posts, time-limited posts and supernumerary posts. Strength figures include the number of officers on final leave. Figures in () denote the number of supernumerary posts.

For the breakdown by department, please refer to Annex 1.

As regards the non-civil service contract (NCSC) staff employed in various bureaux/departments (B/Ds) and staff of outsourced service providers, they provide services for various B/Ds in meeting temporary or short term service needs. As these contract staff are not employed on permanent basis, the vacancy figures only apply to the civil service grades only.

- (b) The OGCIO will continue to conduct recruitment exercises to fill the vacancies of the Analyst/Programmer Grade and the Computer Operator Grade. In the past two years, OGCIO has recruited 41 Analyst/Programmer IIs.

As at December 2010, there are 61 vacancies in the Analyst/Programmer Grade, of which 39 are time-limited posts and supernumerary posts. As these posts are time-limited in nature, they cannot be filled by recruitment. In view of the existing 22 vacancies that can be filled by recruitment and the additional posts to be created in 2011-12, we are in the process of recruiting 35 Analyst/Programmer IIs. Regarding the Computer Operator Grade, 9 out of the 13 vacancies can be filled by recruitment. As such, we are conducting a recruitment exercise for recruiting 9 Computer Operator IIs. The administrative cost for the recruitment exercises is about \$560,000. Meanwhile, the work will be taken up by contract or outsourced staff until the vacancies are filled.

As regards the Data Processor Grade, the manpower plans of B/Ds indicate that there will be manpower surplus in the grade in the coming years. Therefore, we have no plan to conduct any recruitment exercise for this grade. If vacancies arise in individual B/Ds, they can be filled by redeployment of existing manpower resources on a need basis.

- (c) All B/Ds are required to review and work out their IT manpower plans annually. In 2011-12, the permanent establishment of the Analyst/Programmer Grade and the Computer Operator Grade will be increased. The OGCIO will fill the additional posts via recruitment or redeployment.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Breakdown by department of the existing establishment, number of staff and number of vacancies of the three grades of Government IT staff
(as at 31.12.2010)

Grade Bureau/Department	Analyst/Programmer			Computer Operator			Data Processor			Total		
	E	S	V	E	S	V	E	S	V	E	S	V
Administration Wing	3	3	0	1	1	0	0	0	0	4	4	0
Agriculture, Fisheries and Conservation Department	3	3	0	0	0	0	0	0	0	3	3	0
Architectural Services Department	0	0	0	0	0	0	2	2	0	2	2	0
Auxiliary Medical Service	1	1	0	0	0	0	0	0	0	1	1	0
Buildings Department	2	2	0	0	0	0	0	0	0	2	2	0
Commerce and Economic Development Bureau - Commerce, Industry and Tourism Branch	2	2	0	0	0	0	0	0	0	2	2	0
Commerce and Economic Development Bureau - Communications and Technology Branch	2	2	0	0	0	0	0	0	0	2	2	0
Office of the Government Chief Information Officer	308 (+3)	286	25	114	103	11	61	54	7	483 (+3)	443	43
Civil Engineering and Development Department	1	1	0	0	0	0	0	0	0	1	1	0
Companies Registry	5	4	1	10	10	0	0	0	0	15	14	1
Civil Service Bureau	10	9	1	2	2	0	0	0	0	12	11	1
Correctional Services Department	0	0	0	2	2	0	0	0	0	2	2	0
Customs and Excise Department	28	27	1	24	24	0	4	4	0	56	55	1
Census and Statistics Department	27	25	2	5	5	0	12	12	0	44	42	2
Department of Justice	6 (+2)	8	0	0	0	0	0	0	0	6 (+2)	8	0
Development Bureau - Planning and Lands Branch	2	2	0	0	0	0	0	0	0	2	2	0
Development Bureau - Works Branch	5	5	0	0	0	0	0	0	0	5	5	0
Department of Health	13 (+1)	13	1	2	2	0	0	0	0	15 (+1)	15	1
Drainage Services Department	3	3	0	0	0	0	0	0	0	3	3	0
Education Bureau	16	16	0	0	0	0	0	0	0	16	16	0
Environmental Protection Department	4	4	0	0	0	0	0	0	0	4	4	0
Electrical and Mechanical Services Department	1	1	0	0	0	0	0	0	0	1	1	0
Food and Environmental Hygiene Department	2	2	0	9	9	0	3	3	0	14	14	0
Food and Health Bureau	6	6	0	0	0	0	0	0	0	6	6	0
Financial Services and the Treasury Bureau - The Treasury Branch	0	0	0	0	0	0	1	1	0	1	1	0
Government Flying Service	1	1	0	0	0	0	0	0	0	1	1	0
Government Logistics Department	5	5	0	3	3	0	0	0	0	8	8	0
Home Affairs Department	4	3	1	0	0	0	0	0	0	4	3	1
Housing Department	34	31	3	18	18	0	7	6	1	59	55	4
Hong Kong Observatory	2 (+1)	3	0	0	0	0	0	0	0	2 (+1)	3	0
Hong Kong Police Force	54	52	2	56	55	1	31	31	0	141	138	3
Highways Department	2	2	0	0	0	0	0	0	0	2	2	0
Immigration Department	54	47	7	65	64	1	9	9	0	128	120	8
Intellectual Property Department	0 (+1)	1	0	0	0	0	0	0	0	0 (+1)	1	0
Inland Revenue Department	32	28	4	41	41	0	42 (+1)	41	2	115 (+1)	110	6
Information Services Department	4	4	0	2	2	0	0	0	0	6	6	0
Judiciary	5 (+3)	8	0	0	0	0	0	0	0	5 (+3)	8	0
Legal Aid Department	3	3	0	1	1	0	0	0	0	4	4	0
Lands Department	4	4	0	2	2	0	0	0	0	6	6	0
Labour Department	6	6	0	2	2	0	0	0	0	8	8	0
Land Registry	12	12	0	12	12	0	0	0	0	24	24	0
Leisure and Cultural Services Department	9 (+1)	9	1	16	16	0	0	0	0	25 (+1)	25	1
Labour and Welfare Bureau	2	2	0	0	0	0	0	0	0	2	2	0
Marine Department	10	6	4	0	0	0	0	0	0	10	6	4
Official Receiver's Office	2	2	0	0	0	0	0	0	0	2	2	0
Planning Department	8	7	1	0	0	0	0	0	0	8	7	1
Post Office	10	10	0	0	0	0	0	0	0	10	10	0
Registration and Electoral Office	4	3	1	0	0	0	0	0	0	4	3	1
Rating and Valuation Department	16	15	1	13	13	0	0	0	0	29	28	1
Security Bureau	9	7	2	0	0	0	0	0	0	9	7	2
Student Financial Assistance Agency	4	4	0	0	0	0	0	0	0	4	4	0
Social Welfare Department	3	3	0	0	0	0	0	0	0	3	3	0
Transport and Housing Bureau - Transport Branch	1	1	0	0	0	0	0	0	0	1	1	0
Transport Department	7	7	0	1	1	0	0	0	0	8	8	0
Trade and Industry Department	9 (+1)	8	2	10	10	0	3	3	0	22 (+1)	21	2
Treasury	21	20	1	30	30	0	10	10	0	61	60	1
University Grants Committee Secretariat	1	1	0	0	0	0	0	0	0	1	1	0
Total	788 (+13)	740	61	441	428	13	185 (+1)	176	10	1414 (+14)	1344	84

Note:

E : Establishment

S : Number of staff

V : Number of vacancies

Establishment figures include the number of permanent posts, time-limited posts and supernumerary posts.

Strength figures include the number of officers on final leave.

Figures in () denote the number of supernumerary posts.

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)090

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2199

Head: 47 – Government Secretariat :
Office of the Government
Chief Information Officer

Subhead
(No. & title):

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the plan for the next generation of the Government Wi-Fi programme mentioned in the Matters Requiring Special Attention in 2011-12, what are the estimated manpower and expenditure involved in 2011-12? What is the timetable for the completion of the programme? What measures will be taken to enhance information security for the next generation of Wi-Fi service so as to protect users' privacy?

Asked by: Hon. TAM Wai-ho, Samson

Reply: The expenditure and manpower for the implementation of the next generation of the Government Wi-Fi programme in 2011-12 are estimated to be around \$3.6 m and 21 man-months respectively. We plan to complete the implementation of the new programme and start to provide service by December 2012.

For protecting user privacy, the current Government Wi-Fi service has already adopted the best recognised Wi-Fi transmission and network security standards in the industry. Under the new programme, we will continue to adopt the current security measures including the provision of encrypted connection channel, firewall system, content filtering software and peer-to-peer blocking function, etc., so as to reduce the risk of illegal intrusion and access to other client mobile devices by hackers. In addition, we will conduct regular security risk assessment and audit to assure that the Wi-Fi service can continue to fulfill the security requirements. On the other hand, we will continue to publicise and promote the use of security measures for Wi-Fi service through various channels such as leaflets, the GovWiFi website (www.gov.hk/wifi) and the InfoSec website (www.infosec.gov.hk), etc., in order to remind the public to adopt effective security methods for strengthening the protection of their privacy.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)091

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2200

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the implementation of green data centre strategy to reduce carbon footprints and environmental impact in government data centre operations mentioned in the Matters Requiring Special Attention in 2011-12, what are the estimated manpower and expenditure involved in 2011-12? What are the specific implementation plan and timetable for the strategy? How many government departments will be involved?

Asked by: Hon. TAM Wai-ho, Samson

Reply: To implement the green data centre strategy, we will spend around \$300,000 (involving around three man-months and expenditure of about \$100,000) for introducing the following measures for 15 bureaux/departments (B/Ds) with data centre operations:

- (a) Promulgating best practices on green data centre for reference and adoption by B/Ds;
- (b) Developing sample requirements for green procurement and disposal of IT equipment and data centre facilities for reference and adoption by B/Ds; and
- (c) Arranging training courses and experience sharing seminars on green data centre for government IT staff.

It is expected that the above measures will be implemented in the latter half of 2011-12.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)092

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2201

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (2) IT Infrastructure and Standards

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the implementation of information security policies by government departments mentioned in the Matters Requiring Special Attention in 2011-12, please provide information on the measures and policies adopted in 2010-11 and the resources involved. What are the estimated manpower and expenditure involved in 2011-12? Is there any new implementation plan for this year (2011-12)? How many government departments will be involved?

Asked by: Hon. TAM Wai-ho, Samson

Reply: In 2010-11, we carried out various security awareness promotion activities, including organising seminars, promoting information security messages through video and animation clips, and publishing relevant articles in newsletters and thematic web pages. During the year, over 1 000 government staff attended seminars of themes which included “Social Networking Security” and “Good Security Habits”. We also introduced technical measures and solutions to bureaux/departments (B/Ds) to help them keep in pace with the ever-changing technology development and tackle security risks. Moreover, we refined the mechanism for conducting audit on compliance of B/Ds with information security requirements. There are 9 staff in the IT security team of the Office of the Government Chief Information Officer (OGCIO) responsible for carrying out the above activities. The expenditure for the above activities in 2010-11 is about \$6 m.

In 2011-12, we will continue to promote security awareness among all B/Ds, share with them various security information, and conduct audit for some 10 to 15 B/Ds on their compliance with departmental information security policies. The 9 OGCIO staff will continue to undertake these activities. The total estimated expenditure for carrying out the above promotion and audit activities is about \$6.4 m.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)093

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2202

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in the Brief Description under this Programme that the Government will roll out a scheme to encourage the development and application of information and communications technology-related assistive technology for persons with disabilities (PWD). Will the Administration provide information on the estimated manpower and expenditure involved in 2011-12? What are the details of the scheme? Will the Administration also consider providing PWD with computer skill training or computer hardwares and softwares and Internet access subsidy to help them integrate into and adapt to the networked society as soon as possible? If so, what are the details? If not, why not?

Asked by: Hon. TAM Wai-ho, Samson

Reply: The Office of the Government Chief Information Officer (OGCIO) has set aside \$3.6 m to support the development of information and communications technology (ICT) based assistive tools and applications for persons with disabilities. OGCIO is now assessing 39 proposals received in consultation with an advisory committee comprising representatives from ICT industry and non-government organisations serving persons with disabilities.

We are also making preparations for launching a web accessibility campaign in mid-2011 to promote the adoption of web accessibility design in both public and private websites to facilitate access of online information and services by persons with disabilities. The campaign will cover a wide range of activities including development of a management handbook on web accessibility for corporation executives, seminars and workshops on web accessibility international standards and best practices as well as accessibility assessment and accreditation service for websites frequently visited by persons with disabilities. We have earmarked \$1 m for the implementation of this campaign.

During the year, OGCIO will continue to use the manpower under the existing establishment, including one Senior Systems Manager, one Systems Manager and two Analyst/Programmer Is, to implement the above initiatives under the supervision of a Chief Systems Manager, with a view to promoting wider ICT adoption among persons with disabilities.

Besides, the Social Welfare Department (SWD) has set up the Central Fund for Personal Computers in 1997 to assist persons with disabilities in acquiring computers for self-employment or receiving supported employment service at home with guidance and follow-up services provided by the rehabilitation service organisations or the Selective Placement Division of the Labour Department. Moreover, SWD has been administering the IT Scheme for People with Visual Impairment set up with contribution of \$7.15 m from the Hong Kong Jockey Club Charities Trust since 2005. The scheme aims to support relevant organisations to acquire advanced Chinese screen readers and Braille displays at the communal access points of people with visual

impairment, and to subsidise individual person with visual impairment who requires the use of IT for the purpose of studies or employment but has genuine financial difficulty.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)094

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2204

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the support provided by the Office of the Government Chief Information Officer (OGCIO) to bureaux/departments (B/Ds) to formulate and implement information technology strategies mentioned in the Brief Description under this Programme, will the Administration provide information on the following:

- (a) How many government bureaux and departments have already set up their own Information Technology Management Units (ITMUs)? Of the total number of staff involved, how many of them are civil servants, non-civil service contract staff and outsourced staff?
- (b) Which departments are expected to set up ITMUs in 2011-12? What are the estimated expenditure and manpower involved for each of the newly established ITMUs? Of the staff involved, how many of them are civil servants, non-civil service contract staff and staff of outsourced service providers?
- (c) Has the effectiveness of ITMUs been assessed comprehensively? If so, what are the results of the assessment? If not, will such assessment be carried out in the future?
- (d) Has any analysis been made of the reasons as to why some departments have yet to set up their own ITMUs? If so, what are the results of the analysis? What measures will be taken by OGCIO to encourage and help these departments set up ITMUs as soon as possible?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) As at December 2010, a total of 67 B/Ds have set up their own Information Technology Management Unit (ITMU). Of the total number of staff involved, 798 are civil servants (namely staff of the Analyst/Programmer Grade and the Computer Operator Grade), 705 are non-civil service contract (NCSC) staff and 1 385 are outsourced staff.
 - (b) In 2011-12, the Home Affairs Bureau (HAB) and the Chief Secretary for Administration's Office (CSO) have scheduled to set up their ITMU.

The manpower involved is as follows:

HAB: two civil servants and three NCSC/outsourced staff. Four of these posts will be filled by internal redeployment. The estimated expenditure in 2011-12 is about \$ 730,000.

CSO: six civil servants. The estimated expenditure in 2011-12 is about \$ 3.7 m.

- (c) The objective of establishing ITMU is to more tightly integrate the IT ownership, management and advisory functions into the overall management of B/Ds, so as to better support their policy formulation and implementation processes. We have conducted a comprehensive assessment on the effectiveness of ITMUs and confirmed the above objective. To refine the ITMU mechanism, we issued a circular on “Management of IT Professional Resources in B/Ds” in June 2010 to provide updated guidelines for B/Ds in managing their IT professional resources.
- (d) For those B/Ds which have not yet set up an ITMU, the OGCIO has been providing IT advice and support to them centrally, through a communal ITMU arrangement using pooled resources. Most of these B/Ds are either too small or lack the management structure to justify a dedicated ITMU, or whose businesses do not lend themselves to major IT usage. OGCIO has an ongoing arrangement whereby it will review with these B/Ds the timing and arrangement for setting up a dedicated ITMU based on their business plans and projected IT requirements.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)095

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2205

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in the Matters Requiring Special Attention in 2011-12 that the Office of the Government Chief Information Officer (OGCIO) will study new e-engagement tools and continue to assist bureaux/departments (B/Ds) in implementing e-engagement initiatives. In this connection, will the Administration provide information on the following:

- (a) What are the details of the study, the costs and manpower required as well as its implementation timetable?
- (b) Which bureaux and departments will be assisted by OGCIO in implementing e-engagement initiatives in 2011-12? What are the details of these initiatives as well as the expenditures and manpower involved?
- (c) Has the effectiveness of service-wide implementation of e-engagement initiatives been assessed comprehensively? If so, what are the results of the assessment and the details of the proposed improvements? If not, will such assessment be carried out in the future?
- (d) How will various government departments work together to facilitate the effective implementation of e-engagement initiatives? Will these initiatives be implemented through central coordination? If so, what are the implementation details? If not, will central coordination arrangement be made in the future?

Asked by: Hon. TAM Wai-ho, Samson

Reply:

- (a) The OGCIO is exploring and developing three new Facebook applications to facilitate B/Ds in conducting questionnaire surveys, delivering live video broadcast and disseminating promotional materials via that platform. The above initiative, spanning from 2010-11 to 2011-12, involves an estimated expenditure of around \$130,000 and two man-months of staff resources in 2011-12. We expect these three applications can be launched for use by B/Ds in the first quarter of 2011-12.
- (b) B/Ds communicate with the public through different means in different circumstances. OGCIO provides B/Ds with technical support and guidelines on e-engagement, but does not have information about B/Ds' e-engagement plans in the coming year.

Apart from the resources mentioned in item (a) above, OGCIO will, depending on B/Ds' actual needs in implementing e-engagement measures, provide technical support and guidelines with existing resources. We estimate that the resources involved should be no more than 3 man-months.

- (c) Individual B/Ds will assess the effectiveness of their e-engagement initiatives in light of the objectives of the initiatives. If individual B/Ds after assessment consider it necessary to enhance the technical aspect of their e-engagement initiatives, OGCIO will provide advice and assistance for them.
- (d) B/Ds communicate with the public through different means in different circumstances. OGCIO provides them with technical support and guidelines on e-engagement. In 2010-11, we held a series of e-engagement related training for B/Ds, including the training on e-engagement project design, security and crisis management, and the necessary skills. In 2011-12, we will launch shared applications. B/Ds can make reference to the training materials as well as the technical guidelines and apply suitable applications in their e-engagement initiatives.

Name in block letters _____ Stephen Mak _____

Post Title _____ Government Chief Information Officer _____

Date _____ 17.3.2011 _____

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)096

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2348

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the data centres operated by the Government:

- (a) What is the total number of data centres operated by the Government at present and the total expenditure involved in the past two years? Will there be any change in the number of these data centres in 2011-12? What is the estimated total expenditure involved?
- (b) For each of these existing data centres, what is the breakdown by department of the cost and manpower required in the past two years, and the estimated expenditure in 2011-12? What is the rate of change in expenditure as compared with that in 2010-11?

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) The Office of the Government Chief Information Officer conducts annual survey to collect information on data centre operation from government departments. According to the information provided by the departments, there are a total of 25 data centres currently operating in the Government. The total expenditures in 2009-10 and 2010-11 are \$170 m and \$166 m respectively. In 2011-12, the estimated number of data centres remains to be 25 and the estimated expenditure is \$165 m.
 - (b) The breakdown by department of the number of data centres, expenditure and manpower involved is tabulated below:

	No. of data centres	2009-10		2010-11		2011-12 estimate		change in expenditure ((b) - (a))/(a)
		Expenditure (\$ million)	No. of supporting staff	Expenditure (\$ million) (a)	No. of supporting staff	Expenditure (\$ million) (b)	No. of supporting staff	
Census and Statistics Department	1	2.7	8	2.9	8	3.0	8	3.4%
Customs and Excise Department	3	5.4	21	4.1	21	3.7	17	-9.8%
Food and Environmental Hygiene Department	2	8.2	4	8.2	4	8.2	4	-
Government Logistics Department	1	1.5	3	1.5	3	1.5	3	-
Hong Kong Police Force	3	41.4	63	41.4	63	41.4	63	-

Immigration Department	2	18.5	63	18.5	63	18.5	63	-
Information Services Department	1	1.9	2	1.9	2	1.9	2	-
Inland Revenue Department	1	19.0	45	19.7	45	20.4	45	3.6%
Leisure and Cultural Services Department	3	23.3	16	23.3	16	23.3	16	-
Office of the Government Chief Information Officer	3	13.4	95	13.9	95	13.9	95	-
Rating and Valuation Department	1	2.8	13	2.8	13	2.8	13	-
Trade and Industry Department	1	2.9	11	2.7	10	1.7	10	-37.0%
Transport Department	2	6.5	1	7.1	1	7.3	1	2.8%
Treasury	1	22.4	45	17.7	45	17.7	45	-
Total	25	169.9	390	165.7	389	165.3	385	-0.2%

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)097

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3208

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the estimates of expenditure of Information Technology Management Units (ITMUs) in government departments:

- (a) What is the estimated expenditure in 2011-12? What is the rate of change as compared with the actual expenditure in 2010-11? What is(are) the reason(s) for the above rate of change in expenditure?
- (b) What specific projects are included in the Estimates of Expenditure 2011-12? Which of them are on-going projects and new projects? What are the number of staff, the costs and the implementation timetable of each project? Of the staff involved for each project, how many of them are civil servants, non-civil service contract staff and staff of outsourced service providers?
- (c) Has the Administration earmarked any provision for the promotion of e-engagement as well as opening up of public sector information? If so, what are the specific contents (including project names, details, manpower and costs involved, and implementation timetable)? If not, what is(are) the reason(s) and will the Administration consider carrying out such measures in the future?
- (d) What are the permanent establishment, existing number of staff and vacancies of ITMUs? Will there be any increase in manpower in the coming year? If so, what is the estimated number of additional posts and the ranks involved? Are these posts permanent in nature? Will candidates for these posts be appointed on civil service terms of appointment? If not, what is(are) the reason(s) for that?
- (e) Has the effectiveness of ITMUs been reviewed comprehensively? If so, what are the results of the review and the specific improvement measures involved? If not, what is(are) the reason(s) and will such review be carried out in the future?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) The main function of the Information Technology Management Unit (ITMU) in the Office of the Government Chief Information Officer (OGCIO) is to support internal departmental operations. The estimated expenditure in 2011-12 is \$32 m which is comparable to the actual expenditure in 2010-11.

(b) The major on-going projects in 2011-12 are listed below:

Project	No. of staff required in 2011-12			Estimated expenditure in 2011-12 (\$m)
	Civil service Staff	Non-civil service contract staff	Staff of outsourced service provider	
Support of Business Applications and Operations	3	0	11	8
Support of IT Infrastructure and Facilities	10	0	9	13
Support of Business Strategy and Information Management	6.5	0	10	11

In addition, new projects in 2011-12 funded under the Capital Works Reserve Fund Head 710 - Computerisation Subhead A007GX are listed below:

Project	No. of staff required in 2011-12			Estimated expenditure in 2011-12 (\$m)	Implementation timetable
	Civil service staff	Non-civil service contract staff	Staff of outsourced service provider		
Redevelopment of the OGCIO Homepage	1.2	0	1	4.8	2011-12
IT Facilities for OGCIO at Tamar	0.3	0	1.5	3	November 2011

- (c) We are now re-developing the OGCIO's website with a customer-centric approach to support our efforts in promoting initiatives related to e-engagement and opening up of public sector information. The estimated expenditure funded by the Capital Works Reserve Fund Head 710 - Computerisation Subhead A007GX is about \$4.8 m, including the expenses for one staff of outsourced service provider. The project also requires internal redeployment of 1.2 man-years of civil service staff. The new website is expected to be launched in 2011-12.
- (d) The permanent establishment, existing strength and vacancies of the ITMU are as follows:

Grade	Establishment	Strength	Vacancy
Analyst/Programmer	18	16	2
Computer Operator	3	3	0
Total	21	19	2

The above two vacancies are expected to be filled through open recruitment in the coming year.

- (e) Under the existing governance mechanism, we have established the Information Technology Steering Committee to review the manpower resources as well as the development plan of the ITMU every year. We also conduct regular surveys to gauge the quality of services provided by the ITMU to assure its effectiveness and enhance the services.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)098

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3783

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: What changes will the Government make to its implementation strategy for data centres in the future to tie in with the development of cloud computing? What is the estimated number of data centres that will be consolidated? Which departments will be involved? What is the estimated amount of cost savings and what is the timetable for consolidation?

Asked by: Hon. TAM Wai-ho, Samson

Reply: We have included cloud computing as the main direction of information technology development in the Government as well as our major area of work in the coming year. We are actively studying and planning for the adoption of cloud computing, including examining its impact on data centre development.

Since we are still at an initial stage of exploring the adoption of cloud computing, we have yet to come up with a concrete plan and information regarding data centre consolidation, the amount of cost savings and the timetable for consolidation.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)099

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3326

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding Other Charges under Operational expenses:

- (a) The revised estimate for “Electronic Service Delivery scheme” and “New Strategy for E-government Service Delivery” in 2010-11 is lower than the original estimate. What is(are) the reason(s) for that?
- (b) Why does the Bureau still increase the estimate for “New Strategy for E-government Service Delivery” in 2011-12 given that the expenditure in 2010-11 is lower than the estimate?

Asked by: Hon. TONG Ka-wah, Ronny

Reply: (a) and (b)

The revised estimate for “New Strategy for E-government Service Delivery” in 2010-11 is slightly lower than the original estimate (by around 7.3%). The main reasons are as follows -

- (i) The expenditure on publicity for e-government services decreased as a result of the Office of the Government Chief Information Officer co-organising promotional activities with other bureaux and departments;
- (ii) The tender prices offered by service providers were lower than expected; and
- (iii) The spending on help desk service decreased because the number of public’s requests for assistance was lower than expected.

Taking into account the inflation factor and the rolling out of a number of new e-government services in the coming year (including services to be launched on the newly-developed personalised portal, “MyGovHK”, and mobile e-government services), we consider it appropriate to set the 2011-12 estimate for “New Strategy for E-government Service Delivery” at a level similar to the 2010-11 original estimate.

The provision for the “Electronic Service Delivery scheme” is used for the arrangement relating to the transition from “ESDlife” to “GovHK”. The 2010-11 revised estimate for this item is the final expenditure, and we will not earmark any further funding for this purpose.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)100

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3327

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Administration will create 2 posts for E-government service delivery in 2011-12. What are the rank, salary and duties of these posts?

Asked by: Hon. TONG Ka-wah, Ronny

Reply: In 2011-12, the Office of the Government Chief Information Officer will create one Analyst/Programmer I post and one Analyst/Programmer II post. The respective notional annual mid-point salary of Analyst/Programmer I and Analyst/Programmer II is \$532,800 and \$352,800. In December 2010, we rolled out a personalised portal, "MyGovHK". These two posts will be responsible for the on-going support for daily operation of the portal, contract management, and development of new features for the portal.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)101

Head: 47 – Government Secretariat : Subhead
Office of the (No. & title):000
Government Chief Operational Expenses
Information Officer

Question Serial No.

3328

Programme:

Controlling Government Chief Information Officer

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the Personnel Related Expenses under Operational expenses, why does the Administration increase the Mandatory Provident Fund (MPF) contribution from \$137,000 in 2010-11 to \$141,000 in 2011-12 and the Civil Service Provident Fund contribution from \$263,000 in 2010-11 to \$727,000 in 2011-12?

Asked by: Hon. TONG Ka-wah, Ronny

Reply: As compared to 2010-11, the increase in the estimated expenditure for the MPF contribution in 2011-12 is mainly due to the full-year provision of MPF contribution in 2011-12 for the new recruits who joined the Office of the Government Chief Information Officer in mid 2010-11. As regards the increase in the Civil Service Provident Fund contribution, it is mainly attributed to the increase in the number of officers appointed under the new civil service entry terms and expected to be converted to the permanent establishment in 2011-12.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)102

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3329

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Government Chief Information Officer
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Office of the Government Chief Information Officer (OGCIO) completed the IT Training Programme for small and medium sized enterprises (SMEs) in 2010-11. Please provide information on the effectiveness of the programme, the expenditure involved and the number of SMEs that joined the programme.

Asked by: Hon. TONG Ka-wah, Ronny

Reply: The IT Training Programme for SMEs launched by the OGCIO in 2010-11 has been completed as scheduled with targets achieved. The total expenditure of the Programme was \$6.85 m. Six training programmes were provided for five sectors (i.e. travel agents, Chinese medicine practitioners, social enterprises, manufacturing and general SME sector). More than 4 700 SME practitioners participated in the Programme with an attendance rate of over 11 000. More than 95% of participants were satisfied with the training programmes.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)103

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2416

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Administration intends to expand the District Cyber Centre Scheme and will roll out a new initiative to promote information and communications technology (ICT) adoption among the elderly.

- (a) Regarding the existing 33 district cyber centres in the territory, what are the expenditure and manpower involved? What are the details of the services provided last year? What is the number of users of these centres?
- (b) What are the expenditure and manpower involved for the expansion of the District Cyber Centre Scheme in the coming year? What are the details of the services to be provided? What is the estimated number of beneficiaries?
- (c) The Administration will roll out a new initiative to promote ICT adoption among the elderly. What are the details of this initiative? Will the Administration organise courses on ICT adoption for the elderly? If so, what are the details and the expenditure and manpower involved? If not, why not?

Asked by: Hon. WONG Kwok-kin

- Reply:
- (a) Last year, the District Cyber Centre Pilot Scheme extended its support services to 57 computer centres operated by community organisations in different districts to provide local communities with Internet accessibility, computer facilities, associated equipment and training. In the past two years, the Government injected \$22 m into the Scheme. The Scheme also raised more than \$26 m of in-kind donations such as software, broadband connections and professional services from the private sector. Over 62 000 usage hours of the computer facilities were recorded and more than 2 500 training courses and activities were organised for over 38 000 participants. To encourage the active participation of centres and their users in ICT learning, training and voluntary services, an annual award presentation ceremony is organised. As at end of the year, some 2 000 participants had received awards.
 - (b) Last year, the Scheme already expanded its support network from 33 centres to 57 centres. The Scheme will continue to provide services for the centres in the coming year. The expenditure involved will be about \$5 m. The services to be provided and the estimated number of beneficiaries will be about the same as that in the previous year.
 - (c) Last year, the Office of the Government Chief Information Officer provided funding support of \$2.8 m for the Hong Kong Society for the Aged through an open selection process for the development of a dedicated portal for the elderly. The portal called “eElderly” was launched in June 2010. With contents catering for the needs and interests of

the elderly, the portal is designed to enable easy use and navigation by the elderly to encourage them to acquire Internet skills to engage with information and expand their horizon. The “eElderly” has partnered with the District Cyber Centre Pilot Scheme and over 100 elderly centres to promote the use of computer and Internet among the elderly by providing customised training and elderly-friendly equipment (such as large computer monitors with touch-screen function), and organising a train-the-trainer programme for elderly members with better computer knowledge, who will in turn teach their peers about information technology application. The expenditure involved is about \$2.5 m.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)104

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1774

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (3) IT in the Community

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: It is mentioned in paragraph 116 of the Budget Speech that the Hong Kong Science and Technology Parks Corporation (HKSTPC) granted about eight hectares of land in the Tseung Kwan O Industrial Estate for the setting up of high-end data centres. Please provide this Committee with information on the measures adopted by the Bureau in support of the development of high-end data centres. Is there any more concrete implementation plan and timetable for this? What are the resources and manpower involved?

Asked by: Hon. WONG Ting-kwong

Reply: To support the development of data centres in Hong Kong, the Government is working closely with the HKSTPC in allocating sites for data centre use. In parallel, the Office of the Government Chief Information Officer (OGCIO) and the Invest Hong Kong have been promoting Hong Kong as a data centre hub in Asia Pacific region, and providing assistance to interested investors. The 2009-10 Policy Address also announced incentive measures to optimise the use of industrial buildings, which facilitates the wholesale conversion or redevelopment of such buildings into data centres.

Data centres are essential infrastructure for a knowledge-based economy. To facilitate the development of data centres to entrench Hong Kong's position as a trade and financial hub, the Government will:

- (a) set up a one-stop portal to disseminate information relevant to the development of data centres;
- (b) step up the promotion of optimising the use of existing industrial buildings and industrial sites in the data centre sector through more channels, including the above-mentioned portal; and
- (c) explore other facilitation measures, including exploring the feasibility of allocating suitable sites for developing high-end data centres and related arrangements.

The above measures, including the one-stop portal, are expected to be completed in 2011-12. The related work will involve three OGCIO staff members. The expenditure to develop the one-stop portal is estimated to be about \$1.5 m. Both the manpower and expenditure will be absorbed within the existing resources.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)105

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

1995

Head: 47 – Government Secretariat : Subhead
Office of the Government (No. & title):
Chief Information Officer

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: What is the situation about the participation of various departments in technology update seminars as well as the promotion of awareness and adoption of wireless and mobile services and other emerging technologies in the Government in the past three years (i.e. 2008-09, 2009-10 and 2010-11)?

Asked by: Hon. WONG Ting-kwong

Reply: Between April 2008 to March 2011, the Office of the Government Chief Information Officer organised more than 40 technology update seminars with a total of over 2 000 participants from various government bureaux and departments. Apart from the wireless and mobile services and technologies, these seminars also covered other emerging technologies including geographic information system, desktop technology, customer relationship management systems, unified communications and collaboration solutions, etc.

In recent years, wireless and mobile technologies have been widely adopted in the Government. There are in total more than 240 government application systems adopting wireless and mobile technologies as at the end of 2010. For example, the Hong Kong Observatory launched the “My Observatory” mobile application for smart phones in 2010 for facilitating the public to access the latest local weather information using various mobile devices. In the coming years, the Government plans to launch more wireless and mobile technologies related applications to improve Government’s internal communications and collaboration, increase operational efficiency and enhance e-government services.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)106

Head: 47 – Government Secretariat :
Office of the Government
Chief Information Officer

Subhead
(No. & title):

Question Serial No.

1996

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer

Director of Bureau: Secretary for Commerce and Economic Development

Question: Have all departments been consulted on the effectiveness of the promotion of awareness and adoption of wireless and mobile services and other emerging technologies in the Government as well as the support required, so as to tie in with the work of the departments and cater for their needs when taking forward the next generation government communications infrastructure?

Asked by: Hon. WONG Ting-kwong

Reply: We have been closely monitoring the development of wireless and mobile services and related technologies. We conduct questionnaire surveys every year (the last survey was conducted in mid 2010) to understand bureaux/departments' (B/Ds) demand for these technologies as well as their plans for the adoption of these technologies, so as to arrange corresponding promotional activities and provide technical support for them. In formulating the strategy for developing the next generation government communications infrastructure, we not only made reference to the implementation experiences in foreign countries, but also conducted questionnaire surveys on the effectiveness of B/Ds' adoption of communications technologies, and gauged their demand for unified messaging as well as unified communications and collaboration services. In the light of B/Ds' feedback, we have carried out detailed planning and formulated initiatives for the progressive implementation of the next generation government communications infrastructure.

Name in block letters Stephen Mak

Post Title Government Chief Information Officer

Date 17.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)107

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0882

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: (1) Radio

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: The 2010-11 estimate of RTHK increased by 10.3% from the 2009-10 revised estimate, but the 2010-11 revised estimate decreased by 6.1% from the 2010-11 original estimate; please list out the items and details of which the approved commitment was not used up and the reasons behind. Meanwhile, the 2011-12 estimate increases by 18.7% from the 2010-11 revised estimate; what measures are attributable to this increase in estimate and what are the details?

Asked by: Hon. CHAN Mo-po, Paul

Reply: The 2010-11 revised estimate of RTHK decreased by 6.1% from the 2010-11 original estimate mainly because certain broadcasting equipment purchases are yet to complete within the year.

The 2011-12 estimate increases by 18.7% from the 2010-11 revised estimate; major items contribute to such an increase include purchases of new broadcasting equipment, preparation for digital audio broadcasting, programme archive digitisation, as well as preparation for the works of the new Broadcasting House.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)108

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0883

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (2) Public Affairs and General Television Programme

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: According to target (A) in paragraph 24 of the programme's Brief Description, the 2011-12 target for total hours of television programmes output is 630, representing an increase of 6.6% over the figure of 591 in the 2010-11 revised estimate; what is the distribution of the additional 39 hours? What are the criteria of distribution and target results?

Asked by: Hon. CHAN Mo-po, Paul

Reply: Arising from Broadcasting Authority's mid-term review of the domestic free television programme service licences in 2010, additional time slots on channels of the 2 free television stations were allocated to RTHK in November 2010 to broadcast its programmes. Upon internal deployment of existing resources by RTHK, the additional time slots will be filled with new, repackaged or repeated programmes. The new programmes are productions of culture, art and educational topics. Programmes to be launched in 2011-12 include "Tutor Online" and "Sunday Works". As with other television productions, RTHK will conduct regular audience rating surveys and Appreciation Index Surveys for the new programmes.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)109

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Question Serial No.

0885

Programme: (4) New Media

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: The 2011-12 estimate for the New Media programme of RTHK increases by 28.2% over the 2010-11 revised estimate; what are the items and details of the estimated expenditure under the programme?

Asked by: Hon. CHAN Mo-po, Paul

Reply: The additional expenditure in the 2011-12 estimate is mainly for acquiring facilities such as servers, network bandwidth and network storage devices, so as to improve the online services of RTHK's websites.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)110

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0886

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: (4) New Media

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: By 2010-11 RTHK has already launched a string of service platforms such as “myrthk”, “Podcast Corner”, “Podcast Station” and “RTHK On the Go”; and for RTHK’s New Media programme, matters requiring special attention in 2011-12 include exploring new services such as Internet Protocol Television and mobile applications to increase new platforms that may allow access to RTHK contents. What new media services will the Administration explore? And what are the criteria in determining the launching of new media services? For example, will there be platforms available for the application programme “android”?

Asked by: Hon. CHAN Mo-po, Paul

Reply: RTHK strives to facilitate public access to RTHK programmes on various platforms anytime, anywhere. In 2011-12, RTHK will launch applications for various mobile platforms, applicable on operating systems such as iPhone, iPad, and Andriod, etc. In addition, RTHK will provide Podcast contents of higher definition to Internet Protocol Television platform in the second quarter of 2011.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)111

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0887

Head: 160 – Radio Television Hong Kong
Subhead 000 – Operational
(No. & title): Expenses

Programme:

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Government will resume civil service recruitment for RTHK in the first quarter this year; how many posts under the recruitment exercise are civil service posts and non-civil service contract staff (NCSC) posts, respectively? How many posts will be filled by internal recruitment and open recruitment, respectively? What is the distribution of such posts in terms of ranks and what are the remuneration packages?

Asked by: Hon. CHAN Mo-po, Paul

Reply: Currently, RTHK has some 80 civil service vacancies in the Programme Officer (PO) Grade, of which some 40 are at the ranks of PO or above (Master Pay Scale point 28 or above) while another 40 or so are at the rank of Assistant Programme Officer (APO; Master Pay Scale points 14-27). According to civil service rules, RTHK will conduct promotion exercises to fill the vacancies in the PO rank or above, while APO vacancies and consequential vacancies of this rank arising from promotion exercises will be filled by open recruitment exercises.

In addition, currently RTHK has some 20 NCSC vacancies and open recruitment will be conducted as situation requires.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)112

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3556

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (2) Public Affairs and General Television Programme

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding RTHK's commissioned productions project, would RTHK please the expenditure on this project in 2010-11? What are the working plans and estimated expenditure of the project for 2011-12? Will RTHK deploy resources in 2011-12 to review the project, such as the criteria of granting commissioning contracts and quality requirements? If yes, what are the relevant working plans? If not, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: In 2010-11, RTHK's expenditure on commissioned productions was approximately \$5 million.

In 2011-12, there will be about 30 commissioned projects, including dramas, documentaries and animation productions, with an estimated expenditure of \$6.1 million.

As in every year, RTHK explores market situation and directions of commissioned productions with industry members and independent production houses.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)113

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3557

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (2) Public Affairs and General Television Programme

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: RTHK produces several established current affairs programmes, such as “Headliner”, “LegCo Review” and “City Forum”; will RTHK consider increasing the total hours transmitted of such widely appreciated current affairs programmes in 2011-12? If yes, what are the details and relevant estimated expenditure? If not, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: In 2011-12, the output hours of current and public affairs programmes will be approximately 200 hours and remain at about 30% of the total hours of output, and the output hours of individual programmes will be generally on par with their past levels. The 2011-12 estimated expenditure is approximately \$65 million.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)114

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3558

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (2) Public Affairs and General Television Programme

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: Given Hong Kong's need for better development in culture and sports, will RTHK strengthen its effort on television production for culture, art and sports in 2011-12? If yes, what are the relevant working plans and estimated expenditure? If not, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: RTHK always maintains a strong emphasis on television programmes about art, culture and sports. In 2011-12, such programmes will account for about 20% of the total hours of output. Among these are "Sunday Works", "Discovering Museum", "The Young Film Directors 2011", "Cantonese Opera – The Artistry of Fong Yim-fun: The Goddess of River Luo" of Hong Kong Arts Festival, "Hong Kong Arts Development Awards 2011" jointly produced with the Hong Kong Arts Development Council, a new season of "Glamour of Sports", as well as the relevant music videos and Announcements of Public Interest (APIs) produced in support of The Third Hong Kong Games, and so forth. The 2011-12 estimated expenditure is approximately \$54 million, which will be funded by RTHK and relevant sponsors.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)115

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3563

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: All

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Presently many RTHK staff members are employed under Non-Civil Service Contract Staff (NCSC) terms. While the Administration has stated that civil service recruitment exercise will be resumed, would the Administration please also explain whether all contract staff posts will be retained when the contracts of RTHK's NCSCs expire? If not, what are the numbers and ranks of contract staff posts to be phased out upon expiry of contract?

Asked by: Hon. CHAN Tanya

Reply: There are currently some 80 vacancies in RTHK's Programme Officer (PO) Grade, with NCSCs undertaking the most of such vacancies' (some 70) duties. Once such civil service vacancies are filled, there should be a corresponding deletion of NCSC positions; such is the established practice applicable to all departments. Apart from the above, RTHK has no intention to delete other NCSC posts. In handling the contract renewal issues of NCSCs, RTHK will consider the overall situation and handle such issues with fairness and impartiality, and ensure that manpower and quality of programme production are not affected.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)116

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3564

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: (1) Radio

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Currently RTHK Channel 6 broadcasts programmes of British Broadcasting Corporation (BBC). Does RTHK have any audience rating statistics for this particular channel? Will RTHK deploy resources in 2011-12 to study and review whether it should continue broadcasting BBC programmes and consider replacing these with other programmes? If yes, what are the relevant details? If not, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: According to the results of a University of Hong Kong (HKU) audience survey commissioned by the Department and conducted in November last year, the listenership of RTHK Channel 6 (BBC programme relay) for the 7 days preceding the survey was 90,000, which has been a stable audience rating throughout the years. As an international city of Asia, the contents of Channel 6's programmes allow local listeners to broaden their international perspective. Accordingly, the Department has no plan to cease the relay of BBC programmes.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)117

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3565

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (1) Radio

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: With the launching of digital audio broadcasting services in 2011-12, RTHK will be assigned several channels for this purpose; would RTHK please provide relevant plans to explain what programme types will be offered on such channels and the channels' usage targets? How much resource will RTHK deploy in 2011-12 to prepare for the launching of digital audio broadcasting and what are the concrete working plans in this regard?

Asked by: Hon. CHAN Tanya

Reply: RTHK plans to launch 5 digital broadcasting channels before mid-2012, of which 4 channels will simulcast the 4 existing AM channels (i.e. Channel 3, Channel 5, Putonghua Channel and BBC World Service Relay) at the initial stage to improve reception quality, as well as gradually enhancing programme content and introducing community involvement in broadcasting. The remaining digital broadcasting channel will relay programmes of China National Radio to facilitate better understanding of Mainland affairs among the public. RTHK will also provide value-added data services to the audience, including news headlines, weather information and traffic news on the screens of digital radios.

In 2011-12, RTHK's estimated total expenditure regarding digital audio broadcasting services is approximately \$9 million, including expenditures for transmission network, programme production and 4 staff members.

Name in block letters Gordon LEUNG
Post Title Acting Director of Broadcasting
Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)118

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Question Serial No.

3566

Programme: (1) Radio

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Many listeners have requested RTHK to resume regular relay of local football matches. To support the local development of football, will RTHK deploy resources to respond to such listeners' demands and resume weekly live relay of local football matches? If yes, what are the relevant working plans and estimated expenditure? If not, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: While RTHK does not provide regular relay of local soccer matches at present, the RTHK Channel 1 programmes "Sports Update 430" and "Ball Rocks" do offer live coverage of local soccer matches in segments when match times fit in with programme schedules, as well as updates and discussions on soccer matters. In addition, each year Channel 1 selects major local soccer matches such as the League Cup Final, the Senior Shield Final and the Lunar New Year Celebration Cup, etc., for live broadcast, subject to negotiations over the copyright for broadcast.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)119

Question Serial No.

3567

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (1) Radio

Controlling Officer: Director of Broadcasting
Director of Bureau: Secretary for Commerce and Economic Development

Question: Members of the general public have reflected on the regular unavailability of RTHK's service hotline. To improve the hotline's service quality, will the Administration consider deploying resources to upgrade RTHK's service hotline system in 2011-12? If yes, what are the relevant details and estimated expenditure? If not, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: In 2010-11, the Department has deployed resources to upgrade the service of the RTHK hotline (2272 0000) by doubling the number of lines from the original 46 to 92 at a capital expenditure of \$246,000. The corresponding increase in annual recurrent expenses is \$110,000. The upgrade will be completed in March 2011 and the Department would monitor the usage situation before deciding if further adjustments are required in 2011-12.

Name in block letters Gordon LEUNG
Post Title Acting Director of Broadcasting
Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)120

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Question Serial No.

3568

Programme: (1) Radio

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Audience ratings and listeners' views are essential for assessing RTHK's cost efficiency. Will RTHK conduct extensive surveys on audience ratings and listeners' views in 2011-12? If yes, what are the plans, schedule and estimated expenditure of such surveys? Will the Department disclose results of such surveys to the public? If such results will not be disclosed, what are the reasons? And if no relevant surveys will be conducted, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: Every year RTHK would commission a professional survey house to conduct a large-scale audience survey of 3 weeks in duration, in which over 4,700 individuals from all walks of life would be interviewed. Key results of the survey, such as the audience ratings and audience reach of each channel are disclosed in the Controlling Officer's Report of the Annual Estimates. In addition, the Department holds public consultation meetings and RTHK Programme Advisory Panel consultation meetings, while each channel has its own "Channel Head Hotline" to gather public views on radio programmes through various channels, so as to improve service quality. The views so collected are uploaded to RTHK website.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)121

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0107

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: (1) Radio

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please list out how many football matches were broadcast live by RTHK in 2010 and 2011. What was the expenditure of live-broadcasting each match? Please also list out the amount of funding appropriated for live broadcast of football matches in 2010-11 and explain the selection criteria of live broadcast matches.

Asked by: Hon. EU Yuet-mee, Audrey

Reply: Each year RTHK Channel 1 selects major local football matches such as the League Cup Final, the Senior Shield Final and the Lunar New Year Celebration Cup, etc., for live broadcast. The estimated direct expenditure is \$15,000 per match, and whether a match would be broadcast live is subject to negotiations over the copyright for broadcast. Channel 1's sports programme "Sports Update 430" provides live coverage of local football matches in segments as well.

In 2010-11, RTHK Channel 1 broadcast live the Senior Shield Final and the direct expenditure was \$11,000, while live broadcast for the League Cup Final on 27 March 2011 was also planned. (Note: The copyright fees for live broadcast of the two matches were waived by the organisers.)

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)122

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0655

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: (4) New Media

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: The estimate under Programme (4) New Media increases by 28.2% from the 2010-11 revised estimate of \$21.6 million to \$27.7 million in 2011-12. Please list out the necessary equipment to be acquired and installed by RTHK for digital television and audio broadcasting, as well as the estimate on this aspect; please also explain how the existing facilities of Broadcasting House should be upgraded to support RTHK's launching of digital broadcasting, as well as the details of the plans on training to be offered to existing staff in relation to digital broadcasting.

Asked by: Hon. HO Sau-lan, Cyd

Reply: Under Programme (4) New Media, the additional expenditure in the 2011-12 estimate is mainly for acquiring facilities such as servers, network bandwidth and network storage devices, so as to improve the online services of RTHK's websites.

In 2011-12, RTHK will launch various new services; the launching of digital audio broadcasting, increased production of high definition television programmes to prepare for the provision of digital terrestrial television (DTT) services, preparation for the new Broadcasting House and the digitisation of programme archive will increase recurrent expenses. In addition, the launching of digital audio broadcasting and DTT require additional equipment and facilities, and the Department's capital expenditures on these aspects for the year are \$3.3 million and \$15.09 million respectively.

Regarding staff training, RTHK has always been closely following the development of digital audio broadcasting. Apart from sending representatives to attend seminars regarding digital audio broadcasting, RTHK also arranges overseas study trips for staff to understand the most recent development in this aspect, so as to prepare for the new service. Expenses for such training are included in the department's recurrent expenses.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)123

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2015

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme:

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please state the below information regarding the RTHK archives, currently:

- (a) The number of text copies, copies of audio materials, pictures and film records (please list out the details according to the year, century and storage media respectively).
- (b) The means to safekeeping archival materials.
- (c) The number of materials stored in digital format.

Asked by: Hon. HO Sau-lan, Cyd

Reply: (a) At present, the text copies, copies of audio materials, pictures and film records stored in the RTHK archives are as follows:

Film records: start from year 1972, over 80, 000 hours of record (over 187, 000 copies of videos in various recording formats);

Audio records: start from year 1950, over 310, 000 hours of record (over 370, 000 copies of tapes, vinyl records and CDs, etc);

Pictures: start from year 1969, over 1.9 million copies; and

Reference materials: (including articles, posters, program-related documents, books, CDs, digital video discs and papers, etc.); more than 755, 000 items.

- (b) The RTHK achieve currently in use is provided with 24-hour air-conditioning, the temperature and humidity will be duly adjusted for the area for films storage. In future, the new Broadcasting House will be provided with facilities to further improve the environment of the archive in a hope to offer a better storage for programme items.
- (c) At present, the records already in digital format include: about 470, 000 copies of news clipping, 31, 000 hours of audio record and about 70, 000 copies of photo negatives. Also, more than 260 hours of film records have been transferred to digital video format.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT) 124

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2016

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme:

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide the below information:

Over the past five years (i.e. from 2006-07 to 2010-11), the expenses and manpower involved in safekeeping the texts, audio and video records in each year.

Asked by: Hon. HO Sau-lan, Cyd

Reply: In the past five years, the manpower deployed in safekeeping the texts, audio and video records each year is 21 staff members, with expenses per annum around \$5.5 million.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)125

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2017

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme:

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide the below information:

In 2011-12, the estimated expenses and manpower to be deployed in safekeeping the texts, audio, picture and film records.

Asked by: Hon. HO Sau-lan, Cyd

Reply: In addition to the annual recurring expenses (see Reply Serial No. CEDB(CT)124) under the related subject, the department will implement a 5-year media asset management plan (Total estimated expenditure at \$99 million). The estimated expenditure for 2011-2012 to be utilized in safekeeping the texts, audio materials, pictures and film records is about \$19 million, including the staff costs of 18 non-civil service contract employees.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)126

Question Serial No.

2283

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: All

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please list out the current numbers of civil service staff and non-civil service contract staff (NCSCs) of RTHK, and the numbers of posts in its establishment, for 2010-11 and 2011-12, respectively, using the table below:

Grade and Rank	Civil service staff (Number/Percentage)		NCSCs (Number/Percentage)		Total	
	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12
Departmental establishment						
·						
·						
·						
Non-departmental establishment						
·						
·						
·						
Total						

Asked by: Hon. HO Sau-lan, Cyd

Reply: Below please find the requested data (with the table slightly amended):

Grade/Rank or similar grade/rank	Civil service posts		Number of civil service staff (Percentage of total number of staff)		Number of NCSCs (Percentage of total number of staff)		Total number of staff	
	2010-11 (Estimate; see note)	2011-12 (Estimate; see note)	2010-11 (Estimate; see note) (a)	2011-12 (Estimate; see note) (b)	2010-11 (Estimate; see note) (c)	2011-12 (Estimate; see note) (d)	2010-11 (Estimate; see note) (e)=(a)+(c)	2011-12 (Estimate; see note) (f)=(b)+(d)
Programme Officer (PO) Grade	368	379	290 (53%)	379 (65%)	259 (47%)	203 (35%)	549	582
General and Common Grades	155	163	141 (66%)	163 (71%)	72 (34%)	67 (29%)	213	230
Total	523	542	431 (57%)	542 (67%)	331 (43%)	270 (33%)	762	812

Note: (i) The 2010-11 and 2011/12 staff numbers are the estimated staff numbers as at 31 March 2011 and 31 March 2012 respectively;
(ii) Assuming no vacancies of civil service posts and NCSC posts (after phasing out posts that fill civil service vacancies);
(iii) Posts with a 1-year time limit are not included among the 2010-11 civil service posts;
(iv) Posts with a 3-year time-limit are included among the 2011-12 civil service posts; and
(v) Staff members engaged under departmental contracts in the past are included in the numbers of civil service staff.

Name in block letters Gordon LEUNG
Post Title Acting Director of Broadcasting
Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)127

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2284

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: All

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the Administration's current policy on the migration of RTHK's existing non-civil service contract staff (NCSCs) to civil service staff and the creation of new civil service posts, how will it consider factors such as the seniority, qualifications and ranks of these current NCSCs?

Asked by: Hon. HO Sau-lan, Cyd

Reply: Radio Television Hong Kong (RTHK), as a Government department, has to follow the Government's appointment policies and regulations. It is Government policy to fill civil service vacancies through open recruitments. For Non-Civil Service Contract Staff (NCSCs) applying for civil service posts of RTHK, factors such as their qualifications and track records will be taken into consideration.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)128

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Question Serial No.

2907

Programme: (2) Public Affairs and General Television Programme

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Under this programme related to the production of television programme, it included areas on the promotion of civic consciousness, but it has not addressed to the promotion of national education. Would the Administration inform this Council, apart from television programmes specified for civic consciousness, will RTHK produce special programmes to promote national education? If yes, what are the specific details, broadcast hours and expenses; if not, what are the reasons?

Asked by: Hon. LAM Tai-fai

Reply: In collaboration with various government departments and mainland institutes, the RTHK produces television programmes to promote national education every year. For example, the currently broadcast programme “Cultural Heritage – Railway” is sponsored by the Committee On the Promotion of Civic Education and assisted by the Ministry of Railways. The programme is a large-scale production featuring the railways in China and to introduce the customs along the rails. Also, there are related national education sessions on both ETV and “Tutor Online”. Other planned programmes include “Discovering Museum”, of which the painting scroll titled “Along the River During the Qingming Festival”, arts of Feng Zikai and miscellaneous Chinese cultural exhibits will be introduced. In addition, special programmes on the “Centenary of the 1911 Revolution” and the one on “Cultural Heritage – River” will review the history and culture along the Changjiang River and the Yellow River. This year, we have close to 20 hours of national education television programmes with around \$8 million production cost.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)129

Question Serial No.

2908

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (2) Public Affairs and General Television Programme

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: In regard to the indicator of “cost per hour per programming strand” in paragraph 24 of the Programme, why the amount under the revised estimate for 2010-2011 reduced in comparison to that under 2009-2010. However the amount under the estimate for 2011-2012, it is from 5% to 20% higher than that of the revised estimate for 2010-2011.

Asked by: Hon. LAM Tai-fai

Reply: In 2010-2011, the “cost per hour” reduced is mainly due to the increase in the production quantity and the reduced expenditure on non-recurrent accounts.

In 2011-2012, the increase in the “cost per hour” is mainly due to the rise in the number of High-Definition Television production and additional provision of equipment as well as the facilities required to make ready for Digital Terrestrial Television services.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)130

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Question Serial No.

2909

Programme: (1) Radio

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: In 2011-2012, the area that called for special attention is that RTHK will produce special programmes to support special education. Would the Administration inform this Council the production hours and expenses involved, and in comparison with those similar programmes in the last 3 years?

Asked by: Hon. LAM Tai-fai

Reply: In 2011-2012, RTHK will produce special programmes to support special education. These programmes will be mainly incorporated in the “Not so simple” (殊不簡單) section in the programme “Crazy and Happy” from Radio 2, with a total of 8 episodes and 5.5 broadcast hours. Besides, the RTHK will produce a 2-hour large-scale art performance programme “Talent variety show by Special Schools” (特殊學校學生才藝滙演) at the Hong Kong Coliseum on 29 June 2011, to recognize the efforts and achievement of the teachers and students in special schools. It aims to enhance community knowledge and recognition to the special schools. The total estimated expenditure of the two aforesaid special programmes is \$1.35 million.

Over the past 3 years, RTHK has all along produced programmes to support special education. Examples are “Care for Disabled” (1-hour broadcast per week) from Radio 1 and “Live with Love” (活在有情天) (1/2-hour broadcast per week) from Radio 5. Additionally, in conjunction with the Equal Opportunities Commission, “Made in Hong Kong - Lee Chi Kwong”(Made in Hong Kong李志剛) from Radio 2 regularly interviews the handicapped to share the pain and joy in their daily life and through learning experience. Also, a radio programme “A Wall-less World” (10 episodes) was co-produced by “Crazy and Happy” of Radio 2 and the Labour and Welfare Bureau in year 2010.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)131

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Question Serial No.

2910

Programme: (1) Radio

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: In view of that under the said Programme, it has not addressed to the promotion of national education, would the Administration inform this Council whether RTHK will produce special programmes to promote national education; if yes, what are the specific details, broadcast hours and expenses; if not, what are the reasons?

Asked by: Hon. LAM Tai-fai

Reply: The RTHK has all along produced programmes to promote national education and these programmes have already integrated in our daily programmes. They included: “China on the Dot”(中國點點點), “The 50 Years After”(五十年後) and “Heroic Figures”(古今風雲人物) respectively from Radio 1 ; “Quiz on Basic Law”(基本法問答遊戲) from Radio 2 and “Echoes Of Histories”(歷史的迴響) of the Putonghua Channel, etc. The total production time per year is around 400 hours at the expenditure of about \$1.8million each year.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)132

Head: 160 – Radio Television Hong Kong
Subhead 000 Operational
(No. & title): Expenses

Question Serial No.

2247

Programme:

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: In last year's Budget, RTHK requested to raise the provision due to the creation of 12 posts; however there is no increase over the number of staff members in this year's Budget, would the Administration provide the below information:

- (a) The recruitment progress of last year (2010-2011) in the department.
- (b) Please list out the number of non-civil service contract staff (NCSCs) in the last 3 years according to their ranks and functions.
- (c) Please list out the total salary of the NCSCs in the last 3 years.

Asked by: Hon. LI Fung-ying

Reply: In the estimates of 2010-2011, the 12 additional posts proposed by Radio Television Hong Kong (RTHK) were all time-limited for one year only. In the estimates of 2011-2012, RTHK proposed to increase 19 posts, among which two are time-limited for three years and the rest are permanent posts.

The other information is as follows:

- (a) No civil service recruitment in RTHK was conducted in last year.
- (b) Below is the number of Non-civil service contract (NCSC) staff in the last 3 years:

	2010-11 (as at 1.1.2011)	2010-11 (as at 1.4.2010)	2009-10 (as at 1.4.2009)	2008-09 (as at 1.4.2008)
Comparable with the Programme Officer Grade	259	251	247	208
Comparable with other Grades	72	65	66	61
Total	331	316	313	269

(c) Below is the total staff cost of NCSC staff in the last 3 years:

	2010-11 (as to January 2011)	2009-10	2008-09
Total expenditure on salary of the NCSC staff	\$82 million	\$94 million	\$85 million

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)133

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

0773

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme: (1) Radio

Controlling
Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the introduction of digital audio broadcasting, would the Administration please inform us on: -

- (a) The Administration's estimates on total expenses and involved manpower regarding the introduction of digital audio broadcasting services for 2011-12;
- (b) Whether the Administration plans to set aside resources for the radio operation to strengthen relevant work-related training for the staff before introducing digital audio broadcasting services. If yes, what are the details and what are the expenses and manpower involved? If not, then what are the reasons?

Asked by: Hon. PAN Pey-chyou

- Reply:
- (a) In 2011-12, RTHK's estimated total expenditure regarding digital audio broadcasting services is approximately \$9 million, including expenditures for transmission network, programme production and 4 staff members.
 - (b) Regarding staff training, RTHK has always been closely following the development of digital audio broadcasting. Apart from sending representatives to attend seminars regarding digital audio broadcasting, RTHK also arranges overseas study trips for staff to understand the most recent development in this aspect, so as to prepare for the new service. Expenses for such training are included in the department's recurrent expenses.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)134

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2083

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (1) Radio

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: In regard to formulation of the plan of community involvement broadcasting, including the fund application procedures offered to the community, would the Administration inform this council:

- (a) The amount of resources that the Administration expected in formulating the plan? What will be the total expenditure and manpower involved? When will the plan be carried out?
- (b) The amount of allocation to be reserved for community groups to apply? Is there a set of criteria for screening the fund application? If yes, please list the details. If not, what are the reasons?

Asked by: Hon. PAN Pey-chyou

Reply: The Government has reserved \$45million to set up a proposed fund for “Community Involvement Broadcast” for carrying out a 3-year trial programme. The initial preparation of the trial programme is underway with public consultation to be conducted in due course. The programme is expected to be introduced in year 2012-2013.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)135

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

2207

Head: 160 – Radio Television Hong Kong
Subhead
(No. & title):

Programme: (1) Radio and (2) Public Affairs and General Television Programme

Controlling Officer: Director of Broadcasting

Director of Bureau: Secretary for Commerce and Economic Development

Question: Of Programme (1) and (2), where required special attention is that the Administration will make efforts to digitalize the programme archives, would the Administration inform this Council:

- (a) The concrete progress of digitalizing the programme archives;
- (b) In 2011-2012, how much resources will RTHK injected to the related work; the expenses and manpower involved; are there any changes in the expenditure and manpower injected by RTHK as compared to that in the last 2 years; what are the reasons behind the changes;
- (c) The aforesaid changes if it is related to provision of additional staff members, what are the positions involved; are these posts internal-transferred or newly created; permanent or supernumerary; appointed on civil service terms or other terms;
- (d) The work target or criteria set by RTHK in this regard, if yes, what are the details, if no, what are the reasons;
- (e) The estimated number of archived programmes failed in transferring into digital format out of the total number; what are these types of archived programmes, in connection with the related types of archives, what are the concrete safekeeping measures taken by RTHK, what are the expenses and manpower involved.

Asked by: Hon. TAM Wai-ho, Samson

- Reply:
- (a) In the estimated expenditure for 2011-2012, the department has reserved resources for implementation of a 5-year media asset management plan. This is to provide a specialized storage for the programme archive and to set up a digitized archive system. When a concerned consultancy is completed in Q2, 2011, equipment and manpower will be procured to implement the project.
 - (b) In the past two years, a total of 21 staff members were engaged in safekeeping the texts, audio and video records, which accounted for an annual expenditure of about \$5.5 million. In addition to these recurring expenses, RTHK will implement a 5-year media asset management plan (total estimated expenditure at \$99 million). In the budget of 2011-2012, an estimated expenditure of about \$19 million will be utilized in safekeeping texts, audio materials, pictures and film records, which includes the staff cost of 18 non-civil service contract staff.
 - (c) The additional 18 non-civil service contract staff members are mainly technical staff, the rest of them are administrative workers and archivists.

- (d) The work target will be to transfer the most valuable archived RTHK programmes (around 25%) into digital format within 5 years, and to provide a specialized storage system for easy access of the archived items.
- (e) Items not proposed to be stored in digital format are mainly programme duplicates and raw versions, news footage from other radio or television stations and the recently digitized programmes. The department will provide a better storage environment for these archived items and will consider digitizing them in due course if resources permit.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)136

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3223

Head: 160 – Radio Television Hong
Kong

Subhead
(No. & title):

Programme:

Controlling Director of Broadcasting
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: In regard to the estimated expenditure of the Management Information Section within the Department:

- (a) What is the estimated expenditure in 2011-2012? What is the percentage of increase and decrease as compared to the actual expenditure in 2010-2011? What are the reasons behind the percentage change in the aforesaid expenditure?
- (b) What are the specific projects mainly involved in the estimated expenditure for 2011-2012? Which of them are ongoing and which are the new projects? In each project, what are the number of staff involved, expenses and the implementation timetable? Of the manpower in each project, what is the proportion of the number of civil service staff, non-civil service contract staff and outsourced staff?
- (c) Is there any provision set aside for measures to promote the citizen e-participation and for open access of information to the public? If yes, what are the specific project contents, including names of the projects, details, manpower, expenses and the implementation timetable? If no, what are the reasons and will such measures be considered in future?
- (d) What is the permanent establishment of the Information and Technology Section, respectively list out the current number of staff and vacancies? In next year, will there be expected to increase manpower or not? If yes, list out the no. of posts expected to increase, and the ranks involved. Are they permanent established posts and on civil service terms? If no additional manpower, what are the reasons?
- (e) Is there any comprehensive review for the Information and Technology Section on efficiency? If yes, what is the result and the specific improvement measures involved? If no, what are the reasons and will such review be conducted in future?

Asked by: Hon. TAM Wai-ho, Samson

Reply: The IT Section within RTHK caters for internal IT services delivery.

- (a) Estimated expenditure for internal IT services delivery in 2011-12 is about \$9 million. There is no change as compared to 2010-11.
- (b) The 2011-12 expenditure covers:
 - (i) On-going maintenance and enhancement of IT infrastructure
 - (ii) On-going development and support of application systems

(iii) Outsourcing of new IT implementation services

These services are supported by 10 non-civil service contract staff and 6 other contract staff.

- (c) On promoting citizen e-participation and open access of information to the public, RTHK currently provides simultaneous webcast of all its 24-hour radio channels (except Radio 6 which relays BBC World Service) and over 11 hours of Chinese and English TV programmes; RTHK also provides access through its website archive of all its radio, television and news programmes for the past 12 months, and original productions of the New Media Unit. Programme (4) and the resources for New Media already cover the resources for these services.
- (d) There are 10 non-civil service contract staff and 6 other contract staff in IT Section, and no vacancy. The complement will be the same in 2011-12 to support existing systems and new services delivery.
- (e) The department conducted an Information Systems Strategy Study in 2005. The major IT projects recommended for implementation include Resource and Cost Management System, Procurement System and Media Asset Management System. The former two projects have been implemented. Initial plan for the latter one has been completed and it will be implemented shortly. Manpower support in the IT Section will be reviewed in due course to consider whether additional staffing will be required.

Name in block letters Gordon LEUNG
Post Title Acting Director of Broadcasting
Date 16.3.2011

• Less than 1 year	()	()	()	()
The no. of employees succeeded to switch to Civil service terms	()	()	()	()
The no. of employees failed to switch to Civil service terms	()	()	()	()
The no. of NCSC staff out of the total number of employees in the department (in percentage)	()	()	()	()
The total sum paid to NCSC staff out of the total staff cost in the department (in percentage)	()	()	()	()
The no. of employees with paid meal break	()	()	()	()
The no. of employees without paid meal break	()	()	()	()
The no. of employees on 5-day work	()	()	()	()
The no. of employees on 6-day work	()	()	()	()

() increase and decrease as expressed in percentage each year

Asked by: Hon. WONG Kwok-hing

Reply: The information in respect of full-time NCSC staff engaged on continuous contract is as below-

	2011/12	2010/11	2009/10	2008/09
Total number of NCSC staff	Estimated at about 270	331 (as at 1.1.2011)	319 (as at 31.3.2010)	313 (as at 31.3.2009)
Details of NCSC staff's positions	various positions			
Distribution of expenditure on the salaries for NCSC staff.	Estimated at around \$80M depending on actual needs	Estimated around \$99M (+5%)	Around \$94M (+11%)	Around \$85M
Monthly salary distribution of NCSC staff	Depending on the actual situation, estimated to be comparable with the present position	56	Information not readily available	Information not readily available
• \$30,001 or above		154		
• Between \$16,001 and \$30,000		117		
• Between \$8,001 and \$16,000		4		
• Between \$6,501 and \$8,000		0		
• Between \$5,001 and \$6,500		0		
• \$5,000 or below		0		
• No. of employees with monthly	0			

	2011/12	2010/11	2009/10	2008/09
salary below \$5,824 • No. of employees with salary between \$5,824 and \$6,500		0		
The NCSC staff's employment period • 5 years or above • From 3 years to 5 years • From 1 year to 3 years • Less than 1 year	Depending on the actual situation, estimated to be comparable with the present position	126 56 98 51	Information not readily available	Information not readily available
The no. of employees succeeded to switch to Civil service terms	There is no "switching" mechanism, and thus unable to estimate the no. of successful applicants switching to civil service posts	No civil service recruitment in Radio Television Hong Kong (RTHK).		
The no. of employees failed to switch to Civil service terms	There is no "switching" mechanism, and thus unable to estimate the no. of successful applicants switching to civil service posts	No civil service recruitment in RTHK.		
The no. of NCSC staff out of the total number of employees in the department (in percentage)	Depending on the actual situation, estimated to be between 30% and 35%	43% (+2%)	41% (+1%)	40%
The total sum paid to NCSC staff out of the total staff cost in the department (in percentage)	Depending on the actual situation, estimated to be less than the existing percentage	34% (+2%)	32% (+3%)	29%
The no. of employees with paid meal break The no. of employees without paid meal	Depending on the actual situation,	311(+3%)	301(+2%)	294

	2011/12	2010/11	2009/10	2008/09
break	estimated to be comparable with the present position	20(+11%)	18(-5%)	19
The no. of employees on 5-day work	Depending on the actual situation, estimated to be comparable with the present position	About 280	About 270	About 260
The no. of employees on 6-day work (and non-5 day work pattern)		About 50	About 50	About 50

Figures do not include NCSC with short-term contracts for ad hoc production needs.

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

CEDB(CT)138

Head: 160 – Radio Television Hong Kong Subhead 000 Operational
(No. & title): Expenses

Question Serial No.

3160

Programme:

Controlling Director of Broadcasting

Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: Please provide information regarding the hiring of “agency staff” as follows:

	2011/12	2010/11	2009/10	2008/09
The number of contracts on agencies	()	()	()	()
Total contract value with each agency	()	()	()	()
Total commission to each agency	()	()	()	()
The contract period of the service provided by each agency	()	()	()	()
Number of employees from the agencies	()	()	()	()
Details of agency staff's positions				
Monthly salary distribution of agency employees				
• \$30,001 or above	()	()	()	()
• Between \$16,001 and \$30,000	()	()	()	()
• Between \$8,001 and \$16,000	()	()	()	()
• Between \$6,501 and \$8,000	()	()	()	()
• Between \$5,001 and \$6,500	()	()	()	()
• \$5,000 or below	()	()	()	()
• No. of employees with monthly salary below \$5,824	()	()	()	()
No. of employees with salary between \$5,824 and \$6,500	()	()	()	()
The agency staff's employment period				
• 5 years or above	()	()	()	()

	2011/12	2010/11	2009/10	2008/09
• From 3 years to 5 years	()	()	()	()
• From 1 year to 3 years	()	()	()	()
• Less than 1 year	()	()	()	()
The no. of agency staff out of the total number of employees in the department (in percentage)	()	()	()	()
The total sum paid to agencies out of the total staff cost in the department (in percentage)	()	()	()	()
The no. of employees with paid meal break	()	()	()	()
The no. of employees without paid meal break	()	()	()	()
The no. of employees on 5-day work	()	()	()	()
The no. of employees on 6-day work	()	()	()	()

() increase and decrease as expressed in percentage each year

Asked by: Hon. WONG Kwok-hing

Reply: The information given as follows:

	2011/12	2010/11	2009/10	2008/09
The number of contracts on agencies (issued in the year)	No plan	0 (-100%)	2 (-60%)	5
Total contract value with each agency (including previous contracts)	Total Expenditure \$0 (-100%)	Total Expenditure \$95,000 (-80%)	Total Expenditure \$478,000 (+176%)	Total Expenditure \$173,000
Total commission to each agency	Not Applicable	No commission offered	No commission offered	No commission offered
The contract period of the service provided by each agency	Not Applicable	Not Available	5 months on average	8 months on average
Number of employees from the agencies	Not Applicable	Nil (as at 28.2.2011)	3 (-40%) (as at 31.3.2010)	5 (as at 31.3.2009)
Details of agency staff's positions	Not Applicable	Not Applicable	Clerical	Clerical
Monthly salary distribution of agency employees	Not Applicable	Not Applicable	Information on the salaries the agencies paid to their employees is not available. The hourly cost of service is \$50 and \$55 respectively in the contracts.	Information on the salaries the agencies paid to their employees is not available. In one of the contracts, the department paid a monthly service fee (over \$8,000), other services are charged (\$55) on
• \$30,001 or above	Not Applicable	Not Applicable		
• Between \$16,001 and \$30,000				
• Between \$8,001 and \$16,000				
• Between \$6,501 and \$8,000				
• Between \$5,001 and \$6,500				

	2011/12	2010/11	2009/10	2008/09
<ul style="list-style-type: none"> • \$5,000 or below • No. of employees with monthly salary below \$5,824 • No. of employees with salary between \$5,824 and \$6,500 				an hourly basis.
<p>The agency staff's employment period</p> <ul style="list-style-type: none"> • 5 years or above • From 3 years to 5 years • From 1 year to 3 years • Less than 1 year 	Not Applicable	Not Applicable	One member is within 1 to 3 years, and the other two members less than 1 year.	Less than 1 year
The no. of agency staff out of the total number of employees in the department (in percentage)	Not Applicable	Not Applicable	Less than 1%	Less than 1%
The total sum paid to agencies out of the total staff cost in the department (in percentage)	Not Applicable	Less than 0.1%	Less than 0.2%	Less than 0.1%
<p>The no. of employees with paid meal break</p> <p>The no. of employees without paid meal break</p>	Not Applicable	Not Applicable	Paid meal break is not included in the hourly- charged, but included in the monthly-charged service.	Paid meal break is not included in the hourly-charged, but included in the monthly-charge d service.
<p>The no. of employees on 5-day work</p> <p>The no. of employees on 6-day work</p>	Not Applicable	Not Applicable	One member on 6-day work and the other two members on 5-day work.	Normally 5-day work.

() increase and decrease as expressed in percentage each year

The above figures do not include the fixed-term contracts (T contract) under the centralized management of the Office of the Government Chief Information Officer (OCGIO).

Name in block letters Gordon LEUNG
Post Title Acting Director of Broadcasting
Date 16.3.2011

	2011/12	2010/11	2009/10	2008/09
The outsourced staff's employment period				
• 5 years or above	()	()	()	()
• From 3 years to 5 years	()	()	()	()
• From 1 year to 3 years	()	()	()	()
• Less than 1 year	()	()	()	()
The no. of outsourced staff out of the total number of employees in the department (in percentage)	()	()	()	()
The total sum paid to outsourcing service companies out of the total staff cost in the department (in percentage)	()	()	()	()
The no. of employees with paid meal break	()	()	()	()
The no. of employees without paid meal break	()	()	()	()
The no. of employees on 5-day work	()	()	()	()
The no. of employees on 6-day work	()	()	()	()

() increase and decrease as expressed in percentage each year

Asked by: Hon. WONG Kwok-hing

Reply: The major outsourcing service contracts of RTHK are related to the broadcasting technical support, property security, mechanical and electrical system maintenance in the property as well as the cleaning service. Information required is as follows:

	2011/12	2010/11	2009/10	2008/09
Total number of outsourcing contracts (Contracts issued before 28.2.2011 and remained valid during the year)	4(0)	4(0)	4(0)	4(0)
Total sum paid to outsourcing service companies	Around 52M	Around 37.4M	Around 39.80M	Around 33.36M
The contract period of each outsourcing service company	2x1year 1x3year 1x5year	2x1year 1x3year 1x5year	2x1year 1x3year 1x5year	2x1year 1x3year 1x5year
Number of employees hired through outsourcing service companies	Around 190 (-)	Around 190 (-)	Around 190 (+12%)	Around 170 (-)
Details of outsourced staff positions (Examples: customer services, property management, security, cleaning services and telecommunication technology, etc)	Staff engaged in cleaning and security services,	Staff engaged in cleaning and security services,	Staff engaged in cleaning and security services,	Staff engaged in cleaning and security services,

	2011/12	2010/11	2009/10	2008/09
	engineers and technicians	engineers and technicians	engineers and technicians	engineers and technicians
<p>Monthly salary distribution of outsourced employees</p> <ul style="list-style-type: none"> ● \$30,001 or above ● Between \$16,001 and \$30,000 ● Between \$8,001 and \$16,000 ● Between \$6,501 and \$8,000 ● Between \$5,001 and \$6,500 ● \$5,000 or below ● No. of employees with monthly salary below \$5,824 ● No. of employees with salary between \$5,824 and \$6,500 	Two of the contracts are without the required information. In the other two contracts related to cleaning and security services, there are 14 full-time posts at \$8,001-\$16,000; 10 posts at \$5,001-6,500.	Two of the contracts are without the required information. In the other two contracts related to cleaning and security services, there are 14 full-time posts at \$8,001-\$16,000; 10 posts at \$5,001-6,500.	Immediate information unavailable	Immediate information unavailable
<p>The outsourced staff's employment period</p> <ul style="list-style-type: none"> ● 5 years or above ● From 3 years to 5 years ● From 1 year to 3 years ● Less than 1 year 	Information unavailable	Information unavailable	Information unavailable	Information unavailable
The no. of outsourced staff out of the total number of employees in the department (in percentage)	Around 24 % (estimated)	Around 24 %	Around 24 %	Around 22 %
The total sum paid to outsourcing service companies out of the total staff cost in the department (in percentage)	Around 16 % (estimated)	Around 13 %	Around 14 %	Around 11 %
<p>The no. of employees with paid meal break</p> <p>The no. of employees without paid meal break</p>	Information unavailable	Information unavailable	Information unavailable	Information unavailable
<p>The no. of employees on 5-day work</p> <p>The no. of employees on 6-day work</p>	The contracts required 6-or 7-day service. No information on the work arrangement of individual employee.	The contracts required 6- or 7-day service. No information on the work arrangement of individual employee.	The contracts required 6- or 7-day service. No information on the work arrangement of individual employee.	The contracts required 6- or 7-day service. No information on the work arrangement of individual employee.

() increase and decrease as expressed in percentage each year

Name in block letters Gordon LEUNG

Post Title Acting Director of Broadcasting

Date 16.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)140

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3059

Head: 180 – Television and Entertainment
Licensing Authority Subhead
(No. &
title):

Programme: (1) Broadcast Monitoring and Regulation

Controlling Commissioner for Television and Entertainment Licensing
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: In 2011-12, how many resources will be allocated for processing competition complaint cases?
Will the Administration consider allocating more resources in this regard?

Asked by: Hon. CHAN Tanya

Reply: In 2011-12, the Television and Entertainment Licensing Authority (TELA) will continue to assist
the Broadcasting Authority (BA) in processing competition complaint cases, which will entail an
estimated expenditure of about \$2 m. In 2010-11, the expenditure in this respect was about
\$800,000.

Name in block letters _____ Vincent LIU _____

Post Title _____ Commissioner for Television and
Entertainment Licensing _____

Date _____ 15.3.2011 _____

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)141

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3060

Head: 180 – Television and Entertainment
Licensing Authority

Subhead
(No. &
title):

Programme: (1) Broadcast Monitoring and Regulation

Controlling Commissioner for Television and Entertainment Licensing
Officer:

Director of Bureau: Secretary for Commerce and Economic Development

Question: In reviewing the codes of practice, will the Department make reference to the experience of the Mainland and overseas places? If yes, please advise us of the cost incurred. If no, what are the reasons?

Asked by: Hon. CHAN Tanya

Reply: The Broadcasting Authority (BA) is responsible for regulating licensed broadcasting services in Hong Kong. Its functions include, among others, the issuance of codes of practice under the Broadcasting Ordinance (Cap. 562) and the Broadcasting Authority Ordinance (Cap. 391) to provide practical guidance for the licensees in respect of their programme standards, advertising standards and technical requirements.

In reviewing and revising its codes of practice, the BA will take into account relevant matters and information, including the regulatory provisions and experience of other places. The expenditure involved is absorbed within the existing resources of the Television and Entertainment Licensing Authority.

Name in block letters Vincent LIU

Post Title Commissioner for Television and
Entertainment Licensing

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)142

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3257

Head: 180 – Television and Entertainment
Licensing Authority

Subhead
(No. &
title):

Programme: (2) Film Classification and Control of Obscene and Indecent Articles

Controlling
Officer: Commissioner for Television and Entertainment Licensing

Director of Bureau: Secretary for Commerce and Economic Development

Question: In 2010-11, what was the amount of expenditure involved in the granting of exemption to films from classification?

Asked by: Hon. CHAN Tanya

Reply: The Film Sub-division of the Television and Entertainment Licensing Authority (TELA) is responsible for film censorship, which includes the granting of exemption from classification to films, such as movie trailers, as well as commercials or video clips broadcast on buses, trains and video walls outside buildings, etc. The expenditure involved is absorbed from within TELA's existing resources.

Signature _____

Name in block letters _____ Vincent LIU

Post Title _____ Commissioner for Television and
Entertainment Licensing

Date _____ 16.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 180 – Television and Entertainment
Licensing Authority

Subhead
(No. &
title):

Programme: (2) Film Classification and Control of Obscene and Indecent Articles

Controlling
Officer: Commissioner for Television and Entertainment Licensing

Director of Bureau: Secretary for Commerce and Economic Development

- Question:
- (a) How will the Administration gather and gauge public opinion on film classification standards? What is the cost of gauging the relevant information?
 - (b) After gathering public opinion on moral standards, what follow-up actions will the Administration take? What is the amount of expenditure involved?
 - (c) Will the Administration consider inviting independent members from the cultural, publication or performing arts sectors to participate in the classification of films or other articles? If yes, what is the estimated cost?

Asked by: Hon. CHAN Tanya

Reply: (a) The Film Censorship Authority (FCA) gathers and gauges public opinion on film classification standards mainly through the Panel of Film Censorship Advisers (panel of advisers) comprising members of the public, as well as public opinion surveys conducted at regular intervals.

The FCA shall appoint a film censor to assess each film submitted for examination. The censor will decide whether the film is suitable for exhibition and assign an appropriate classification for the film. In this regard, public opinion will be sought from the panel of advisers established by the FCA. At the end of the viewing session, the advisers will give their views to the censor on the appropriate classification of the film concerned. The Film Sub-division of the Television and Entertainment Licensing Authority (TELA) is responsible for film censorship, including the maintenance of the panel of advisers. The expenditure involved is absorbed from within TELA's existing resources.

The FCA will also conduct a public opinion survey every two to three years to gauge public views on the film censorship system and classification standards. In July 2010, TELA commissioned an independent research company to conduct the "2010 Public Opinion Survey on Film Classification". The survey is estimated to be completed in 2011 at a cost of \$782,000.

- (b) TELA will analyse in detail the public's views on film classification standards, and the opinions will be used as the frame of reference for the existing film classification standards. This type of work is part of the current job duties of the staff concerned in TELA. The expenditure involved is absorbed from within TELA's existing resources.
- (c) The panel of advisers comprises members of the public. When appointing the advisers, the FCA will refer to the demographics of the Hong Kong population, such as the

distribution of sex and age. Since the panel members are drawn from all walks of life, it is not necessary to engage independent members from the cultural, publication or performing arts sectors to participate in the classification of films.

Name in block letters	<u>Vincent LIU</u>
Post Title	<u>Commissioner for Television and Entertainment Licensing</u>
Date	<u>16.3.2011</u>

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 180 – Television and Entertainment
Licensing Authority

Subhead
(No. &
title):

Programme: (2) Film Classification and Control of Obscene and Indecent Articles

Controlling Officer: Commissioner for Television and Entertainment Licensing

Director of Bureau: Secretary for Commerce and Economic Development

Question: How does the Film Sub-division operate? What is the practice of allowing public participation in the film classification process and how much will be spent in this respect?

Asked by: Hon. CHAN Tanya

Reply: According to the Film Censorship Ordinance (Cap. 329), a film intended for exhibition must be submitted to the Film Censorship Authority (FCA) for examination. The FCA shall then appoint a film censor to assess the film submitted. The censor will decide whether the film is suitable for exhibition and assign an appropriate classification for the film. In this regard, public opinion will be sought from the Panel of Film Censorship Advisers (panel of advisers) established by the FCA. At the end of the viewing session, the advisers will give their views to the censors on the appropriate classification for the film concerned. Any Hong Kong citizen over the age of 18 with proficiency in the Chinese and English languages may apply for being appointed as a member of the panel of advisers.

The Film Sub-division of the Television and Entertainment Licensing Authority (TELA) is responsible for film censorship, including the maintenance of the panel of advisers. The expenditure involved is absorbed from within TELA's existing resources.

Name in block letters Vincent LIU

Post Title Commissioner for Television and
Entertainment Licensing

Date 16.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 180 – Television and Entertainment
Licensing Authority

Subhead
(No. &
title):

Programme: (2) Film Classification and Control of Obscene and Indecent Articles

Controlling Officer: Commissioner for Television and Entertainment Licensing

Director of Bureau: Secretary for Commerce and Economic Development

Question: The Administration would conduct periodic public opinion surveys on the moral standards of members of the community. Accordingly, please set out in categories the number of surveys conducted and the number of individuals (or organisations) interviewed in the past two years, as well as the manpower and expenditure involved in conducting such surveys.

Asked by: Hon. HO Chung-tai, Raymond

Reply: Television and Entertainment Licensing Authority (TELA) has conducted a survey to gauge the public's opinion on the film classification system and film censorship standards in the past two years. Details are as follows:

Year	Name	Number of Respondents	Manpower involved	Contract Cost (HK\$)
2010 -11	Public Opinion Survey to gauge the public's opinion on the film classification system and film censorship standards. (Survey to be completed in 2011)	Household interviews with 1 200 respondents using a random sample; plus six focus groups with a total of 60 participants.	A team of four officers of the Entertainment Standards Control Officer grade helped supervise and monitor the survey as part of their duties.	A survey company was commissioned to conduct the survey at a cost of \$782,000.

Name in block letters Vincent LIU

Post Title Commissioner for Television and
Entertainment Licensing

Date 15.3.2011

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Head: 180 – Television and Entertainment
Licensing Authority Subhead 700 General
(No. & non-recurrent
title):

Programme:

Controlling Officer: Commissioner for Television and Entertainment Licensing

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the expenditure on “Competition Consultancy Service” and “Staff Training of Competition Provisions” under the general non-recurrent account, would the Administration please inform this Committee of the specific details, duration and the number of staff members involved?

Asked by: Hon. LAM Tai-fai

Reply: One of the duties of the Television and Entertainment Licensing Authority (TELA) is to provide secretariat services for the Broadcasting Authority (BA) in the discharge of its functions.

The BA is responsible for the enforcement of the competition provisions regulating the television service market as stipulated in the Broadcasting Ordinance (Cap. 562). To better support the BA in enforcing the competition provisions, TELA has allocated funds to two general non-recurrent expenditure items, namely “Competition Consultancy Service” and “Staff Training of Competition Provisions”. The details of the expenditure items are as follows:

(a) Competition Consultancy Service

With an approved commitment of \$3.5 m, this expenditure item is used for settling consultancy fees in connection with the competition provisions, including the expenditure incurred by engaging consultants to provide market analysis and opinions on competition complaints, as well as to provide recommendations on the revision of the relevant guidelines. Other professionals may also be engaged to provide opinions on matters related to competition provisions on a case-by-case basis.

(b) Staff Training of Competition Provisions

With an approved commitment of \$839,000, this expenditure item is reserved for staff training which aims to strengthen the staff members’ understanding of the competition provisions and to widen their overseas exposure. Training activities include internal courses conducted by academics and experts, as well as overseas visits and short-term study tours so as to enhance exchanges with overseas regulatory bodies in the related field. Over the past three years, more than 50 staff members have participated in such trainings.

Name in block letters Vincent LIU

Post Title Commissioner for Television and
Entertainment Licensing

Date 15.3.2011

Examination of Estimates of Expenditure 2011-12

Reply Serial No.

CEDB(CT)147

**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Question Serial No.

3229

Head: 180 – Television and Entertainment
Licensing Authority

Subhead
(No. &
title):

Programme:

Controlling Officer: Commissioner for Television and Entertainment Licensing

Director of Bureau: Secretary for Commerce and Economic Development

Question: Regarding the estimates of expenditure of the Information Technology Management Unit (ITMU) of the Department:

- (a) What is the estimated expenditure for 2011-12? What is the rate of change as compared with the actual expenditure in 2010-11? What are the reasons for the above rate of change in expenditure?
- (b) What specific projects are involved in the estimates of expenditure for 2011-12? Which of them are ongoing and new projects respectively? What are the staff number, cost and implementation timetable of each project? Of the staff involved for each project, how many of them are civil servants, non-civil service contract staff and staff of outsourced service providers?
- (c) Has the Administration earmarked any provision for the promotion of e-engagement as well as the opening up of public sector information? If yes, what are the specific details, including the titles and particulars of the projects, the manpower and cost involved, and the implementation timetable? If not, what are the reasons and will the Administration consider launching such projects in the future?
- (d) What are the permanent establishment and the number of existing staff and vacancies of the ITMU? Is manpower expected to increase in the coming year? If yes, how many additional posts will be created? What ranks will be involved? Are these posts permanent in nature? Will candidates for these posts be appointed on civil service terms? If there will be no increase in manpower, what are the reasons?
- (e) Has there been any comprehensive review on the effectiveness of the ITMU? If yes, what are the results and the specific improvement measures involved? If not, what are the reasons and will there be any such review in the future?

Asked by: Hon. TAM Wai-ho, Samson

Reply: (a) The estimated expenditure for 2011-12 is \$2.2 m, which is 9% higher than the actual expenditure (about \$2.02 m) in 2010-11. The increase is mainly attributed to the upgrading and maintenance of computer system.

- (b) The estimates of expenditure for 2011-12 are earmarked for conducting on-going projects, with the major ones as listed below:

Project	No. of staff required in 2011-12			Estimated expenditure in 2011-12 (\$M)
	Civil service Staff	Non-civil service contract staff	Staff of outsourced service provider	
Support of Business Applications and Operations	0	1	2	0.9
Support of IT Infrastructure and Facilities	0	1	2	1.15
Enhancement of Departmental Website	0	1	1	0.15

- (c) The Television and Entertainment Licensing Authority (TELA) is currently working on a project to enhance its departmental website. This user-oriented project, costing about \$150,000, aims to support the promotion of e-engagement and the opening up of public sector information. Major aspects of the project include revamping the Department's website to cater for the need of the visually impaired, simplifying electronic forms for the convenience of the public to submit information, and updating information relating to various licence applications to facilitate public access. The Information Technology Management Unit (ITMU) of TELA is responsible for carrying out the above project, which is to be completed in 2011-12.
- (d) There is no permanent establishment in the ITMU of TELA. As at the end of February 2011, there are altogether five non-civil service contract staff members in the ITMU. As the initiatives to be carried out in 2011-12 are similar to those in 2010-11, TELA has no plan to increase the manpower of its ITMU in the coming year.
- (e) An Information Technology Steering Committee has been set up under the established mechanism to review the manpower resources as well as the development plan of ITMU every year to assure its effectiveness and enhance the services.

Name in block letters Vincent LIU

Post Title Commissioner for Television and
Entertainment Licensing

Date 15.3.2011