Examination of draft Estimates of Expenditure 2000-01

CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head :   55 - Government Secretariat :   Subhead (No. & title) : -
             Information Technology and
             Broadcasting Bureau

Programme :   (2)   Information Technology

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question : The Bureau will implement pilot projects to promote the use of information technology in the community.   Please provide the expenditure estimates and details of the pilot projects.

Asked by : The Honourable HO Chung-tai

Reply :

This Bureau has implemented a wide range of pilot projects in 1999-2000 to promote the use of information technology in the community.   These include –

(a)   the launching of the Interactive Government Services Directory web site which provides interactive employment, transport information and investment enquiry services to the public electronically, thus enabling the public to have firsthand experience of the convenience of electronic service;

(b)   co-operation with Internet Service Providers and IT companies to provide free electronic mail services to the community;

(c)   the launching of the mobile exhibition facility called the "E-community Ambassador" in collaboration with a non-government organization to promote IT at the community level; and

(d)   the installation of public computers, with Internet connection, in District Offices and some community centres for public use free-of-charge.

In 2000-01, we shall continue to implement and enhance the aforesaid activities and launch other new projects as well. For example, we shall install public computers in more community centres, and provide public computers with special facilities for use by the blind and the visually impaired. The estimated expenditure of this project is about $6m and will be met under Capital Works Reserve Fund Head 710 Computerization A007GX block allocation. The expenditure of other new non-computerization pilot projects will be met under Subhead 700 Item 655 "Support programme to promote the wider use of information technology in the Hong Kong Special Administrative Region" (which has a total commitment of $10m and a balance of $2m).

Name in block letters :   Eva Cheng

Post title :   Acting Secretary for Information Technology and Broadcasting

Date :   20 March 2000

Examination of draft Estimates of Expenditure 2000-01
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   :   47 Information Technology Services Department

Programme :   Programme (1) Use of Information Technology (IT) in Government

Controlling Officer :   Director of Information Technology Services

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   Regarding the outsourcing of IT Works:

(a)   In 1999-2000, ITSD outsourced about 64% of the total value of work undertaken.   It is estimated that the percentage of IT works to be outsourced will be more or less the same in 2000-01.   Has the department planned to increase the outsourcing percentage?   If not, why?

(b)   How many IT projects have been and will be outsourced in 1999-2000 and 2000-01 respectively?   What are the major categories of these IT projects?

Asked by :   The Honourable Ma Fung-kwok

Reply :

(a)   Our policy target is to outsource two-thirds of the new IT projects in Government by the end of 2001.   We have already achieved this target in 1999-2000.   Of the new IT projects approved in 1999-2000, 88% (in terms of value) and 70% (in terms of number) have been/will be outsourced.   We will continue to implement new IT projects and provide maintenance for new IT application systems in Government through outsourcing as the preferred option.

(b)   In 1999-2000, there are 245 outsourced IT projects.   In 2000-01, there will be 147 outsourced IT projects.   The outsourced IT projects include the development of management information systems, accounting systems and inventory control systems for departments; Government Office Automation programme; Confidential Mail projects; provision of additional computer equipment and facilities; feasibility studies of computer applications and Information System Strategy Studies.

Name in block letters   K H Lau

Post Title   Director of Information Technology Services

Date   20 March, 2000

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   160 Radio Television Hong Kong

Programme :   (1) Radio

Controlling Officer :   Director of Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   (a) As regards the commissioning of programme production, RTHK
                                         will commission outside parties to produce programmes in 2000-
                                         2001. Will the Controlling Officer inform this Council of the
                                         details of the commissioning plans (e.g. types of programmes to
                                         be commissioned, provision for commissioning, etc)?

                                    (b) What criteria will be used by RTHK in determining the types of
                                         programmes to be commissioned? What measures will be taken
                                         by RTHK to safeguard the standard and cost-effectiveness of
                                         commissioned programmes?

                                    (c) How will RTHK make use of the savings achieved in
                                         commissioning programme production? What will be the
                                         estimated sum of savings?

Asked by :   The Honourable MA Fung-kwok

Reply :   (a) The commissioning of radio and television programmes will be
                                         conducted on an experimental basis by RTHK in 2000-2001. The
                                         objectives are to bring in new ideas and formats as well as to
                                         encourage creative ventures.

                                         In 2000-2001, the Radio Division plans to commission the
                                         production of sports programmes, English drama and classical
                                         music programmes. The commissioned output represents 0.26%
                                         of the annual production hours of the Radio Division at an
                                         estimated cost of $0.88m.

                                         The Public Affairs Television Division plans to commission the
                                         production of 10 documentaries and 5 dramas, each of 30 minutes
                                         in duration. This will amount to 1.4% of the annual production
                                         hours of the Public Affairs Television Division at an estimated

cost of $4m.

(b) Whether a programme is suitable for commissioning or not depends on the type and nature of the programme.

RTHK will set up selection and monitoring groups to scrutinize and assess proposals submitted during the tendering process. These groups will closely monitor and control the quality and progress of the production. The commissioning process will be monitored by commissioning editors. In the process, achieving cost-effectiveness will be one of the prime objectives.

(c) RTHK will commission, on an experimental basis, a small number of programmes this year, focusing primarily on the injection of new ideas and innovative production techniques at the initial stage. Therefore, savings achieved this year are expected to be insignificant.

Name in block letters :   CHU Pui-hing

Post Title :   Director of Broadcasting

Date :   18 March 2000

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head :   55 - Government Secretariat :   Subhead (No. & title) : -
                Information Technology and
                Broadcasting Bureau

Programme : (2) Information Technology

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question : What is the total expenditure for implementing the first phase of the
                Electronic Service Delivery scheme in the next financial year? Please give
                the details.

Asked by : The Honourable Chan Kwok-keung

Reply :   The Finance Committee of the Legislative Council approved on 18 December
              1998 the funding for the implementation of the first phase of the Electronic
              Service Delivery Scheme.   The scheme is being implemented in accordance
              with the approved estimates of expenditure.   The total estimated expenditure
              for the scheme in 2000-01 is detailed as follows :-

(A) Non-recurrent expenditure

		$million
(a)	Implementation services	30.0
(b)	Hardware, software and communications	6.0
(c)	Publicity and promotion	6.0
(d)	Miscellaneous items	10.0
(e)	Contingency	5.2
	Sub-total	57.2
(f)	Staff cost*	10.8
	Total	68.0

*The staff cost will be met from within our existing resources.

(B) Recurrent expenditure

		$million
(a)	Transactions fees payable to the ESD operator by departments and agencies which participate in the scheme	13.9
(b)	Help desk and back end support	5.3
(c)	Digital certificates for secure ESD transactions	16.9
(d)	Digital certificates for users within the Government	1.0
(e)	Maintenance cost	1.6
	Sub-total	38.7
(f)	Staff cost*	8.8
	Total	47.5

* The staff cost will be met from within our existing resources.

Name in block letters : Eva Cheng

Post Title : Acting Secretary for Information Technology and Broadcasting

Date : 14.3.2000

Bureau Serial No.

| ITBB002 |

Question Serial No.

| 0160 |

Examination of draft Estimates of Expenditure 2000-01
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   :   47 Information Technology Services Department
Programme :   Programme (1) Use of Information Technology (IT) in
                          Government

Controlling Officer :   Director of Information Technology Services

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   In 2000-01, it is estimated that the total value of work to be
                          outsourced will be $726 million.   What is the nature of the
                          outsourced IT projects and the reason for outsourcing them?

Asked by :   The Honourable CHAN Kwok-keung

Reply :   The outsourced IT projects include application system
                          development and enhancement, network administration,
                          services provided by the data processing centres, etc.

                          To implement IT projects by outsourcing would help to meet
                          the ever-growing need for IT services within Government, and
                          expedite the progress of Government IT projects.   Outsourcing
                          would also be beneficial to the expansion of the local IT market
                          and help to promote the development of the IT industry.

                          Name in block letters   K H Lau

                                                          Director of Information
                          Post Title   Technology Services

                          Date   20 March, 2000

Bureau Serial No.

| ITBB007 |

Question Serial No.

| 0165 |

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head   :   47   Information Technology Services Department
Programme :   Programme (3) Information Technology (IT) in the Community

Controlling Officer :   Director of Information Technology Services

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   What will be done to encourage the private sector to adopt e-
                        commerce?   What is the estimated expenditure for the
                        implementation of the relevant projects?

Asked by :   Ir Dr Hon Raymond Ho Chung-tai, J.P.

Reply :
To encourage the private sector to adopt e-commerce, Information Technology
Services Department and Information Technology and Broadcasting Bureau will
jointly:

(a) in collaboration with other industrial support organisations, hold seminars for the
     enterprises, especially the small and medium-sized enterprises, to strengthen their
     awareness of and confidence in e-commerce with a view to encouraging them to adopt e-
     commerce;

(b) publish and distribute to the business sector booklets on successful cases of e-commerce
     adoption in Hong Kong to facilitate experience sharing;

(c) produce publicity materials on e-commerce for television and radio broadcast to enhance
     the knowledge of the public on e-commerce; and

(d) promote the Interactive Government Services Directory / Electronic Services Delivery
     scheme to the public through exhibitions as well as the "E-community Ambassador" (a
     mobile exhibition facility) to strengthen their awareness and understanding of electronic
     transactions and to encourage them to adopt e-commerce.   This will help create an
     environment conducive   to   e-commerce adoption by the businesses.

The Government will incur about $9.4M in 2000-01 to continue with various activities to
promote e-commerce.   Funding will be provided under -

(a)   Head 55 – Government Secretariat: Information Technology and Broadcasting Bureau
Subhead 700 – General other non-recurrent
Item 662 "Promotion of electronic commerce in the Hong Kong Special Administrative Region"
(Total commitment : $4 million);

(b)   Head 55 – Government Secretariat: Information Technology and Broadcasting Bureau
Subhead 700 -   General other non-recurrent
Item 661 "Co-organisation of the Information Infrastructure Expo and Conference 2001 and participation in other information technology-related exhibitions "
(Total commitment : $4 million); and

(c)   Head 47 –Information Technology Services Department
Subhead 111 – Hire of services and professional fees, and
Subhead 149 – General departmental expenses
(Total amount involved : $1.4 million).

Name in block letters   K H Lau

Post Title   Director of Information Technology Services

Date   20 March 2000

Bureau Serial No.

ITBB 019

Question Serial No.

0219

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head : 55 - Government Secretariat :   Subhead (No. & title) : -
                Information Technology and
                Broadcasting Bureau

Programme : (2) Information Technology

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question : What projects will be implemented to encourage the SMEs to engage in
              electronic commerce?   How much resources will be provided for those
              projects?

Asked by :   The Honourable Yeung Yiu-chung

Reply :

Apart from implementing the Electronic Service Delivery scheme, building up a public
key infrastructure and enacting the Electronic Transactions Ordinance which together
provide a favourable environment and a clear legal framework for the development of
electronic commerce, we will carry out the following activities to directly encourage
the SMEs to engage in electronic commerce :-

(a) work with various industrial support organizations to hold seminars and organize
       other publicity activities to increase the knowledge of the private sector,
       especially the SMEs, in electronic commerce, thereby encouraging the SMEs to
       adopt electronic commerce;

(b) publish information and publicity material on electronic commerce for distribution
       to the SMEs;

(c) participate in various exhibitions on information technology organized by the industry to promote Government electronic services and electronic commerce;

(d) prepare publicity material for broadcast on television and radio, and cooperate with industrial support organizations to provide a hotline enquiry service to assist the SMEs in adopting electronic commerce; and

(e) cooperate with industrial support organizations to provide simple and affordable electronic commerce solution packages (which include promoting products and services to local and overseas customers through the Internet, and performing various back-end trade operations electronically to improve workflow) to the SMEs thus encouraging them to adopt electronic commerce.

Under Sub-head 700 of our Head of Expenditure: -

(a) the total commitment of $4 million for Item 662 "Promotion of electronic commerce in the Hong Kong Special Administrative Region" is to meet the expenditure on the direct promotion of electronic commerce; and

(b) the total commitment of $4 million for Item 661 "Co-organization of the Information Infrastructure Expo and Conference 2001 and participation in other information technology-related exhibitions" is to meet the expenditure on participation in various exhibitions.

Name in block letters :   Eva Cheng

Post Title : Acting Secretary for Information Technology and Broadcasting

Date :   14 March 2000

Bureau Serial No.

ITBB020

Question Serial No.

0220

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   180 Television and Entertainment Licensing Authority

Subhead (No. & title) :

Programme :   (3) Film Classification and Control of Obscene and Indecent Articles

Controlling Officer : Commissioner for Television and Entertainment Licensing

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   In 1999/2000, how many cases of obscene and indecent materials on the Internet did the authorities detect?   Out of these cases, how many were detected by TELA and how many were complaints?   How many of these cases involved local web sites? What action has TELA taken against these local web sites?   What is the number of cases handled and how much resources were involved?

Asked by :   The Hon. Yeung Yiu-chung

Reply :   In 1999/2000, the Television and Entertainment Licensing Authority (TELA) detected 26 cases concerning the publication of obscene and indecent materials on the Internet, of which 23 were public complaints received by TELA and the remaining were known from the Police.   The number of cases involving local web sites is 22.   Upon investigation by TELA and concerned authorities, the Police are following up five of these cases.   Of the remaining cases, one concerned an underage offender, who had therefore been cautioned under the Police Superintendent Discretion Scheme.   We could not take action on the other 16 cases for the following reasons –

- The web site under complaint could not be located   7 cases
- The web site content should be of Class I nature (i.e. neither   7 cases
  obscene nor indecent)
- The complainants failed to provide adequate information   2 cases

TELA's expenses in handling the above cases totalled $93,600.

Name in block letters		Esmond LEE
Post Title		Commissioner for Television and Entertainment Licensing (Acting)
Date		18 March 2000

Examination of draft Estimates of Expenditure 2000-01

CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head : 55 - Government Secretariat :   Subhead (No. & title) : -
Information Technology and
Broadcasting Bureau

Programme : (2) Information Technology

Controlling Officer : Secretary for Information Technology and Broadcasting

Bureau Secretary : Secretary for Information Technology and Broadcasting

Question : Provision under this programme for 2000-01 is 49.7 million (133.69%) higher than the revised estimate for 1999-2000. This is mainly due to additional provision to meet the recurrent requirements arising from the implementation of the first phase of the Electronic Service Delivery Scheme. What is the total cost and expected date of completion of the scheme?

Asked by : Dr Hon David Li Kwok-po

Reply : The Finance Committee approved on 18 December 1998 the funding for the implementation of the first phase of the Electronic Service Delivery scheme. The total capital cost of the project is $123.2 million. The annual recurrent cost is estimated at $47.5 million in 2000-01, rising to $55.7 million in 2002-03. The project development work is now in full swing and the first phase of the scheme will be launched in October 2000.

Signature : _____

Name in block letters :   Eva Cheng

Post title :   Acting Secretary for Information Technology and Broadcasting

Date :   21 March 2000

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head : 55 - Government Secretariat :   Subhead (No. & title) : -
        Information Technology and
        Broadcasting Bureau

Programme :   (2) Information Technology

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question : What are the plans for promoting electronic commerce? How much provision would be involved?

Asked by : The Honourable James TIEN Pei-chun

Reply :

The Government is actively implementing various initiatives to create a favourable environment for electronic commerce to take hold and flourish in Hong Kong. The main initiatives include –

(a) to launch in October this year the first phase of the Electronic Service Delivery scheme under which a wide range of services of ten Government departments and public agencies would be provided to the public in a seamless manner. The non-recurrent expenditure for the scheme is $123.2m, and the provision of such has already been approved by the Finance Committee;

(b) to establish a public key infrastructure through the Hongkong Post taking the lead in providing certification services to ensure security in electronic transactions conducted by the public. The non-recurrent expenditure incurred by the Hongkong Post in implementing the certification services project is $55m, and this is charged to the Post Office Trading Fund; and

(c) to provide a clear legal framework for the conduct of electronic commerce with the enactment of the Electronic Transactions Ordinance. This initiative does not require additional provision.
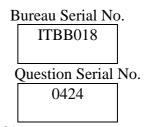
In addition, we will also carry out the following projects to directly encourage the private sector to participate in electronic commerce –

(a) working with various industrial support organizations to hold seminars to enhance the knowledge of the private sector (especially the SMEs) in electronic commerce, thereby encouraging them to adopt electronic commerce;

(b) producing information and publicity materials on electronic commerce for distribution to the SMEs;

(c) participating in information technology exhibitions organized by industrial support organizations to promote Government's electronic services and electronic commerce;

(d) producing publicity material on electronic commerce for broadcast on television and radio and providing hotline enquiry service in collaboration with industrial support organizations to help the SMEs in adopting electronic commerce; and

(e) working with industrial support organizations to provide user-friendly and affordable electronic commerce solution packages (which include promoting products and services to local and overseas customers through the Internet and performing various back-end trade operations electronically to improve workflow) to the SMEs to facilitate their adoption of electronic commerce.

Under Subhead 700 of our Head of Expenditure–

(a) the total commitment of $4m for item 662 "Promotion of electronic commerce in the Hong Kong Special Administrative Region" is to meet the expenditure on the promotion of electronic commerce; and

(b) the total commitment of $4m for item 661 "Co-organization of the Information Infrastructure Expo and Conference 2001 and participation in other information technology-related exhibitions" is to meet the expenditure on the participation in various exhibitions.

Name in block letters :   Eva Cheng

Post title :   Acting Secretary for Information Technology and Broadcasting

Date :   18 March 2000

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head：   47   Information Technology Services Department

Programme :   Programme (2) Information Technology (IT) Infrastructure and Standards

Controlling Officer :   Director of Information Technology Services

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   The amount of provision under this programme shows an increase of $12.9 m. What new posts will be created with the additional provision estimated?   What are the ranks, duties and remuneration of the new posts?

In addition, how much resources, in manpower and monetary terms, will the Information Technology Services Department (ITSD) utilize in the implementation of an information infrastructure with an open common interface through which the Government, businesses and individuals can interact?   How long will it take to complete this project?

Asked by :   The Honourable Kenneth Ting Woo-shou, J.P.

Reply :

Of the estimated increase of $12.9 million, $9.98 million is for the recurrent expenditure of operating the "Secure Central Internet Gateway System", which is an IT infra-structural project approved by the Finance Committee in April 1999.   This is further broken down as - $2.7 million for maintenance and consumables, $2.2 million for rental of data communication equipment, $1.65 million for   professional services outsourced on an annual basis, and $3.43 million for employing contract staff for the provision of 24 hours support services to bureaux and departments on centralised client facilitation management.

As regards the remaining $2.92 million, $0.7 million is for the maintenance of the backbone network of the Cheung Sha Wan Government Offices and the rental of data communication circuits.   Another $0.7 million is for the employment of contract staff to provide technical support service to the Public Key Infrastructure.   The remaining $1.52 million is for the creation of 3 posts of Analyst/Programmer I in the Department for the provision of on-going technical support service to 3 IT projects.   These projects include the extension of the Government Backbone Network (Phase II), the backbone network of Cheung Sha Wan Government Offices, and the extension of IT facilities of the Information Technology and

Broadcasting Bureau.

With respect to the development of an information infrastructure with an open common interface through which the Government, business and the general public can interact, ITSD will, in the new financial year, provide the secure central Internet gateway service, help to implement the first phase of the Electronic Service Delivery scheme to be launched in October 2000, and implement progressively a common interface for using Chinese in electronic communication. In the new financial year, ITSD's total expenditure on these projects will be $23.25 million.

Name in block letters   K H Lau

                             Director of Information
Post Title   Technology Services

Date   20 March 2000

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head：   47   Information Technology Services Department

Programme：   Programme (3) Information Technology (IT) in the Community

Controlling Officer：   Director of Information Technology Services

Bureau Secretary：   Secretary for Information Technology and Broadcasting

Question：   (a)   What measures will be taken by the Government to promote the IT competence of the public ? What is the financial provision for each of these measures ?
                (b)   The Government has planned to collect the benchmarking statistics on the use of IT in Hong Kong in 2000−01. What are the detailed activities in this respect and the resources to be utilized ?

Asked by：   The Honourable Sin Chung-kai

Reply：

(a)   To promote the IT competence of the public, the Information Technology Services Department (ITSD) and Information Technology and Broadcasting Bureau will jointly:

-      enhance the general knowledge of IT in the community through the demonstration and exhibition facility of the mobile "E-community Ambassador";

-      install computers with access to the Internet in more community halls/centres for use by members of the public free-of-charge;

-      organize, in collaboration with Education Department, IT appreciation forums specially designed for the parents;

-      promote the Interactive Government Services Directory / Electronic Services Delivery scheme to the public through exhibitions to familiarise them with the operations in electronic transactions and to increase their confidence in e-commerce; and

●   organise seminars for the enterprises (especially the small and medium-sized enterprises), in collaboration with other industrial support institutions, and produce Announcement of Public Interest on e-commerce for television and radio broadcasting to strengthen their awareness & understanding of e-commerce and to arouse their interests and confidence in adopting e-commerce.

The Government's estimated expenditure in 2000-01 for the promotion of IT is about $14.1M.   Detailed breakdown is –

1.   Head 55 – Government Secretariat: Information Technology and Broadcasting Bureau
Subhead 700 -   General other non-recurrent
Item 662 "Promotion of electronic commerce in the Hong Kong Special Administrative Region "
(Total commitment : $4 million);

2.   Head 55 – Government Secretariat: Information Technology and Broadcasting Bureau
Subhead 700 -   General other non-recurrent
Item 661 "Co-organisation of the Information Infrastructure Expo and Conference 2001 and participation in other information technology-related exhibitions "
(Total commitment : $4 million);

3.   Head 55 – Government Secretariat: Information Technology and Broadcasting Bureau
Subhead 700 -   General other non-recurrent
Item 655 "Support programme to promote the wider use of information technology in the Hong Kong Special Administrative Region"
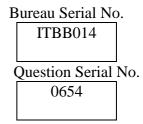(Balance : $2 million); and

4.   Head 47 –Information Technology Services Department
Subhead 111 – Hire of services and professional fees, and
Subhead 149 – General departmental expenses
(Total amount involved : $4.1 million).

(b)   To enable the Government to have an accurate understanding on the usage of IT and Internet in Hong Kong for the formulation of strategies in promoting IT application, ITSD has planned to collect the following benchmarking statistics -

1.   the usage and penetration of IT, application software and Internet in the community;

2.   the usage and penetration of IT, application software and Internet in the business sector;

3.   the usage and penetration of IT, application software and Internet in educational institutions;

4.   the usage and penetration of IT, application software and Internet within Government; and

5. telecommunications infrastructure facilities.

Regarding Items 1 and 2, ITSD has commissioned the Census and Statistics Department to conduct a sampling survey with the use of questionnaire.   Some 10,000 households and 5,000 institutions in the business sector will be included in the survey.   As for Items 3 to 5, ITSD will collect the data from Government bureaux and departments.   It is estimated that the surveys will be completed in July 2000.

Collecting the benchmarking statistics on the usage and penetration of IT and Internet in the community and in the business sector will require about $3.5 million, which comprises principally the fees for the outsourced household survey services and salaries for employing the short-term contract interviewers.   As regards the collection of the related benchmarking statistics within the Government, ITSD will deploy in-house staff and no additional provision is required in this respect.

Name in block letters   K H Lau

                                        Director of Information
Post Title   Technology Services

Date   20 March 2000

Bureau Serial No.

ITBB014

Question Serial No.

0654

Examination of draft Estimates of Expenditure 2000-01
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head: 47   Information Technology Services Department

Programme :   Programme (1) Use of Information Technology (IT) in Government

Controlling Officer :   Director of Information Technology Services

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   (a)   Regarding the performance indicator of the "results of post-implementation reviews on completed projects" under this programme, the "percentage completed on schedule" increased from 55.8% in 1998 to 73.1% in 1999. However, the estimated increase in 2000 is 75% only. Why is there such a drastic difference in the progress of performance between 1999 and 2000?

              (b)   Why do both the "total value of work undertaken in the year" and the "total value of work outsourced in the year" see an would-be decrease in 2000-01? What are the relevant items that will account for such a decrease ?

Asked by : The Honourable SIN Chung-kai

Reply :

(a)   The percentage of projects completed on schedule for 2000 is an estimated figure by reference to the actual performance in the past four years. Whether a project can be completed on schedule depends on the specific conditions of that project.   As at present, we estimate that the percentage of projects completed on schedule for 2000 and the actual percentage in 1999 will be more or less the same.

(b)   The total value of work undertaken in 1999-2000 is $1,198m, comprising a block allocation of $540m for the implementation of new administrative computer systems and an allocation of $658m for computerization projects costing over $10m each. The total estimated value of work undertaken in 2000-01 is $1,117m, comprising a block allocation of $560m for new administrative computer systems and an allocation of $557m for computerization projects costing over $10m each.   The reduction in the total value of work undertaken in 2000-01 is attributed to the decreased cashflow requirement for the computerization projects costing over $10m each.   The total value of work outsourced in the same year will also reduce correspondingly.

Name in block letters   K H Lau

Post Title   Director of Information
Technology Services

Date   20 March 2000

Examination of draft Estimates of Expenditure 2000-01

CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head :   55 - Government Secretariat :   Subhead (No. & title) : -
            Information Technology and
            Broadcasting Bureau

Programme :   (2) Information Technology

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question : Additional provision of $49.7 m will be made in 2000-01 for the implementation
            of the first phase of the Electronic Service Delivery scheme. What are the
            specific uses of the provision and how would it be allocated?

Asked by : The Honourable SIN Chung-kai

Reply :

In 2000-01, there is an increase of $49.7m in the estimated provision under programme (2).
The provision will mainly be used and allocated as follows–

(i)   to meet the recurrent cost of implementing the first phase of the Electronic Service
       Delivery (ESD) scheme at an estimated expenditure of $38.74m.   This covers the fees
       payable to the ESD operator, the cost of setting up help desk and providing back-end
       technical support service, the provision for assisting ESD users to obtain digital
       certificates for the first time from certification authorities, the cost of digital certificates
       for Government officers and maintenance cost;

(ii)   to carry out marketing and promotion activities of the Cyberport project at an estimated
       expenditure of $2.1m; and

(iii) in 2000-01, the three departments under the purview of this Bureau will be able to save
       more than 1% of their recurrent expenditure under the Enhanced Productivity
       Programme. This $6.56m savings in departmental expenses are appropriated to this
       Bureau for centralized re-allocation to enable more effective deployment and use of
       resources to meet the requirements of new initiatives to be implemented by this Bureau
       and its departments.

                Name in block letters :   Eva Cheng
                            Post title :   Acting Secretary for Information Technology and Broadcasting

Date :
16.3.2000

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head :   55 - Government Secretariat :   Subhead (No. & title) : -
Information Technology and
Broadcasting Bureau

Programme : (3) Telecommunications

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   In 2000-01, the estimated expenditure for telecommunications (programme 3) under the Information Technology & Broadcasting Bureau is $17 million, which is 109.9% higher than the expenditure in 1999-2000.
However, in paragraph 14, only 3 items are mentioned as matters requiring special attention in 2000-01.   They are (1) to bring into effect measures introduced by the Telecommunication (Amendment) Bill 1999; (2) to introduce legislative proposals to make the provision of in-building access facilities for fixed telecommunications networks a mandatory requirement for new buildings; and (3) to facilitate the staging of "International Telecommunication Union TELECOM Asia 2000".

(a) What is the estimated expenditure for each of the aforesaid tasks?
(b) How does the Administration use the estimated expenditure to facilitate the staging of "International Telecommunication Union TELECOM Asia 2000" (e.g. employing temporary staff, paying rent for the venue, etc.)?
(c) How does the Administration share the expenditure in respect of the aforesaid TELECOM Asia 2000 with International Telecommunication Union and other co-organizers?
(d) In calculating the estimated expenditure for the aforesaid TELECOM Asia 2000, has the Administration deducted the expenses borne by commercial sponsors?

Asked by : The Honourable MA Fung-kwok

Reply :

(a) A capital commitment of $8.4m is created for facilitating the staging of "International Telecommunication Union TELECOM Asia 2000" in Hong Kong on 4 – 9 December this year. This substantially increases the estimated expenditure under the programme of telecommunications in the financial year of 2000-01. As for the other estimated expenditure, provisions are made to meet personal emoluments and general departmental expenses under the programme of "telecommunications" of the Information Technology and Broadcasting Bureau for undertaking various tasks under the programme, including the 3 items that are listed as matters requiring special attention and to be implemented in 2000-01.

(b)& "International Telecommunication Union TELECOM Asia 2000" is a
(c) prestigious event in the telecommunications sector. It encompasses an International Telecommunication Exhibition and a Special Session of the World Telecommunication Forum. The International Telecommunication Union (ITU) will have the overall responsibility for organizing the event, including the hire of venue and the arrangements in respect of the Exhibition and the Forum. It will also be responsible for all income and expenditure of the event. We are only held responsible for the expenses of several activities to be organized by the Hong Kong Government as agreed with the ITU, including a banquet and a welcome reception for the guests with Hong Kong as the host, and other supporting functions such as protocol arrangements and publicity.

(d) According to our agreement with the ITU, we have to provide the tele-communications services required by the ITU for this event. Since the tele-communications operators will be invited to sponsor the provision of these telecommunications services, the estimated expenditure of $8.4m has not taken into account such expenses to be borne by commercial sponsors.

Name in block letters :   Eva Cheng

Post Title :   Acting Secretary for Information Technology and Broadcasting

Date :   16.3.2000

Bureau Serial No.

ITBB023

Question Serial No.

0669

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head :   55 - Government Secretariat :   Subhead (No. & title) : -
               Information Technology and
               Broadcasting Bureau

Programme :   (2)   Information Technology

Controlling Officer :   Secretary for Information Technology and Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :

(a)   During 2000-01, programmes will be implemented to encourage the private sector
        especially small and medium-sized enterprises to engage in electronic commerce.
        What are these programmes?   What are the provisions for these programmes?

(b)   During 2000-01, pilot projects will be implemented to help promote the use of IT
        within the community.   What are these pilot projects?   Who are the targets of these
        projects?   How will they be implemented?   What are the provisions for these pilot
        projects?

Asked by :   The Hon. Howard Young

Reply :

(a) Our mission to implement the Electronic Service Delivery scheme, develop a local public
     key infrastructure and enact the Electronic Transactions Ordinance contribute to the
     provision of a secure and favourable environment for the development of electronic
     commerce.   In addition, we shall carry out the following activities in 2000-2001 to
     encourage the private sector, especially small and medium-sized enterprises (SMEs), to
     engage in electronic commerce -

     (1)   we shall, in consultation with various industrial support organisations, hold
             seminars and organise other publicity activities to enhance the private sector's
             understanding of electronic commerce and to encourage the participation of SMEs
             in this new mode of transacting business;

(2) we shall draw up publicity and informational material on electronic commerce for distribution to SMEs;

(3) we shall participate in various forums and exhibitions on information technology organised by the industry to promote Government's electronic services and electronic commerce;

(4) we shall prepare publicity material on electronic commerce for television and radio broadcast. We shall also co-operate with industrial support organisations to provide a hotline enquiry service to assist SMEs interested in adopting electronic commerce; and

(5) we shall, in co-operation with industrial support organisations, provide user-friendly and affordable electronic commerce solution packages (which help SMEs to promote their services and products through the Internet locally and overseas and provide web-based systems to automate back-end trade operations) to SMEs thus lowering the technical entry barrier for them to adopt electronic commerce.

The expenditure of these activities will be met under Subhead 700 -

(1) Item 662 Promotion of electronic commerce in the Hong Kong Special Administrative Region (with a total commitment of $4 million); and

(2) Item 661 Co-organisation of the Information Infrastructure Expo and Conference 2001 and participation in other information technology - related exhibitions (with a total commitment of $4 million).

(b) We have launched a variety of pilot projects to help promote the use of IT within the community.   These projects include -

(1) the launching of the Interactive Government Services Directory web site which provides interactive employment service, interactive transport information and interactive investment enquiry service to the public through the Internet;

(2) the provision of free electronic mail services to the community in co-operation with Internet Service Providers and IT companies;

(3) the launching of a mobile exhibition facility called the "E-community Ambassador" to promote the wider use of IT at community level; and

(4) the installation of computers, with Internet connection, in District Offices and some community centres for public use free-of-charge.

In 2000-01, we shall continue to implement and enhance these projects. We shall also introduce other new measures, in co-operation with other Government departments, public organisations, voluntary agencies and the industry, targetting at various sectors of the community.   For example, we shall install public computers in more community centres, and public computers with special facilities at convenient locations for use by the blind and the

visually impaired.   The total commitment of the project is about $6 million which will be met under Head 710 Computerisation A007GX Block allocation.   The expenditure of other non-computerisation projects for the promotion of IT will be met under Subhead 700 Item 655 Support programme to promote the wider use of information technology in the Hong Kong Special Administrative Region (which has a total commitment of $10 million and a balance of $2 million).

Signature : _____

Name in block letters : _____Eva Cheng_____

Post title : Acting Secretary for Information Technology and Broadcasting

Date : _____18 March 2000_____

Bureau Serial No.

| ITBB016 |

Question Serial No.

| 0715 |

Examination of draft Estimates of Expenditure 2000-01

CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head   160 Radio Television Hong Kong

Programme :   (1) Radio

Controlling Officer :   Director of Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   During 2000-2001, RTHK will "further expand the Internet service to provide live broadcast of all the six RTHK in-house   channels". Has the Government granted provision for the development of RTHK on Internet service? If yes, what is the amount of provision? And how has RTHK allocated the provision? If no, what are the reasons?

Asked by :   The Honourable SIN Chung-kai

Reply :   In 2000-2001, RTHK will further expand its webcasting services through redeployment of internal resources. The number of radio channels offering live webcasts will increase from 4 to 6, and all RTHK prime-time TV programmes will also be transmitted live on the Internet. RTHK plans to   allocate $3m from internal resources to further expand its services on the Internet.

Name in block letters :   CHU Pui-hing

Post Title :   Director of Broadcasting

Date :   18 March 2000

Bureau Serial No.

ITBB008

Question Serial No.

0717

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   160 Radio Television Hong Kong

Programme :   (1) Radio

Controlling Officer :   Director of Broadcasting

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   Point 6 mentions that RTHK will commission the production of certain programmes in 2000-2001. Will the Controlling Officer inform this Council whether similar practices have been adopted;

(a) Is there any commercial element associated with the increase in the number of webpages, such as advertising charges, etc;

(b) What approach is adopted in setting the remuneration rate for Non-Civil Service Contract Staff?

(c) What is the cost-effectiveness involved?   Does the exercise still safeguard that the commissioned programmes production will meet the principle of impartiality emphasized by RTHK?

Asked by: The Honourable LEUNG Yiu-chung

Reply: RTHK will start to commission programme production on an experimental basis in 2000-2001.

(a) In 2000-2001 the number of RTHK radio channels offering live webcasts will be increased from 4 to 6, and all prime-time TV programmes will also be put on the Internet. The proposed expansion of the services on the Internet will not involve any commercial advertising element.

(b) The remuneration rates for non-civil service contract staff are determined with reference to the civil service salary structure and surveys on market rates for comparable jobs. The employment package for non-civil service contract staff is drawn up in accordance with the guidelines promulgated by the Civil Service

Bureau. A guiding principle is that it should be no less favourable than the terms stipulated in the Employment Ordinance.

(c) RTHK will only commission a small number of programmes during 2000-2001 on an experimental basis, focusing on the introduction of new ideas and innovative production techniques. Similar experiences of overseas broadcasters indicate that costs for commissioning programme production are comparable to those of in-house productions. All the commissioned programmes must comply with the RTHK Producers' Guidelines, which specify that producers are required to provide quality programmes in a fair and impartial manner.

Name in block letters :   CHU Pui-hing

Post Title :   Director of Broadcasting

Date :   18 March 2000

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Examination of draft Estimates of Expenditure 2000-01

CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

<u>Head</u>   180 Television and Entertainment Licensing Authority

<u>Subhead</u> (No. & title) :

<u>Programme</u> :   (1) Broadcast Monitoring and Regulation

<u>Controlling Officer</u> :   Commissioner for Television and Entertainment Licensing

<u>Bureau Secretary</u> :   Secretary for Information Technology and Broadcasting

<u>Question</u> :   In 1999/2000, the Government has taken a complaint-driven approach and adopted a more streamlined strategy when monitoring television/radio broadcast services. Does it mean that the authority will only monitor those programmes about which complaints are filed? In this connection, what were the monitoring mechanism and standards used in 1998/1999? Please give an account of the resources saved with this new monitoring strategy?

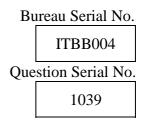<u>Asked by</u> :   The Hon. Andrew Cheng Kar-foo

<u>Reply</u> :   Before 1998/1999, the Television and Entertainment Licensing Authority (TELA) monitored all prime-time broadcasts of the Chinese services provided by the two commercial television broadcasters. As regards the materials broadcast by these two stations during other hours of the day and the broadcasting services of other licensed broadcasters, TELA conducted random checks in the monitoring process.

With the advances in technologies and emergence of multi-media, the number of channels and hours of broadcast will continue to grow.   Traditional modes of monitoring are, therefore, no longer practicable or cost-effective.   It is against this background that TELA had, commencing from 1998/1999, begun to scale down active monitoring on broadcast materials.   Resources have since been focused on monitoring programmes which tended to generate more complaints or were controversial in nature.   The number of broadcast hours monitored in 1998 was then reduced from 18,227 in 1997 to 8,678 hours. The number of staff responsible for monitoring television/radio broadcast and processing complaints was cut from 27 to 17.

Since 1999/2000, TELA no longer conducted selective monitoring of broadcast materials. Action would only be taken upon complaints. The number of television/radio broadcast hours monitored, therefore, dropped from 8,678 hours in 1998 to 1,900 hours. These 1,900 hours represent the actual duration of the television/radio broadcast materials under complaint. With the implementation of the new strategy, the number of staff responsible for monitoring broadcast materials and processing complaints was cut from 17 to 11.

Name in block letters	Esmond LEE
Post Title	Acting Commissioner for Television and Entertainment Licensing
Date	18 March 2000

Bureau Serial No.

ITBB004

Question Serial No.

1039

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   180 Television and Entertainment Licensing Authority

Subhead (No. & title) :

Programme :   (2) Film Services

Controlling Officer :   Commissioner for Television and Entertainment Licensing

Bureau Secretary :   Secretary for Information Technology & Broadcasting

Question :   In 1999/2000, 56 applications under the Film Development Fund were processed, but only 7 were approved. What are the reasons for not approving the other applications? What are the approved funding for and content of each approved project?

Asked by :   The Hon Andrew CHENG Ka-foo

Reply :   In 1999, we received 60 applications under the Film Development Fund (FDF), of which 10 were approved with a total approved funding of about $16.4 million. As only seven of the ten approved projects started in 1999, only these seven projects were monitored by the Film Services Office under the Television and Entertainment Licensing Authority in 1999.

The 10 approved projects are as follows –

(1)   "Forum on the Co-production of Motion Pictures and Exchanges of Creative Experience with Mainland Film Production Studios" organized by the Hong Kong Film Awards Association. The purpose of the Forum is to provide opportunities for local film companies to exchange views with Mainland film production studios and to explore possibilities of co-operation, with a view to promoting Hong Kong film business in the Mainland. The approved funding is some $200,000;
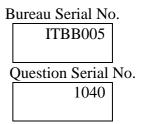
(2)   "Training Programme for Film Art-work Professionals" organized by the Hong Kong Film Arts Association. The purpose of the programme is to enhance the technical competence of film art-work professionals. The approved funding is some $1 million;

(3)   "Hong Kong Film Directory" published by the Hong Kong, Kowloon and New Territories Motion Picture Industry Association. The purpose of the film directory is to help promote Hong Kong films both locally and overseas. The approved funding is some $300,000;

(4)   "Hong Kong-Asia Film Financing Forum" jointly organized by the Hong Kong Film Directors' Guild, the Hong Kong Arts Centre and the Hong Kong Trade Development Council. The purpose of the project is to create opportunities for joint investment and production of films by Hong Kong and Asian countries with a view to promoting Hong Kong as a film production and financing centre in Asia. The approved funding is some $3.5 million;

(5)   "Training Programme for Stuntmen" organized by Hong Kong Stuntman Association. The purpose of the project is to provide comprehensive and practical training for practising stuntmen and those interested in joining this profession. The approved funding is some $1.1 million;

(6)   "Consultancy Study on the Financing of the Hong Kong Film Industry" commissioned by the Film Services Office. The purpose of the project is to study the possibility of introducing a film financing system in Hong Kong so as to assist the industry in solving film financing problems. The approved funding is $1 million;

(7)   "Theme Development and Adaptation" organised by the Film Scriptwriters' Training Programme Limited. The purpose of the project is to provide training for practising scriptwriters and those interested in joining this profession. The approved funding is some $600,000;

(8)   "Hong Kong Film Industry Information and Copyright Database", a web site to be established by the Hong Kong, Kowloon and New Territories Motion Picture Industry Association. The web site will provide a copyright database on local films and an image database on the cover designs of VCDs/DVDs of films. These databases will help the industry, law enforcement agencies and the public to verify copyright information. The web site will also contain information on the box office receipts of local films. The approved funding is some $1.2 million;

(9)   "The Hong Kong Millennium Film Awards Presentation Ceremony" organized by the Hong Kong Film Awards Association. The Association plans to expand the scale of the event, enrich its content as well as pay tribute to local film makers. Arrangements will be made for the presentation ceremony to be broadcast by local and overseas television stations to draw more attention from overseas media and film industries to Hong Kong films. The approved funding is some $2.3 million; and

(10) "Assistance Scheme for Script Writing" organized by the Hong Kong Screen Writers' Guild. The organizer plans to set up a fund to provide financial assistance to local scriptwriters to encourage them to write quality scripts, with a view to raising the standard of Hong Kong films. The organiser expects to provide financial assistance to 40 scripts in two years, and will market the scripts on the scriptwriters' behalf. If the scripts are sold for film production, the organiser will return to the Government the financial assistance provided to those scripts. The approved funding is some $4.8 million.

The remaining 50 applications have not been approved because they fell outside the ambit, or failed to meet the vetting criteria, of the FDF (reasons include the projects benefitting only individual private companies instead of the film industry as a whole, duplicating the ongoing work of other organisations, and involving recurrent expenditure and not being able to become self-financing after a certain period of time.

Name in block letters	Esmond LEE
Post Title	Commissioner for Television and Entertainment Licensing (Acting)
Date	18 March 2000

Examination of draft Estimates of Expenditure 2000-01

**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   180 Television and Entertainment Licensing Authority

Subhead (No. & title) :

Programme :   (3) Film Classification and Control of Obscene and Indecent Articles

Controlling Officer :   Commissioner for Television and Entertainment Licensing

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   In 2000/01, how many officers will be deployed to inspect newspaper stalls, video and computer shops and other retail outlets to monitoring published articles?   Will there be an increase in the staff establishment, when compared with 1999/2000 and 1998/99?   If not, what are the reasons?

Asked by :   The Hon. Andrew Cheng Kar-foo

Reply :   In 1998/1999 and 1999/2000, the Television and Entertainment Licensing Authority (TELA) deployed 19 and 21 officers respectively to inspect retail outlets that sold articles regulated by the Control of Obscene and Indecent Articles Ordinance (COIAO).   In 2000/2001, TELA will increase the manpower for such enforcement work.   The seven officers who are now responsible for inspecting cinemas (to enforce age restriction and other requirements under the Film Censorship Ordinance) will also inspect retail outlets that sell articles regulated under the COIAO, with a view to strengthening the effectiveness of enforcement.

Name in block letters	Esmond LEE
Post Title	Commissioner for Television and Entertainment Licensing (Acting)
Date	18 March 2000

Examination of draft Estimates of Expenditure 2000-01
**CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION**

Head   180 Television and Entertainment Licensing Authority

Subhead (No. & title) :

Programme :   (2) Film Services

Controlling Officer :   Commissioner for Television and Entertainment Licensing

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :

    (a)   It is indicated in the Budget that the authorities plan to explore possible ways to assist the film industry in film financing. How will TELA go about it? Will professional financing consultants be employed? If yes, what is the estimated consultancy fee? Moreover, will such exploration include the feasibility and merits of the Government subsidising the film industry?

    (b)   What are the set-up and operating costs of the Resource Centre of the Film Services Office?   Are the services of the Resource Centre fully funded by the Government?

    (c)   In 1999, what was the total administration cost of handling and monitoring matters relating to the Film Development Fund?   What was the ratio between the administration cost and the funds granted under the Film Development Fund?   What is the estimated ratio for 2000?

Asked by :   The Hon. Yeung Yiu-chung

Reply :

    (a)   In 1999, the Film Services Office under the Television and Entertainment Licensing Authority (TELA) was granted $1 million under the Film Development Fund to engage a consultancy firm to conduct a study entitled "Consultancy Study on the Financing of the Hong Kong Film Industry".   The study included such matters as the financing mechanism currently used by the film industry in Hong Kong and the problems facing it, the financing experiences of overseas film industries, and possible ways to help solve the local film financing problems. The consultancy firm started work in November 1999 and completed the study in February 2000.   TELA is now

studying the report of the consultancy firm. The Government's established policy is not to interfere with commercial, profit-making activities, nor to subsidise such activities. Hence, the consultancy study has not focused on the feasibility of the Government subsidising the film industry.

(b)   The Resource Centre of the Film Services Office was established in 1998, with a set-up cost of $400,000 to acquire audio-visual and computer equipment. The operating cost of the Resource Centre is $1 million per annum. The costs are borne by the Government.

(c)   In 1999, the administration cost for the Film Services Office to handle and monitor matters relating to the Film Development Fund was about $900,000 (mainly staff cost), whereas the funds granted under the Film Development Fund amounted to about $16.4 million. The ratio between the two was about 1:18. We expect the number of applications in 2000 to be similar to that in 1999 (i.e. 60). The associated administration cost will also remain at a similar level.

Name in block letters	Esmond LEE
Post Title	Commissioner for Television and Entertainment Licensing (Acting)
Date	18 March 2000

Examination of draft Estimates of Expenditure 2000-01
CONTROLLING OFFICER'S REPLY TO
WRITTEN/SUPPLEMENTARY WRITTEN QUESTION

Head   180 Television and Entertainment Licensing Authority

Subhead (No. & title) :

Programme :   (3) Film Classification and Control of Obscene and Indecent Articles

Controlling Officer :   Commissioner for Television and Entertainment Licensing

Bureau Secretary :   Secretary for Information Technology and Broadcasting

Question :   On matters requiring special attention in 2000/20001:

(a)   What is the ranking of officers who will represent the Government at international conferences on the regulation of obscene and indecent materials on the Internet? What will be the associated expenses? Please briefly describe the conferences and their arrangements.

(b)   When will the public opinion survey on the Control of Obscene and Indecent Articles Ordinance (COIAO) be conducted, completed and its outcome announced? How will the estimated expenditure of $750,000 be allocated?

(c)   How will the Government deploy resources to conduct the public opinion survey on film classification standards?

Asked by :   The Hon. Andrew Yeung Yiu-chung

Reply :

(a)   To keep abreast of how the transmission of obscene and indecent materials on the Internet is regulated elsewhere in the world, the Television and Entertainment Licensing Authority (TELA) sends representatives to attend international conferences on this subject from time to time.   So far TELA has not received the timetables and details of such conferences to be held in 2000/2001.   Hence we cannot provide at this stage the likely costs of participating in such conferences and the specific arrangements for the conferences.   Generally speaking, depending on the scale of the conferences and the ranking of other participants, TELA will be represented by officers at the Commissioner or Assistant Commissioner level.

(b)   We will conduct regularly public opinion surveys on the COIAO to collect views of the public on the moral standards generally accepted by the community.   The next public opinion survey will start in May 2000 and is expected to be completed in October 2000.   We will announce the outcome of the survey as soon as possible after compiling the views received during the survey.   The estimated expenditure of $750,000 on the survey is to engage a research company to conduct the survey by questionnaires.

(c)   TELA will appoint a research company to conduct the public opinion survey on film classification standards.   The cost of the survey is $650,000 and will be paid under our Departmental Recurrent Expenditure.   The survey will start in April 2000 and be completed in July 2000.   We will announce the outcome of the survey as soon as possible after compiling the views received during the survey.

Name in block letters   Esmond LEE

Post Title   Commissioner for Television and Entertainment Licensing (Acting)

Date   18 March 2000