

**The Administration's Response to the Issues Raised at
the Bills Committee of the Communications Authority Bill
on 11 January 2011**

**The Government's policy intent in respect of the public mission of the
proposed Communications Authority (CA)**

The Administration is examining the subject and will make a submission to the Bills Committee shortly.

**The organisational structure and the distribution of business of the
Television and Entertainment Licensing Authority (TELA)**

2. Members requested the Administration to provide information on the organisational structure and the distribution of business of TELA and how these functions would be discharged upon the establishment of CA and Office of the Communications Authority (OFCA). Attached at **Annex A** is the existing organisation chart of TELA. We have indicated in different colours how different functions of TELA would be transferred. After the establishment of CA and OFCA, TELA's functions will be transferred and discharged as follows –

Function	To be transferred to and discharged by	Source of funding
Broadcasting functions	OFCA	OFCA Trading Fund
Non-broadcasting functions concerning the control of obscene and indecent articles, film censorship, and matters relating to newspaper registration	OFCA ¹	A new general revenue head
Matters relating to the issuance of entertainment licences	Home Affairs Department	General revenue

¹ The Administration is considering giving divisions in OFCA responsible for the non-broadcasting functions currently in TELA a distinct identity so as to avoid giving an impression that these functions are related to the work of the CA.

3. The disbandment of TELA and the subsequent transfer of its functions will not result in any redundancy of civil service or non-civil service contract staff.

The organisation structure and distribution of business of the OFCA

4. Members requested the Administration to provide an organisation chart of the future OFCA. The future OFCA will comprise the existing divisions of Office of the Telecommunications Authority and the divisions of TELA which will be transferred to it as described in paragraph 2 above.

5. At **Annex B** is a tentative organisation chart of the future OFCA, with its various functions indicated therein. The creation of the post of Director-General of Communications (DG Com) in OFCA will be subject to the advice of the Standing Committee on Directorate Salaries and Conditions of Service. The organisation structure of OFCA and the creation/deletion/redeployment of directorate posts in OFCA will also be subject to the approval of the Establishment Subcommittee and Finance Committee of the Legislative Council.

How the DG Com and the different divisions of OFCA would be funded under the OFCA Trading Fund and the new general revenue head

6. At the Bills Committee meeting held on 11 January 2011, Members enquired how the future DG Com and the different divisions of OFCA would be funded under the OFCA Trading Fund and the new general revenue head.

7. Under our current proposal, a new general revenue head will be created for the functions of OFCA not related to telecommunications and broadcasting (“the non-trading fund functions”). Officers/divisions in the future OFCA with responsibilities on functions not related to the CA are highlighted in green at **Annex B**. These functions include the control of obscene and indecent articles, film censorship, and matters relating to newspaper registration. For staff members of OFCA whose schedule of work falls entirely within the non-trading fund functions, their staff costs would be paid out of the new general revenue head. For staff members who would oversee or provide support to both the trading fund and non-trading fund divisions, their staff costs would be apportioned between the two sources of funding in accordance with the respective duties and responsibilities. In respect of the future DG Com,

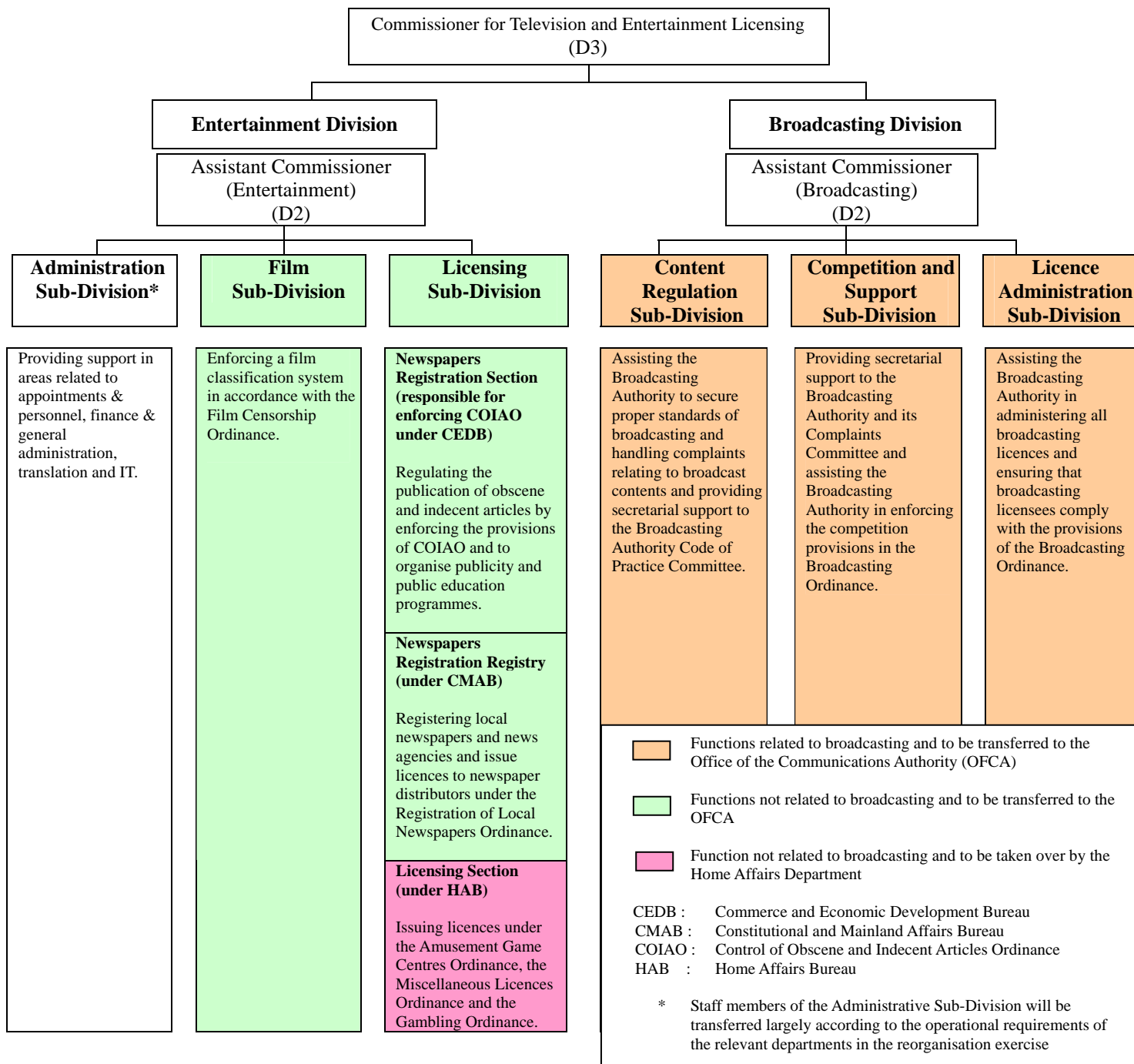
the post will be partly funded by the OFCA Trading Fund and partly by general revenue, in accordance with the division of responsibilities between the telecommunications and broadcasting part of the post and the non-telecommunications and broadcasting part of the post.

Views of the Broadcasting Authority (BA) Members on the Bill and related issues

8. Members invited the BA to provide detailed information on its views on the CA Bill, the proposed merger of the Telecommunications Authority and BA and related issues. The BA would review the matter and revert as soon as practicable.

**Communications and Technology Branch,
Commerce and Economic Development Bureau
January 2011**

**Organization Chart of Television and Entertainment Licensing Authority
(as at January 2011)**



Proposed Organisation Chart of the Office of the Communications Authority (OFCA) (as at January 2011)

