

## Head 180 — TELEVISION AND ENTERTAINMENT LICENSING AUTHORITY

**Controlling officer:** the Commissioner for Television and Entertainment Licensing will account for expenditure under this Head.

<b>Estimate 2000–01</b> .....	<b>\$102.9m</b>
<b>Establishment ceiling 2000–01</b> (notional annual mid-point salary value) representing an estimated 190 non-directorate posts at 31 March 2000 rising by two posts to 192 posts at 31 March 2001 .....	<b>\$61.5m</b>
In addition there will be an estimated three directorate posts at 31 March 2000 and at 31 March 2001.	
<b>Capital Account commitment balance</b> .....	<b>\$80.8m</b>

### Controlling Officer's Report

#### Programmes

<b>Programme (1) Broadcast Monitoring and Regulation</b>	These programmes contribute to Policy Area 17 : Information Technology and Broadcasting (Secretary for Information Technology and Broadcasting).
<b>Programme (2) Film Services</b>	
<b>Programme (3) Film Classification and Control of Obscene and Indecent Articles</b>	
<b>Programme (4) Entertainment Licensing</b>	This programme contributes to Policy Area 18: Recreation, Culture, Amenities and Entertainment Licensing (Secretary for Home Affairs).

#### Detail

##### Programme (1): Broadcast Monitoring and Regulation

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	36.0	37.5 (+4.2%)	36.6 (–2.4%)	35.7 (–2.5%)

#### Aim

2 The aim is to secure proper standards of broadcasting with regard to both programmes and advertising and to ensure that broadcasting licensees comply with the provisions of the relevant legislation, licence conditions and codes of practice.

#### Brief Description

3 The Broadcasting Division is responsible for the regulation of licensed broadcasting services on behalf of the Broadcasting Authority (BA). In accordance with a voluntary agreement between BA and Radio Television Hong Kong (RTHK), it also deals with complaints directed at the programmes produced by RTHK. The Division's work involves:

- the provision of secretariat services for the Broadcasting Authority and its committees;
- the processing of public complaints about broadcasting;
- the drafting and review of codes of practice for television, radio and programme services broadcasting;
- the review and renewal of the broadcasters' licences;
- the processing of applications by licensees for exemption from their licence conditions;
- liaison with the management of licensed broadcasters;
- solicitation of public opinion on broadcasting standards;
- the provision of advice to the Broadcasting Authority and the Administration in respect of the regulation of broadcasting, review of legislation and grant of new licences;
- the review of television, radio and programme services broadcasts in response to complaints;
- the publication of complaints bulletins highlighting some of the complaints processed; and
- the promotion of public understanding of broadcasting regulation and the importance of guidance to children in watching television.

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4 The performance targets set for 1999 were fully met. The number of complaints received and processed remained at a high level with increased public awareness of the Broadcasting Authority's complaints procedures and the fact that a number of television programmes attracted an unusually large number of complaints. To increase the transparency of the Broadcasting Authority, administrative procedures have been introduced in 1999 to allow the licensees to make representations to the BA in respect of the recommendations made by Broadcasting Authority Complaints Committee on complaints made against them. Since January 1998, the decisions on complaints have been published on the Broadcasting Authority's home page on the Internet. Bimonthly complaints bulletins were first published in 1998 to enhance the transparency of the work of the Broadcasting Authority and since August 1999, such bulletins have been published on a monthly basis to provide more updated information to the public. We have expanded the existing television advisory scheme to cover radio programmes as from October 1998. This has enabled us to obtain regular public feedback on television as well as radio services.

5 We drew up a set of draft generic codes of practice for television programme service which will be promulgated after the enactment of the Broadcasting Bill. The mid-term review of the subscription television broadcasting licence of Hong Kong Cable Television Limited was completed in early 2000. We also completed the review of the commercial television broadcasting licences held by ATV and TVB in 1999. The review on the sound broadcasting licence of Hong Kong Commercial Broadcasting Company Limited was scheduled for completion by mid 2000. In 1999, we participated in the preparation of the Broadcasting Bill and drafted a set of guidelines on the enforcement of competition provisions.

6 During the year 1999–2000, we also assisted the Information Technology and Broadcasting Bureau in the processing of applications submitted in response to the "Guidance Note For Those Interested In Applying for Television Broadcasting Licences in Hong Kong".

7 The key performance measures in respect of the monitoring and regulation of broadcasting are:

### Targets

	Target Wkg Days	1999 (Actual) Targets achieved	2000 (Plan)
Issue of interim replies relating to complaints about TV and radio broadcasting .....	6	100%	6
Issue of substantive replies to complainants informing them of the investigation results on their complaints on TV and radio broadcasting.....	20	99.7%	20

### Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
television broadcast hours monitored .....	5 878	1 086†	1 200†
radio broadcast hours monitored.....	2 800	814†	850†
codes of practice items reviewed .....	224	45#	45#
new codes of practice issued.....	6	—#	2
number of items reviewed in the renewal of the broadcasters' licences.....	95	91	91
complaints processed .....	3 939	4 115	4 300
applications for exemption from licence conditions processed .....	190	158	170
Broadcasting Authority meetings.....	15	14	12
number of Broadcasting Authority Complaints Committee meetings .....	13	11	12
number of Broadcasting Authority Codes of Practice Committee meetings.....	5	1	4

† The decrease in the number of hours monitored is due to the adoption of a more streamlined monitoring strategy which is complaint driven.

# The decrease in the number of items reviewed and codes issued is due to concentration of efforts in preparing the generic codes of practice. We expect to issue the generic codes of practice on programme and advertising standards in 2000.

### Matters Requiring Special Attention in 2000–01

8 During 2000–01, the department will:

- assist the Broadcasting Authority in implementing the regulatory regime to be established with the enactment of the Broadcasting Bill;

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- assist the Broadcasting Authority in finalising guidelines on the enforcement of competition provisions in the Broadcasting Bill; and
- assist the Broadcasting Authority in finalising the set of generic codes of practice on programme and advertising standards following the enactment of the Broadcasting Bill.

### Programme (2): Film Services

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	4.9	27.3 (+457.1%)	27.4 (+0.4%)	30.0 (+9.5%)

### Aim

- 9 The aim is to facilitate the development of the film industry in Hong Kong.

### Brief Description

10 The Film Services Office is responsible for providing support services to the local film industry to develop and maintain its position as the world's major film producing centre. Its functions include:

- facilitating film production, in particular location shooting of films in Hong Kong;
- issuing permits for the use of pyrotechnics for the production of motion pictures and television programmes and for theatrical performances;
- maintaining a resource centre on film production services in Hong Kong;
- facilitating the organisation of film festivals/exhibitions and trade shows in Hong Kong and overseas;
- facilitating the publication of trade promotion materials relating to the film industry; and
- administering a \$100 million Film Development Fund to provide funding support to projects beneficial to the healthy and long term development of the local film industry.

11 The key performance measures in respect of film services are:

### Targets

	Target Wkg Days	1998 (Actual) Targets achieved	1999 (Actual) Targets achieved	2000 (Plan)
Issue of permits for the use of pyrotechnics .....	12	100%	100%	12
Issue of replies to enquiries relating to locations for film shooting .....	4	100%	100%	4

### Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
Number of permits issued for the use of pyrotechnics .....	188	209	220
Number of applications for funding under the Film Development Fund processed .....	N.A.#	56	60
Number of approved projects under the Film Development Fund being monitored .....	N.A.#	7	10
Number of complicated applications for location shooting handled .....	47	55	50
Number of suggestions on location shooting sites given .....	51†	174	180
Number of overseas film festivals given assistance .....	6	5	4
Number of international conferences attended to promote Hong Kong films and Hong Kong as a location for filming .....	—	1	1
Number of promotional publications issued .....	—	3	2

# Not applicable. The Film Development Fund was established in 1999.

† The service was provided starting from September 1998.

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### *Matters Requiring Special Attention in 2000–01*

12 During 2000–01, the Department will:

- continue to explore with film industry organisations and tertiary institutions the possibility of developing training programmes to improve the technical and technological know-how of the film industry workforce;
- explore means to assist the film industry in film financing;
- maintain a home page on information and statistics about the local film industry;
- continue to promote Hong Kong as a location for filming to overseas filmmakers;
- formulate and implement a new regulatory system governing the use of pyrotechnics and other dangerous goods for producing special effects in film, television programme and theatrical production; and
- devise initiatives, in consultation with other departments and bureaux, to facilitate on-street location shooting by the film industry.

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

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	23.0	23.9 (+3.9%)	24.0 (+0.4%)	26.0 (+8.3%)

### *Aim*

13 The aim is to enforce a system of film classification through a censorship scheme which meets the needs and reflects the moral standards of the community; and to control, together with the Police and the Customs and Excise Department, the publication of obscene and indecent articles by enforcing the Control of Obscene and Indecent Articles Ordinance (COIAO).

### *Brief Description*

14 The Film Division is responsible for the examination of films for public exhibition under the 3-tier film classification system and the examination of advertising materials and packagings of Category III films. The work of the Division involves:

- the classification of films for public exhibition and publication;
- the exemption of films from classification;
- the examination of packagings of videotapes and laserdiscs of Category III films;
- the examination of advertising materials of films;
- the inspection of cinemas to enforce the age restriction for audience admission and other provisions under the Film Censorship Ordinance;
- the inspection of video shops and other retail outlets to regulate the publication of films in the form of videotape and laserdisc; and
- maintaining a public advisory panel system to allow public participation in the film classification process.

15 The targets set for 1999 were fully achieved. Upon the amendment of the Film Censorship Ordinance, non-commercial still films of a cultural, educational, instructional, promotional or religious nature are exempted from classification with effect from 17 June 1999.

16 On the enforcement of COIAO, the Department is responsible for:

- regulating the publication and public display of obscene and indecent articles under the COIAO through monitoring of articles published in the media and inspections of newspaper stalls, video and computer shops and other retail outlets;
- submitting dubious articles to the Obscene Articles Tribunal for classification and taking appropriate enforcement action;
- liaising with the Internet Service Providers (ISPs) and the Hong Kong Internet Service Providers Association on the regulation of obscene and indecent materials transmitted through the Internet;
- organising education and publicity programmes to promote public awareness on the provisions of the COIAO; and
- processing of complaints relating to the publication of obscene and indecent articles.

17 To enhance public awareness of the provisions of the COIAO, two new TV Announcements of Public Interest for broadcast on the television were produced in 1999. Publicity leaflets on parental guidance to young persons on the use of the Internet will continue to be produced and distributed to parents and teachers. A publicity campaign to enhance

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public awareness of the importance of guidance to young persons relating to indecent materials published in the media, including the Internet, will be launched.

18 The key performance measures in respect of film classification and control of obscene and indecent articles are:

### *Targets*

	Target Wkg Days	1998 (Actual) Targets achieved	1999 (Actual) Targets achieved	2000 (Plan)
<i>Film classification</i>				
Assignment of film viewing sessions for films submitted for classification.....	7	100%	100%	7
Notification to applicants on decisions about film classification.....	8	100%	100%	8
Issue of Certificates of Exemption to applicants .....	3	100%	100%	3
Issue of Certificates of Packaging to applicants .....	3	100%	100%	3
Issue of Certificates of Advertising Materials to applicants .....	3	100%	100%	3
<i>COIAO</i>				
Issue of interim replies to complaints.....	7	N.A. @	100%	7
Issue of substantive replies to complainants regarding investigation results on their complaints .....	20	N.A. @	100%	20

@ Not applicable. This target was introduced in 1999.

### *Indicators*

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
<i>Film classification</i>			
films classified.....	1 564	1 408	1 200
films exempted .....	13 788	5 812#	4 000#
packagings examined .....	814	495§	450§
advertising materials of films examined.....	2 057	1 812	1 800
inspections conducted.....	13 705	11 624@	10 000@
advisory or warning letters issued to cinema or video shop operators .....	493	305†	300†
<i>COIAO</i>			
articles scrutinised .....	11 380	13 186	13 000
inspections conducted.....	20 448	22 466	24 000
articles referred to Obscene Articles Tribunal for classification .....	137	463	450
man-days spent on joint enforcement actions with the Police .....	234	243	250
summonses served under the COIAO .....	27	132	120
no. of talks and seminars conducted.....	36	64	65

# The decrease is the result of amending the Film Censorship Ordinance to exempt non-commercial still films for classification with effect from 17 June 1999.

§ The decrease is due to the drop in the number of Category III films examined.

@ The decrease is due to a drop in the number of cinemas.

† The decrease is due to the phasing out of video shops in the past years and the change of surveillance strategy to concentrate on high risk outlets.

### *Matters Requiring Special Attention in 2000–01*

19 During 2000–01, the Department will:

- further publicise and enhance public understanding of the film classification system by giving talks to schools, parents, teachers associations and youth centres;
- conduct a public opinion survey on film classification and classification standards;
- maintain effective monitoring of the publication and public display of indecent and obscene articles and mount special operations with other law enforcement agencies to enforce the law;

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- enhance public awareness of the provisions of the COIAO through new publicity efforts and enhanced co-operation with the Education Department and community organisations;
- conduct a public opinion survey on matters relating to the COIAO;
- assist the Bureau in formulating new measures to improve the operation of the COIAO in the light of the outcome of the public consultation on COIAO; and
- participate in international conferences regarding the regulation of obscene and indecent materials on the Internet.

### Programme (4): Entertainment Licensing

	1998–99 (Actual)	1999–2000 (Approved)	1999–2000 (Revised)	2000–01 (Estimate)
Financial provision (\$m)	14.1	14.6 (+3.5%)	14.1 (–3.4%)	11.2 (–20.6%)

### Aim

20 The aim is to control, together with the Police, places of entertainment and to register local newspapers.

### Brief Description

21 The Licensing Division is responsible for:

- issuing licences under the Amusement Game Centres Ordinance, the Miscellaneous Licences Ordinance and the Gambling Ordinance to amusement game centres, public dance halls, dancing schools, mahjong/tin kau parlours, tombolas, lotteries, trade promotion competitions and amusements with prizes; and
- registering local newspapers and news agencies and licensing newspaper distributors under the Registration of Local Newspapers Ordinance.

22 Revised performance targets set with effect from January 1999 for the issue of amusement game centre and mahjong/tin kau licences were fully met. Working procedures have been reviewed to reduce processing time. Regular inspections continued to be carried out to monitor performance of amusement game centres.

23 The key performance measures in respect of entertainment licensing and newspapers registration are:

### Targets

	Target Weeks	1998 (Actual) Targets achieved	1999 (Actual) Targets achieved	2000 (Plan)
Amusement Game Centre Licence				
issue of licences .....	20	100%	100%	20
transfer of licences .....	8	100%	95.6%	8
renewal of licences .....	6	99.6%	100%	6
Mahjong/Tin Kau Licence				
relocation of establishment .....	31	N.A.†	100%	31
transfer of licences .....	17	100%	N.A.§	17
renewal of licences .....	6	100%	100%	6
issue of Trade Promotion Competition Licences .....	3	100%	100%	3
new registration for local newspapers .....	2.1	100%	100%	2.1

† Not applicable as the only application received was still under processing.

§ Not applicable as no such licences were transferred in 1999.

### Indicators

	1998 (Actual)	1999 (Actual)	2000 (Estimate)
licences issued or renewed .....	2 097	2 095	2 300
inspections of amusement game centres conducted .....	2 014	2 356	2 100
local newspapers and news-related publications registered. ...	747	777	855
distributor licences issued .....	37	34	40

### Matters Requiring Special Attention in 2000–01

24 During 2000–01, the Department will:

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- continue formulating a licensing framework to facilitate the establishment of family entertainment centres; and
- further rationalising the regulatory framework for various entertainment licences with a view to making them more user and business friendly.

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### ANALYSIS OF FINANCIAL PROVISION

Programme	1998–99 (Actual) (\$m)	1999–2000 (Approved) (\$m)	1999–2000 (Revised) (\$m)	2000–01 (Estimate) (\$m)
(1) Broadcast Monitoring and Regulation .....	36.0	37.5	36.6	<b>35.7</b>
(2) Film Services .....	4.9	27.3	27.4	<b>30.0</b>
(3) Film Classification and Control of Obscene and Indecent Articles.....	23.0	23.9	24.0	<b>26.0</b>
(4) Entertainment Licensing .....	14.1	14.6	14.1	<b>11.2</b>
	78.0	103.3 (+32.4%)	102.1 (–1.2%)	<b>102.9 (+0.8%)</b>

#### Analysis of Financial and Staffing Provision

##### Programme (1)

Provision for 2000–01 is \$0.9 million (2.5%) lower than the revised estimate for 1999–2000. This is mainly due to deletion of three posts achieved under the Enhanced Productivity Programme.

##### Programme (2)

Provision for 2000–01 is \$2.6 million (9.5%) higher than the revised estimate for 1999–2000. This is mainly due to the full-year provision for posts created in 1999–2000 and the creation of one post in 2000–01, partly offset by the completion of the capital projects in 1999–2000.

##### Programme (3)

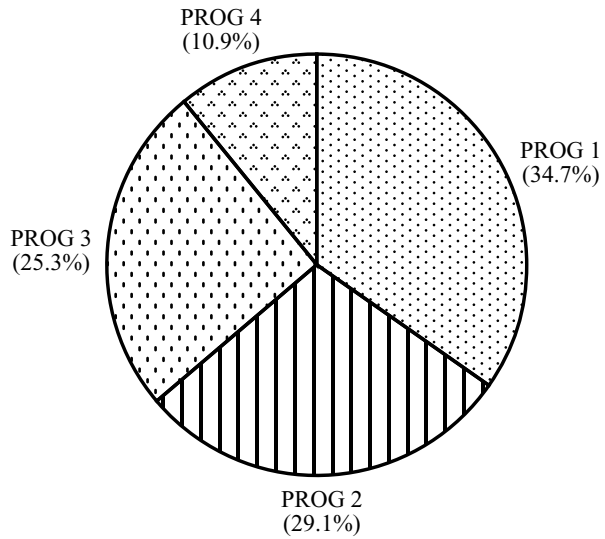
Provision for 2000–01 is \$2.0 million (8.3%) higher than the revised estimate for 1999–2000. This is mainly due to the additional provision for creating three posts, conducting a COIAO opinion survey and the acquisition of furniture and equipment for work in relation to the enforcement of COIAO.

##### Programme (4)

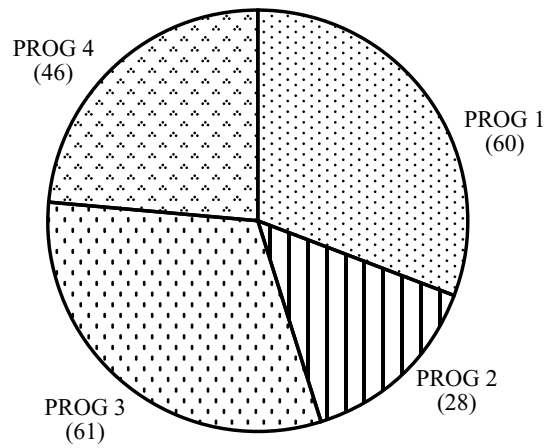
Provision for 2000–01 is \$2.9 million (20.6%) lower than the revised estimate for 1999–2000. This is mainly due to the transfer of the Books Registration Office to the Leisure and Cultural Services Department, and the creation of one post.



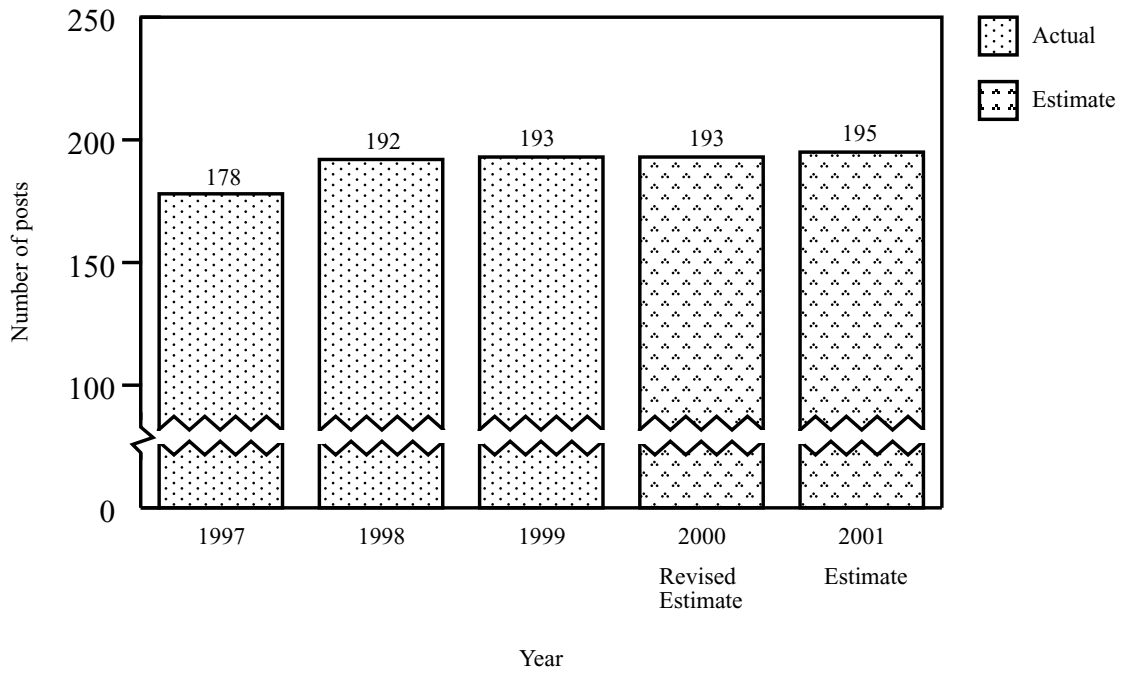
*Allocation of provision to programmes (2000-01)*



*Staff by programme (as at 31 March 2001)*



*Changes in the size of the establishment (as at 31 March)*



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Sub-head (Code)		Actual expenditure 1998-99	Approved estimate 1999-2000	Revised estimate 1999-2000	<b>Estimate 2000-01</b>
		\$'000	\$'000	\$'000	<b>\$'000</b>
<b>Recurrent Account</b>					
I — Personal Emoluments					
001	Salaries .....	60,641	61,659	60,984	<b>61,245</b>
002	Allowances .....	1,539	1,661	1,661	<b>1,661</b>
007	Job-related allowances.....	111	99	99	<b>98</b>
	Total, Personal Emoluments.....	<u>62,291</u>	<u>63,419</u>	<u>62,744</u>	<u><b>63,004</b></u>
III — Departmental Expenses					
149	General departmental expenses .....	15,443	17,382	16,807	<b>17,669</b>
	Total, Departmental Expenses.....	<u>15,443</u>	<u>17,382</u>	<u>16,807</u>	<u><b>17,669</b></u>
	Total, Recurrent Account .....	<u>77,734</u>	<u>80,801</u>	<u>79,551</u>	<u><b>80,673</b></u>
<b>Capital Account</b>					
I — Plant, Equipment and Works					
661	Minor plant, vehicles and equipment (block vote) .....	32	525	525	<b>1,450</b>
	Total, Plant, Equipment and Works.....	<u>32</u>	<u>525</u>	<u>525</u>	<u><b>1,450</b></u>
II — Other Non-Recurrent					
700	General other non-recurrent.....	245	22,000	22,000	<b>20,750</b>
	Total, Other Non-Recurrent.....	<u>245</u>	<u>22,000</u>	<u>22,000</u>	<u><b>20,750</b></u>
	Total, Capital Account.....	<u>277</u>	<u>22,525</u>	<u>22,525</u>	<u><b>22,200</b></u>
	Total Expenditure .....	<u><u>78,011</u></u>	<u><u>103,326</u></u>	<u><u>102,076</u></u>	<u><u><b>102,873</b></u></u>

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### Details of Expenditure by Subhead

The estimate of the amount required in 2000–01 for the salaries and expenses of the Television and Entertainment Licensing Authority is \$102,873,000. This represents an increase of \$797,000 over the revised estimate for 1999–2000 and of \$24,862,000 on actual expenditure in 1998–99.

#### *Recurrent Account*

##### Personal Emoluments

**2** Provision of \$63,004,000 for personal emoluments represents an increase of \$260,000 over the revised estimate for 1999–2000 and takes into account the full-year provision of posts created in 1999–2000, and the creation and deletion of posts in 2000–01.

**3** The establishment at 31 March 2000 will be 193 permanent posts. It is expected that a net two non-directorate posts will be created in 2000–01.

**4** Subject to certain conditions, the controlling officer may under delegated powers create or delete non-directorate posts during 2000–01, but the notional annual mid-point salary value of all such posts must not exceed \$61,536,000.

**5** Provision of \$1,661,000 under *Subhead 002 Allowances* is for standard allowances.

**6** Provision of \$98,000 under *Subhead 007 Job-related allowances* is for standard job-related allowances

##### Departmental Expenses

**7** Provision of \$17,669,000 under *Subhead 149 General departmental expenses* represents an increase of \$862,000 (5.1%) over the revised estimate for 1999–2000. This is mainly due to the increase in the provision for payment for OFTA trading fund services and additional operating expenses.

#### *Capital Account*

##### Plant, Equipment and Works

**8** Provision of \$1,450,000 under *Subhead 661 Minor plant, vehicles and equipment (block vote)* represents an increase of \$925,000 (176.2%) over the revised estimate for 1999–2000. This is due to the acquisition of furniture and equipment for work in relation to the enforcement of COIAO.

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**Capital Account**

**Commitments**

Sub-head (Code)	Item (Code)	Ambit	Approved commitment	Accumulated expenditure to 31.3.99	Revised estimated expenditure for 1999-2000	Balance
			<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>	<u>\$'000</u>
700		<i>General other non-recurrent</i>				
	008	Film Development Fund.....	100,000	—	20,000	80,000
	010	Public opinion survey on the operation of the Control of Obscene and Indecent Articles Ordinance.....	750	—	—	750
		Total .....	<u>100,750</u>	<u>—</u>	<u>20,000</u>	<u>80,750</u>