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Controlling Officer : Director of Administration

Session No. : 7

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**Replies to initial written questions raised by Finance Committee Members in
examining the Estimates of Expenditure 2008-09**

**Controlling Officer : Director of Administration
Session No. : 7**

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Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO001

Question Serial No.

0647

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

Please provide the details concerning the taking forward of the “Be the Smart Regulator” programme to streamline business licensing processes and reduce compliance costs to business during 2008-09.

Asked by: Hon. WONG Kwok-hing

Reply:

In early 2007, the Administration launched the “Be the Smart Regulator” programme (Programme) to further improve Hong Kong’s business licensing processes and business environment. The Programme aims to enhance the efficiency, transparency and customer-friendliness of licensing services provided by bureaux/departments (B/Ds) concerned and reduce compliance cost on business.

The Economic Analysis and Business Facilitation Unit (EABFU) and the Efficiency Unit (EU) have been coordinating with B/Ds concerned to take forward various improvement measures under the Programme. The focus of work is currently on premises-based licensing activities, covering the food-related licences of the Food and Environmental Hygiene Department (FEHD), as well as the hotel, guesthouse and club licences of the Home Affairs Department (HAD). Good progress has been made and the measures implemented by B/Ds have been well received by the trades.

In 2008-09, the Administration will continue its efforts to work with FEHD and HAD to look for more improvement measures and to promote the good licensing practices implemented in FEHD and HAD to other B/Ds. The key improvement efforts under the Programme include –

- (i) continued promotion of a business facilitation and customer-centric culture within the civil service through training, customer satisfaction survey, etc.;
- (ii) continued facilitation of communication between B/Ds and the business community regarding licensing and regulatory issues through regular meetings of nine Business Liaison Groups established for various business sectors;
- (iii) three application tracking facilities (ATF) for licences have been set up in FEHD, HAD and the Social Welfare Department (SWD) to improve inter-departmental communication in their licensing work. FEHD’s ATF has been opened up to applicants for their on-line checking of application status. HAD’s and SWD’s ATFs will be opened up later this year;

- (iv) a regulatory impact survey was conducted to collect views from business sectors on regulatory control of business in Hong Kong. Based on the survey findings, the Administration will refine the focus of its licensing review work to cover more business sectors that require attention;
- (v) continued engagement of the business sectors through an internet portal for consultation on new regulations, administrative measures and procedures proposed by the Administration that would impact business; and
- (vi) development of a computer system to support e-application for liquor licence.

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO002

Question Serial No.

0648

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (1) Efficiency Unit

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

On supporting the introduction of outsourcing and public private partnership initiatives in 2008-09, please provide details in terms of departments and work categories.

Asked by: Hon. WONG Kwok-hing

Reply:

It is government policy that departments should use the private sector where possible, in keeping with our economic and fiscal objectives of maintaining a small and efficient government, maintaining a fiscal balance, containing the size of the civil service, and promoting business opportunities and jobs in the private sector.

The Efficiency Unit's (EU) role is to encourage the proper use of the private sector – to harness the innovation and resources of the private sector to achieve greater flexibility and cost effectiveness. In 2008-09, EU will continue to do this by a combination of –

- (i) promoting outsourcing, public private partnerships and other forms of Private Sector Involvement (PSI) through seminars, EU Help Desk, EU web portal, etc. The EU will organise seminars from time to time to promulgate the key principles in its various guides, to highlight the results of the outsourcing survey to be conducted in mid 2008; co-organise training programmes for developing the business case for government projects in mid-2008; and continue to provide training on contract management;
- (ii) producing 'guides' to assist departments in understanding and implementing PSI issues and projects. The EU will issue new editions of its outsourcing and public private partnership guides at the end of March 2008 and is planning to issue new guides on conducting business cases and post implementation reviews in 2008-09. The EU will also commission research on Public Sector Reform in 2008-09 and share the insight with bureaux/departments;
- (iii) conducting reviews and surveys. In order to keep its understanding of issues up to date, the EU will conduct the fifth biennial outsourcing survey in mid 2008 to update the statistics on government outsourcing activities; and

- (iv) conducting/assisting departments with consultancy studies. The EU provides a range of advisory and consultancy services to departments to support the feasibility and introduction of outsourcing and public private partnership initiatives.

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 17 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO003

Question Serial No.

0649

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (1) Efficiency Unit

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

The integrated call centre (ICC) will explore making use of new technology to manage its workload. Apart from making use of technology, will the Administration consider attracting talents by increasing the pay level?

Asked by: Hon. WONG Kwok-hing

Reply:

The Efficiency Unit (EU) conducts regular salary reviews to ensure that pay levels of the ICC are on a par with those in the private sector. To determine the degree of adjustment, the salary level in call centres in the private sector, the cost of living index, the need for retaining experienced staff and attracting candidates of high calibre to join the service as well as the financial implications, will be considered. The salary of ICC staff was adjusted upwards in 2007. The most recent salary review was conducted in early 2008 and the new increased pay levels took effect on 1 February 2008.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO004

Question Serial No.

0687

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (2) Government Records Service

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

The Administration started studying the feasibility and implications of applying an electronic records keeping system for managing government records in 2007-08. In this regard, please advise this Committee of:

- (1) the latest progress of the study;
- (2) the criteria adopted by the Administration to determine the feasibility of “applying an electronic records keeping system for managing government records”; and
- (3) the provision involved and the anticipated completion date.

Asked by: Hon. SIN Chung-kai

Reply:

- (1) The study is conducted mainly through a pilot electronic records keeping system (ERKS) project. The pilot run of the ERKS has commenced in some selected offices of the Office of the Government Chief Information Officer and Transport Department since mid September 2007.
- (2) Through the ERKS pilot project, the Administration will assess the readiness of the ERKS solutions in meeting the functional and management requirements of bureaux/departments, the capital and recurrent costs, the staff resources and expertise required, the management and operational implications, and the transitional issues for adopting an electronic approach for records management.
- (3) The ERKS pilot project has an approved commitment of \$9.822 million. The Administration plans to review the pilot run in late 2008.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 26 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO005

Question Serial No.

0822

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

Regarding the creation of the positions of Political Assistant to Chief Secretary for Administration and Political Assistant to Financial Secretary, what is the estimated expenditure involved in 2008-09?

Asked by: Hon. YEUNG Sum

Reply:

The estimated expenditure for the creation of the two positions of Political Assistant in 2008-09 is \$3.94 million.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO006

Question Serial No.

1060

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

Is there any provision earmarked for the Central Policy Unit to conduct consultancy studies in 2008-09? If so, please provide a breakdown of the studies by (a) content, (b) the name of the consultant, (c) consultancy fee, (d) progress, (e) the release of the findings, and (f) the follow-up work on the findings conducted by the Administration.

Asked by: Hon. LEE Cheuk-yan

Reply:

For 2008-09, a sum of \$14.6 million has been earmarked for the Central Policy Unit (CPU) to commission consultancy studies.

Provision has been so far earmarked for the following consultancy studies in 2008-09 –

No.	(a) Content	(b) Name of Consultant	(c) Consultancy Fee (\$ million)	(d) Progress
1	Needs and Integration into Local Communities of Hong Kong People Living in Shenzhen, Dongguan and Guangzhou	PolyU Technology & Consultancy Co Ltd	0.491	In progress
2	Hong Kong's Economy: Transformation, Competitiveness and Sustainability	The Chinese University of Hong Kong	0.990	In progress
3	Social, Economic and Political Developments in the Pan-Pearl River Delta Region (except the Guangdong Province) and their Implications for Hong Kong	PolyU Technology & Consultancy Co Ltd	0.920	In progress

4	Social, Economic and Political Developments in the Mainland, with Particular Emphasis on Regional Developments and the Guangdong Province, that have Implications for Hong Kong	TeamOne Economist Ltd	0.820	In progress
5	Cooperation of Production Services between Hunan and Hong Kong	Research Department, Hunan Provincial Government	0.067	In progress
6	Professional Immigrants from Mainland China and their Strategies of Adaptation	Department of Sociology, Hong Kong Baptist University	0.160	In progress
7	Public Health Policy Model and Development Indicators for Child Health in Hong Kong	School of Public Health, The Chinese University of Hong Kong	0.274	In progress
8	Study on Social Enterprises in Hong Kong	Department of Social Work, The Chinese University of Hong Kong	0.270	In progress
9	Family Impact Study on Comprehensive Social Security Assistance and Public Housing Policy	Department of Social Work, The University of Hong Kong	0.231	In progress
10	Trends in Family Attitudes and Values in Hong Kong	The University of Hong Kong	0.255	In progress
11	Low-Wage Workers in Hong Kong	The Chinese University of Hong Kong	0.328	In progress
12	A Qualitative Study on Hidden Elderly in Hong Kong	The Chinese University of Hong Kong	0.220	In progress

As regards (e) the release of the findings and (f) the follow-up work on the findings, CPU will consider the circumstances and nature of the studies before making a decision for individual projects.

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO007

Question Serial No.

1061

Head: 142 – Government Subhead (No. & title): 700 General Non-recurrent
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme:

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

As regards Item 035 (Periodic surveys and reviews of satisfaction and needs of the community), why is the revised estimated expenditure for 2007-08 is \$0? Please advise how many periodic surveys are expected to be carried out in 2008-09 and their estimated expenditures?

Asked by: Hon. LEE Cheuk-yan

Reply:

In 2007-08, the Efficiency Unit (EU) conducted three surveys to collect citizens' views on their perception of and experience with public service delivery. These were carried out to help us prepare for the launching of a self-assessment framework developed by the EU on customer management/service for the public sector. The findings also help to set the scene for the Public Sector Reform Conference 2008 to be held on 27-28 March 2008, which has improved customer service as one of its themes. A total amount of \$111,000 has been spent, and was charged under departmental expenses in 2007-08. There is no plan for similar surveys in 2008-09 at this stage. However, we have earmarked \$500,000 under Subhead 700 Item 035 to assist departments to conduct customer research in relation to their policy objectives.

Signature _____

Name in block letters _____ **Miss Jennifer Mak**

Post Title _____ **Director of Administration**

Date _____ **26 March 2008**

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO008

Question Serial No.

1352

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (2) Government Records Service

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question:

Will the Administration grant the general public the right to access Hong Kong's documentary heritage by way of legislation? How much resources will be allocated for the public education and publicity programme?

Asked by: Hon. TONG Ka-wah, Ronny

Reply:

Public access to archival records kept by the Government Records Service is provided through the Public Records (Access) Rules 1996. In general, archival records which have been closed for thirty years are available for public inspection. Access to classified archival records containing sensitive information such as those relating to defence, security and external affairs will be considered on a case-by-case basis. Although the Rules are administrative in nature, the present system is functioning effectively and we will continue to improve on it. In 2008-09, provision for public programme and reference services is around \$2 million.

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 26 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO009

Question Serial No.

1394

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

In 2008-09, it is anticipated that there will be an increase in requirement for strategic research and studies. What are the subject matters of and the estimated expenditure required for such research and studies?

Asked by: Hon. WONG Ting-kwong

Reply:

An additional amount of \$8.4 million is required in 2008-09 to strengthen the research capabilities of the Central Policy Unit with a view to formulating long-term strategies for implementing the initiatives as set out in the Chief Executive's 2007-08 Policy Address.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO010

Question Serial No.

1956

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (1) Efficiency Unit

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

The number of calls handled by the integrated call centre (ICC) in 2007 has increased by 11% over 2006. Have training courses been arranged for staff to enhance their service level? Has provision been earmarked for 2008-09 to recruit more suitable staff and explore the feasibility of making use of modern technology to manage the increased workload? Please provide the details.

Asked by: Hon. Margaret NG

Reply:

The ICC places much importance on the training of its staff to provide quality service to members of the public. Apart from comprehensive induction course on departmental skills which is conducted for new recruits, refresher courses, courses on new departmental skills and soft skills are also conducted regularly.

To cope with the increased workload, a total of \$46.5 million has been earmarked for 2008-09 for the ICC for employment of staff. This represents an increase of 16% over the provision for 2007-08. As for the exploration of modern technology, it is an on-going pursuit of the ICC. We are actively examining the feasibility of using short messaging service, automatic speech recognition and web-based technology to enhance productivity and cope with the increased workload. Sufficient funds are available for researching into these new technologies for use in the ICC.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 17 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO011

Question Serial No.

2110

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

So far, the Central Policy Unit has allocated \$60 million to higher education institutions for carrying out researches since 2005-06, and five rounds of researches have been completed. Please advise on the amount of funding, the institutions involved and the scope of research projects for each year. What is the estimated allocation for 2008-09?

Asked by: Hon. CHEUNG Man-kwong

Reply:

The Public Policy Research Funding (PPRF) Scheme was launched by the Administration in 2005 with a view to promoting public policy research in higher education institutions. The Scheme is administered by the Research Grants Council (RGC) under the University Grants Committee (UGC). An amount of \$20 million has been earmarked for this Scheme in 2008-09.

In 2005-06, the total amount of funding awarded to institutions was \$7.27 million, involving the City University of Hong Kong (CityU), The Chinese University of Hong Kong (CUHK), The Hong Kong University of Science & Technology (HKUST) and The University of Hong Kong (HKU). A total of 12 projects were approved covering the areas of environment, medical and health, planning and lands, social welfare, energy and security.

In 2006-07, the total amount of funding awarded to institutions was \$12.26 million, involving CityU, CUHK, HKUST, HKU, the Hong Kong Baptist University (HKBU), the Lingnan University (LU), The Hong Kong Institute of Education (HKIEd) and The Hong Kong Polytechnic University (PolyU). A total of 26 projects were approved covering the areas of energy, social welfare, education, economic policy, medical and health, planning and lands, creative industries, water supply and logistics.

In 2007-08, the total amount of funding awarded to institutions was \$14.11 million, involving CityU, CUHK, HKUST, HKU, HKBU, LU, HKIEd and PolyU. A total of 23 projects were approved covering the areas of social welfare, information technology, education, economic policy, medical and health, Hong Kong's relationship with the Mainland, logistics, planning and lands, public private partnership and animal welfare.

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CS0012

Question Serial No.

2481

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

Please give an account of the Central Policy Unit's expenditure in 2007-08 and its estimated expenditure in 2008-09. Please list the titles and expenditure of the research/studies launched in 2007-08.

Asked by: Hon. CHAN Wai-yip, Albert

Reply:

The revised estimate for the Central Policy Unit (CPU) for 2007-08 is \$73.1 million and the estimated expenditure for 2008-09 is \$81.2 million.

Research/studies commissioned by CPU in 2007-08 and their respective expenditure are as follows –

	Title/Subject	Expenditure for 2007-08 (\$ million)
1	Social, Economic and Political Developments in the Pan-Pearl River Delta Region, covering Fujian, Jiangxi, Hunan and Hainan (May 2006-April 2007)	0.438
2	Social, Economic and Political Developments in the Pan-Pearl River Delta Region, covering Guangxi, Yunnan, Guizhou and Sichuan (June 2006-May 2007)	0.493
3	Social, Economic and Political Developments in the Pan-Pearl River Delta Region (except the Guangdong Province) and their Implications for Hong Kong (October 2007-September 2008)	0.368
4	Social, Economic and Political Developments in the Mainland, with Particular Emphasis on Regional Developments and the Guangdong Province, that have Implications for Hong Kong (October 2006-September 2007)	0.640
5	Social, Economic and Political Developments in the Mainland, with Particular Emphasis on Regional Developments and the Guangdong Province, that have Implications for Hong Kong (October 2007-September 2008)	0.328

6	The Hong Kong Returnees and their Strategies of Adaptation	0.112
7	Options for Guangdong-Hong Kong Joint Efforts to Promote Waterborne Logistics Cooperation in the Pan-Pearl River Delta Region	0.150
8	Qualitative Study of the Recipients' Experiences of and Attitudes towards the Welfare Benefit System in Hong Kong	0.088
9	Sustainability of the Three Pillars of Retirement Protection in Hong Kong	0.184
10	Envisioning Social Welfare: Balancing Assumptions and Realities	0.140
11	Thematic Household Survey on Hong Kong Residents Living in the Mainland	0.600
12	Needs and Integration into Local Communities of Hong Kong People Living in Shenzhen, Dongguan and Guangzhou	0.098
13	Hong Kong's Economy: Transformation, Competitiveness and Sustainability	0.297
14	Cooperation of Production Services between Hunan and Hong Kong	0.020
15	Professional Immigrants from Mainland China and their Strategies of Adaptation	0.048
16	A Cross-National Comparative Study on Family Policy	0.258
17	Attitudes, Opportunities, and Barriers of the Participation of Young Professionals in Public Affairs in Hong Kong	0.251
18	Public Health Policy Model and Development Indicators for Child Health in Hong Kong	0.137
19	Hong Kong in the Region	0.099
20	Study on Social Enterprises in Hong Kong	0.135
21	Family Impact Study on Comprehensive Social Security Assistance and Public Housing Policy	0.046
22	Trends in Family Attitudes and Values in Hong Kong	0.051
23	Low-Wage Workers in Hong Kong	0.164
24	A Qualitative study on Hidden Elderly in Hong Kong	0.044

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 20 March 2008

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

CSO013

2505

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of
the Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administrative Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

With regard to the Business Facilitation Division under the Financial Secretary's Office, what new progress has it made in removing barriers so as to improve our business environment? Has it ever conducted any assessment on the overall effectiveness of its efforts in this aspect? At present, what is the average time required from submission of applications to issue of licences for various business licences required for operation of restaurants, cinemas and supermarkets? What are the longest time and shortest time required? What are the measures adopted by the Administration to shorten the time required for issuing business licences?

Asked by: Hon. CHOW LIANG Shuk-ye, Selina

Reply:

The Business Facilitation Division (BFD) of the Economic Analysis and Business Facilitation Unit is continuously taking forward regulatory reviews and other initiatives to facilitate business under the steer of the Business Facilitation Advisory Committee and its Task Forces. In 2007, 23 studies and projects were completed or initiated, and around 80 recommendations for improvements were made. Major regulatory reviews completed in 2007 covered areas such as lease modification and land exchange applications; land premium valuation; planning applications and appeals for developments; liquor licensing; application for food factory licence and the transfer of food business licence; drug registration; registration of proprietary Chinese medicine, etc.

In February 2007, the Administration launched the "Be the Smart Regulator" programme (Programme) to further improve the licensing processes and business environment. The focus of work is currently on premises-based licensing activities, covering food business licences issued by the Food and Environmental Hygiene Department (FEHD), as well as the hotel, guesthouse and club licences issued by the Home Affairs Department. As part of the Programme, the BFD has set up nine Business Liaison Groups for different business sectors (cinema, theme park, family amusement centre, hotel, recreation club, restaurant food business, non-restaurant food business, other entertainment establishments, and places of amusement sectors) to facilitate communication through regular meetings with bureaux/departments regarding licensing and regulatory issues.

A survey was conducted in 2007 to collect views from business sectors on regulatory control of business in Hong Kong. In general, the results show that most of the businesses did not find regulations burdensome and they considered that the overall regulatory compliance costs were low in comparison to their total operating costs. However, the results also show that there is room for improvement in the way regulations are enforced.

Overall, good progress has been made to improve the licensing environment for doing business in Hong Kong. The improvement measures implemented were well received by the trades. BFD will continue to work with other bureaux/departments concerned to further streamline the licensing and regulatory processes.

The time needed to obtain licences could vary considerably from one type of licence to another. Using restaurants, non-restaurant food businesses and cinemas as examples, the table below shows the average, the shortest and the longest time required to obtain the relevant licences in 2007. It should be noted that the processing time for an application from submission to approval includes both the time taken by an applicant to carry out the necessary decoration and renovation works to comply with the licensing requirements, and the processing time taken by the departments to specify the requirements and check compliance.

Licence Type	Average Time (working days)	Shortest Time (working days)	Longest Time (working days)
General Restaurant Licence	166	113	236
Light Refreshment Restaurant Licence	161	104	239
Non-restaurant Food Business Licences (See Note (1))			
(a) Food Factory Licence	151	43	231
(b) Fresh Provision Shop Licence	118	32	234
(c) Bakery Licence	133	64	182
(d) Siu Mei and Lo Mei Shop Licence	133	65	224
Places of Public Entertainment Licence (PPEL) for Cinema (See Note (2))	221	221	221

Note (1): Operating a supermarket does not require any specific licences. However, some supermarkets may obtain non-restaurant food business licences such as fresh provision shop licence, food factory licence, bakery licence, and siu mei and lo mei shop licence, to meet their needs.

Note (2): Only one PPEL for cinema was issued in 2007.

To facilitate applicants to start their business earlier, the FEHD issues provisional licences for food business and cinema. After meeting the health, building safety, fire services and ventilation requirements, an applicant will submit the certificates of compliance issued by authorized persons/recognized professionals to the department who would issue the provisional licence within one working day. A provisional licence is valid for six months, during which time the licensee may operate business legally and take his/her time to comply with the requirements for the issue of a "full" licence. The average time to obtain a provisional restaurant licence and a provisional PPEL for cinema in 2007 are 53 and 101 working days respectively.

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO014

Question Serial No.

2530

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

What are the detailed programmes and the provision under the subheads of the Central Policy Unit in the 2008-09 Budget?

Asked by: Hon. CHAN FANG On-sang, Anson

Reply:

The provision of \$81.2 million for the Central Policy Unit (CPU) in 2008-09 is subsumed under Programme (3): "CSO-Administration Wing". An analysis of the provision under Subhead 000 Operational expenses of the CPU is as follows –

	2008-09 (Estimate) (\$'000)
Personal Emoluments & Personnel Related Expenses	23,428
Departmental Expenses	<u>57,800</u>
Total:	81,228

Signature _____

Name in block letters Miss Jennifer Mak

Post Title Director of Administration

Date 20 March 2008

Examination of Estimates of Expenditure 2008-09
**CONTROLLING OFFICER'S REPLY TO
INITIAL WRITTEN QUESTION**

Reply Serial No.

CSO015

Question Serial No.

2531

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (3) CSO-Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

The Task Group on Constitutional Development newly established under the Commission on Strategic Development (with the Central Policy Unit being its secretariat) will conduct further discussions on the 2008 constitutional development. How much resources will the Administration intend to put into it? And how will the discussions and public consultations be conducted in order to ensure the public views are fully reflected?

Asked by: Hon. CHAN FANG On-sang, Anson

Reply:

The decision made by the Standing Committee of the National People's Congress (NPCSC) on 29 December 2007 makes it clear that the Chief Executive (CE) may be elected by universal suffrage in 2017, and that after the CE is elected by universal suffrage, all members of the Legislative Council (LegCo) may also be elected by universal suffrage in 2020. In attaining universal suffrage, we should first deal with the issue of how the two electoral methods for 2012 should be amended. In this regard, the CE has appointed the Task Group on Constitutional Development under the Commission on Strategic Development to discuss the two electoral methods for 2012 within the framework set out by NPCSC's decision.

In 2005, the Government put to LegCo two motions to amend Annexes I and II to the Basic Law respectively to implement the proposed package for the methods for selecting the CE in 2007 and for forming LegCo in 2008. Although the two motions received the support of more than half of the LegCo Members, they fell short of the two-thirds majority support of all LegCo Members stipulated in Annexes I and II of the Basic Law. Therefore, the two motions could not be processed further. In accordance with the NPCSC's Interpretation, if no amendment is made to the methods for selecting the CE and for forming the LegCo as stipulated in Annexes I and II of the Basic Law, the provisions relating to the two methods in Annexes I and II of the Basic Law will still be applicable. It is our policy that the 2008 LegCo election should be held on the basis of the existing arrangements. Hence, the Task Group will not discuss the electoral method for the 2008 Legislative Council election.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 20 March 2008

Examination of Estimates of Expenditure 2008-09

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

Reply Serial No.

CSO016

Question Serial No.

2717

Head: 142 – Government Subhead (No. & title):
Secretariat: Offices of the
Chief Secretary for
Administration and the
Financial Secretary

Programme: (1) Efficiency Unit
(3) CSO – Administration Wing

Controlling Officer: Director of Administration

Director of Bureau: Director of Administration

Question :

- (a) Please provide information, in the following format, about the consultancy studies for which provision has been earmarked in 2007-08:

Name of Consultant (if any)	Content	Revised Estimate (\$)	Progress of Studies (under planning/in progress/completed)	The follow-ups taken by the Administration on the study reports and their progress (if any)	If completed, have they been released to the public? If yes, through which channels? If no, what are the reasons?

- (b) Is there any consultancy study for which provision has been earmarked in 2008-09? If yes, please provide the following information:

Name of Consultant (if any)	Content	Expenditure (\$)	Progress of Studies (under planning/in progress/completed)	Will the studies be released to the public if they are expected to be completed in the 2008-09 financial year? If yes, through which channels? If no, what are the reasons?

Asked by: Hon. EU Yuet-mee, Audrey

Reply :

(a) Consultancy studies for which provision has been earmarked in 2007-08 for various units are listed below –

(i) Consultancy studies for the Efficiency Unit (EU) –

	Name of Consultant (if any)	Content	Revised Estimate for 2007-08 (\$'000)	Progress of Studies (under planning/in progress/completed)	The follow-ups taken by the Administration on the study reports and their progress (if any)	If completed, have they been released to the public? If yes, through which channels? If no, what are the reasons?
1	Serco Institute Hong Kong	Provision of Consultancy Service to provide Reports on Global Public Sector Reform Developments	700	To be completed in March 2008	Research reports are produced to raise civil service awareness of public sector reform developments around the world.	The research reports are circulated to bureaux/departments (B/Ds) and placed on the EU's website.
2	Serco Group HK Ltd	Provision of Consultancy Service to develop a Government Business Case Guide and to Provide Associated Training Programmes	800	In progress	Not yet completed.	The Guide will be circulated to B/Ds and placed on the EU's website.
3	ERM – Hong Kong Limited	Provision of Consultancy Services for the Regulatory Impact Assessment for the Proposed Regulation of Medical Devices	808*	In progress	Not yet completed.	EU jointly commissioned this consultancy study with the Department of Health. The Administration will release the findings of the study as appropriate when briefing the Legislative Council Panel on Health Services on the legislative proposal.

4	IBM China/HK Ltd	Consultancy Support for the adoption of Customer Management Assessment Framework (CMAF) in HKSARG	500	In progress	EU will continue to promote and roll out the CMAF to more departments.	Two publications, namely, Customer Management Assessment 101 and Customer Assessment Management 101: Questionnaire which were the deliverables of an earlier study on the subject, have been circulated to B/Ds and placed on the EU's website.
5	APCO Asia Ltd.	Customer Research Service for the Development of a "One-stop Shop" for the Provision of Employment and Training/ Retraining Services under the "From Welfare to Self-reliance" Policy	643	In progress	The customer research is part of the internal consultancy study for development of a "one-stop shop" model for the Labour and Welfare Bureau. The study team will make reference to the research findings in designing the "one-stop shop" model.	The EU conducts this research on behalf of the Labour and Welfare Bureau to provide the backdrop for the design of the "One-stop Shop" model. The customer research findings are not intended for independent publication at this stage.

** sharing 50% of the consultancy fee with the Department of Health*

(ii) Consultancy studies for the Economic Analysis and Business Facilitation Unit (EABFU) –

	Name of Consultant (if any)	Content	Revised Estimate for 2007-08 (\$'000)	Progress of Studies (under planning/in progress/completed)	The follow-ups taken by the Administration on the study reports and their progress (if any)	If completed, have they been released to the public? If yes, through which channels? If no, what are the reasons?
1	The University of Hong Kong	Consultancy study on regulatory impact on business in Hong Kong through the conduct of an Opinion Survey to collect views from business sectors on regulatory control of business in Hong Kong	665	Completed	The survey results and recommendations provide a useful reference for refining the focus of the Government's future business facilitation efforts. It also helps the Government establish parameters for measurement and comparison over time on the perception of regulatory impact on business sectors.	A summary of the findings and observations of the survey and the recommendations made has been uploaded onto the EABFU website.

2	The University of Hong Kong	Follow-on study regarding the consultancy study on regulatory impact on business in Hong Kong (i.e. to collect more information on the regulatory issues faced by the import and export sector, and to collect opinions on the work of the Business Liaison Groups formed under the “Be the Smart Regulator” programme)	191	In progress	Not yet completed.	A summary of findings and recommendations will be uploaded onto the EABFU website after completion of the study.
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(iii) Consultancy study for the Administration Wing –

	Name of Consultant (if any)	Content	Revised Estimate for 2007-08 (\$'000)	Progress of Studies (under planning/in progress/completed)	The follow-ups taken by the Administration on the study reports and their progress (if any)	If completed, have they been released to the public? If yes, through which channels? If no, what are the reasons?
1	Public Policy Research Institute (PPRI) of The Hong Kong Polytechnic University	To analyse public opinion regarding the Tamar Development Project collected during the Public Viewing Exercise and to provide independent analyses and technical advice to the government regarding such public opinion.	1,078	Completed	The report produced by PPRI has been submitted to the Special Selection Board for the Tamar Development Project for consideration during the tender period.	The report has been uploaded onto the website of the Tamar Development Project. Copies of the reports are available at the Public Enquiry Services Centres of the 18 District Offices.

(iv) Consultancy studies for the Central Policy Unit (CPU) –

	Name of Consultant	Content	Revised Estimate for 2007-08 (\$'000)	Progress of Studies (under planning/in progress/completed)
1	One Country Two Systems Research Institute	Social, Economic and Political Developments in the Pan-Pearl River Delta Region, covering Fujian, Jiangxi, Hunan and Hainan (May 2006-April 2007)	438	Completed

2	PolyU Technology & Consultancy Co Ltd	Social, Economic and Political Developments in the Pan-Pearl River Delta Region, covering Guangxi, Yunnan, Guizhou and Sichuan (June 2006-May 2007)	493	Completed
3	PolyU Technology & Consultancy Co Ltd	Social, Economic and Political Developments in the Pan-Pearl River Delta Region (except the Guangdong Province) and their implications for Hong Kong (October 2007-September 2008)	368	In progress
4	One Country Two Systems Research Institute	Social, Economic and Political Developments in the Mainland, with Particular Emphasis on Regional Developments and the Guangdong Province, that have Implications for Hong Kong (October 2006-September 2007)	640	Completed
5	TeamOne Economist Ltd	Social, Economic and Political Developments in the Mainland, with Particular Emphasis on Regional Developments and the Guangdong Province, that have Implications for Hong Kong (October 2007-September 2008)	328	In progress
6	Hong Kong Baptist University	The Hong Kong Returnees and their Strategies of Adaptation	112	Completed
7	Development Research Centre, Guangdong Provincial Government	Options for Guangdong-Hong Kong Joint Efforts to Promote Waterborne Logistics Cooperation in the Pan-Pearl River Delta Region	150	Completed
8	Department of Social Work, The Chinese University of Hong Kong	Qualitative Study of the Recipients' Experiences of and Attitudes towards the Welfare Benefit System in Hong Kong	88	Completed
9	Sau Po Centre on Ageing, The University of Hong Kong	Sustainability of the Three Pillars of Retirement Protection in Hong Kong	184	Completed
10	Department of Social Work and Social Administration, The University of Hong Kong	Envisioning Social Welfare: Balancing Assumptions and Realities	140	Completed
11	Census and Statistics Department, HKSARG	Thematic Household Survey on Hong Kong Residents Living in the Mainland	600	Completed
12	PolyU Technology & Consultancy Co Ltd	Needs and Integration into Local Communities of Hong Kong People Living in Shenzhen, Dongguan and Guangzhou	98	In progress
13	The Chinese University of Hong Kong	Hong Kong's Economy: Transformation, Competitiveness and Sustainability	297	In progress
14	Research Department, Hunan Provincial Government	Cooperation of Production Services between Hunan and Hong Kong	20	In progress
15	Department of Sociology, Hong Kong Baptist University	Professional Immigrants from Mainland China and their Strategies of Adaptation	48	In progress
16	Public Policy Research Centre, HK Institute of Asia-Pacific Studies, The Chinese University of Hong Kong	A Cross-National Comparative Study on Family Policy	258	Completed
17	30S Group	Attitudes, Opportunities, and Barriers of	251	Completed

		the Participation of Young Professionals in Public Affairs in Hong Kong		
18	School of Public Health, The Chinese University of Hong Kong	Public Health Policy Model and Development Indicators for Child Health in Hong Kong	137	In progress
19	Powersoft Consultancy Limited (Roundtable)	Hong Kong in the Region	99	Completed
20	Department of Social Work, The Chinese University of Hong Kong	Study on Social Enterprises in Hong Kong	135	In progress
21	Department of Social Work, The University of Hong Kong	Family Impact Study on Comprehensive Social Security Assistance and Public Housing Policy	46	In progress
22	The University of Hong Kong	Trends in Family Attitudes and Values in Hong Kong	51	In progress
23	The Chinese University of Hong Kong	Low-Wage Workers in Hong Kong	164	In progress
24	The Chinese University of Hong Kong	A Qualitative Study on Hidden Elderly in Hong Kong	44	In progress

CPU has decided to release the findings of items (1)-(3) through its website. As regards the follow-up actions and the release of the findings of the other studies, CPU will consider the circumstances and nature of the studies before making a decision.

- (b) Consultancy studies for which provision has been earmarked in 2008-09 for various units are listed below –

- (i) Consultancy studies for EU –

	Name of Consultant (if any)	Content	Estimated Expenditure (\$'000)	Progress of Studies (under planning/in progress/completed)	Will the studies be released to the public if they are expected to be completed in the 2008-09 financial year? If yes, through which channels? If no, what are the reasons?
1	Serco Group HK Ltd	Provision of Consultancy Service to Develop a Government Business Case Guide and to provide Associated Training Programmes	490	In progress (carried forward from 2007-08)	The Guide will be circulated to B/Ds and placed on the EU's website.
2	–	Consultancy Service to provide Reports on Global Public Sector Reform Developments	1,000	Tender in progress	The research reports will be circulated to B/Ds and placed on the EU's website.

(ii) Consultancy studies for the EABFU –

	Name of Consultant (if any)	Content	Estimated Expenditure (\$'000)	Progress of Studies (under planning/in progress/completed)	Will the studies be released to the public if they are expected to be completed in the 2008-09 financial year? If yes, through which channels? If no, what are the reasons?
1	The University of Hong Kong	Follow-on study regarding the consultancy study on regulatory impact on business in Hong Kong (i.e. to collect more information on the regulatory issues faced by the import and export sector, and to collect opinions on the work of the Business Liaison Groups formed under the “Be the Smart Regulator” programme)	287	In progress (carried forward from 2007-08)	A summary of findings and recommendations will be uploaded onto the EABFU website after completion of the study.

(iii) Consultancy studies for the CPU –

	Name of Consultant	Content	Estimated Expenditure (\$'000)	Progress of Studies (under planning/in progress/completed)
1	PolyU Technology & Consultancy Co Ltd	Needs and Integration into Local Communities of Hong Kong People Living in Shenzhen, Dongguan and Guangzhou	393	In progress (carried forward from 2007-08)
2	The Chinese University of Hong Kong	Hong Kong's Economy: Transformation, Competitiveness and Sustainability	693	In progress (carried forward from 2007-08)
3	PolyU Technology & Consultancy Co Ltd	Social, Economic and Political Developments in the Pan-Pearl River Delta Region (except the Guangdong Province) and their Implications for Hong Kong (October 2007-September 2008)	552	In progress (carried forward from 2007-08)
4	TeamOne Economist Ltd	Social, Economic and Political Developments in the Mainland, with Particular Emphasis on Regional Developments and the Guangdong Province, that have Implications for Hong Kong (October 2007-September 2008)	492	In progress (carried forward from 2007-08)
5	Research Department, Hunan Provincial Government	Cooperation of Production Services between Hunan and Hong Kong	47	In progress (carried forward from 2007-08)
6	Department of Sociology, Hong Kong Baptist University	Professional Immigrants from Mainland China and their Strategies of Adaptation	112	In progress (carried forward from 2007-08)

7	School of Public Health, The Chinese University of Hong Kong	Public Health Policy Model and Development Indicators for Child Health in Hong Kong	137	In progress (carried forward from 2007-08)
8	Department of Social Work, The Chinese University of Hong Kong	Study on Social Enterprises in Hong Kong	135	In progress (carried forward from 2007-08)
9	Department of Social Work, The University of Hong Kong	Family Impact Study on Comprehensive Social Security Assistance and Public Housing Policy	184	In progress (carried forward from 2007-08)
10	The University of Hong Kong	Trends in Family Attitudes and Values in Hong Kong	204	In progress (carried forward from 2007-08)
11	The Chinese University of Hong Kong	Low-Wage Workers in Hong Kong	164	In progress (carried forward from 2007-08)
12	The Chinese University of Hong Kong	A Qualitative Study on Hidden Elderly in Hong Kong	177	In progress (carried forward from 2007-08)

As regards the release of findings of the studies, CPU will consider the circumstances and nature of the studies before making a decision.

Signature _____

Name in block letters _____ Miss Jennifer Mak

Post Title _____ Director of Administration

Date _____ 26 March 2008