

CB(1)619/05-06(01)



Your Ref.: CB1/PL/ITB

23 December 2005

Panel on Information Technology and Broadcasting  
Legislative Council  
Legislative Council Building  
8 Jackson Road  
Central, Hong Kong

Attention: Miss Polly Yeung

Dear Madam,

**Panel on Information Technology and Broadcasting  
Meeting to be held on 9 January 2006  
Invitation for submissions**

We refer to your letter of 22 November 2005 on the subject matter.

We are pleased to confirm our attendance to the captioned meeting and the particulars of our representatives are detailed in the enclosed form. Furthermore, we would like to provide our written view on the issue of digital audio broadcasting in Hong Kong as below:

1. The Government should adopt the policy of letting the market and the commercial operators decide whether and when digital audio broadcasting ("DAB") should become available. Investment in this technology will depend on market demand and equipment availability, maturity of the technology, costs of implementation and the commercial and public benefits/return from its introduction.
2. Investment in new technology is not the only way to improve sound quality. Better sound quality can be achieved by upgrading equipment and resolving existing problems such as improving reception quality in certain parts of Hong Kong by addressing cross border signal interference.

\.2

---

Metro	Basement 2, Site 6
Broadcast	Whampoa Garden
Corporation	Hung Hom, Kowloon
Limited	Hong Kong
	Facsimile (852) 2123 9877
	Telephone (852) 2123 9888
新城廣播有限公司	Website www.metroradio.com.hk

3. The widening of choice to the public and improvement of programme quality can still be realised through the current analogue sound broadcasting utilising the AM/FM frequencies regardless of whether DAB is provided.
4. We would also suggest a working group on DAB be set up with representatives from radio operators.
5. When allocating radio spectrum for DAB (Band III, L-Band etc.), the Government should not restrict the choice of technologies. If it intends to, it must take into account the prevailing technologies or frequency band used for similar services in mainland China. This is to avoid any incompatibility issue. Technical compatibility will make it easier for the radio stations in Hong Kong and mainland China to cooperate and explore business opportunities together.
6. On regulatory regime, we wish to reiterate our previous response to the 2 government consultation papers — Public Consultation on 2004 Digital 21 Strategy and the Second Consultation on Digital Terrestrial Broadcasting in Hong Kong, that is to set up working groups with participants from the relevant industries to identify and study the issues involved, and to make recommendations.
7. The role of RTHK in the sound broadcasting market as a service provider should be reviewed by Government. We suggest that a radio station supported by public funding should concentrate on providing services that are not commercially viable to audience groups and programming that would otherwise not be provided. Public-funded radio stations should avoid unfair competition against the commercial operators who must generate a fair return of their investment.

Yours faithfully,

For and on behalf of  
Metro Broadcast Corporation Limited

  
Kam Kwok Leung  
Managing Director

Encl.