

**Speaking Notes for
the Secretary for Commerce and Economic Development
at the Special Meeting of the Finance Committee
on 31 March 2008**

- The Budget has covered quite a number of policy areas under the scope of communications and technology.
- To brief Members on our key policies and work progress concerned.

Public Service Broadcasting (PSB) / RTHK

- Will continue to review the future development of PSB and conduct a public consultation exercise in due course.
- In the meantime, RTHK will keep up its efforts in providing the community with quality broadcasting services. In the financial year of 2008-09, there is an increase of 7.6% in the overall allocation to support the work to be carried out in the year, which includes the promotion of the Beijing 2008 Olympic Games, production of Legislative Council election programmes, commemoration of the 80th anniversary of broadcasting in Hong Kong as well as the production of digital HDTV programmes.

Review of the provisions of the Control of Obscene and Indecent Articles Ordinance (COIAO)

- The Government has undertaken to conduct a comprehensive review on the provisions of the COIAO.
- We are working in full gear to study and review the Ordinance and we will consult the public extensively in the second half of 2008. During the study and review process, we will work closely with the stakeholders to hear their views.

Telecommunications Services

- We have announced earlier on to release radio spectrum by auction within this year for the provision of broadband wireless access (BWA) services. We plan to table the necessary subsidiary legislation at the Legislative Council shortly.
- The public consultation on the proposed creation of Unified Carrier Licence has been completed and we are now considering the views received. We aim to table the necessary subsidiary legislation at the Legislative Council within this legislative session to pave the way for the development of fixed-mobile convergence.

Film Services

- The film industry is the flagship of the creative industries in Hong Kong. We will continue to support the development of the local film industry and the work of the Film Development Council (FDC).
- The FDC has started to receive applications in late 2007 for financing small-to-medium film productions under the Film Development Fund (FDF). Two applications have been approved to date. It is hoped that the FDF can help revitalise the Hong Kong film industry.

Information Technology

- The latest “Digital 21 Strategy” promulgated at late 2007 aims at building a digitally inclusive society. A pilot programme in setting up district cyber centres will be launched in partnership with the private sector and community organisations. It will enable the grass roots to gain access to and use the rich pool of information technology and services in the cyber space.
- We are going to establish a Task Force on Digital Inclusion to formulate strategies and initiatives in order to tackle the digital

divide in a more holistic manner.

- The Government Wi-Fi Programme announced last year has met with enthusiastic response from the private sector service providers. So far, there are more than 6 400 Wi-Fi hotspots in 4 100 Wi-Fi zones across the territory. We have just rolled out the free Wi-Fi services at some 30 Government venues and will extend to 350 venues by mid-2009.
- In the light of the importance of information security, we find it necessary to review the long-term arrangement of the provision of computer emergency response coordination services in Hong Kong. The review will be completed in this year.

Creative Economy

- We have taken up the responsibility of overseeing the formulation of the policy of developing the creative economy in Hong Kong under the leadership of the Financial Secretary. We will formulate an overall strategy in speeding up the development of the local creative industries. Meanwhile, we will continue to work with the local creative industries to carry out promotions abroad and in the Mainland to explore business opportunities and new markets.
- We will participate actively in the 2010 Shanghai Expo in collaboration with the local creative industries. We will ride on this opportunity to promote Hong Kong's position as a creative capital.

Innovation and Technology

- We will continue to provide impetus to research and development work through the Innovation and Technology Fund, to strengthen co-operation with the Mainland and to enhance the overall innovative culture in the community targeting teenagers and students so as to support the development of the creative industries.

Digital Terrestrial Television (DTT) Broadcasting and Mobile Television Services

- DTT broadcasting was officially launched in Hong Kong at the end of 2007. The two free-to-air television broadcasters now provide a total of 13 free digital channels which bring to viewers a wider array of information and entertainment as well as a brand new audio-visual experience. We will work closely with the two broadcasters to speed up the network construction so that we can meet the target of extending the coverage to 75% by August 2008.
- We are now consulting the public on the development of mobile television services. It is hoped that spectrum auction can be held in early 2009. We will seek to promote the development of digital audio broadcasting through the rollout of mobile television services.