

立法會
Legislative Council

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by the Administration)

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Panel on Information Technology and Broadcasting

**Minutes of special meeting
held on Tuesday, 19 February 2008, at 4:30 pm
in the Chamber of the Legislative Council Building**

- Members present** : Hon Albert Jinghan CHENG, JP (Chairman)
Hon SIN Chung-kai, SBS, JP (Deputy Chairman)
Dr Hon LUI Ming-wah, SBS, JP
Hon Jasper TSANG Yok-sing, GBS, JP
Hon Howard YOUNG, SBS, JP
Hon Emily LAU Wai-hing, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Albert CHAN Wai-yip
Hon Ronny TONG Ka-wah, SC
- Member attending** : Hon LEUNG Kwok-hung
- Members absent** : Dr Hon David LI Kwok-po, GBM, GBS, JP
Hon Fred LI Wah-ming, JP
Hon Bernard CHAN, GBS, JP
Dr Hon Philip WONG Yu-hong, GBS
- Public officers attending** : Agenda Item I
Mr Alan SIU, JP
Deputy Secretary for Commerce and Economic
Development (Communications and Technology)

Mr Kevin CHOI
Principal Assistant Secretary for Commerce and
Economic Development (Communications and
Technology)A

Mrs Marion LAI, JP
Director-General of Telecommunications
Office of the Telecommunications Authority

Mr Danny LAU
Assistant Director of Telecommunications (Operations)
Office of the Telecommunications Authority

Mr Ian Grenville CROSS, SC, JP
Director of Public Prosecutions
Department of Justice

Ms Winnie HO
Senior Government Counsel
Department of Justice

Agenda Item II

Mr Alan SIU, JP
Deputy Secretary for Commerce and Economic
Development (Communications and Technology)

Mr Kevin CHOI
Principal Assistant Secretary for Commerce and
Economic Development (Communications and
Technology)A

Mrs Marion LAI, JP
Director-General of Telecommunications
Office of the Telecommunications Authority

Mr Chaucer LEUNG Chung-yin
Senior Telecommunications Engineer (Advisory and
Support)
Office of the Telecommunications Authority

**Attendance by
invitation**

: Agenda Item I

Citizens' Radio

Mr TSANG Kin-shing
Convenor

Mr CHEUNG Sheung-ming
Secretary

The Democratic Party

Mr Andrew FUNG
Representative

Mr CHOW Wai-tung
Representative

Yuen Long District Councillor

Mr CHEUNG Man-fai
District Councillor

Mr MAK Ip-sing
District Councillor

Agenda Item II

Asia Television Limited

Mr H Y KWONG
Senior Vice President – Programme, Corporate
Development & External Affairs

Television Broadcasts Limited

Mr CHEONG Shin-keong
General Manager – Broadcasting

Mr Bruce KRUGER
Controller – Engineering

Ms Winnie HO
Senior Manager – Corporate & Community Relations

Hong Kong Cable Television Limited

Mr Benjamin TONG
Executive Director

Mr Garmen CHAN
Vice President – External Affairs

Clerk in attendance : Ms YUE Tin-po
Chief Council Secretary (1)3

Staff in attendance : Ms Pauline NG
Assistant Secretary General 1

Ms Connie FUNG
Assistant Legal Adviser 3

Ms Annette LAM
Senior Council Secretary (1)3

Ms Guy YIP
Senior Council Secretary (1)5

Ms May LEUNG
Legislative Assistant (1)6

Action

I. Policies relating to the regulation of radio broadcasting and the use of radiocommunications apparatus for the purpose of radio broadcasting
Submissions from individuals not attending the meeting

(LC Paper No. CB(1)805/07-08(04) -- Submission from Ms KO Po-ling, MH, JP, Yau Tsim Mong District Councillor (Chinese version only)

LC Paper No. CB(1)805/07-08(05) -- Submission from Mr WONG Wang-tai, Wan Chai District Councillor (Chinese version only))

Introduction and declaration of interests

The Chairman declared that he had filed an application for a commercial radio broadcast licence to operate an AM radio broadcast service.

2. Mr Albert CHAN declared that he was the director of the New Citizens' Radio.

3. The Chairman welcomed representatives of the Administration and deputations to the meeting. He reminded attendees that reference should not be made to a case pending in court in such a way as, in his opinion, might prejudice that case.

Briefing by the Administration

(LC Paper No. CB(1)805/07-08(01) -- Paper provided by the Administration

LC Paper No. CB(1)805/07-08(02) -- Background brief prepared by the Legislative Council Secretariat)

4. Following a brief introduction by Deputy Secretary for Commerce and Economic Development (Communications and Technology) (DSCED(CT)), Director-General of Telecommunications (DG of T) of the Office of the Telecommunications Authority (OFTA) briefed members on sections 8(1)(a) and 23 of the Telecommunications Ordinance (TO)(Cap. 106) and enforcement action taken by OFTA against unlicensed broadcasting and the use of unlicensed radio apparatus for sound broadcasting. Director of Public Prosecutions (DPP) of the Department of Justice (DoJ) then made a presentation on the prosecution policy relating to illegal broadcasting and breaches of the provisions of the TO.

5. Members noted that any person who established or maintained any means of telecommunications (including radio apparatus) in contravention of section 8(1)(a) would be liable to a fine of up to \$100,000 and imprisonment for up to five years upon conviction on indictment. Under section 23 of TO, any person who knowing or having reason to believe that a means of telecommunications was being maintained in contravention of TO, transmitted or received any message by such means of telecommunications or performed any service incidental to the transmission or reception of any such message or delivered any message for transmission by such means of telecommunications or took delivery of any message sent thereby, would be liable to a fine of up to \$50,000 on summary conviction. DG of T advised members that from 2003 to 2007, OFTA had investigated 538 cases under section 8(1)(a), of which 515 cases resulted in prosecution. Pursuant to the power provided by section 35 of TO, OFTA carried out 2 700 investigations on frequency interference complaints relating to public safety, aeronautical services, search and rescue, marine services, public telecommunications services, and reception of broadcasting services. Around 1 200 of these pertained to reception of broadcasting services. In the same year, OFTA had conducted 108 raids against illegal use of radio apparatus, sales of illegal radio apparatus, and roadblock operations jointly with the Police. Being the law enforcement agency, OFTA would investigate suspected breaches of the law and consult DoJ if the evidence obtained justified further consideration to initiating prosecution.

6. On prosecution policy, DPP said that before instituting prosecution for an offence, the prosecutor must be satisfied that there was sufficient evidence and that a prosecution was required in the public interest. He explained the circumstances surrounding the prosecution of those persons who allegedly participated in unlicensed broadcasting activities on, respectively, 20 April and 25 May 2007, in contravention of the TO, and why those suspected of having committed similar offences prior to the warnings of 9 December 2006 were not prosecuted. He stressed that prosecutions for breaches of the relevant provisions of the TO had been fairly and judiciously instituted, and that established legal criteria had been scrupulously applied. He added that prosecutors had acted throughout in complete good faith.

Presentation by deputations

7. The Chairman said that written submissions from deputations received before the meeting had been circulated to members and uploaded onto the Legislative Council (LegCo)'s website for public perusal. He requested the deputations to provide their written submissions, if they had not already done so, or supplementary submissions, if any, to the Panel after the meeting. He also reminded representatives of deputations that their submissions and oral presentations made at the meeting would not be covered by the protection and immunity provided under the Legislative Council (Powers and Privileges) Ordinance (Cap. 382).

Citizens' Radio

(LC Paper No. CB(1)830/07-08(01) -- Submission (*Chinese version only*))

8. Referring to the magistrate's recent ruling that the current licensing regime under the TO was unconstitutional, Mr TSANG Kin-shing of Citizens' Radio (CR) queried the fairness and transparency of the licensing regime. Pointing out that the criteria and the licensing requirements had not been clearly stipulated in the TO and that there was no appeal mechanism against the decision of the Chief Executive in Council (CE-in-Council) who had unchecked power to approve or reject applications for a TV or sound broadcasting licence, he demanded that the Government review the TO expeditiously and to open up airwaves for use by the community. He said that CR had announced on 18 January 2008 that it would suspend radio broadcasting for three months until 20 April 2008 and hoped that the Government would demonstrate its sincerity in amending the TO. Referring to the Government's approval for the use of FM frequency by the Hong Kong Franklin Graham Festival (HKFGF) in December 2007, he queried whether the existing 13 radio channels had already exhausted the frequency capacity of the FM band (87MHz-108MHz). He requested the Administration to provide specific cases and statistics to show that broadcasting by the CR had undermined public safety by interfering with aeronautical services, fire services and navigational facilities in Hong Kong. Mr CHEUNG Sheung-ming, Secretary of CR, supplemented that Hong Kong which claimed itself as one of the most advanced and free economies should take immediate action to review and revamp the

outdated TO that was enacted more than 50 years ago.

The Democratic Party

(LC Paper No. CB(1)830/07-08(02) -- Submission (*Chinese version only*))

9. Referring to its submission to the Panel, Mr CHOW Wai-tung and Mr Andrew FUNG, representatives of the Democratic Party (DP), stated the DP's views as follows:

Enforcement of the TO

- (a) The Administration owed the public an explanation on the prosecution of CR so as to relieve the public concern about selective enforcement of breaches against the TO.
- (b) The TO should be reviewed and suitably amended to take into account of the rapid development of broadcasting on the Internet.

Opening up of airwaves

- (a) Radio spectrum, being a scarce community resource, belonged to the people. The Administration should, in response to rising public expectation, release radio spectrum to disadvantaged groups and ethnic minorities for setting up community/public access channels.
- (b) To address the problem of spectrum scarcity, digital broadcasting should be introduced to enhance the effective utilization of spectrum.

Regulation of radio broadcasting

- (a) The outdated sound broadcasting licensing regime under the TO enacted in the colonial era should be revamped in line with technological development and community expectation.
- (b) To enhance transparency, the Administration should actively consider setting up an appeal panel to hear appeals against the decision of the licensing authority.

Introducing digital audio broadcasting

- (a) The Administration should set down a timetable for an early implementation of digital audio broadcasting (DAB).
- (b) The Administration should review the sound broadcasting licensing regime and introduce a regulatory framework for DAB.

Mr CHEUNG Man-fai, Yuen Long District Councillor
(LC Paper No. CB(1)805/07-08(03) -- Submission (*Chinese version only*))

10. Referring to his submission to the Panel, Mr CHEUNG Man-fai, Yuen Long District Council member, stated his support of the Government's prosecution policy in instituting prosecution against all alleged cases of illegal broadcasting that had prima facie evidence.

Mr MAK Ip-sing, Yuen Long District Councillor

11. Mr MAK Ip-sing, Yuen Long District Council member, called on the Government to open up airwaves for setting up community channels, thereby increasing the number of radio channels in Hong Kong. He said that the Administration, instead of seeking an appeal against the magistrate's constitutionality ruling, should review the TO and the current sound broadcasting licensing regime and set up an appeal mechanism.

Discussion

Enforcement of alleged breaches of Telecommunications Ordinance

12. Mr Ronny TONG noted that after issuing a series of warning letters on 9 December 2006 by OFTA to persons believed to have been involved in unlicensed broadcasting activities, two cases of illegal broadcasting allegedly occurred in April and May 2007 were submitted to the DoJ for prosecution. In this connection, he sought information on the number of cases involving alleged unlicensed broadcasting that were known to OFTA after 9 December 2006, the number of cases for which prosecution was instituted, the number of persons involved in these cases, and the difficulties, if any, encountered in the investigation.

13. In reply, DG of T said that five cases of alleged illegal broadcasting were known to OFTA after 9 December 2006. Following investigation and consultation with DoJ, two cases allegedly occurred in April and May 2007 were prosecuted as it was considered that there was sufficient evidence for prosecution under both section 8(1) and section 23 of the TO. As legal proceedings were underway, it would not be appropriate for the Administration to make any comment on the specifics of the two cases. The remaining three cases occurred in March, June and July 2007 respectively. She pointed out that before a prosecution for an offence of participation in unlicensed broadcasting activities could be instituted, there must be evidence to establish that there was a means of telecommunications being maintained without a licence, that a message was transmitted using that means of telecommunications, that the party who participated in transmitting the message had been identified, and that the party so identified had knowledge, or had reason to believe, that a message was being transmitted contrary to the law. She said that the evidence obtained was insufficient to justify further consideration of these three cases. As such, the Administration was not in a position to ascertain the total number of persons involved.

14. DG of T further said that radio frequency spectrum was a valuable community resource for which a spectrum policy was required for effective and efficient use. Regulating the use of frequency spectrum was essential as illegal operation of broadcasting and telecommunications equipment and unlicensed broadcasting activities would cause harmful interference to other legitimate spectrum users. Unlicensed broadcasting was an offence and anyone engaged in such activities including establishing or using a means of telecommunications without licence contrary to section 8 of TO and anyone who participated in any broadcast by such means contrary to section 23 of TO was liable to criminal prosecution. She stressed that OFTA as the law enforcement agency had fairly and judiciously enforced the relevant provisions in the TO, and there was no question of selective enforcement.

15. In this connection, Mr Albert CHAN regretted that while prosecution was instituted against persons involved in the two cases that occurred in April and May 2007, other persons suspected of similar offences were not prosecuted. He was of the view that the selective prosecution had reflected the Government's stance that "there were distinctions between the closer and those not so close" and its disrespect for the principles of fairness and openness.

16. DSCED(CT) disagreed that the Administration had been selective in law enforcement and prosecution in respect of breaches of TO. He reiterated that all breaches of the relevant provisions in the TO were processed in accordance with the TO and the established prosecution policy. Prosecutions would be instituted for cases that satisfied the evidential test and where prosecution was warranted in the public interest.

The introduction of digital audio broadcasting

17. Mr Albert CHAN noted with concern the lack of progress in the development of DAB despite years of discussion and the general consensus that digitization would increase spectrum efficiency thereby allowing more radio and TV channels to operate.

18. DSCED(CT) replied that one of the Government's broadcasting policy objectives was to facilitate the introduction of innovative broadcasting services. In this regard, digital terrestrial TV was officially launched in December 2007. Subject to spectrum availability, the Administration was supportive of opening up spectrum to provide more broadcasting channels, thereby enhancing programming choice for the public. He recapped that frequency spectrum in Band III and L Band had been reserved for the development of digital broadcasting since 2000. However, market response had not been positive. Referring to the Panel's meeting on 29 January 2008 in which members were briefed on the three-month public consultation on the development of mobile TV services in Hong Kong, DSCED(CT) said that the Government's intention was to take the opportunity of using the spectrum in the UHF Band and Band III to also facilitate the roll out of DAB

value-added services ancillary to mobile TV. He said that deputations' views in this regard would be taken into consideration.

Licence Fee

19. Mr Albert CHAN was concerned that a high licence fee of \$3 million for a sound broadcasting licence was advantageous to large conglomerates and would preclude financially less viable groups from operating radio channels. He considered it unfair that commercial sound broadcasters had to pay the same licence fee irrespective of the number of radio stations operated and the amount of frequency spectrum used.

20. In response, Principal Assistant Secretary for Commerce and Economic Development (Communications and Technology)A (PAS(CT)A) said that in accordance with section 13(c) of TO, licence fee, being one of the licence conditions, was to be decided by the CE-in-Council. He pointed out that the two existing commercial sound broadcasters each operated the same number of radio channels for which the same amount of licence fee was charged. As for new entrants, the CE-in-Council would determine the licence fee on the basis of the Broadcasting Authority (BA)'s recommendations and the amount of spectrum used.

Review of TO and the sound broadcasting licensing regime

21. Mr LEUNG Kwok-hung strongly objected to the Government's view that there were enough platforms for the public to express diverse views. He queried the Administration's sincerity to review the TO which he considered as a draconian law of the colonial era, and expressed great disappointment over the lack of progress. Referring to the magistrate's constitutionality ruling, he demanded an immediate review of the TO and the sound broadcasting licensing regime and the prompt opening up of airwaves for use by the community. In this connection, Ms Emily LAU criticized the Administration for holding up the review of TO pending the outcome of the appeal. She considered that the outdated TO and the licensing regime were no longer effective in regulating the telecommunications industry and should be revamped in line with public expectation regardless of the outcome of the legal proceedings.

22. DSCED(CT) replied that the Secretary for Commerce and Economic Development had, at the Panel's meeting held on 19 January 2008, made clear the Government's position. He said that the Administration would keep in view the relevant legislation from time to time, taking into account the needs of the community in the light of advances in broadcasting technologies and community expectation.

23. Referring to the powers of the CE-in-Council to approve or reject applications for operating sound broadcasting services and TV programme services, Mr LEUNG Kwok-hung queried the fairness and credibility of the sound broadcasting licensing regime and criticized the lack of transparency in the decision

making process as the CE-in-Council was not required by law to account for the decision made. He claimed that it was only after CR had held a press conference that the Administration notified him of the factors taken into account by the CE-in-Council in rejecting CR's application. In this regard, Mr Ronny TONG pointed out that the criteria and requirements for licensing were not clearly prescribed in the TO and that there was no provision for appeal against the decision of the CE-in-Council. He enquired under what circumstances would an application for sound broadcasting licence be approved.

24. DSCED(CT) disagreed that there was no objective criteria for assessing a licence application. He advised that pending the outcome of the appeal against the constitutionality ruling, the TO was still in force and all applications for a sound broadcasting licence would be processed in accordance with the provisions specified in Part IIIA of TO. He said that to enhance transparency and to ensure fairness in processing sound broadcasting licences applications, an element of public engagement was included by way of releasing details of the applications for public consultation. Every case would be assessed on its own merit taking into account factors including the technical, financial and management capabilities of the applicant. The CE-in-Council, having considered BA's recommendations in respect of a licence application and the representation made by the applicant, if any, would make a decision on each application.

Frequency interference

25. Referring to the 1 200 investigations undertaken by OFTA in 2007 on frequency interference complaints relating to broadcasting services, Ms Emily LAU enquired about the nature of the interference and whether and when CR's broadcasting had interfered with reception of broadcasting, emergency, aeronautical and public telecommunications services. In this regard, Mr LEUNG Kwok-hung and Mr TSANG Kin-shing of CR maintained that 102.8MHz at which CR had operated was not assigned to any user and that since its operation, CR had not caused any interference to other spectrum users or jeopardize the operation of emergency, aeronautical or marine services.

26. DG of T replied that the interference complaint cases were mainly related to the unauthorized use of private mobile radio systems on vehicles. She said that frequency interference had all along been a great concern to frequency management authorities worldwide. The conditions of use as well as the emission characteristics for radio apparatus were therefore specified for compliance to prevent interference caused by improper use of radio apparatus.

27. Assistant Director of Telecommunications (Operations) of the Office of the Telecommunications Authority (AD of T(O)) supplemented that, although the FM sound broadcasting band was different from the aeronautical services band in 108-137MHz, it was internationally recognized by spectrum management authorities worldwide that sound broadcasting in the frequency band of 88-108MHz might produce intermodulation frequencies which would interfere with

the aeronautical services operated in frequency band of 108-137MHz. Countries such as the United States and the United Kingdom had many cases of such interference and Hong Kong had four cases of interference with aeronautical services in the past three years. To avoid possible interference caused by FM sound broadcasting frequencies in 88-108MHz to aeronautical services in 108-137MHz, the International Telecommunications Union had issued guidelines to spectrum regulatory bodies to plan the use and assignment of FM sound broadcasting frequencies in 88-108MHz. PAS(CT)A said that there was a real risk that unregulated use of unlicensed radio apparatus would cause interference. In order to minimize interference to other legitimate spectrum users and to avoid jeopardizing emergency and aeronautical services, spectrum regulation by way of a licensing regime that specified the conditions of use and the emission characteristics of radio apparatus was essential to ensure orderly use of frequency spectrum. He stated that unlicensed broadcasting and the use of unlicensed radio transmitter equipment in contravention of TO constituted a criminal offence, and cases established to have caused interference would be dealt with under section 32(j) of TO.

The issue of temporary/short-term and locality-specific sound broadcasting licence

28. Noting that no more FM frequencies with territory-wide coverage were available for the use of community radio channels, Mr SIN Chung-kai enquired whether it was feasible to identify spare spectrum for operating community-based channels in some localized districts. He said that LegCo had discussed the opening up of airwaves for use by the community on many occasions and had urged the Administration to release spectrum for setting up public access channels to allow public participation. Referring to the precedent of the use of frequency spectrum by the HKFGF, he asked whether the Administration would consider approving application from organizers for major public activities such as a rally.

29. In response, DG of T said that the provision of existing radio services in Hong Kong, comprising 13 FM and AM radio channels, had already exhausted the frequency capacity of the FM band. For localized coverage, technical study had to be conducted on a case by case basis to ascertain whether and what frequency spectrum were available for use. Regarding the use of frequency spectrum by the HKFGF in December 2007, she said that TO had provisions for issuing a short-term permit upon application by organizations for holding an event/activity that was usually for a short period of time and confined to a specific location covering a small area. In the case of HKFGF, the transmission of broadcast signals was confined to the Hong Kong Stadium.

30. Mr TSANG Kin-shing disagreed and said that according to his understanding, the broadcast of HKFGF was carried by five channels and could be received in many places from the Hong Kong Stadium to stadiums in Yuen Long and Macau. In this connection, Mr SIN Chung-kai requested the Administration to provide details of the frequency band approved for the use of HKFGF in December 2007 and information on the criteria and related policies for approving applications

for temporary/short-term and locality-specific sound broadcasting permits.

31. In response, PAS(CT)A said that all applications for a territory-wide sound broadcasting licence, irrespective of the licence duration, would be considered in accordance with the provisions as prescribed under Part IIIA of TO. For signal transmission during an event of a short duration and covering a small area such as transmission at the Hong Kong Stadium as in the case of HKFGF, the event organizer could apply to the Telecommunications Authority (TA) for the issue of a permit. He undertook to provide the information as requested by Mr SIN Chung-kai after the meeting.

II. Progress update on the implementation of digital terrestrial television broadcasting

(LC Paper No. CB(1)805/07-08(06) -- Paper provided by the Administration

LC Paper No. CB(1)805/07-08(07) -- Extract of minutes of meeting held on 12 November 2007

LC Paper No. CB(1)867/07-08 -- Administration's paper for the progress update on the implementation of digital terrestrial television broadcasting (Chinese version only) (power-point presentation materials))
(tabled at the meeting and subsequently issued via e-mail on 20 February 2008)

Presentation by the Administration

32. With the aid of a power-point presentation, PAS(CT)A updated members on the progress of the implementation of digital terrestrial television (DTT) since the Panel's meeting on 12 November 2007. Members were briefed on areas covering the relevant regulatory decisions made by the BA, coverage areas of DTT broadcasting, the upgrade of In-Building Coaxial Cable distribution System (IBCCDS), labelling scheme for DTT receivers, as well as promotion and publicity activities and environmental concerns arising from the disposal of old TV sets, the details of which were set out in the Administration's paper (LC Paper No. CB(1)805/07-08(06)).

33. The Chairman left the meeting at this juncture and Mr SIN Chung-kai, the Deputy Chairman, took over the chair.

Discussion

Labelling scheme for DTT receivers

34. Referring to the scheme introduced by OFTA to label DTT receivers to be sold in Hong Kong, Mr Howard YOUNG noted that all the products registered so far were the "higher-tier" receivers capable of receiving both standard definition TV (SDTV) and high definition TV (HDTV). He queried why there had not yet been any product registered with the basic-tier label capable of receiving only the four existing TV channels simulcast in digital format.

35. Senior Telecommunications Engineer (Advisory & Support) (STE(AS)) of OFTA advised that 81 applications for registering DTT receiver products had been received since the launch of the voluntary labelling scheme in November 2007. Of the 13 applications received for basic-tier labels, three had submitted the receivers for technical test. It was expected that with some modifications being made to comply with the technical requirements, there would be registration of basic-tier DTT receivers shortly.

DTT receivers

36. Mr Howard YOUNG noted that a pay TV service provider had expressed interest in developing a "combined" set-top box capable of receiving both pay TV programme services as well as the DTT programmes. He enquired whether the installation of such a receiver would enable subscribers of pay TV services in Hong Kong Island south, which would not be DTT covered until August 2008, to view programmes with digital broadcasting earlier.

37. In response, PAS(CT)A said that only buildings with the IBCCDS upgraded for DTT reception and were within the DTT coverage areas could receive DTT signals. As such, households in the southern part of the Hong Kong Island would have to wait till August 2008 when the construction of the five other main transmission stations under Phase II was completed to enjoy DTT viewing.

38. Mr CHEONG Shin-keong, General Manager (Broadcasting) of Television Broadcasting Limited (TVB) pointed out that while a "combined" set-top box designed to receive signals from both free TV services and pay TV services would bring consumers the convenience of not having to install an additional decoder, there existed the danger of a possible clash in the channel numbering for free and pay TV programme channels. Mr CHEONG said that TVB was currently using a two-digit channel numbering whereas one pay TV station used a three-digit channel numbering and another pay TV station adopted both a two-digit and three-digit numbering. The absence of a regulatory body to coordinate the use of the channel programme numbering among different broadcasters might possibly result in a duplicate in channel numbering that could be confusing to the viewing public. Referring to the colour-coded interactive feature of using yellow, red, blue, green buttons on the remote control panel to denote different interactive services, he cited

for example that a yellow button used by TVB to denote weather information might well be used by pay TV services to denote a different service, thus causing confusion to viewers. To avoid viewer confusion, a suggestion had been made to include a "mode button" on the "combined" set-top box which would indicate to the viewers whether they were in the pay TV or free TV mode. He said that hopefully an agreement would be reached through negotiations and discussion that were underway. In this connection, Mr H Y KWONG, Senior Vice President (Programme, Corporate Development & External Affairs) of Asia Television Limited said that ATV welcomed the introduction of a "combined" set-top box that would enable viewers to decode both pay TV and free TV programmes. However, ATV would not agree to pay TV programme operators bundling free TV programme channels into pay TV channels in the combined set-top box as it would infringe copyrights.

39. In this regard, PAS(CT)A said that the two domestic free TV broadcasters were supportive of the use of a "combined" set-top box although they objected to pay TV operators bundling free TV service channels into pay TV channels. He said that the Administration and the BA would continue to make efforts to coordinate among different broadcasters to address concerns raised about the "combined" set-top box and the related programme channel numbering. The Administration was optimistic that cooperation among different broadcasters on the technological front would result in a mutually acceptable agreement.

40. Mr Howard YOUNG considered that consumers in general would welcome the convenience of a "combined" set-top box. He called on the Administration to facilitate discussions among the broadcasters to bring about an early consensus. Sharing a similar view, Ms Emily LAU and Mr SIN Chung-kai hoped that the Administration would coordinate among the broadcasters to facilitate an early agreement.

41. In response, DSCED(CT) said that the Government's stance was to encourage the broadcasters to make arrangements agreeable to all parties through their own commercial negotiations. He assured members that the TA would assume a coordinating role, adding that the Administration had assisted the two domestic free TV broadcasters to resolve the channel numbering issue.

Channel numbering

42. Mr Howard YOUNG noted that while three-digit channel number was currently used by one pay TV broadcaster, the BA had decided to adopt two-digit channel numbers for programme channels for the digital platform. He enquired whether a two-digit channel numbering for the digital platform would be sufficient to cope with future channel growth. In this connection, he referred to the previous discussion about extending the eight-digit telephone numbering to nine or more digits to meet growing demand and was concerned whether the two-digit channel numbering would likewise have to be increased to three-digit numbering in future.

43. Responding, PAS(CT)A said that a three-digit channel numbering was technically feasible for DTT broadcasts. Nevertheless, given the frequency spectrum available for DTT and considering that the two free domestic TV broadcasters in Hong Kong might not be offering more than 10 TV channels each, a two-digit channel numbering would suffice at the present stage and was convenient for viewers to distinguish between the two TV stations.

Access to DTT services by subscribers of Hong Kong Cable Television Limited

44. In response to Mr Howard YOUNG's concern about the access to DTT services by subscribers of Hong Kong Cable Television Limited (Cable TV), Mr Benjamin TONG, Executive Director of Cable TV, briefed members on the IBCCDS upgrade works undertaken by Cable TV. He said that Cable TV had so far completed IBCCDS upgrade works for some 440 000 households. Upgrading works for another 330 000 households were underway. Cable TV, as one of the major IBCCDS operators of the Housing Authority, had completed the IBCCDS upgrade works of all public housing estates within the DTT initial coverage areas for receiving DTT signals before the official launch of DTT on 31 December 2007.

45. Mr Benjamin TONG then outlined the different options provided by Cable TV to enable private residential blocks with different in-building communal antenna systems and satellite TV reception systems to become DTT ready as soon as possible. He said that the majority of private residential blocks had in-building reception systems that were inter-connected to Cable TV network. Once the IBCCDS of these buildings had been upgraded to receive DTT signals, Cable TV would carry the DTT signal feeds for these buildings at no cost to enable DTT viewing in the whole building. For private buildings where Cable TV was the IBCCDS operator, incorporated owners and building managers could approach Cable TV to upgrade the system for DTT reception. As regards to IBCCDS maintained by contractors other than Cable TV, incorporated owners and building management could approach the relevant contractors to carry out the upgrading work and Cable TV would provide technical assistance. For a small number of residential blocks whose in-building antenna system was not interconnected to Cable-TV network, Cable TV would provide the interconnection service free-of-charge at request subject to technical compatibility. He said that Cable TV had received 85 requests for interconnection so far, of which 67 interconnections were completed, the majority of which were completed within seven days. Mr TONG added that Cable-TV had launched an on-line enquiry system at its website for the public to get real time information on which buildings had become DTT ready. Additionally, a short video to facilitate the public's understanding of DTT broadcast, coverage and interconnection would be shown on Cable-TV channel 63 as from 22 March 2008 along with the Government's digital broadcast APIs.

DTT promotion and publicity effort

46. Ms Emily LAU said that consumers were generally concerned about the choices of DTT receivers available and were also wondering when would be the best time to purchase a set-top box for DTT reception. She asked what publicity effort would be mounted to address consumers' concern in this regard. In response, PAS(CT)A said that a variety of DTT receiver products including receivers with digital recording capability, integrated digital TV set and digital tuner for laptop and computer etc were available in the market to meet various consumer needs, and the consumers had to decide which best suit their needs. DSCED(CT) supplemented that a comprehensive DTT promotion and publicity campaign had been underway since November 2007 and was well received by the public. Apart from a dedicated website, an on-line database for DTT service coverage area, announcements of public interest on TV and radio, information leaflets and education kits for schools, public education programmes would also be launched in collaboration with the Consumer Council. The objective of the publicity effort was to provide the public with comprehensive and correct information about DTT coverage and various types of DTT receiver products available so that consumers could make an informed choice according to their needs and preferences when purchasing DTT receivers.

47. Mr SIN Chung-kai noted that OFTA had launched an on-line database of DTT service coverage since January 2008 for members of the public to check the DTT coverage at a particular building. Considering that the IBCCDS of buildings within the DTT coverage area had to be upgraded for DTT reception, he suggested that the database should be enhanced to include information for the public to check which particular buildings had completed the IBCCDS upgrading works.

III. Any other business

48. There being no other business, the meeting ended at 6:45 pm.