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29 September 2010

Mr. Alan Siu
Deputy Secretary for Commerce and Economic Development
(Communications and Technology)
Communications and Technology Branch
Commerce and Economic Development Bureau
1/F 2/F Murray Building
Garden Road
Central, Hong Kong

Dear Mr. Siu:

I am writing this letter to provide our feedback on the draft Communications Authority (“CA”) Bill.

We believe that establishment of the new CA through merging the existing Telecommunications Authority and Broadcasting Authority is a step in the right direction given the increasing convergence between the telecommunications and media sector. A new CA will help to reduce regulatory overlap and improve efficiency which ultimately will benefit both the public and industry participants.

While we firmly support the set up of a new CA, we would like to express our concern on the decision making process of the Authority as outlined in the draft CA Bill. From our reading of the draft CA Bill, it appears that the day-to-day decision making power lies with the Authority. The Director-General’s responsibility is to implement the decisions that are made by the Authority.

Given that the CA will have to address the multitude of issues that a fast moving industry will be facing in the future, we believe that the day-to-day decision making power should lie with the Director-General so that he or she will be in a position to deal with any operational issue that arises on a daily basis. We think that a more efficient decision making structure may be one whereby the Authority sets the CA’s policy directions and provides approval on major issues with the Director-General having the authority to make the day-to-day operational decisions. Our proposed decision making structure is analogous to those that exist currently within the commercial sector whereby a company’s Board of Directors, as representatives of the shareholders, sets the strategic direction of the company and approve key decisions while the company’s executives carry out the day-to-day management and make operational decisions. The Authority, as representatives of the public, through its power to set policy directions and approve major decisions, ensures that the public interest will be served by the CA. At the operational level, providing the Director-General with day-to-day decision making power will ensure that the CA will be responsive to requests from an industry that is

.../2

undergoing rapid changes. Such a decision making structure has been proved to be workable in the commercial environment and should function equally well within the public sector.

We hope that you will take the above suggestion into consideration in the final draft of the Communications Act.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Peter Jackson". The signature is stylized and cursive, with a large initial "P" and "J".

Peter Jackson
Director