立法會 Legislative Council

LC Paper No. CB(1)1225/10-11

(These minutes have been seen by the Administration)

Ref : CB1/PL/ITB/1

Panel on Information Technology and Broadcasting

Minutes of special meeting held on Friday, 19 November 2010, at 11:00 am in the Chamber of the Legislative Council Building

Members present	:	Hon WONG Yuk-man (Chairman) Dr Hon Samson TAM Wai-ho, JP (Deputy Chairman) Hon CHAN Kam-lam, SBS, JP Hon LAU Kong-wah, JP Hon Emily LAU Wai-hing, JP Hon LEE Wing-tat Hon Andrew LEUNG Kwan-yuen, GBS, JP Hon WONG Ting-kwong, BBS, JP Hon Ronny TONG Ka-wah, SC Hon IP Kwok-him, GBS, JP Hon Mrs Regina IP LAU Suk-yee, GBS, JP
Member attending	:	Hon Paul TSE Wai-chun
Members absent	:	Hon Timothy FOK Tsun-ting, GBS, JP Hon Cyd HO Sau-lan
Public officers attending	:	Agenda item I Miss Elizabeth TSE, JP Permanent Secretary for Commerce and Economic Development (Communications and Technology)

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		Mr Alan SIU, JP Deputy Secretary for Commerce and Economic Development (Communications and Technology)
		Mr Aaron LIU Principal Assistant Secretary for Commerce and Economic Development (Communications and Technology)A
		Mr Vincent LIU, JP Commissioner for Television and Entertainment Licensing
		Mr PO Pui-leong Assistant Commissioner for Television and Entertainment Licensing (Broadcasting)
Attendance by invitation :	:	Agenda item I
	·	Broadcasting Authority
		Mr Adrian WONG, MH, JP
		Member
		Metro Broadcast Corporation Ltd.
		Ms Bianca MA Managing Director
	Mr SUNG Man-hei Deputy Managing Director & Chief Operations Director – Metro Finance	
	Hong Kong Commercial Broadcasting Co. Ltd.	
		Ms Rita CHAN General Manager
		Ms Amy WONG Director of External Affairs
		Ms Anita YU Financial Controller

Goal Seeker Education Centre

Mr CHAN Chung-yau Chief Executive Officer

Big River Crab Wholesale Commercial Union

Mr CHIN Wai-lok Member

Speak-Up Hong Kong

Mr Edward YUM Convener

Power Voters

Mr Raymond CHAN Chi-chuen Deputy Spokesman

Worship Music Society

Mr Bruce AITKEN Chairman

Community Development Initiative

Mr LAM Yuk-wah Policy Fellow

Individual

Mr LEUNG Tin-wai

Ms LEE Yuk-lan

Mr Martin OEI, Political Commentator

Mr KWAN Yan-kin

Miss Antonia LI

Miss LEE Mun-han

	Miss Joanne YIK
	Mr CHAN Chi-wah
	Miss CHENG Nga-ting
	Mr YU Shan-po
Clerk in attendance :	Ms YUE Tin-po Chief Council Secretary (1)3
Staff in attendance :	Ms Annette LAM Senior Council Secretary (1)3
	Ms May LEUNG Legislative Assistant (1)6

I. Mid-term review of sound broadcasting licences of Hong Kong Commercial Broadcasting Company Limited and Metro Broadcast Corporation Limited

Meeting with the Administration and deputations/individuals

- (LC Paper No. CB(1)297/10-11(07) -- Administration's paper on progress report on the mid-term review of the sound broadcasting licences
- LC Paper No. CB(1)297/10-11(08) -- Paper on mid-term review of sound broadcasting licences prepared by the Legislative Council Secretariat (background brief)

Submission from individual not attending the meeting

LC Paper No. CB(1)426/10-11(01) -- Submission from Miss LI Yim-ling (Chinese version only))

Presentation by deputations

<u>The Chairman</u> welcomed representatives of the Administration, the Broadcasting Authority (BA) and deputations to the meeting. He said that written submissions received from deputations before the meeting were circulated to members, and deputations which had not provided written submissions were requested to give these to the Secretariat as soon as possible after the meeting. He reminded the deputations that, when addressing the Panel at the meeting, they were not covered by the protection and immunity under the Legislative Council (Powers and Privileges) (P&P) Ordinance (Cap. 382), and their written submissions were not covered by the said Ordinance.

Mr LEUNG Tin-wai

2. Mr LEUNG Tin-wai criticized the financial programmes of Metro Broadcast Corporation Limited (Metro), Hong Kong Commercial Broadcasting Company Limited (HKCR) and Radio Television Hong Kong for focusing primarily on share prices and did not provide much analysis of the asset value of the company concerned nor alert the audience to the possible risks involved in stock trading. Referring to approval in principle given by the Chief Executive (CE) in Council for three digital audio broadcasting operators to operate 13 programme channels, he said that despite the increasing popularity of the Internet, sound broadcasting remained a pervasive and influential mass media and the prospect of sound broadcasting including the development of digital audio broadcasting and animation was promising. In view of the fast development of multi-media services and the convergence of telecommunications and broadcasting, he said that consideration should be given to lift the restriction on cross-media ownership.

Goal Seeker Education Centre

3. <u>Mr CHAN Chung-yau</u> of the Goal Seeker Education Centre said that the mid-term review was an opportune time to review the programme quality of HKCR which he considered far from satisfactory. He considered that Ms Siring LI of HKCR programme "Tipping the Points" had groundlessly accused the League of Social Democrats of accepting pecuniary advantage from cigarette companies, and that the HKCR radio programme "Night Rider 18" broadcast on Channels 1 and 2 in May 2010 was a blatant case of advertisements of a political nature promoting the image and interests of financially affluent political party. He said that audience would turn to Internet radio if the licences of HKCR and the Metro were renewed without

making further improvements.

Big River Crab Wholesale Commercial Union

4. <u>Mr CHIN Wai-lok</u> of Big River Crab Wholesale Commercial Union (BRCWCU) said that the BA should follow up on the public concern over the successive resignations of several famous programme hosts (such as Mr WONG Yuk-man, Mr Albert CHENG, Mr LEUNG Man-to and Mr LAM Yuk-wah) of CRHK to see whether freedom of speech in radio stations had been compromised due to political pressure. He opined that the hosts of HKCR programmes "On a Clear Day" and "Tipping the Points" had given undue preference to certain political parties and used the radio spectrum as a political tool to smear the opponent party. He also opined that the programme staff of Metro had exercised self-censorship to avoid offending Mr LI Ka-shing who was Metro's major shareholder. He was of the view that HKCR and Metro had failed to uphold the principle of impartiality, and questioned whether the licences of the two broadcasters should be renewed.

Speak-Up HK

5. Mr Edward YUM of Speak-Up HK questioned why the BA had taken such a long time to conclude its investigation into the complaints against the HKCR programme "Night Rider 18". He was disappointed that the penalty on HKCR was too lenient and was imposed only when the broadcast of the series of episodes was nearing the end. Referring to the dismissal of several popular talk-show programme hosts in 2004, the recent broadcast of "Night Rider 18" sponsored by the Democratic Alliance for the Betterment and Progress of Hong Kong (DAB) and the time-check "March for Universal Suffrage" sponsored by Hon Emily LAU, Mr YUM questioned HKCR's commitment in upholding editorial independence and impartiality. He also criticized HKCR for not making any public apology for the broadcast of "Night Rider 18" and the appeal to "March for Universal Suffrage" which were ruled by the BA as having breached the Radio Code of Practice on Programme Standards (Radio Programme Code) and the Radio Code of Practice on Advertising Standards (Radio Advertising Code).

Ms LEE Yuk-lan

(LC Paper No. CB(1)528/10-1(01) -- Submission (Chinese version only)) (tabled at the meeting and subsequently issued via email on 22 November 2010)

6. <u>Ms LI Yuk-lan</u> was of the view that the operation and the radio programmes of HKCR and Metro were generally satisfactory and of an acceptable standard.

Mr Martin OEI, Political Commentator (LC Paper No. CB(1)446/10-11(01) -- Submission (*Chinese version only*))

7. Mr Martin OEI called on HKCR to publicly account for the dismissal of the programme hosts of CRHK (i.e. Mr WONG Yuk-man and Mr Albert CHENG) in 2004. He queried why HKCR management, instead of safeguarding the freedom of expression of its programme hosts, had terminated the contracts of these programme hosts whose programmes were a main source of revenue for the radio station. He said that LegCo should investigate the matter under the P&P Ordinance before the CE in Council approved the renewal of the licences. He was of the view that Mr Vincent WONG (Director of Strategic Planning of HKCR) had made a number of blunders in breach of the code of practice, and questioned Mr WONG's ability in effectively supervising his subordinates. Mr OEI opined that the BA should cooperate closely with the Securities and Futures Commission (SFC) to look into the qualifications required of financial programme presenters/commentators. He suggested that in line with international practice, the presenters should be accredited by relevant professional institutions to ensure that they were qualified commentators and would not He also urged for a comprehensive mechanism mislead the audience. governing disclosure of interests for financial programme presenters to avoid conflict of interest and for the protection of the audience.

Power Voters

8. <u>Mr Raymond CHAN</u> of Power Voters said that the financial penalty of \$30,000 imposed on HKCR for the radio program "Night Rider 18" broadcast on HKCR in May 2010 was too lenient. He said that HKCR, as a responsible mass media organization, should have taken the initiative to suspend the remaining episodes pending the BA's ruling on the complaints received. He was disappointed that the BA had taken three months to make its ruling by which time most of the episodes were already broadcast. He said that the BA should expedite its complaint handling process so as to facilitate earlier termination of the programmes and timely imposition of sanctions on the licensee concerned.

Mr KWAN Yan-kin

9. <u>Mr KWAN Yan-kin</u> said that technological and market convergence in the electronic communications sector had blurred the boundaries between telecommunications, broadcasting and information technology. Referring to the trend of Internet broadcasting which was presently not subject to regulation, the Government and the BA should address the impact and the

grey area brought about by technological advancement and the converging market. He opined that the pros and cons of disallowing advertisements of a political nature should be carefully examined. He also suggested that the Broadcasting Ordinance (Cap. 562) (BO) and the Telecommunications Ordinance (Cap. 106) (TO) which might become obsolete in an environment of convergence should also be reviewed, and that a review on the licensees' performance should be conducted every two to three years.

Worship Music Society

10. <u>Mr Bruce AITKEN</u> of Worship Music Society said that Hong Kong was an international city where many foreigners including ethnic minorities (such as the Filipinos and Indonesians) resided. As such, there should be more programmes to meet the needs of different ethnic minorities and prisoners in correctional institutes whose only source of entertainment was the radio.

Miss Antonia LI

11. <u>Miss Antonia LI</u> said that more radio programmes on topical issues such as obesity, school pressure, self-esteem would help adolescents develop a positive life attitude.

Miss Joanne YIK

12. <u>Miss Joanne YIK</u> suggested that the two licensees should broadcast more programme to provide young people and the middle-aged with labour market information and analysis as well as information about the employment ordinance and related legislation to help them find a job or set up their own businesses.

Mr CHAN Chi-wah

(LC Paper No. CB(1)528/10-1(02) -- Submission (*Chinese version only*)) (tabled at the meeting and subsequently issued via email on 22 November 2010)

13. <u>Mr CHAN Chi-wah</u> commended HKCR for its current affairs programmes such as the episode on CHOI Yuen Tsuen. He opined that the sound broadcasting licensees as a responsible media organization should produce more current affairs programme to help the public better understand social issues and public policies. In view of the problem of increasing wealth gap in Hong Kong, programmes such as CRHK's "Share My Song" would help the audience know more about charity organizations in Hong Kong and their services.

Miss CHENG Nga-ting

(LC Paper No. CB(1)528/10-1(03) -- Submission (Chinese version only)) (tabled at the meeting and subsequently issued via email on 22 November 2010)

14. <u>Miss CHENG Nga-ting</u> said that more programme such as HKCR's "Invisible Man" should be broadcast to encourage community concern about the disadvantaged groups to help eliminate social prejudice and foster social harmony.

Mr YU Shan-po

15. <u>Mr YU Shan-po</u> said that there should be more programme for children and music programme on the oldies. Some of the late-night oldie music programmes such as HKCR's "Begin with Music" should be broadcast at an earlier hour. He found HKCR's programme "Hong Kong Toolbar" on the Internet useful in helping Hong Kong people know about the happenings in Hong Kong while overseas.

Community Development Initiative

(LC Paper No. CB(1)528/10-1(04) -- Submission (English version only)) (tabled at the meeting and subsequently issued via email on 22 November 2010)

16. <u>Mr LAM Yuk-wah</u> of the Community Development Initiative (CDI) said that the BA had conducted the mid-term review as a mere formality in a routine manner with little intention to engage the public. He also said that the extent of public engagement and outreach to solicit public views was insufficient and questioned such an arrangement for the public hearings and the authenticity of the views compiled. In this connection, he claimed that some of the views expressed by the representatives of CDI in the public hearing sessions had not been truly reflected in the summary compiled by the BA. He also alleged that representatives from one of the licensees had been found distributing papers with planted questions to be asked at the public hearings.

Preliminary response of the Administration, the BA and the two licensees

17. At the invitation of the Chairman, <u>the Permanent Secretary for</u> <u>Commerce and Economic Development (Communications and Technology)</u> (PSCED(CT)), <u>Mr Adrian WONG</u>, member of the BA, <u>Ms Bianca MA</u>, the Managing Director of Metro, and <u>Ms Rita CHAN</u>, the General Manager of HKCR gave a preliminary response to the views expressed by deputations

and members of the public attending the meeting.

Programming requirements

18. On some deputations' concern about the qualifications and potential conflict of interests of programme presenters/commentators of financial programme, <u>PSCED(CT)</u> said that while there was no specific requirement on the qualifications of the commentators, licensees were required under the existing Radio Programme Code to devise and institutionalize a mechanism whereby the presenters were required to disclose the existence of any commercial interest or any potential conflict of interest.

19. <u>Mr Adrian WONG</u> of the BA added that there was no requirement under Schedule 5 of the Securities and Futures Ordinance (SFO) (Cap. 571) for presenters/commentators of financial programmes on television or radio broadcast to be licensed. Presenters/commentators of financial programmes found to be guilty of misleading the market were however liable to criminal and civil liability under the SFO.

20. <u>Ms Bianca MA</u> of Metro said that Metro had complied with the BA and SFC's requirements on the conduct of financial programmes. The management would deal with the complaints received from SFC and the public and inform the complainants and the BA of the findings of the investigation.

21. <u>Ms Rita CHAN</u> of HKCR said that presenters/commentators of HKCR financial programmes were required to disclose any commercial interests and/or refrain from taking part in the discussion of issues over which they might have a conflict of interest.

22. Regarding some deputations' concern that some programme hosts had given undue preference to certain political parties, <u>PSCED(CT)</u> said that there were rules in the Radio Programme Code governing impartiality, fairness and accuracy and requiring the licensees to deal even-handedly when opposing views were presented in a programme or programme segment. The rules applied to all factual programmes on matters of public policy or controversial issues of public importance. Any complaints received would be dealt with by the BA's Complaints Committee in accordance with the established procedures.

23. On Internet broadcasting, <u>Ms Bianca MA</u> of Metro said that Internet radio was launched by Metro mainly as a supplement to traditional radio broadcasting so that audience in reception-poor areas such as Cyberport, Chai Wan and East Kowloon, could also access its programmes. She added that

Metro had programmes catering for the needs of ethnic minorities (including Indonesians, Filipinos, Pakistani, Japanese and Koreans), young audience and children as well as music programmes on the oldies. Programmes on Metro Finance and Metro Info also provided information on the employment market and general community knowledge encouraging self-enhancement and positive attitude among young listeners. She pledged that Metro would schedule more such programmes in response to public feedback.

24. <u>Ms Rita CHAN</u> of HKCR said that public interest had always been the basis of HKCR's programming direction. HKCR would continue to explore room for improvement to live up to the expectations of the general community. She highlighted that HKCR would also steadfastly uphold editorial independence and freedom of expression, and make its best effort to serve the community through the provision of a wide variety of programmes to facilitate plurality of views, foster social responsibility and encourage positive values of a caring society.

Cross-media ownership

25. In response to some deputations' concern about cross-media ownership and the review of ordinances, <u>PSCED(CT)</u> said that the Communications Authority Bill to establish a new Communications Authority (CA) through the merger of the BA and the Telecommunications Authority was currently being scrutinized by LegCo. One of the priority tasks of the new CA would be to review the relevant restriction on cross-media ownership.

Complaint handling

26. On some deputations' concern about the efficiency of the BA in processing the complaint against HKCR's programme "Night Rider 18" and the financial penalty imposed, Mr Adrian WONG of the BA said that the BA needed to follow the due process in handling the complaints and reasonable time was required to allow the parties concerned to state their case. He said that the BA and its Complaints Committee had properly investigated the complaints in accordance with the established procedures and imposed the sanction deemed necessary after careful consideration of all factors. On the handling of feedback received during the public consultation exercises for the mid term review on the sound broadcasting licensees, he added that the BA was serious and adopted an open mind in listening to public views and if any individuals/organizations considered that its views had been misrepresented, they were welcome to contact the BA or its secretariat.

27. As regards the number of complaints against the two licensees,

<u>PSCED(CT)</u> and <u>Mr Adrian WONG</u> of the BA advised that statistics on complaints in respect of programme materials, advertising and non-programme materials against the two licensees received during the period from August 2004 to July 2010, and the sanctions imposed were set out in the booklet compiled by the BA for the public hearing sessions. Four complaints in respect of financial programmes were received since 2007 and none was substantiated.

Discussion

Programming of HKCR and Metro

28. <u>Mr LAU Kong-wah</u> referred to some deputations' call for more current affairs programme to provide in-depth discussion on controversial issues of public importance and matters of public policy as well as programmes to enhance social harmony and foster a caring community. He relayed the public concern that they were sick of programmes with confrontational and malicious remarks which were destructive and socially disintegrative. <u>Mr LAU</u> called on the two licensees, in particular Metro, to put in more resources to improve programme and to produce more programme for ethnic minorities as recommended by deputations attending the meeting.

29. <u>Mr Ronny TONG</u> noted that the amount of current affairs programme of CR1 and CR2 was 19.1% and 7% respectively. Current affairs programme of Metro Info and Metro Plus was only 0.6% while that of Metro Finance was as low as 0.1%. He was of the view that the two licensees should broadcast at least 20% of the current affairs programme. He invited deputations' views on their expectation on the programme percentage and broadcast hours for current affairs programme, and whether the licensees should increase their programme for ethnic minorities and underprivileged groups.

30. <u>Mr Martin OEI</u> gave credit to HKCR for its programme on community care such as "Share My Song". He opined that Metro's programmes for ethnic minorities was insufficient and the broadcast hours of current affairs programme were far too low. He said that the two licensees, Metro in particular, should increase programme percentage and broadcast hours for current affairs programmes, programmes for minority groups such as ethnic minorities and the homosexuals.

31. <u>Mr Edward YUM</u> of Speak-Up HK said that the broadcasters should produce more current affairs programme and increase programme variety to

give the audience more programme choice instead of concentrating mainly on entertainment and finance. He also said that the percentage of phone-in programmes (4.7%) of CR1 was far too low. He questioned why HKCR had cut all phone-in sessions in its current affairs programme and there was less and less phone-in programme to allow audience participation.

32. <u>Mr CHIN Wai-lok</u> of BRCWCU called on the Government to expedite the opening up of airwaves so that non-governmental organizations, ethnic minorities and the underprivileged groups would have airtime to express their views.

33. <u>Ms Rita CHAN</u> of HKCR said that HKCR would continue to run more programmes encouraging social responsibility and fostering positive values of a caring society. Its programme "Share My Song" had helped the community better understand and be aware of the services of more than 300 charity organizations since its launch in 2005.

34. <u>Ms Bianca MA</u> of Metro said that the weekly average broadcast hours of news and weather of Metro was more than the minimum requirement. She added that in the light of public feedback and members' views expressed at the last Panel meeting on 8 November 2010, Metro decided to increase the broadcast hours of its current affairs programme from 4.5 hours to 10 hours starting from 1 January 2011, and progressively increase the broadcast hours thereafter. Metro would also strive to strengthen its programme on encouraging social responsibility and a positive caring community.

35. <u>Mr LEE Wing-tat</u> did not subscribe to Ms MA's explanation. He said that increasing the broadcast hours of current affairs programme to 10 hours per week was still far from sufficient.

36. <u>Mr Paul TSE</u> said that Hong Kong had too few radio stations. He hoped that the granting of more sound broadcasting licences would provide the audience with more programme choice to meet their individual preference. <u>PSCED(CT)</u> replied that the CE in Council had granted approval-in-principle for three digital audio broadcasting licence applications which would provide 13 programme channels so as to increase programme choices available to the community.

37. <u>Mr Paul TSE</u> expressed disappointment at the programme quality of the English channels of HKCR and Metro which he said should be reviewed to meet the needs of Hong Kong and to live up to the standards of an international city. <u>The Administration</u> noted his suggestion.

Editorial independence and freedom of expression

38. <u>Ms Emily LAU</u> referred to HKCR's dismissal of several popular talk show programme hosts in 2004 and the recent dismissal of a senior management of the news division of Metro. She expressed grave concern whether editorial independence and freedom of expression had been compromised, and whether programming staff had exercised self-censorship in their news reporting and current affairs programme.

39. <u>Mr LEE Wing-tat</u> questioned why HKCR had terminated the contracts of several famous programme hosts in 2004 notwithstanding that their programmes were well-received and yielded considerable advertising revenue. He raised concern whether this unusual decision which was not in line with general commercial principles indicated that the dismissal was due to political reason and that the broadcaster concerned would not accommodate different views. He asked whether the BA had investigated into the matter and demanded an explanation from HKCR.

40. <u>Mr Adrian WONG</u> of the BA highlighted that the BA was committed to upholding freedom of expression and would respect editorial freedom of the broadcasters.

41. <u>PSCED(CT)</u> said that the role of the BA, as the broadcasting industry regulator, was mainly to monitor and ensure that the licensed broadcasters had complied with the relevant legislation, licence conditions and the BA's codes of practice on programme and advertising standards. It would not interfere with licensees' internal personnel matters except for very special circumstances which could not be ruled out like when there was reason to believe that management problems could be affecting compliance with licensing requirements.

42. <u>Ms Bianca MA</u> of Metro said that the Metro management had all along respected the editorial independence of the programming staff and had never exerted any undue influence on the programme content.

43. The Chairman said that the issue concerning the dismissal of popular hosts including himself was discussed by the Panel on 21 July 2005. TELA's reply (paragraph 9 According to in LC Paper No. CB(1)2103/04-05(03)), the BA respected the independent operation and editorial freedom of licensed broadcasters, and acted within the regulatory framework. The relevant broadcasting laws, licence conditions or the Code did not govern the hire and fire of programme hosts. The BA would not interfere with the licensee's decision in the selection of programme hosts and was not in a position to make conjectural comments on whether the hire and fire of a programme host amounted to self-censorship, or had any bearing on freedom of expression.

44. <u>Mr CHAN Kam-lam</u> said that while HKCR, as a mass media organization, should increase its management transparency, its decision on the selection of programme hosts which was an internal personnel matter should be respected. He criticized HKCR for failing to preserve due impartiality in some of its personal view and public affairs programmes. He said that some of the HKCR programme hosts had very clear political stance and even went to the extent of mobilizing the audience to protest on the streets. He opined that the Government should seriously consider not renewing HKCR's licence if HKCR public affairs and personal view programmes failed to present a balanced view.

45. On Mr CHAN KAM-lam's comment that more Pan-Democratic Party members were invited to the HKCR programmes, <u>Mr Martin OEI</u> said that while he was working in the HKCR during 2003-2004, he observed that members of DAB though invited very often refused to appear in public affairs and phone-in programmes.

46. <u>The Chairman</u> said that programme hosts should deal even-handedly when opposing views were presented in a programme or programme segment. As a former programme host, he had made it a rule to ensure fairness and to invite guests of different opinions to his programme.

Definition of political advertising

47. <u>Mr Paul TSE</u> declared interest that he had a court case with the HKCR and had been dismissed by Metro. He said that the present restriction on political advertising should be relaxed and there should be a clear definition of "political advertising".

48. <u>Mr CHAN Kam-lam</u> expressed disappointment at the BA's ruling that the "Night Rider 18" sponsored by DAB constituted "advertisements of a political nature". He said that the programme which was mainly intended to arouse the community's concern about some youth problems had nothing to do with promoting the interests and image of DAB. He urged the Administration and the BA to review the definition of political advertising and said that programmes on issues of public concern and livelihood sponsored by a political party should not be considered as political.

Mid-term review and public consultation

49. <u>Ms Emily LAU</u> referred to the view of Mr LAM Yuk-wah of CDI and

questioned the credibility and the authenticity of the hearing sessions. She also queried whether the Government should renew the two broadcasters' licences on the basis of the public consultation.

50. In response, <u>PSCED(CT)</u> said that the licensees were required to present financial accounts to the BA every year and the BA would consider these carefully. She said that the BA attached great importance to the public consultation and had conducted the public consultation exercise in a serious manner. While the summary of views for the public hearings might not be exhaustive, the Chairman and members of the BA had attended the sessions in person to have first hand understanding of the public views.

51. <u>Mr Adrian WONG</u> of the BA said that the BA would take into account public views received through various channels during the public consultation when submitting its recommendations to the CE in Council. The BA had made a serious attempt to solicit public views through various channels including two public hearings, focus group discussions, and submissions by post or on the web. An independent research firm was commissioned to conduct an opinion survey from July to November 2010 to gauge public views on the licensees' services through face-to-face interview with around 1,600 households. A summary of public views collected and the findings of the opinion survey would be published in the BA website in due course. He invited Mr LAM Yuk-wah to provide details to the BA after the meeting if he considered that CDI's views had not been accurately reflected in the summary of views.

52. <u>Mr Paul TSE</u> queried whether the mid-term review would bring forth any improvement to the services of the licensed broadcasters. Citing the recent review of the domestic free television programme service licences as an example, <u>PSCED(CT)</u> responded that if considered necessary, the BA would impose additional licence conditions or introduce measures for improvement.

53. <u>Mr LAU Kong-wah</u> called on the BA to make some concrete recommendations in respect of the renewal of sound broadcasting licence in the light of the public views received.

54. Concurring with Mr LAU, <u>Mr LEE Wing-tat</u> opined that before making its recommendations to the CE in Council, the BA should account to the public and set out in a table form the public views received during the public consultation and its recommendations to address the public concern. He also opined that to ensure the efficient use of frequency spectrum which was a scarce public resource, the Government should seriously consider not renewing the two broadcasters' licences if no improvement was made to



enhance programme quality and variety. Referring to some deputations' suggestion to increase the frequency of the review, he considered that a review should be conducted every two to three years.

55. <u>PSCED(CT)</u> noted Mr LEE's suggestion which would be referred to the BA for consideration.

56. <u>The Chairman</u> informed the meeting that the Administration would brief the Panel on the result of the mid-term review of sound broadcasting licences on 14 February 2011. He urged the Administration and the BA to take into account public views received during the public consultation and impose additional licence conditions requiring the two licensees to improve programme quality and variety to meet the community expectations.

II. Any other business

57. There being no other business, the meeting ended at 1:00 pm.

Council Business Division 1 Legislative Council Secretariat 2 February 2011