

立法會
Legislative Council

LC Paper No. CB(1)1436/10-11
(These minutes have been seen
by the Administration)

Ref : CB1/PL/ITB/1

Panel on Information Technology and Broadcasting

Minutes of meeting
held on Monday, 10 January 2011, at 2:30 pm
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 Timothy FOK Tsun-ting, GBS, JP
Hon LEE Wing-tat
Hon WONG Ting-kwong, BBS, JP
Hon Ronny TONG Ka-wah, SC
Hon Cyd HO Sau-lan
Hon IP Kwok-him, GBS, JP
- Members absent** : Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
- Public officers attending** : Agenda item IV
Mr Gregory SO, JP
Under Secretary for Commerce and Economic
Development

Miss Elizabeth TSE, JP
Permanent Secretary for Commerce and Economic
Development (Communications and Technology)

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 MA Po-ho
Acting Assistant Director of Telecommunications
(Operations)
Office of the Telecommunications Authority

Agenda Item V

Mrs Rita LAU, JP
Secretary for Commerce and Economic
Development

Miss Elizabeth TSE, JP
Permanent Secretary for Commerce and Economic
Development (Communications and Technology)

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

Mr Jerry LIU
Head of Create Hong Kong

Ms Ida LEE
Principal Assistant Secretary for Commerce and
Economic Development (Communications and
Technology)B

Agenda Item VI

Miss Elizabeth TSE, JP
Permanent Secretary for Commerce and Economic
Development (Communications and Technology)

Mr Stephen MAK, JP
Deputy Government Chief Information Officer
(Consulting and Operations)

Miss Joey LAM, JP
Deputy Government Chief Information Officer
(Policy and Customer Service)

Mr PANG Hon-chi
Chief Systems Manager (E-government Service
Delivery)
Office of the Government Chief Information
Officer

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

Action

- I. Confirmation of minutes of meeting**
(LC Paper No. CB(1)860/10-11 -- Minutes of meeting held on
8 November 2010)

The minutes of the meeting held on 8 November 2010 were confirmed with the inclusion of the attendance of Hon CHAN Kam-lam.

- II. Information papers issued since the last meeting**
(LC Paper No. CB(1)755/10-11(01) -- Press release on consumer
advice on the use of mobile
data services issued by the

Office of the
Telecommunications
Authority on 9 December
2010

LC Paper No. CB(1)888/10-11(01) -- Press releases on Industry Code of Practice for Telecommunications Service Contracts issued by the Office of the Telecommunications Authority and the Communications Association of Hong Kong on 21 December 2010)

2. Members noted that the above papers had been issued for the Panel's information.

3. The Chairman informed members that the Administration had provided an update on the progress of the Internet Learning Support Programme (ILSP) (LC Paper No. CB(1)1023/10-11(01)) issued on 10 January 2011. The Chairman suggested and members agreed that the matter be discussed at the Panel's regular meeting in March 2011.

(Post-meeting note: With the concurrence of the Panel Chairman, ILSP would be discussed under the agenda item "Progress Report on digital inclusion" at the regular meeting scheduled for 14 March 2011.)

III. Date of next meeting and items for discussion

(LC Paper No. CB(1)932/10-11(01) -- List of outstanding items for discussion

LC Paper No. CB(1)932/10-11(02) -- List of follow-up actions)

4. Members noted that the next regular Panel meeting would be held on Monday, 14 February 2011 at 2:30 pm to discuss the following items:

- (a) Update on the operation of the Hong Kong Post Certification Authority e-Cert services; and
- (b) New initiatives of Radio Television Hong Kong (RTHK).

5. On (b) above, the Chairman said that further to the letter from the Secretary for Commerce and Economic Development issued to members dated 3 December 2010 regarding RTHK's new developments (LC Paper No. CB(1)682/10-11(01)), the Administration would brief members on the proposed new initiatives of RTHK at the next meeting scheduled for 14 February 2011. Referring to the submission from the RTHK Programme Staff Union referred by Hon Emily LAU regarding views on the development of RTHK's digital audio broadcasting, the Chairman suggested and members agreed that the concern raised be also addressed at the February meeting.

(Post-meeting note: At the request of the Administration and with the concurrence of the Panel Chairman, the item "Strengthening of the directorate support for Radio Television Hong Kong" was included in the agenda for the meeting to be held on 14 February 2011. Members were notified of the revised agenda vide LC Paper No. CB(1)1122/10-11 issued on 21 January 2011)

6. The Chairman reminded members that the Panel would conduct a visit to the Cyberport on 18 January 2011. So far, seven members including himself had indicated interest in the visit. He invited members who were interested in the visit to confirm their attendance with the Secretariat as soon as possible.

IV. Update on digital terrestrial television

(LC Paper No. CB(1)932/10-11(03) -- Administration's paper on progress update on the implementation of digital terrestrial television broadcasting

LC Paper No. CB(1)932/10-11(04) -- Paper on progress of the implementation of digital terrestrial television broadcasting in Hong Kong prepared by the Legislative Council Secretariat (updated background brief)

LC Paper No. CB(1)996/10-11(01) -- Administration's paper on progress update on the implementation of digital terrestrial television broadcasting (power-point presentation material))
(*tabled at the meeting and subsequently issued via e-mail on 11 January 2011*)

Presentation by the Administration

7. At the invitation of the Chairman, the Under Secretary for Commerce and Economic Development (USCED) and Principal Assistant Secretary for Commerce and Economic Development (Communications and technology)A (PAS(C&T)A) briefed members on the latest progress of implementation of the digital terrestrial television (DTT) services covering the construction of DTT transmitting stations, DTT take-up and public response, DTT programme channels, market supply of DTT receivers, and publicity.

Discussion

Coverage of DTT services

8. Mr LAU Kong-wah noted that with the completion of eight more fill-in stations in late 2010 and early 2011, the digital coverage would be extended to 89% of the population. He enquired about the ultimate coverage following the construction of another nine fill-in stations by end 2011.

9. In reply, USCED said that by end 2011, the DTT coverage would be close to that of the current analogue TV broadcasting, i.e. covering 98% of the population. As the network planning for DTT broadcasting was still ongoing, it was premature at the present stage to ascertain the ultimate extent of DTT coverage.

10. Mr LAU Kong-wah expressed concern that even with 98% digital coverage, there would still be 2% of the population that could not have quality TV reception. He said that some remote areas, particular those close to the boundary, currently did not have satisfactory analogue TV reception. This would deprive residents there of their legitimate rights to enjoy quality TV services. Referring to the Administration's claim that the launch of DTT would help address the TV reception problem in remote areas, he urged the Administration to strive to achieve a 100% coverage. Sharing a similar concern, Ms Emily LAU called on the Administration to follow up closely with the two domestic free TV service licensees on network planning and the resources for the construction of transmitting stations. She said that the

Panel should re-visit the issue in two to three months' time.

11. On the network planning for DTT broadcasting, the Deputy Secretary for Commerce and Economic Development (Communications and Technology)(DSCED) assured members that the Asia Television Limited (ATV) and the Television Broadcasts Limited (TVB), along with the Office of the Telecommunications Authority (OFTA), would examine how best to maximize the DTT coverage and, at the same time, endeavour to address the problem of TV reception in those remote areas currently suffered from unsatisfactory analogue TV reception.

12. The Chairman referred to the Administration's reply to the question raised by Hon KAM Nai-wai at the Legislative Council meeting on 20 January 2010. He said that apart from the remaining 2% of the population in remote areas currently not covered by TV services, the digital coverage had yet to be extended by 9% from 89% of the population in late 2010 and early 2011 to 98% by end 2011. He asked whether it was still the Government's plan to cease analogue broadcasting by end 2012.

13. USCED replied that analogue switch off would not be considered at the present stage. The Government would closely monitor developments including the market situation, the prevailing DTT take-up rate, before taking a final decision on the timing of switch off. Publicity and appropriate arrangements would also be made to ensure a smooth migration from analogue TV to DTT. At the Panel's request, the Administration would provide information on covered areas of DTT services and the locations of all fill-in stations (with the nine fill-in stations to be set up by end 2011), and the areas which were yet to be covered by such services.

Admin

Programme content

14. Ms Emily LAU enquired about the digital television programme channels of ATV and TVB. She said that most of the programmes run by ATV were originated from the Mainland, and opined that more programmes of internationally renowned channels such as the CNN should be relayed to increase programme variety. As the existing free-to-air TV service was a major source of information and entertainment for the general public in Hong Kong, Ms LAU expressed regret that only the patrons of Pay TV could watch the Asian Games. She urged the two free terrestrial TV broadcasters to increase the production and variety of their digital TV programmes. In this connection, Dr Samson TAM expressed concern about the growing phenomenon of TV stations airing programmes of exclusive broadcast rights through Pay TV channels only. He also enquired about the latest progress of the interactive services of TVB.

15. In reply, USCED said that the assessment of programme quality and standard was subjective depending on individual preferences, and the choice of programming was essentially a matter for the broadcasters to determine in response to market demand. DSCED(CT) supplemented that ATV and TVB were currently running seven and five digital TV programme channels respectively over the DTT platform via the three digital multiplexes assigned to them. The two TV service operators provided different TV programmes and services based on their business development plans and assessment of audience needs as well as market demands. For example, ATV provided one high-definition television (HDTV) programme channel and four standard definition television (SDTV) while TVB provided one HDTV programme channel, two SDTV programme channels and interactive TV services in addition to simulcast of their existing analogue channels.

16. DSCED(CT) further advised that the interactive TV services of TVB mainly included news, weather, and financial information. Licence conditions were included for ATV and TVB to improve their programme services and to increase the amount of their HDTV programming, taking into account public views on their performance in the mid-term review of the domestic free TV programme service licences. Moreover, the two licensees would have to participate in annual public engagement activities (in the form of focus group discussions) to be conducted by the Broadcasting Authority. He said that the Pay TV had the exclusive broadcast rights of the Asian Games.

17. In response to Dr Samson TAM, The Acting Assistant Director of Telecommunications (Operations) of the Office of the Telecommunications Authority explained that currently each of the two free terrestrial TV services operators was assigned with one radio frequency channel with a bandwidth of 8 MHz for the provision of new digital terrestrial TV services. From a technical perspective, each of these radio frequency channels could support a data throughput of about 20 Mbits/sec. At the Panel's request, the Administration undertook to provide information on the programme content and development plan of ATV, TVB and Radio Television Hong Kong (RTHK) on increasing the production of HDTV programme.

Admin

18. Mr CHAN Kam-lam noted that, according to the latest public survey conducted in September 2010, about 61% of the households in Hong Kong received DTT services. He expressed concern about the low DTT penetration rate, and enquired about the reasons for the slow take-up and measures to be taken by the Administration to boost DTT take-up. He also opined that the two free TV operators should increase their HDTV programmes so as to attract more viewers to switch to DTT services.

Sharing a similar view, Dr Samson TAM said that the production of innovative digital programmes should be strengthened to attract more viewers. He called on the Administration to assess the impact of the development of integrated digital TV (iDTV) on the DTT penetration rate.

19. DSCED replied that the penetration rate (61% in 3 years) achieved in Hong Kong compared favourably to that of Australia (74% in 8 years), Japan (90% in 7 years) and South Korea (33% in 8 years). He believed that the penetration rate would increase steadily with the much improved audio-visual experience brought about by DTT, the growing variety and choice of iDTV and set-top boxes available in the market at a decreasing price, and the rising public awareness of DTT due to publicity.

20. Mr LEE Wing-tat enquired about the audience ratings of channel 13 (TVS), channel 14 (CTI-Asia), channel 15 (CCTV 4) and channel 17 (Shenzhen Satellite Channel). He said that as far as he was aware, few people watched these channels and many considered it a waste of spectrum which was a scarce public resource. He opined that the spectrum could be better deployed for the use of independent community groups for public access broadcasting. Sharing a similar view, the Chairman opined that while the two broadcasters had their own business development strategies, they should make good use of the allocated spectrum to offer a wide variety of quality programme choices to viewers. At Mr LEE's request, the Administration would provide information on the audience ratings of the above-mentioned channels in the past six months.

Admin

RTHK's future development of digital terrestrial television

21. Mr Ronny TONG expressed regret that the Administration's paper failed to include information on the DTT development of RTHK. Noting that RTHK had no TV transmission network of its own, he asked whether the Administration had any long-term plan for RTHK to develop its DTT services, including the resource allocation for the launch of DTT and the timetable for establishing DTT transmission network of its own so as to enable RTHK to use part of its airtime for community participation in broadcasting.

22. The Permanent Secretary for Commerce and Economic Development (Communications and Technology) (PSCED(CT)) acknowledged that RTHK did not have its own TV transmission network nor any experience in the operation of a TV station. Its output of 570 hours a year of TV production were broadcast through the two commercial domestic free TV broadcasters. She said that appropriate resources would be set aside for RTHK to develop its DTT service in a progressive and step-by-step manner in the coming few years. RTHK would be committed to establishing its own DTT transmission network, including discussing with the two free-to-air TV broadcasters on the rental of suitable hilltop sites, purchasing transmitters, equipment and conducting technical trials. At the request of Mr Ronny TONG, the Administration undertook to provide detailed information on RTHK's future plan on the development of DTT services, including the resource allocation for the launch of DTT services and the timetable for establishing the DTT transmission network.

Admin

V. Update on the work of the Create Hong Kong

(LC Paper No. CB(1)932/10-11(05) -- Administration's paper on update on the work of the Create Hong Kong

LC Paper No. CB(1)932/10-11(06) -- Paper on the work of the Create Hong Kong in promoting the development of creative industries prepared by the Legislative Council Secretariat (updated background brief)

LC Paper No. CB(1)996/10-11(02) -- Administration's paper on update on the work of the Create Hong Kong (power-point presentation material)
(tabled at the meeting and subsequently issued via e-mail on 11 January 2011)

Presentation by the Administration

23. At the invitation of the Chairman, the Secretary for Commerce and Economic Development (SCED) briefed members on the work of the Create Hong Kong (CreateHK) since its establishment in June 2009 and the achievements made to drive the development of Hong Kong's creative industries under the seven-pronged strategies promulgated. The Principal

Assistant Secretary for Commerce and Economic Development (Communications and Technology)B (PAS(CT)B) then gave a power-point presentation updating members on the work of the CreateHK as well as programmes and events funded under the various funding schemes administered by CreateHK to support the local creative industries.

Discussion

Nurturing talents

24. Ms Cyd HO said that despite the Administration's claim to build Hong Kong into a regional creative capital and to foster a conducive environment for creative industries, the Administration had not done enough on the education front to nurture creative talents in primary and secondary schools. She also expressed concern about the lack of land supply and suitable premises for new creative start-ups. She opined that few local small and medium-sized creative establishments could be able to benefit from the revitalization of the Former Hollywood Road Police Married Quarters and that the revitalization of industrial estates had resulted in an increase in rent. She called for additional measures to assist the new start-ups. In this connection, the Chairman said that there were not enough performing and exhibition venues available for artistic performances and for local artists to display their works. He opined that measures should be implemented to provide more venues and performance opportunities for local creative talents.

25. SCED replied that to help nurture the next generation creative talent for Hong Kong, the "Film and Animation Teaching Kit" for the New Senior Secondary Curriculum was launched in secondary schools to help enrich students' knowledge in art creation and appreciation through animation and films. Funding support had been provided to the Association of Accredited Advertising Agencies of Hong Kong to re-run internship programme offering some 120 on-the-job training opportunities to tertiary students and graduates aspired to enter the advertising business.

26. Regarding the film industry, SCED said that the Film Development Fund had continued to play a positive role in nurturing film talents, providing finance to small and medium sized film production companies and younger generation filmmakers in film production. Apart from the course run by the Baptist University, the one-year full-time film Professionals Training Programme operated by the Federation of Hong Kong Filmmakers was launched in September 2010 to help train up the much needed manpower for the local film industry. Continued efforts would be made to foster a creative atmosphere and promote a culture of innovation and creativity within the community.

27. Dr Samson TAM expressed concern about the brain drain of Hong Kong creative talents, particularly in the film and information technology sectors, to the Mainland and overseas which he feared might lead to the marginalization of Hong Kong and undermine its position as the regional creative hub. He urged the Administration to implement measures to help retain local talents and attract overseas talents while helping the local creative industries to gain greater access to the Mainland and overseas markets.

28. Assuring members that Hong Kong would not be marginalized, SCED advised that Hong Kong had a competitive edge and had won international acclaim for its creative industries and branding services. For example, the “Business of Design Week” featuring an overseas partner country each year had become the largest annual design event in Asia and one of the leading design events in the world. While efforts in driving the development of creative economy in Hong Kong had borne fruit, the Administration would not be complacent and would continue to strengthen the support for the development of creative industries.

29. In response to Ms Emily LAU’s concern about the low salary of film practitioners, SCED said that employment opportunities and salary level were much improved due to the increase in film productions and growing demand for film practitioners at different levels. Mr Jerry LIU, Head of CreateHK, added that film productions had increased from around 50 per year in 2008 to more than 70 each in 2009 and 2010. The Chairman said that the current number of film productions per year was still low as compared to the peak period. He opined that there were not enough actors in Hong Kong to meet the vast demand of the Mainland market.

30. Mr LEE Wing-tat referred to some press reports in the past that certain local film animators who had won an international award had been refused subsidy to attend the award presentation ceremony. He opined that to encourage local talents and promote Hong Kong’s creative industries, the Administration should be more proactive in giving recognition to these animators. He suggested that a mechanism should be put in place to sponsor local creative talents to attend award presentations overseas.

31. In reply, SCED said that apart from supporting local creative talents to take part in renowned international competitions and promotional events so as to provide them with the opportunities to gain overseas exposure and recognition, the Administration had taken every opportunity to commend local creative talents for their outstanding achievements in Hong Kong and overseas. As there were numerous overseas competitions in various creative industry sectors, it was necessary, in collaboration with the industries

concerned, to gather information about the competitions and to draw up criteria for sponsoring participation in international competitions and award presentation ceremonies.

32. Ms Emily LAU expressed concern that there were only about 176 000 practitioners in the creative industries of Hong Kong, and few were experts in arts and culture. She enquired about the benchmarking target against which the Administration would assess and evaluate the effectiveness and benefits of the various initiatives.

33. SCED replied that the number of practitioners quoted (176 000) was the figure for 2008 and it was likely that the number would increase. She said that there was presently no internationally recognized standard benchmarking to measure the effectiveness and the benefits of creative industries. Taking the Gross Domestic Product (GDP) as an example, she said that creative industry-related establishments in Hong Kong made up around 4% share of Hong Kong's GDP, a level that compared favourably to that of the United Kingdom (7%) which included performing arts, and that of the South Korea which had taken into account toys, mobile phones, etc.

34. Mr IP Kwok-him called on the Administration to step up publicity and promotion efforts, such as organizing mega international events, to showcase Hong Kong's creativity and help raise the profile of Hong Kong's creative industries. Citing the signature events to be held in 2011 such as the annual Entertainment Expo, the Hong Kong Asian-Pop Music Festival, the Asia Rainbow TV awards and the Asian Online Games Awards, SCED said that continued efforts would be made to strengthen the city's position as a creative capital in the international arena.

Other concerns

35. Ms Cyd HO expressed concern over a substantial decrease in the number of political satire TV programmes and films after the handover. She opined that creativity could only flourish with freedom of expression, and feared that too much restrictions and censorship after 1997 would inhibit the development of creative industries.

36. SCED disagreed that there were any restrictions and censorship. She said that Hong Kong was a free society and the Government was committed to upholding freedom of expression which was a basic right guaranteed by the Basic Law. The content of TV programmes and film productions would depend on the creativity of, and the choice by the production personnel as well as the preferences of the audience.

VI. New hosting infrastructure for e-government services

(LC Paper No. CB(1)932/10-11(07) -- Administration's paper on new hosting infrastructure for e-government services)

Presentation by the Administration

37. At the invitation of the Chairman, the Permanent Secretary for Commerce and Economic Development (Communications and Technology) PSCED(CT) and the Deputy Government Chief Information Officer (Consulting and Operations) DGCIO (C&O) briefed members on the proposal to develop a new hosting infrastructure to meet the anticipated growing demand for hosting services from bureaux and departments to support the further development of e-government services. It was estimated that the new hosting infrastructure, when fully developed, would be able to host 100 additional e-government services on top of the current 118 services being hosted by the E-Government Infrastructure Services platform. PSCED(CT) invited members' support in seeking Finance Committee (FC)'s approval for a non-recurrent provision of \$135 million over a four-year period from 2011-12 to 2014-15.

Discussion

38. Dr Samson TAM enquired about the number of existing data centres and the cost effectiveness of the new hosting infrastructure. In reply, DGCIO(C&O) said that currently about 30 data centres were in operation with the major ones being run by the Immigration Department, Inland Revenue Department and the Office of the Government Chief Information Officer (OGCIO). Under the strategy for cloud computing, the new hosting infrastructure with a shared hosting environment and various common modules would provide bureaux and departments with speedy, flexible and cost-effective hosting services.

39. Ms Emily LAU sought further details of the 100 new e-government services to be hosted under the proposed new infrastructure, and the estimated potential saving of \$260 million. DGCIO(C&O) explained that the services would include new initiatives such as mobile public services and personalized e-government services to be provided on MyGovHK. The new hosting infrastructure would also help support an increasingly IT-savvy population and enhance the existing e-services, such as e-tax, to meet the growing needs and rising expectations of the public. He added that the hosting capacity would be increased progressively in tandem with the actual demand growth by bureaux and departments. The OGCIO would liaise

regularly with bureaux and departments and provide up-to-date market information to promote the adoption of e-solutions.

40. On cost saving, DGCIO(C&O) advised that without a central hosting infrastructure for e-government services, bureaux and departments had to individually develop or acquire hosting services, which would be more costly than operating a centralized hosting services that would allow capacity sharing and offer the economy of scale. On the assumption that 100 new e-government services were to be introduced in the coming five years, an estimated potential saving of \$260 million in overall capital expenditure was expected.

41. The Chairman said that instead of developing or maintaining individual hosting services, it would be more cost-effective to centrally maintain a shared hosting infrastructure for bureaux and departments.

42. Mr Ip Kwok-him expressed concern about data privacy and security of the new hosting infrastructure and enquired about measures to safeguard leakage of personal data. DGCIO(C&O) assured members that bureaux and departments were required to conduct feasibility study and assess data security and privacy issues before and after launching any new information technology system and new e-government services that might involve data privacy and security.

Admin 43. Summing up, the Chairman said that the Panel supported in principle the funding proposal for the development of a new hosting infrastructure for e-government services. At the Panel's request, the Administration would address members' concern about data privacy and security of the new hosting infrastructure, and provide information on the 100 new e-government services to be hosted under the proposed new infrastructure as well as the detailed calculation of the estimated potential saving of \$260 million in the paper to be submitted to FC.

VII. Any other business

44. There being no other business, the meeting ended at 4:40 pm.