

**For discussion on
8 November 2010**

**Legislative Council Panel
on Information Technology and Broadcasting**

**Progress Report on the Mid-Term Review of
the Sound Broadcasting Licences**

Purpose

This paper updates Members on the progress of the mid-term review of the sound broadcasting licences of Hong Kong Commercial Broadcasting Company Limited (CRHK) and Metro Broadcast Corporation Limited (Metro).

Background

2. The Chief Executive in Council (CE in C) renewed the licences of CRHK and Metro in July 2003, with a validity period of 12 years from 26 August 2004 to 25 August 2016 (both dates inclusive). Condition 6.2 of the respective licences of CRHK and Metro provides that pursuant to Section 13D of the Telecommunications Ordinance (Cap.106) (TO), the licences shall be subject to review by the CE in C on or after 26 August 2010 as the CE may determine by order. Accordingly, the CE ordered on 3 September 2010 that the licences of CRHK and Metro should be reviewed from 16 September 2010 (the Review). Following established practices, the Broadcasting Authority¹ (BA) is carrying out a comprehensive assessment on the performance of the two licensees in the past six years (i.e. from 2004 to 2010) and will make a report and recommendations to the CE in C.

¹ The Broadcasting Authority is an independent statutory body established in September 1987 under the Broadcasting Authority Ordinance (BAO) (Cap. 391). Its role is to regulate licensed television and radio broadcasters in Hong Kong through provisions in the Broadcasting Ordinance (Cap. 562), the TO and the BAO.

Overall Approach

3. In assessing the performance of the licensees, the BA will consider the following aspects –

- (a) Regulatory requirements: The BA will assess the performance of the licensees against the various statutory requirements, licence conditions and codes of practice in respect of the following –
- (i) compliance with programme requirements and standards. The BA will assess whether the programmes of CRHK and Metro have complied with various requirements and standards laid down in the licences and codes of practice including positive programme requirements, language requirements, responsibility towards children and young people, accuracy and impartiality, etc.;
 - (ii) compliance with regulatory requirements on advertising and non-programme materials including advertising time limit, broadcast of announcements in the public interest and publicity material for the BA and compliance with the advertising code in respect of the provisions relating to unacceptable products or services, factual claims and programme sponsorship, etc.;
 - (iii) compliance with technical performance including service coverage, technical quality standards and service reliability, etc.;
 - (iv) compliance with the Six-year Investment Plans from 2004 to 2010 on capital and programme expenditure; and
 - (v) compliance with regulatory requirements on administrative matters including Hong Kong resident

requirements, staff training, complaints handling procedures, etc.

- (b) Investment commitments of the licensees: The licensees are required to submit their investment plans for the next six years, i.e. 2010 to 2016. The BA will assess the investment commitments of the licensees and whether the licensees have the financial capability to deliver the commitments made in the Six-year Investment Plans.
- (c) Public views on the performance of the licensees: Sound broadcasting service is a pervasive medium and is a popular source of information and entertainment for the general public. As such, the BA attaches great importance to public views on the performance of the licensees for the Review. In this regard, the BA has decided to gauge public views on the services provided by the two licensees between 16 September 2010 and 15 November 2010 through various means including public hearings, a comprehensive public opinion survey, inviting views from its Television and Radio Consultation Group (“TRCG”)² and written submissions from members of the public.

4. In addition to the above assessment, the BA will also take into account the following when making recommendations to the CE in C –

- (a) submissions from CRHK and Metro on the existing licence conditions, their experience over the last six years, their views on the current broadcasting environment and any proposed changes to the licence conditions they consider necessary to help improve the operation of their sound broadcasting services;
- (b) views of relevant government bureaux/departments so that

² TRCG is a territory-wide consultative scheme to gauge public opinions on television and radio broadcasting standards. Members join the scheme on a voluntary basis. The TRCG currently comprises about 540 members, recruited largely on the basis of the population characteristics of the 18 districts supplied by the Census and Statistics Department.

the BA can take into account the relevant policy and technical considerations to ensure that its regulatory approach meets the development needs of Hong Kong's broadcasting sector and is in line with international best practices; and

- (c) changes to the licence conditions that need to be recommended in light of the evolving broadcasting environment and the expectations of listeners.

Latest Development

Assessment of the Licensees' Performance

5. The BA has started to conduct its assessment on the licensees' compliance with various regulatory requirements and their financial commitments, as well as the public consultation exercise. It intends to complete the assessment in the next few months.

Public Views

6. In line with past practices, the BA has commissioned an independent research firm to conduct an opinion survey from July to November 2010 to gauge public views on the licensees' services, including programme standards and the quality and diversity of programmes through face-to-face interview with around 1,600 households using a random sampling methodology. The fieldwork of the opinion survey is expected to be completed in November 2010.

7. Condition 6.4 of the licences of CRHK and Metro provides that the BA may conduct any public hearing for the purposes of the Review. Following past practices, the BA has widely publicized the public hearing forums through different means, including the broadcast/publication of announcements on television and radio, at the websites of the BA and the licensees etc. and in newspapers. The BA has issued an information booklet summarising the regulatory requirements for sound broadcasting, the programme types of the licensees' services, the complaints handled by the BA and the licensees'

investment plans (at **Annex A**). The information was also uploaded onto the BA's website (i.e. www.hkba.hk). Two public hearings were held on 24 September and 13 October 2010 and attended by 340 members of the public. A summary of the views raised at the public hearings are at **Annex B**.

8. As at end October, the BA has received 61 written submissions. The BA will publish a summary of public views collected and the findings of the opinion survey in due course.

The BA's regulatory approach

9. The Government is committed to ensuring the efficient use of frequency spectrum, which is a scarce public resource. We have a robust licensing and monitoring regime in place to ensure that sound broadcasting operators are capable of providing services that are in compliance with the prevailing broadcasting standards to the public. The BA has all along adopted a light-handed and market-led approach in the regulation of broadcasters. This fundamental regulatory principle is in line with international best practices.

Advice Sought

10. Members are invited to note the progress of the Review as explained above. Upon completion of the assessment, the BA will submit its report and recommendations including proposed licence amendments to the CE in C for decision.

Commerce and Economic Development Bureau &
Broadcasting Authority Secretariat
November 2010

The Public Hearing Sessions

Hong Kong Island Session

Venue: Youth Square 238 Chai Wan Road, Chai Wan, Hong Kong
Date : 24 September 2010 (Friday)
Time : 7 pm – 9 pm

Kowloon and New Territories Session

Venue: Tsuen Wan Town Hall 72 Tai Ho Road, Tsuen Wan, New Territories
Date : 13 October 2010 (Wednesday)
Time : 7 pm – 9 pm

Please call the hotline 2594 5926 or visit the website of the Broadcasting Authority (BA) at www.hkba.hk for reservations. Reservation for the Hong Kong Island Session starts from 16 September 2010. For Kowloon and New Territories Session, reservation starts from 6 October 2010.

The public hearings will be conducted in Cantonese. English simultaneous interpretation service may be provided if required. Participants requiring such services should make this clear when making the reservation so that necessary arrangements can be made.

Background

In July 2003, the sound broadcasting licences of Hong Kong Commercial Broadcasting Company Limited (CRHK) and Metro Broadcast Corporation Limited (Metro) were renewed for a validity period of 12 years from 26 August 2004 to 25 August 2016. Condition 6.2 of the respective licences of CRHK and Metro provides that pursuant to section 13D of the Telecommunications Ordinance (Cap.106), the licence shall be subject to the review by the Chief Executive in Council (CE in C) on or after 26 August 2010 as the Chief Executive (CE) may determine by order. Accordingly, the CE specified by notice in the Gazette on 3 September 2010 that the licences of CRHK and Metro be subject to review from 16 September 2010. Following the established practice, the BA, the statutory body that regulates the broadcasters in Hong Kong, will evaluate the licensees' performance against the various statutory requirements and licence conditions and make recommendations to the CE in C for the purpose of this mid-term review. Taking into account the need for transparency and a reasonable period to collect public views, the BA has decided to carry out a two-month consultation from 16 September 2010 to 15 November 2010. As part of the consultation exercise, the BA will conduct two public hearings to obtain public feedback on the services of CRHK and Metro.

Basic Rules to be observed during the Public Hearings when discussions are open to the floor

- The Chairman will decide on the order of the speakers.
- In order to accommodate as many speakers as possible, each speaker will be allocated 3 minutes.
- The public hearings are not intended to be question-and-answer sessions for the BA or the licensees. The hearing sessions are intended to obtain comments and opinions from members of the public on the performance of the licensees. The opinions expressed at the public hearings will be collated into a report for publication. Members of the public may also submit their opinions in writing to the Television and Entertainment Licensing Authority. It is assumed that such submissions are not made in confidence. The BA may publish the submissions received in whole or in part at the website of the BA unless requested otherwise.
- All participants should respect the right of others to freely express their views at the hearings and should not disturb or interrupt the conduct of the hearings, by whatever means, including holding up/waving placards or banners.

Programme rundown

6:45 pm	Admission for members of the public
7:05 pm	Welcoming remarks by the Chairman of the BA
7:10 pm	Presentation by CRHK
7:25 pm	Presentation by Metro
7:40 pm	Comments from the floor
9:00 pm	End of public hearing

Topics to be raised

Views will be sought on the performance of the licensees and the sound broadcasting services they offered in the past six years. To assist members of the public to express their informed opinions on the licensees' services, a summary of the current requirements, the licensees' services, complaints records and the licensees' investment plans are set out in this brochure for reference.

Highlights of Existing Programming and Advertising Requirements

Programming Requirements

Broadcast of Specified Types of Programmes

1. The licensees shall broadcast –
 - (a) on any one channel, a minimum of two comprehensive news bulletins of not less than 10 minutes each between 12:00 noon and 12:00 midnight, half-hourly news and weather reports between 6:00 a.m. and 12:00 midnight, and hourly news and weather reports for the remaining hours of broadcasting unless to do so would cause unreasonable interruption of its broadcast programmes; and
 - (b) on the remaining channels, hourly news and weather reports throughout the day.
2. The licensees shall broadcast a minimum of 90 minutes of current affairs programmes in its services each week between 8:00 a.m. and 12:00 midnight.
3. The licensees shall broadcast on the Chinese language service a minimum of one half-hour programme each week between 8:00 a.m. and 12:00 midnight which is intended and suitable for the education and proper development of young person (aged 16 to 24) in Hong Kong.
4. The licensees shall broadcast on one or two of its services, one of which must be the Chinese language service, a minimum of two half-hour programmes each week between 8:00 a.m. and 12:00 midnight which are intended for the particular requirements of senior citizens (over the age of 60) in Hong Kong.
5. The licensees shall broadcast a minimum of 30 minutes of arts and culture programmes each week between 8:00 am and 12:00 midnight on any two of its services, one of which must be the Chinese language service.

Language requirements

6. 80% of the broadcast time of one channel shall be in Cantonese, and 80% of another channel should be in English. There is no language requirement for the third channel.

General Programming Standards

7. The licensees should ensure that their programmes are handled in a responsible manner and that they should avoid needlessly offending audience by what they broadcast. The licensees should not include in their programmes any material which is indecent, obscene, of bad taste or denigrating.
8. Any programme containing material which is likely to offend or disturb some people should carry a warning to that effect at the beginning of the programme.

Responsibility toward Children and Young People

9. The licensees should not schedule programmes targeting adult listeners at times when they normally broadcast programmes targeting children or young persons. The standards relating to language, violence and sex should be strictly observed in programmes which might reasonably be expected to hold the attention of children and young people.

Accuracy and Impartiality

10. News should be presented with accuracy and due impartiality. Correction of factual error should be made as soon as practicable after the original error.
11. The licensees must ensure that due impartiality is preserved in factual programmes dealing with matters of public policy or controversial issues of public importance in Hong Kong.

Fairness

12. The licensees should take care not to distort or misrepresent views of interviewees.

Personal View Programmes

13. "Personal view programmes" are programmes in which the programme hosts and, sometimes, individual contributors put forward their own views. The nature of a personal view programme must be identified clearly at the start of the programme.
14. Opinions expressed in personal view programmes should not rest upon false evidence.
15. A suitable opportunity for response to the programme should be provided.

Crime

16. Criminal activities, when depicted, must be consistent with and reasonably related to plot and character development.
17. Crime should not be portrayed in a favourable light.
18. The presentation of criminal techniques in such a way as to be instructional or to invite imitation should also be avoided.
19. Depictions containing detailed instructions for, or illustrations of, the use of illegal drugs, harmful devices or weapons are not permitted.
20. Depictions of triad ceremonies, rituals, hand signs, etc., and triad expressions not generally accepted in daily language should be avoided.
21. Glorification of criminals, the power of triads and membership in a triad society should be avoided.

Gambling

22. No programme should be presented in a manner which encourages or offers instructions in gambling.

Language

23. Expressions considered vulgar by an average person are to be avoided. Expressions that are definitely offensive are prohibited from use on radio.

Violence and Sex

24. Programmes should present such objects as violence and sex without undue emphasis and only as required by plot development or character delineation. Violence, physical or psychological, should only be projected in responsibly handled contexts and not be used in excess or in an exploitative manner. The depictions of material reflective of sexual considerations should be handled with sensitivity.

Indirect Advertising

25. No undue prominence may be given in any programme to a product, service, trademark, brand name or logo of a commercial nature or a person identified with the above so that the effect of such reference amounts to advertising.

Advertising Requirements

Advertising Time Allowance

1. The licensees shall not broadcast on any day advertising material which exceeds in total 12% of the time which broadcasting takes place on that day.

Broadcast of Announcements in the Public Interest (APIs) and BA Publicity Material

2. The licensees shall broadcast, as the BA may determine, APIs on each of its services not exceeding 1 minute in any clock hour and BA publicity material, in each of its services, twice daily for not more than 1 minute between 6:00 p.m. and 11:00 p.m., subject to a weekly maximum of 5 minutes in each of its services.

Restrictions on Advertising Materials

3. Advertising should be legal, clean, honest and truthful, advertisements must be clearly distinguishable as such and be recognisably separate from the programmes, and advertisements must comply with the laws of Hong Kong.
4. A sponsored programme must be clearly identified as such.
5. No bona fide news programmes comprising local or international news item may be sponsored.
6. All factual claims and best selling claims should be capable of substantiation.
7. Advertisements for the following products or services are not acceptable :
 - (a) tobacco products;
 - (b) fortune tellers and the like;
 - (c) undertaker or others associated with death or burial (except advertisements for columbaria);
 - (d) unlicensed employment services, registries or bureaux;
 - (e) night clubs, dance halls, massage parlours, sauna houses, bath houses or similar establishments in which hosts/hostesses are employed for the primary purpose of attracting or entertaining customers or in which floor shows or other live performance or activities involving sexual behaviour are presented;
 - (f) escort and dating services targeting young persons under 18;
 - (g) pay per call information services which offer adult material of a sexual nature;
 - (h) organisations/companies/persons which advertise for the purpose of giving betting tips; and
 - (i) betting (including betting pools).
8. Indirect advertising of the unacceptable product or service is unacceptable.
9. Advertisements for alcoholic beverages should not be broadcast between 4:00 p.m. and 8:30 p.m. and in proximity to children's programmes or programmes targeting young persons under the age of 18.
10. Advertisement for a medical preparation or treatment should not contain any reference to a prize competition or promotional scheme involving gifts, premium offers and samples, etc.
11. Products of a personal nature, such as female sanitary products and condoms, etc., should be presented with care and sensitivity.
12. No advertisement of a political nature shall be broadcast except with the prior approval of the BA.

The Licensees' Services

Background

CRHK and Metro each operates two Cantonese FM channels and one English AM channel. The Cantonese channels are CR1¹ and CR2² of CRHK; and Metro Info³ and Metro Finance⁴ of Metro. The English channels are AM864⁵ of CRHK and Metro Plus⁶ of Metro.

Broadcast Hours

During the period from August 2004 to July 2010, the six channels of CRHK and Metro (i.e. CR1, CR2, AM864, Metro Info, Metro Finance and Metro Plus) provided a total of 311,900 broadcast hours. All channels were broadcast round-the-clock.

¹ CR1 is an information channel targeting mature audience, providing news, current affairs, financial and personal view programmes.

² CR2 is an entertainment channel featuring pop culture and music targeting young listeners.

³ Metro Info (formerly Metro Showbiz) provides music and entertainment programmes as well as programmes on lifestyle, health, market news and information of interest to the public.

⁴ Metro Finance provides real-time news and information about financial markets around the world.

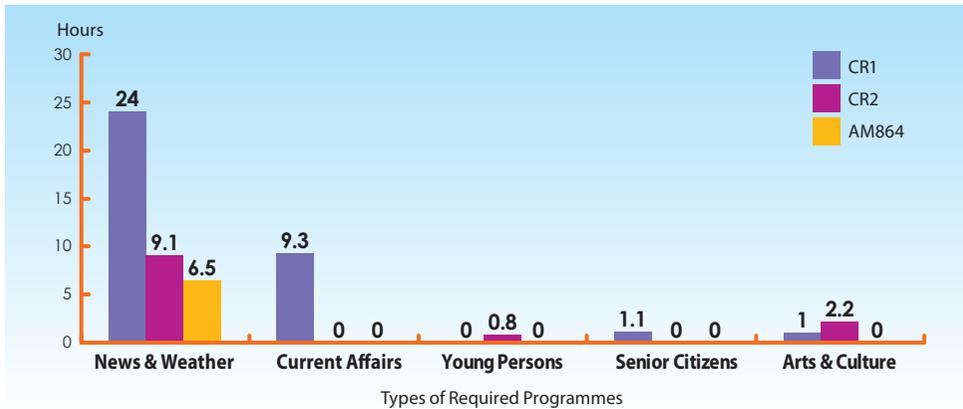
⁵ AM864 provides music programmes, hourly news reports and programmes for ethnic minorities like Filipinos in Hong Kong.

⁶ Metro Plus provides music programmes, hourly news reports and programmes for ethnic minorities like Indians, Indonesians and Filipinos in Hong Kong, as well as immigrants from the Mainland.

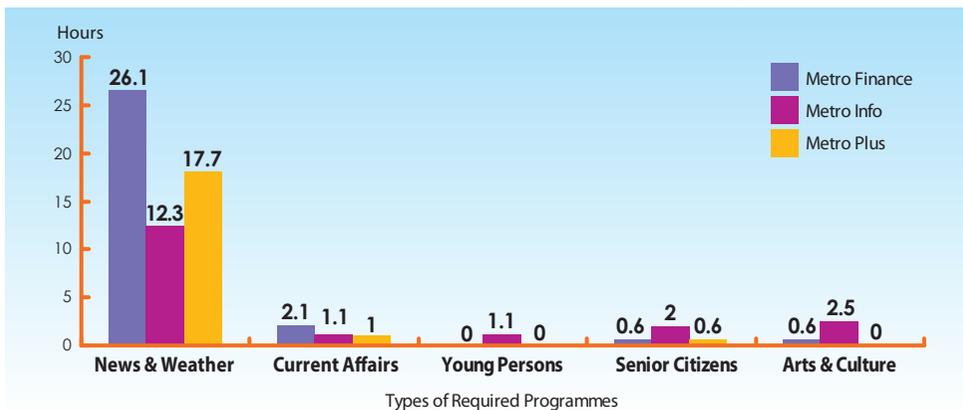
Positive Programmes

Each licensee is required to broadcast at least 6.3 hours of positive programmes⁷ per week. During the period from August 2004 to July 2010, the weekly average broadcast hours of positive programmes provided by CRHK and Metro are respectively 54 hours and 67.7 hours. Details are shown in the following charts:

Weekly Average of Broadcast Hours of Required Types of Programmes on CRHK



Weekly Average of Broadcast Hours of Required Types of Programmes on Metro

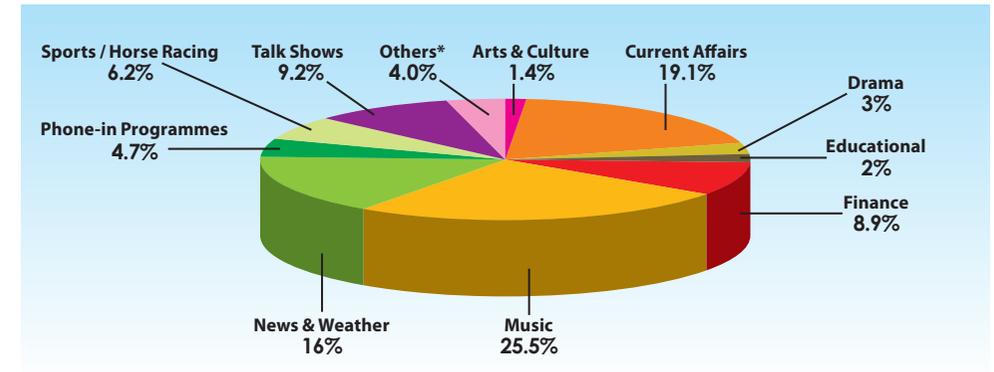


⁷ The licensees are required under their licences to broadcast news and weather programmes, current affairs programmes, arts and culture programmes and advisory programmes, viz. programmes for young persons and senior citizens.

Programme Types

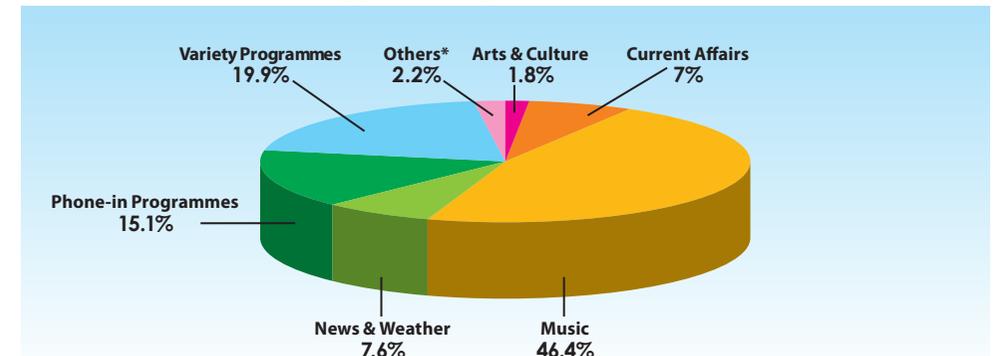
The different genres of programmes provided by CRHK and Metro are shown in the following charts:

Types of Programmes on CR1



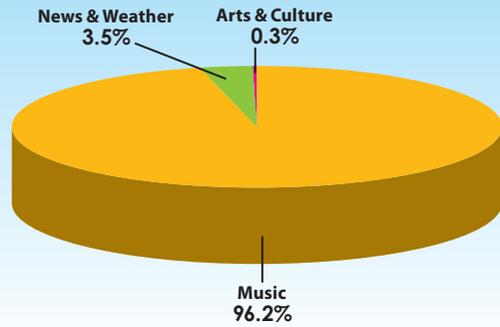
* Others include game shows (1.1%), interviews (0.4%), live feed programmes (0.1%), magazine programmes (1.3%), outside broadcast programmes (0.1%), religious programmes (0.1%), variety programmes (0.3%) and programmes for senior citizens (0.6%).

Types of Programmes on CR2

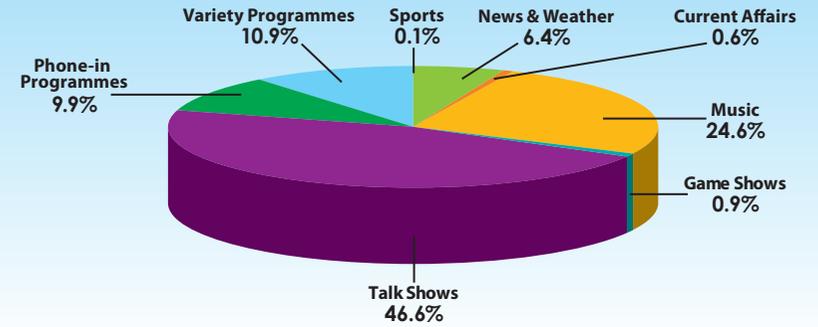


* Others include drama (0.5%), educational programmes (0.1%), finance programmes (0.1%), game shows (0.2%), interviews (0.1%), live feed programmes (0.1%), magazine programmes (0.2%), outside broadcast programmes (0.4%), sports programmes (0.1%) and talk shows (0.4%).

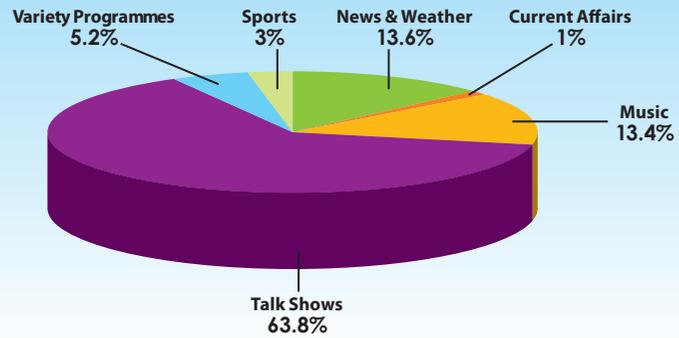
Types of Programmes on AM864



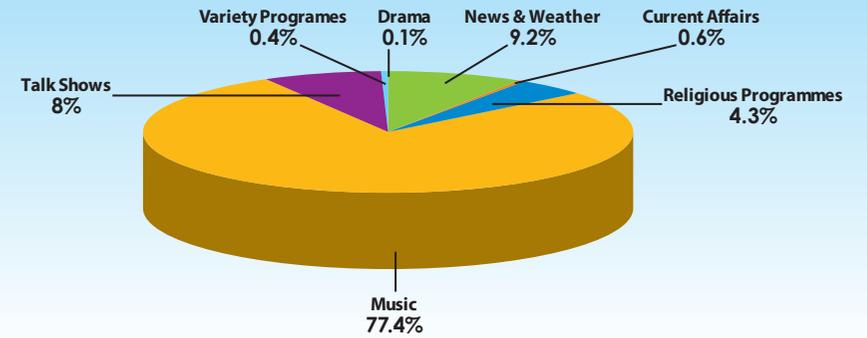
Types of Programmes on Metro Info



Types of Programmes on Metro Finance



Types of Programmes on Metro Plus



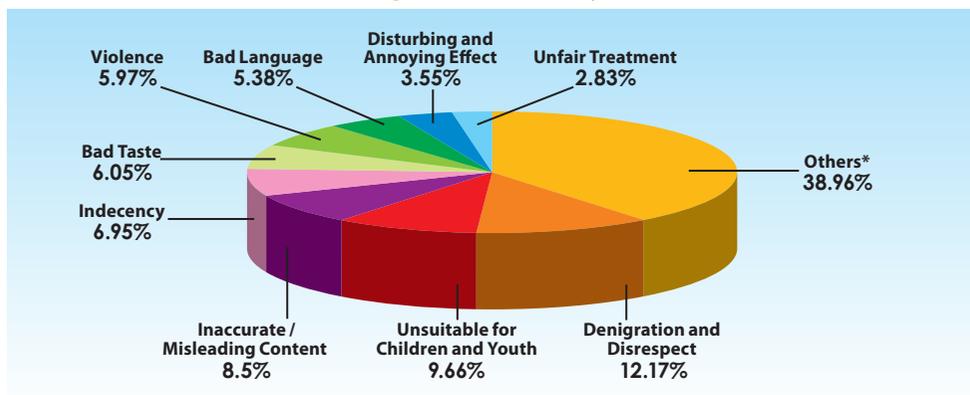
Complaints Records

Complaints about Programme Materials

During the period from August 2004 to July 2010, the licensees broadcast a total of 296,950 programming hours and a total of 2,861 complaints (937 cases) relating to programme standards were received. Among these complaints, 88% were about CRHK, 11% about Metro, and 1% about both CRHK and Metro. The three cases attracted most complaints over the period and were substantiated are: 901 complaints in 2010 about the programme "Night Rider 18" (十八全人愛落區) broadcast on CR1 and CR2 alleging that the sponsored programme constituted political advertising which is prohibited unless prior approval has been given by the BA and contravened the requirements for programme sponsorship; 284 complaints in 2006 about the programme "So Fab" (架勢堂) broadcast on CR2 in which the programme hosts' remarks invited listeners to vote for the female artistes they most wanted to indecently assault; 3 complaints in 2005 about the use of foul expressions in the programme "He She Hit" (她他她打嚟) broadcast on CR2. For the first case, the BA imposed a financial penalty of \$30,000 on CRHK. For the second case, the BA imposed a financial penalty of \$140,000 on CRHK and also directed the licensee to broadcast an apology. The BA imposed a strong advice for the third case.

Most of the complaints about programme materials were related to denigration and disrespect (12.17%), unsuitable for children and youth (9.66%), inaccuracy and misleading content (8.5%), indecency (6.95%) and bad taste (6.05%). The following chart shows the detailed breakdowns of complaints on programme materials by nature:

**Nature of Complaints About Programme Materials on CRHK and Metro
(26 August 2004 - 31 July 2010)**



* Others include indirect advertising, editing and technical faults, inappropriate broadcast time, horror, adult nature material, programme changes/scheduling, sex, triad theme, superstition and bad theme.

Of the 2,861 complaints received during the period under review, 1,528 complaints were classified by the Commissioner for Television Entertainment and Licensing (CTEL) under delegated authority as unsubstantiated, outside the remit of the BA or minor breaches. The BA imposed 20 sanctions on the remaining 1,333 complaints. A breakdown of the sanctions imposed by the BA is as follows:

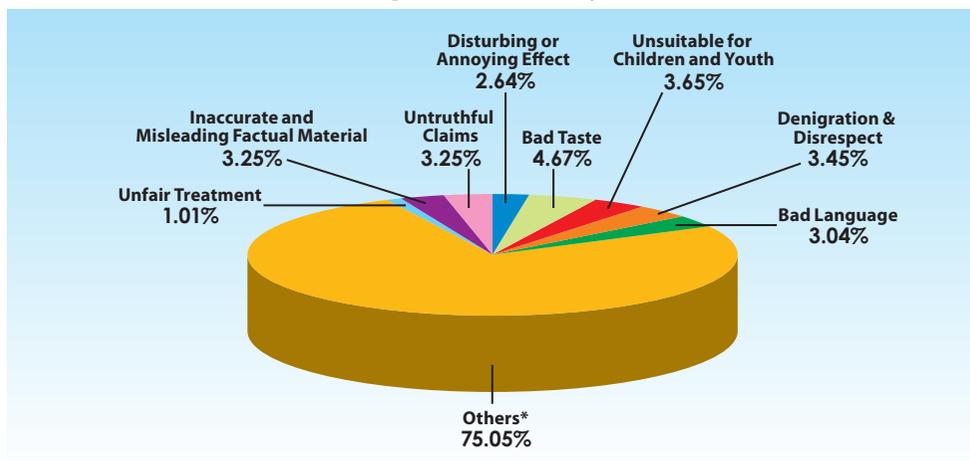
Station \ Sanction	Apology	Financial Penalty	Serious Warning	Warning	Strong Advice	Advice	Total
CRHK	1	2	0	1	5	5	14
Metro	0	2	1	0	0	3	6
Total	1	4	1	1	5	8	20

Note: The two financial penalties on CRHK involved the programmes "So Fab" and "Night Rider 18". The programme hosts of "So Fab" asked listeners to vote for the female artistes they most wanted to indecently assault. In view of the seriousness of the case and the public concern, the BA directed CRHK to broadcast an apology. "Night Rider 18" was found to constitute an advertisement of a political nature and was broadcast without the approval of the BA. The two financial penalties on Metro involved the licensee's failure to broadcast half-hourly news and to comply with the requirement on the designated language of broadcast in the English channel, i.e. 80% for one of the channels.

Complaints about Advertising and Non-programme Materials

During the period from August 2004 to July 2010, the licensees broadcast a total of 14,950 hours of advertisements and a total of 449 complaints (94 cases) about advertising and non-programme materials were received. Most of the complaints about advertising and non-programme materials were related to bad taste (4.67%), unsuitable for children and youth (3.65%), denigration and disrespect (3.45%), untruthful claims (3.25%) and inaccurate and misleading factual material (3.25%). The following chart shows the detailed breakdown of complaints on advertising and non-programme matters by nature:

**Nature of Complaints About Advertising / Non-Programme Materials
(26 August 2004 - 31 July 2010)**



* Others include indirect advertising, editing and technical faults, horror, indecency, sex, superstition, services/products unacceptable to be advertised, bad theme and violence.

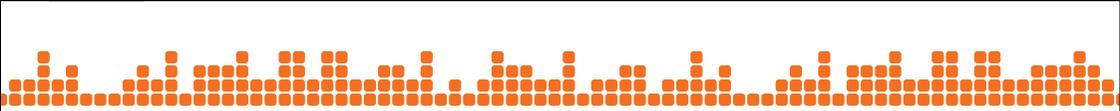
Of the 449 complaints about advertising and non-programme materials, 121 complaints were classified by the CTCL as unsubstantiated, outside remit of the BA or minor breaches. The BA imposed 7 sanctions on the remaining 328 complaints. A breakdown of the sanctions imposed by the BA is as follows:

**Sanctions on Advertising/ Non-Programme Materials
(26 August 2004 – 31 July 2010)**

Station	Sanction	Financial Penalty	Serious Warning	Warning	Strong Advice	Advice	Total
CRHK		1	0	0	1	2	4
Metro		2	0	0	0	1	3
Total		3	0	0	1	3	7

Note: The financial penalty on CRHK involved the broadcast of the advertisement for "March for Universal Suffrage" (普選大遊行), which was found to constitute an advertisement of a political nature and was broadcast without the prior approval of the BA. The two financial penalties on Metro involved the licensee's failure to broadcast 240 APIs for the period from 12 April to 30 July 2004 and 13 APIs on 12 December 2005 respectively.

Details of the complaints considered by the BA are available at <http://www.hkba.hk/en/complaints/archives.html>.



CRHK and Metro's Submissions on Investment Plans

CRHK and Metro have respectively made proposed investments for the periods from 26 August 2004 to 25 August 2010 and from 26 August 2010 to 25 August 2016 as follows:

	CRHK	Metro
26.8.2004 – 25.8.2010		
Programme production	\$1,072 million	\$554.7 million
Capital investment	\$18 million	\$12 million
Total	\$1,090 million	\$566.7 million

	CRHK	Metro
26.8.2010 – 25.8.2016		
Programme production	\$796 million	\$728 million
Capital investment	\$16.8 million	\$35.9 million
Total	\$812.8 million	\$763.9 million

CRHK has attributed the decrease in the proposed investment in 2010 – 2016 to its conservative approach in preparing the investment plan due to economic uncertainty following a huge economic downturn in 2008 and the likelihood of increasing competition in radio and general multi-media for the next six years. CRHK's proposed investment for 2010 – 2016 represents a high percentage of its predicted income and is comparable to its actual investment over the previous six years (2004 – 2010).

Metro has explained that it has increased the investment commitments for 2010 – 2016 to cater for staff development, facilities upgrade, programming improvement and other development brought by technological advancement to further enhance its service quality.

**Summary of Views
put forward at the Public Hearings
for the Mid-term Review of Sound Broadcasting Licences
on 24 September and 13 October 2010**

(A) Programme Diversity

- The licensees should broadcast a greater variety of programme genres including radio plays, informational and educational programmes, sports programmes, programmes for young persons and senior citizens, arts and culture programmes, phone-in programmes, programmes on parent-child relationship, current affairs programmes, religious programmes, programmes on health issues, general education programmes, programmes for the post-90s generation, as well as programmes on specific subjects such as information technology, film, property investment, Cantonese opera, Putonghua music, goldies from the 50s to 80s and local independent music.
- The licensees should provide in-depth analysis of social issues (e.g. gambling and alcoholism) to foster positive values among the public.
- Too many music programmes and talk shows were broadcast by the licensees.
- Informational programmes provided by the licensees were sufficient, and phone-in programmes helped enhance public participation.
- Programmes for ethnic minorities provided by Metro were sufficient. These programmes helped promote integration of ethnic minorities in the community.
- The quantity of financial and entertainment programmes provided by Metro was sufficient. The licensee should broadcast more current affairs programmes.

(B) Positive Programme Requirements

- There should be more programmes for young persons and senior citizens, as well as arts and culture programmes.

(C) Editorial Freedom and Independence of Licensees

- CRHK should not accept programme sponsorship from political parties and provide political commentaries in the programmes at the same time.
- The licensees might have self-censored their news reports and compromised their editorial independence in the wake of accepting programme sponsorship from political parties.
- CRHK should follow up on the public's concerns over the successive resignations of several famous programme hosts in CRHK which indicated that freedom of speech in radio stations was threatened.

(D) Programme Standards

- Hosts in personal views programmes were criticised for their one-sidedness and partiality. They were also criticised for not allowing sufficient opportunity for different views to be aired by terminating phone calls from members of the public who had different views.
- Some were dissatisfied with personal attacks and insensitive comments of the programme hosts. For the avoidance of attracting public complaints, programme hosts should avoid making sensational remarks with a view to challenging the BA's standards.
- Programme hosts of both licensees should be mindful of their language to avoid offending ethnic minorities.
- Some programmes were of bad taste and contained indecent materials unsuitable for broadcasting.
- The programme "Night Rider 18" broadcast by CRHK contained factual errors and misleading content.

- CRHK received many complaints about its programme materials but made little effort to improve the broadcast standards. This should be taken into consideration in the review of CRHK's licence.
- In an episode of "So Fab" broadcast on CR2, the programme hosts invited listeners to vote for the female artistes whom they most wanted to indecently assault. This was not acceptable.
- Programme presenters of Metro Finance should declare their commercial relations with financial institutions to avoid conflict of interest. In line with international practices, the presenters should be accredited by relevant professional institutions to ensure that they were qualified commentators and would not mislead the audience.
- Metro's programme "Twilight Zone" contained horrifying and disturbing content and should continue to be suspended. However, others found "Twilight Zone" appealing and urged Metro to re-launch the programme.

(E) Programme Quality

- Radio programmes should not be flooded with superficial and slapstick content. Adequate training should be provided to programme hosts to enhance their professionalism and sense of social responsibility.
- Radio programmes should help raise the audience's cultural level. Programme hosts should be better educated and use more refined language.
- Both licensees should pay attention to the accuracy of informational programmes.
- More light-hearted programmes should be produced to ease social tension.
- CRHK's drama programmes broadcast in the afternoons are of poor quality, as compared with the past. However, some found the licensee's drama programmes generally satisfactory.

- With the participation of people from all walks of life, CRHK's music programme "Share My Song" enabled listeners to understand different sub-cultures. It also helped enrich the general knowledge of youngsters. However, there were concerns that the programme was becoming commercialised.
- Some hosts of current affairs programmes on CRHK should avoid making sensational remarks.
- Programmes for ethnic minorities on Metro Plus were of good quality.
- It is difficult to comprehend the Putonghua spoken by the hosts in programmes jointly produced by Metro and radio stations from the Mainland.

(F) Programme Scheduling

- The licensees should broadcast more news and weather programmes as well as traffic news. There should be more news on road repair works, particularly during the late hours.
- Some of the late-night programmes broadcast on weekdays should be repeated in the daytime or during weekends to benefit listeners who could not stay up late.
- More music programmes should be scheduled on Sundays and public holidays.
- The licensees should broadcast more music for local independent music groups in their programmes.
- The licensees should broadcast more sports programmes and cover sports events during news reports.
- Metro should schedule more programmes suitable for young persons on the Metro Info channel.
- Some of the popular late-night programmes produced by Metro Info Channel should be broadcast earlier.

- CRHK programme “Share My Song” should be broadcast at an earlier hour.
- More simulcast programmes with Mainland radio stations should be produced.

(G) Advertising and Sponsored Programmes

- The licensees should be allowed to broadcast more advertisements to increase their revenue. Bringing entertainment to the public was the major concern. However, some commented that too many advertisements were broadcast on CRHK.
- The licensees should not broadcast political advertisements. Programmes should not be sponsored by any political parties, either. The BA should expedite its complaint handling procedures so as to facilitate earlier termination of the programmes and timely imposition of sanctions on the licensee concerned.
- At present, sufficient airtime had been reserved for the broadcast of Announcements in the Public Interest to promote government policies. There was no need to allocate extra airtime for the promotion of political parties. The licensees should be prohibited from accepting sponsorship from political parties or government departments.
- CRHK has induced resentment for accepting programme sponsorship from a political party for “Night Rider 18”. The incident also shows that the Government lacks sensitivity in political promotional programmes. The authority concerned should review the existing regulations on radio programmes and study the feasibility of opening up the airwaves to allow political promotional programming which should be subject to appropriate regulation.
- CRHK should make an apology for permitting the broadcast of political advertisement, which infringed the broadcasting regulations. All sponsorship of CRHK programmes (including current affairs programmes and music programmes) should be subject to public scrutiny in order to prevent CRHK from giving undue preference to certain parties.

- The BA should provide a clear definition of “political advertising” and set out the assessment criteria for granting its approval for the broadcast of political advertisement.
- Compared to CRHK’s sponsorship revenue of \$600,000 for the broadcast of “Night Rider 18”, the BA’s financial penalty of \$30,000 metered out to CRHK for contravening the guideline was inappropriately low.
- The BA’s complaint handling process in connection with “Night Rider 18” was inefficient.

(H) Programming Investments by Licensees

- CRHK should not have directed resources away from arts and culture programmes to develop its new media business, such as “Hong Kong Toolbar”. However, some opined that the licensees should develop new media services to keep up with technological advancement.
- CRHK’s cost-cutting measures on its production and human resources might have adverse effect on the quality of its current affairs programmes.

(I) Other Issues

- Some parts of the New Territories have suffered from unsatisfactory reception of the licensees’ services.
- To enhance the sound broadcasting quality, the Government should launch digital audio broadcasting as soon as possible.
- CRHK’s decision to withdraw its application for a digital audio broadcasting licence might affect its competitiveness vis-à-vis other operators in the future.
- There were concerns about whether Metro would be given favoritism in the review of its licence due to the influence of its owners.
- The BA should impose sanctions other than financial penalties on the licensees for breach of the codes of practice on programme standards.

- The Government should open up airwaves for public participation in broadcasting.
- The licensees should explore the sustainability of sound broadcasting services taking into consideration the intense competition from the television industry.
- The BA should introduce a credible mechanism to measure radio listenership.
- There is room for improvement for arrangements for the public hearings. For instance, the licensees' video presentation should be more relevant to their licensed services, both CRHK and Metro should respond more directly to public views, and the BA should make use of new media (e.g. web 2.0) for consultation which could enhance interactions and mutual understanding with the public.
- The information booklet for the public hearings of the mid-term review did not contain sufficient details of the complaints in connection with "Night Rider 18" broadcast by CRHK.
- There might be conflict of interest in CRHK's selection of songs for broadcast arising from the close relationship between one of its senior management staff with a senior executive of a record company. The panel members on the selection of songs for broadcast on the two licensees' services should be made known to the public in order to avoid conflict of interest.
- The licensees should collaborate with other electronic media to jointly organise a single music award ceremony. Music award ceremonies organised by the two licensees should not be broadcast exclusively on Television Broadcasts Limited.
- The number of music awards presented by Metro was excessive and might not measure up to the standards of fairness and impartiality. This undermined the credibility of the awards.
- The licensees should provide a free Internet-based programme archive service for members of the public.

- The licensees should hire more people with disabilities.
- The Government's anti-narcotics publicity project was commissioned to CRHK's "Skyhigh Creative Partners" at a low price. This would in turn be an exploitation of the production staff concerned.
- The licensees should provide more training sessions for their staff to prevent corruption and bribery.
- Some members of the public encountered difficulties when they signed up for free concert tickets distributed by the licensees.
- The licensees should organise concerts featuring local independent music groups.
- Metro should invite overseas singers to perform in Hong Kong.
- The Government should make use of airwaves to brief the public on government policies and measures.
- The BA should establish an archive of the licensees' programmes to preserve Hong Kong's broadcasting heritage.

Broadcasting Authority Secretariat
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