## 立法會 Legislative Council

LC Paper No. CB(4)503/13-14 (These minutes have been seen by the Administration)

Ref: CB4/PL/ITB/1

## Panel on Information Technology and Broadcasting

## Minutes of meeting held on Monday, 10 February 2014, at 2:30 pm in Conference Room 3 of the Legislative Council Complex

**Members present**: Hon WONG Yuk-man (Chairman)

Dr Hon Elizabeth QUAT, JP (Deputy Chairman)

Hon James TO Kun-sun

Hon Emily LAU Wai-hing, JP

Hon WONG Ting-kwong, SBS, JP Hon Ronny TONG Ka-wah, SC

Hon Cyd HO Sau-lan

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

Hon Paul TSE Wai-chun, JP Hon LEUNG Kwok-hung

Hon Claudia MO

Hon NG Leung-sing, SBS, JP Hon Steven HO Chun-yin

Hon YIU Si-wing

Hon MA Fung-kwok, SBS, JP

Hon Charles Peter MOK Hon CHAN Chi-chuen

Hon Christopher CHEUNG Wah-fung, JP

Hon SIN Chung-kai, SBS, JP Dr Hon CHIANG Lai-wan, JP

Hon Christopher CHUNG Shu-kun, BBS, MH, JP

**Members absent**: Ir Dr Hon LO Wai-kwok, BBS, MH, JP

# Public officers attending

## : Agenda item IV

## Commerce and Economic Development Bureau

Miss Susie HO, JP

Permanent Secretary for Commerce and Economic Development (Communications and Technology)

Mr Joe WONG, 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

## **Communications Authority**

Mr Raymond Roy WONG, SBS Chairman, Broadcast Codes of Practice Committee of the Communications Authority

Dr Carlye TSUI Wai-ling, BBS, MBE, JP Member, Broadcast Codes of Practice Committee of the Communications Authority

## Office of the Communications Authority

Mr Vincent LIU, JP Deputy Director-General of Communications (Broadcasting)

Miss Katy FONG Assistant Director (Broadcasting)

## Agenda item V

## Commerce and Economic Development Bureau

Miss Susie HO, JP
Permanent Secretary for Commerce and Economic
Development (Communications and Technology)

Mr Joe WONG, JP

Deputy Secretary for Commerce and Economic Development (Communications and Technology)

Mr Ivanhoe CHANG

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

Mr Jerry LIU
Head of Create Hong Kong
Commerce and Economic Development Bureau

Mr Wellington FUNG

Assistant Head of Create Hong Kong (2) Commerce and Economic Development Bureau

**Clerk in attendance**: Ms YUE Tin-po

Chief Council Secretary (4)3

**Staff in attendance** : Mr Joey LO

Senior Council Secretary (4)3

Miss Mandy LAM

Legislative Assistant (4)2

Action

## I. Confirmation of minutes of meeting

(LC Paper No. CB(4)336/13-14 -- Minutes of special meeting held on 2 December 2013)

The minutes of the meeting held on 2 December 2013 were confirmed.

Action

## II. Information paper issued since the last meeting

(LC No. -- Invitation letter the Paper from CB(4)352/13-14(01) Communications Authority on public hearings and focus group meeting on the renewal of the domestic free television programme service licences of Asia Television Limited and Television Broadcasts Limited)

2. <u>Members</u> noted that the above paper had been issued for the Panel's information.

### III. Date of next meeting and items for discussion

(LC Paper No. -- List of outstanding items for CB(4)331/13-14(01) discussion

LC Paper No. CB(4)331/13-14(02) -- List of follow-up actions

LC Paper No. CB(4)370/13-14(01) -- Letter from Hon SIN Chung-kai dated 6 February 2014 on issues relating to the resignation of Ms Jenny NG of Spectrum Value Partner, who was responsible for the consultancy study on the free TV market)

## Regular meeting on 10 March 2014

- 3. <u>Members</u> noted that the next regular Panel meeting would be held on Monday, 10 March 2014 at 2:30 pm to discuss the following items:
  - (a) Annual report on Cyberport;
  - (b) Proposed extension of a supernumerary post of Administrative Officer Staff Grade B in Radio Television Hong Kong;
  - (c) Establishment of 22 digital terrestrial television fill-in stations by Radio Television Hong Kong; and
  - (d) Renewal of the domestic free television programme service

licences.

## Special meeting in March 2014

4. The Chairman informed the meeting that the Panel would hold a special meeting in mid-March 2014 to receive views of members of the public and stakeholders on the item "Renewal of the domestic free television programme service licences of Asia Television Limited and Television Broadcasts Limited".

(*Post-meeting note*: With the concurrence of the Chairman, the special meeting was held on Saturday, 15 March 2014 at 9:00 am in Conference Room 1 of the Legislative Council Complex.)

<u>Issues relating to personnel matters of the consultant firm engaged by the Administration to study the domestic free television programme service market</u>

5. Referring to his letter of 6 February 2014 (LC Paper No. CB(4)370/13-14(01)) on issues relating to the resignation of Ms Jenny NG of Spectrum Value Partners who was responsible for the consultancy study on the domestic free television programme service ("free TV") market, Mr SIN Chung-kai proposed that the matter be discussed at the next regular Panel meeting. The Chairman proposed and the Panel agreed that the Secretariat would write to the Administration requesting for a written response on the follow-up actions taken by the Chief Executive and the Administration on the allegation made by Ms Jenny NG that the Administration had misquoted the consultancy reports on issues relating to the free TV market in order to justify the rejection of Hong Kong Television Network Limited's application for a free TV licence.

(*Post-meeting note*: The Administration's response was circulated to members vide LC Paper CB(4)430/13-14(01) on 21 February 2014)

# IV. Public consultation on the review of the regulation of editorial programmes and personal views programmes

(LC Paper No. CB(4)331/13-14(03) -- Administration's paper on public consultation on the review of the regulation of editorial programmes and personal view programmes

- LC Paper No. CB(4)331/13-14(04) -- Paper on issues relating to the review of the regulation of editorial programmes and personal view programmes (background brief))
- 6. At the invitation of the Chairman, <u>Deputy Director-General of Communications (Broadcasting)</u> ("DDGC(B)") briefed members on the background of the public consultation on the review of the regulation of editorial programmes and personal views programmes ("PVPs") conducted by the Communications Authority ("CA"). He also highlighted the CA's major proposed amendments to the relevant provisions of the Generic Code of Practice on Television Programme Standards, Radio Code of Practice on Programme Standards and Radio Code of Practice on Ancillary Visual Service Standards (collectively referred to as the "Programme Codes") governing editorial programmes and PVPs. Details of the briefing were set out in the paper provided by the Office of the Communications Authority ("OFCA") (LC Paper No. CB(4)331/13-14(03)).

#### Discussion

#### Requirement on impartiality

- 7. <u>Ms Claudia MO</u> expressed opposition to the proposed amendments to the relevant provisions of the Programme Codes. She was gravely concerned that the proposals, such as the requirement to provide a suitable opportunity for response to a PVP, would provide a shield for certain domestic free television programme service ("free TV") licensees to make use of their pervasive free-to-air services to criticize those organizations which had different political views. She considered that the CA should clearly define the meaning of "suitable opportunity for response to a PVP".
- 8. Mr Charles Peter MOK and Ms Emily LAU shared a similar view and considered that there should be sufficient checks and balances against misuse or abuse of the airwaves for political purposes. In this regard, these members sought clarification on details of the proposed requirement in respect of "a suitable opportunity for response".
- 9. <u>DDGC(B)</u> advised that the Administration and the CA attached great importance to freedom of expression and respected the editorial independence of the licensees who should have the right to express their own views through any platforms, including on their service. Nevertheless, there should be sufficient safeguards to ensure that a suitable opportunity for

response and a sufficiently broad range of views were provided and that the audience was adequately informed of the nature of the programmes so as to enable them to form their own assessment of the views expressed. The channel of response should be provided on the same platform and targeting the like audience within an appropriate period if it could not be provided within the same programme. However, a channel of response through only a different platform (e.g. a forum on the licensee's website) was not appropriate.

- 10. <u>DDGC(B)</u> added that the current review of the CA sought to identify how the Programme Codes could be amended so as to strike a proper balance between licensees' right to freedom of expression and a more responsible use of their broadcast right which met the aspiration of the community as a whole. In response to Mr YIU Si-wing's enquiry, <u>DDGC(B)</u> advised that the proposed amendments would apply to TV and radio programme licensees but not web-based broadcasters.
- 11. <u>Chairman of Broadcast Codes of Practice Committee of the Communications Authority</u> said that a broadcasting licensee as a legal person should not be deprived of its freedom of expression. Nevertheless, there should be certain safeguards in place to ensure that the broadcasters' editorial opinion should be clearly labelled and that suitable opportunity for response and a sufficiently broad range of views were provided.
- 12. <u>Mr CHAN Chi-chuen</u> and <u>Ms Cyd HO</u> opined that the proposed amendments on the regulation of editorial programmes and PVPs were a double-edged sword in that they could provide a safeguard against abuse of the freedom of expression on the one hand, and be used to sanction the more vocal licensees for broadcasting programmes on matters of controversy on the other. In this regard, <u>Dr Elizabeth QUAT</u> considered that care should be exercised to strike a balance between safeguarding the freedom of expression and safeguarding against abuse of such freedom by the licensees.
- 13. Sharing a similar view, the Chairman considered that the proposed amendments were an expedient solution, albeit not an ideal one, to address the public concerns over programmes presenting a licensee's views in the form of PVPs. In this regard, Mr NG Leung-sing opined that detailed criteria should be formulated for assessing whether due impartiality was preserved in relation to news programmes and any factual programmes dealing with matters of public policy or controversial issues of public importance.

14. <u>Dr Carlye TSUI Wai-ling, Member of Broadcast Codes of Practice Committee of the Communications Authority</u> said that the CA had deliberated on many of the issues raised by Members and considered that it would be inappropriate to spell out the detailed criteria for assessing such matters as suitable opportunity for response in the Programme Codes. The Broadcast Codes of Practice Committee ("BCPC") of the CA would consider all the views collected during the public consultation and formulate its recommendation on the proposed amendments to the Programme Codes to the CA. The CA would then make a final decision on the proposed amendments taking into account the recommendations of the BCPC.

## Overseas experience

- 15. Noting that the CA had made reference to overseas experience in formulating the proposed amendments to the Codes of Practice, <u>Mr MA Fung-kwok</u> enquired about the criteria employed by the overseas countries concerned in regulating editorial programmes and PVPs.
- 16. <u>DDGC(B)</u> advised that reference was made to the experience in Canada and the United Kingdom. In the case of Canada, a rule of "clear identification" on broadcasters' editorial opinion was found in the Code of Ethics promulgated by the Canadian Broadcast Standards Council ("CBSC"), which was similar to the CA's proposed requirement that, for a programme containing the views of a licensee, a suitable announcement should be made at the start of the programme to identify that the views expressed therein were, or included, those of the person providing the service. Under the CBSC Code of Ethics, radio and television broadcasters' editorial opinions were required to be clearly labelled as such and kept entirely distinct from regular broadcasts of news or analysis.
- 17. <u>DDGC(B)</u> further advised that in the United Kingdom, according to Rule 5.4 of the Office of Communications ("Ofcom") Broadcasting Code, programmes in television and radio services must exclude all expressions of the views and opinions of the "person providing the service" (i.e. the licensee, the company officers and those persons with an editorial responsibility for the service) on matters of political and industrial controversy and matters relating to current public policy. In response to Mr MA's Fung-kwok's enquiry, <u>DDGC(B)</u> advised that no similar rules governing editorial programmes or PVPs were applied in the United States.
- 18. <u>Mr LEUNG Kwok-hung</u> and <u>Mr SIN Chung-kai</u> considered that the Broadcasting Ordinance (Cap. 562) and the relevant Programme Codes had been proven ineffective in regulating the local free TV market. These members were of the view that the market should open up and would regulate

itself with the introduction of more competition. <u>Mr SIN</u> said that the Administration's existing broadcasting policy had thwarted the development of the local free TV market. In this regard, he considered that the radio spectrum for free TV broadcasting should be put up for open auction by all interested parties as in certain overseas countries such as the United States.

19. <u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u> (PSCED(CT)) advised that the Administration was committed to the policy of opening up the free TV market, and was making preparations for the issue of two new free TV licensees. The future deployment of the radio spectrum of the existing free TV licensees would be dealt with in the context of the licences renewal exercise..

## V. Update on the work of Create Hong Kong

- (LC Paper No. CB(4)331/13-14(05) -- Administration's paper on the update on the work of Create Hong Kong
- LC Paper No. CB(4)331/13-14(06) -- Paper on the work of Create Hong Kong in promoting the development of creative industries (background brief))
- 20. At the invitation of the Chairman, <u>Permanent Secretary for Commerce and Economic Development (Communications and Technology)</u> (<u>PSCED(CT)</u>) briefed members on the work of Create Hong Kong ("CreateHK") in 2013 and gave a preview of CreateHK's major initiatives in 2014. <u>Head of CreateHK</u> then gave a powerpoint presentation on the subject. Details of the briefing and presentation were set out in the papers provided by the Administration (LC Paper No. CB(4)331/13-14(05) and CB(4)364/13-14(01)).

#### Discussion

Nurturing talents and fostering the development of the creative industry

21. Noting the low enrolment rate of Hong Kong Diploma of Secondary Education Examination ("HKDSEE") subjects relating to the creative industry, Mrs Regina IP opined that CreateHK should work with the Education Bureau ("EDB") in the design of the curriculum, especially HKDSEE subjects, in order to better meet the needs of the creative industry

- of Hong Kong. In this regard, <u>Ms Emily LAU</u> opined that the Commerce and Economic Development Bureau ("CEDB") should foster coordination among various Bureaux and parties engaging in nurturing talents for the creative industry so as to achieve synergy of the various initiatives and avoid overlapping of resources. Sharing a similar view, <u>Mr SIN Chung-kai</u> opined that there should be closer coordination among the different incubation programmes organized by the various parties, namely CreateHK, the Cyberport and the Hong Kong Science and Technology Parks ("HKSTP").
- 22. <u>Mr Christopher CHUNG</u> declared that he was a member of the Governing Council of the Hong Kong Repertory Theatre. He said that the CEDB and CreateHK should cooperate with the Home Affairs Bureau, which was in charge of cultural policy, to help promote Hong Kong's theatre industry to the Mainland audience.
- 23. <u>PSCED(CT)</u> noted members' views on closer cooperation among the various parties engaged in fostering the development of the creative industry. She added that under the direction of the CEDB, CreateHK had been in close cooperation with the various parties such as the Trade and Industry Department and the Trade Development Council to foster the development of the creative industry of Hong Kong.
- 24. <u>PSCED(CT)</u> further advised that in order to provide support to local creative talents at their early stage of development, specialized incubation programmes of different focuses were offered by CreateHK, the Cyberport and HKSTP. These programmes offered comprehensive support to incubatees, including rent-free office accommodation, mentorship, marketing and promotion assistance, as well as networking opportunities and exposure to angel funds and venture capitalists. In response to Mrs Regina IP's enquiry, <u>Head of CreateHK</u> said that the EDB did not consult CreateHK on the design of the curriculum of HKDSEE subjects.

#### Market promotion

Mrs Regina IP enquired about the work of CreateHK in positioning Hong Kong as Asia's creative capital. Head of CreateHK advised that CreateHK attached great importance to the nurturing of creative talents and organized as well as sponsored a number of local and international programmes in this respect. He further advised that the vision and mission of CreateHK were to build Hong Kong into a creative capital and to foster a conducive environment in Hong Kong to facilitate creative industries development. The organization of local mega creative events helped reinforce Hong Kong's position as Asia's creative capital. One of the most notable regional promotional activities organized in Hong Kong was the

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Business of Design Week which was the largest annual design event in Asia and one of the leading design events in the world.

- 26. Mr MA Fung-kwok declared that he was the Chairman of the Hong Kong Film Development Council. He urged the Administration to step up effort in facilitating the local film and publishing industries in tapping the Mainland market, including effort undertaken under the Mainland and Hong Kong Closer Economic Partnership Arrangement, and help nurture independent television production houses in Hong Kong.
- 27. Sharing a similar view, <u>Dr CHIANG Lai-wan</u> opined that the Administration should provide assistance to start-ups in the creative industry in the commercialization of inventions and tapping new markets outside Hong Kong. In response, <u>Head of CreateHK</u> advised that the CreateHK had been, and would continue to facilitate the various sectors of Hong Kong's creative industry in tapping the Mainland market.
- 28. Mr YIU Si-wing suggested that to further promote Hong Kong movies to the Mainland and overseas audience and enrich their travel experience, visitors to Hong Kong should be allowed to watch the shooting of Hong Kong movies, especially those produced with Government subsidy.
- 29. <u>Assistant Head of CreateHK(2)</u> advised that although it would be desirable to allow visitors to have a deeper understanding of the production process of Hong Kong movies, the suggestion would be difficult to implement as the shooting was likely to be affected by the sheer number of visitors. Nevertheless, the Administration would explore other alternatives for promoting Hong Kong movies to visitors.

## Performance indicators

- 30. Ms Cyd HO considered that the Administration should carry out on-going assessment of the effectiveness of the various initiatives of CreateHK in promoting the creative industry, and draw reference from overseas countries such as South Korea in promoting their creative industries. In this regard, she sought information on concrete performance indicators for gauging the effectiveness of the initiatives. At Ms HO's request, the Administration agreed to provide information on the actual benefits brought to the local creative industry in terms of income as a percentage of the gross domestic product of Hong Kong, and the number of jobs and companies created in the industry over the past five years.
- 31. In this regard, Mr CHAN Chi-chuen enquired about the patronage and utilization rate of the Comix Home Base, and actual benefits brought to

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the local comics industry in terms of increase in total sales figure, number of jobs created and the average salaries thereof. The Administration agreed to provide the Panel with the relevant information.

- 32. Noting the multifarious initiatives organized or sponsored by CreateHK, Mr CHAN Chi-chuen and Mr Paul TSE opined that CreateHK should avoid losing focus of its key programmes amidst the publicity hype, making it difficult to assess the effectiveness of the programmes.
- 33. Head of CreateHK advised that CreateHK and the CreateSmart Initiative were tasked with seven strategic areas upon inception, including nurturing a pool of creative human capital, facilitating start-ups and development of creative establishments, generating demand for innovation and creativity and expanding local market size for creative industries, promoting creative industries in the Mainland and overseas to help explore outside markets, fostering a creative atmosphere within the community, developing creative clusters in the territory to generate synergy and facilitate exchanges, as well as promoting Hong Kong as Asia's creative capital. such, the work of CreateHK had to meet the demands from an array of Nevertheless, CreateHK had been suitably different creative sectors. narrowing down the scope of its efforts by organizing less mega promotional events and focusing more on the nurturing of talents and start-ups as well as market promotion over the past two years.

## VI. Any other business

34. There being no other business, the meeting ended at 4:30 pm.

Council Business Division 4
<u>Legislative Council Secretariat</u>
28 March 2014