Panel on Information Technology and Broadcasting

Extract from minutes of the meeting held on 9 December 2013

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IV. Radio Television Hong Kong - establishment of 22 digital terrestrial television fill-in stations

(LC	Paper	No Administration's paper on
CB(4)196/13-14(05)		establishment of fill-in
		stations for the digital
		terrestrial television service
		of Radio Television Hong
		Kong
		-

LC Paper No. CB(4)196/13-14(06) -- Paper on Radio Television Hong Kong - establishment of 22 digital terrestrial television fill-in stations prepared by the Legislative Council Secretariat (background brief))

Presentation by the Administration

At the invitation of the Chairman, <u>Permanent Secretary for</u> <u>Commerce and Economic Development (Communications and Technology)</u> ("PSCED(CT)") briefed members on the proposal for establishment of 22 digital terrestrial television ("DTT") fill-in stations of Radio Television Hong Kong ("RTHK"). Details of the briefing were set out in the Administration's paper (LC Paper No. CB(4)196/13-14(05)). <u>Deputy</u> <u>Director of Broadcasting (Developments)</u> ("DD of B/D") supplemented that the capital cost of the project for establishing hardware facilities would be about \$64.2 million, comprising mainly the cost for procurement and installation of DTT transmission equipment, construction of equipment cubicles and contingency.

Discussion

Resource allocation and development of DTT transmission network

2. Mr MA Fung-kwok noted that RTHK's development strategy was to set up transmission facilities at the existing network stations of Asia Television Limited ("ATV") and Television Broadcasts Limited ("TVB") so as to share space, electricity supply and transmission antennae at their existing sites. He enquired about the agreement between RTHK, ATV and TVB regarding the sharing of these facilities. DD of B/D advised that the two commercial DTT broadcasters were required to share their transmission facilities with other DTT broadcasters. Guidelines had also been drawn up for regulating the payment for sharing these facilities. RTHK had made payments to ATV and TVB ("the two commercial broadcasters") for renting space, using electricity supply and transmission In this connection, Mr MA enquired about whether antennae etc.. RTHK's DTT transmission network could be shared with the two commercial broadcasters. Deputy Director of Broadcasting (Programmes) ("DD of B/P") replied in the negative since the frequency band of the signals used by RTHK was different from those of the two commercial broadcasters.

3. Having noted that the hilltop sites occupied by the two commercial broadcasters were Government land, <u>Mr WONG Ting-kwong</u> enquired about the possibility of negotiating with the two commercial broadcasters on the renewal of their television ("TV") broadcasting licences for a rent-free term for use of the hilltop sites by RTHK. <u>Deputy Secretary for Commerce and Economic Development (Communications and Technology)</u> ("DSCED(CT)") advised that the negotiation of appropriate terms for renewal of the TV broadcasting licences of the two commercial broadcasters would be undertaken before expiry of their licences. RTHK would still need to pay charges for the use of electricity supply and transmission facilities at the hilltop sites even if the rent-free term was included in the agreement between the parties concerned.

4. <u>Mr SIN Chung-kai</u> enquired about measures available to secure the use of DTT fill-in stations by RTHK at the hilltop sites if the TV broadcasting licences of the two commercial broadcasters were not renewed. <u>PSCED(CT)</u> advised that the TV broadcasting licences of the two commercial broadcasters would expire in 2015 and the proposed network of DTT fill-in stations was planned for completion by 2018. The Administration would have sufficient time to arrange for measures to secure such use by RTHK. <u>DSCED(CT)</u> supplemented that appropriate contractual arrangements would be made and in addition, certain statutory

powers would be exercised by the Government to purchase the DTT transmission facilities and equipment owned by the two commercial broadcasters if their TV broadcasting licences were not renewed.

5. Noting the financial implications for establishment of the DTT fill-in stations of RTHK, <u>Mr Charles Peter MOK</u> enquired about the timeframe for renewal of the TV broadcasting licences of the two commercial broadcasters. <u>DSCED(CT)</u> advised that a licensee should submit its application to renew its TV broadcasting licence not less than 24 months before the expiry of the period of validity of the licence, and the Communications Authority would submit its recommendations to the Chief Executive in Council in relation to the renewal of the TV licence not later than 12 months before the expiry of the period of validity of the licence. In fact, both TVB and ATV had already submitted their applications for renewal of their domestic free TV programme service licences.

Independence and programming of RTHK

6. <u>Ms Claudia MO</u> expressed concern that the human resources management and the administration of RTHK being monitored by a Government Bureau might have undermined the independence of RTHK. She was of the view that RTHK should maintain its editorial independence and integrity as the public service broadcaster ("PSB") of Hong Kong.

7. <u>Mr Charles Peter MOK</u> noted that a large number of locally-produced TV programmes, especially comics, were not broadcast by commercial TV broadcasters. He was of the view that RTHK should broadcast more locally-produced programmes to address public calls for more local productions and greater programme diversity in TV broadcasting.

The impact of digital TV broadcasting of RTHK on the television broadcasting industry

8. <u>The Deputy Chairman</u> enquired about the impact of digital TV broadcasting of RTHK on the TV broadcasting industry. <u>PSCED(CT)</u> advised that from a policy point of view, as RTHK was the PSB of Hong Kong and not a commercial broadcaster, the nature of services provided by RTHK was different from and not in direct competition with those provided by commercial broadcasters. RTHK would provide quality TV services that were not adequately provided by commercial TV broadcasters.

Seeking funding approval from the Public Works Subcommittee and the Finance Committee

9. <u>Mr Christopher CHUNG</u> and <u>Dr CHIANG Lai-wan</u> were of the view that the proposal for establishment of the DTT fill-in stations of RTHK should be discussed after the funding proposal for construction of the new Broadcasting House ("BH") had been approved by Public Works Subcommittee and the Finance Committee.

10. <u>Ms Cyd HO</u> supported the proposal in respect of the fill-in stations and opined that the establishment of the DTT fill-in stations by RTHK was independent of the construction of the new BH.

11. <u>DD of B/P</u> advised that as the PSB of Hong Kong, one of the objectives of RTHK was to provide quality TV services that were not adequately provided by commercial TV broadcasters, and to provide a diversity of TV programmes to serve a broad spectrum of audiences. To effectively fulfill this objective, the Administration considered it necessary and in the public interest for RTHK's DTT service coverage to reach around 99% of the territory's population, matching that of the other commercial DTT broadcasters, through the establishment of the supplementary network of fill-in stations. Since 1 July 2012, RTHK had been conducting signal tests for the TV channels and would start trial of DTT channel transmission from January 2014.

Motion moved by Dr CHIANG Lai-wan

12. <u>Dr CHIANG Lai-wan</u> proposed the following motion which was seconded by Mr Christopher CHUNG:

"本事務委員會促請政府當局於工務小組委員會及財務委員會通 過興建香港電台新廣播大樓撥款申請後,再將 "香港電台 —— 建設 22 個數碼地面電視輔助發射站" 的議題提交本事務委員會 討論。"

(Translation)

"That this Panel urges the Administration to revert the issue of "Radio Television Hong Kong - establishment of 22 digital terrestrial television fill-in stations" to this Panel for discussion after the funding proposal for the construction of the new Broadcasting House for Radio Television Hong Kong has been approved by the Public Works Subcommittee and the Finance Committee. "

13. <u>The Chairman</u> considered that the proposed motion was directly related to the agenda item under discussion and <u>members</u> agreed that the motion should be dealt with at the meeting. <u>The Chairman</u> put the motion to vote. <u>The Chairman</u> announced that of the 12 members who were present and voted, seven members (namely, Mrs Regina IP, Mr NG Leung-sing, Mr Steven HO, Mr YIU Si-wing, Dr Elizabeth QUAT, Dr CHIANG Lai-wan and Mr Christopher CHUNG) voted for the motion, five members (namely, Ms Emily LAU, Ms Cyd HO, Ms Claudia MO, Mr Charles Peter MOK and Ir Dr LO Wai-kwok) voted against the motion and no member abstained from voting. <u>The Chairman</u> declared that the motion was passed.

(*Post-meeting note*: The wording of the motion was circulated to members vide LC Paper No. CB(4)220/13-14 on 10 December 2013.)

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