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Panel on Information Technology and Broadcasting

Meeting on 11 January 2016

Updated background brief on the development of digital terrestrial television service by Radio Television Hong Kong

Purpose

This paper provides background information on the development of digital terrestrial television ("DTT") service by Radio Television Hong Kong ("RTHK") and summarizes the previous discussions by Members on the subject.

Background

Radio Television Hong Kong as Hong Kong's public service broadcaster

2. In September 2009, the Administration announced, among other matters, RTHK would be tasked to take up the mission to serve as the public service broadcaster ("PSB") for Hong Kong. The Government would commit appropriate resources to enable RTHK to expand its scope of service to fulfill this role and mission. In October 2009, the Commerce and Economic Development Bureau conducted a three-month consultation exercise to gauge public views on how best RTHK should achieve its mission as a PSB. The Administration announced the outcome of the public consultation exercise in March 2010, details of which are given in the Government's consultation report issued vide LC Paper No. CB(1)1520/09-10(05) on 1 April 2010.

3. In 2010, RTHK took forward various new development initiatives, including the preparation for the launch of digital audio broadcasting ("DAB") and DTT broadcasting services, facilitating community involvement in broadcasting ("CIB"), planning for the re-provisioning of the Broadcasting House ("BH"), and establishing a digital media asset management ("MAM") system. In December 2010, the Government announced a package of arrangements concerning the provision of resources, manpower and facilities to fully support RTHK in taking forward its new initiatives.

Development of a digital terrestrial television service in Radio Television Hong Kong

4. The Administration was aware that RTHK did not have experience in operating a television ("TV") station, and the development of RTHK's DTT service would proceed in a step-by-step manner. Under the Administration's plan, RTHK would first establish a DTT transmission network. In the past few years, RTHK has been establishing the necessary DTT transmission network, including discussing with the two commercial domestic free TV stations on the rental of suitable hilltop transmission sites, purchasing transmitters and equipment, and conducting technical trials. RTHK has also increased its production of High Definition television ("HDTV") programmes from about 50 hours to not less than 200 hours per year as from 2011-2012 to prepare for the launch of HDTV channel in future. Upon the establishment of the transmission network and subject to progress of the preparatory work and the resources required for operating a TV station, RTHK would develop its DTT services progressively according to the needs of the community and market condition.

Previous discussions

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5. At the meeting of the Panel on Information Technology and Broadcasting ("the Panel") on 14 February 2011, the Administration briefed members on the new developments in PSB. Some members enquired about RTHK's plan on the development of DTT service. The Administration advised that a spectrum of ultra-high frequency had been reserved for RTHK, which could accommodate one HDTV and two standard-definition television ("SDTV") channels. The Administration also informed the Panel that RTHK would proceed to discuss with the two free-to-air TV broadcasters on the rental of suitable hilltop transmission sites for establishing its DTT transmission network, so as to set up the basic transmission network by 2013-2014 at the earliest, covering 80% to 90% of the population. The HDTV programme channel would broadcast the core productions of RTHK, including informational, educational, cultural and arts programmes, whereas one of the SDTV channels would be used for relaying programmes from China Central Television. RTHK would endeavour to further extend the coverage of its DTT service in future.

At the Panel meeting on 11 March 2013, members noted that with 6. the allocation of frequency spectrum for development of DTT service, RTHK had since 1 July 2012 been conducting technical tests for one HDTV and two SDTV channels through Temple Hill Transmission Station, and broadcasting test signals of the new television channels. Before the end of 2013, another three transmission stations, namely Golden Hill, Castle Peak and Kowloon Peak, would also commence operation by phases. By then, the coverage of the signal tests was expected to be over 50% of the Hong Kong population. Upon completion of the signal tests, RTHK planned to start DTT transmission trial run by phases from the last quarter of 2013. As part of the signal tests, RTHK had commenced broadcasting, on a trial basis, the Legislative Council meetings every Wednesday on one of its SDTV channels from 9 January 2013. Subject to the completion of the necessary technical infrastructure and result of the trial of programme transmission, RTHK planned to fully launch its DTT service by 2018 after the commissioning of its new BH.

7. Panel members also noted that the Government had proposed to allocate new resources to RTHK from the financial year 2013-2014. These included addition of 85 civil service posts and seven non-civil service contract positions in 2013-2014 and onwards. The total amount of additional recurrent provision (including personal emoluments) proposed for RTHK would be around \$84.5 million in 2013-2014. With these proposed new resources, RTHK's current target was to gradually increase its TV output hours starting from 2013-2014. The new output hours would include programmes of in-house production, acquired overseas programmes as well as commissioning of local production. RTHK would also start the preparatory work for the operation and management of TV channels. These included the work on channel scheduling, programming and promotion etc.

8. At the Panel meeting on 9 December 2013, members were consulted on the Administration's proposal to establish 22 DTT fill-in stations to extend the network coverage of the service from about 75% to around 99% of Hong Kong's population. Members noted that RTHK's development strategy was to set up transmission facilities at the existing network stations of Asia Television Limited ("ATV") and Television Broadcast Limited ("TVB") ("the two commercial broadcasters") so as to share space, electricity supply and transmission antennae at their existing sites. RTHK had made payments to the two commercial broadcasters for sharing these facilities.

9. Some members enquired about the 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. The Administration 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 informed the Panel that it would have sufficient time to arrange for measures to secure such use by RTHK. Appropriate contractual arrangements would be made and certain statutory powers could 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.

10. Some other members 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 BH of RTHK had been approved by Public Works Subcommittee ("PWSC") and the Finance Committee ("FC"). A motion was passed urging the Administration to revert the issue of "RTHK - establishment of 22 digital terrestrial television fill-in stations" to the Panel for discussion after the funding proposal for the construction of the new BH of RTHK had been approved by FC. At the PWSC meeting on 3 January 2014, members did not agree to recommend to FC the construction of BH.

11. At the Panel meeting on 10 March 2014, the issue on establishment of 22 DTT fill-in stations of RTHK reverted for discussion and the majority of Panel members supported in principle the Administration's proposal. Some members opined that the Administration should step up measures to improve the DTT take-up rate. The Administration advised that RTHK would further promote the signal reception methods, build more fill-in stations to improve the transmission of DTT signals, and enhance its publicity effort and promotion strategies to tie in with the progress of the network rollout of the service. The proposal was approved by FC at its meeting on 12 July 2014. Finance Committee

12. At the special FC meeting on 30 March 2015, Hon SIN Chung-kai and Hon Michael TIEN enquired about the percentage coverage rates, the viewing rates, the resources and relevant expenditures of DTT service of RTHK. The Administration's replies are in **Appendices I** and **II**.

Latest position

13. The Administration will brief the Panel on 11 January 2016 on the proposal to procure additional production equipment and system for further developing the existing DTT service of RTHK.

Relevant papers

14. A list of the relevant papers with their hyperlinks is at: http://www.legco.gov.hk/yr10-11/english/panels/itb/papers/itb0214cb1-1224-5-e.pdf http://www.legco.gov.hk/yr10-11/english/panels/itb/papers/itb0214cb1-1224-9-e.pdf http://www.legco.gov.hk/yr12-13/english/panels/itb/papers/itb0311cb4-458-5-e.pdf http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-196-5-e.pdf http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-196-6-e.pdf http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-196-6-e.pdf http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-401-1-e.pdf http://www.legco.gov.hk/yr13-14/english/panels/itb/papers/itb1209cb4-401-1-e.pdf

Council Business Division 4 <u>Legislative Council Secretariat</u> 7 January 2016

Appendix I

Examination of Estimates of Expenditure 2015-16

Reply Serial No.

CEDB(CT)197

CONTROLLING OFFICER'S REPLY

(Question Serial No. 2847)

Head:	(160) Radio Television Hong Kong
Subhead (No. & title):	
Programme:	(2) Public Affairs and General Television Programme
Controlling Officer:	Director of Broadcasting (Roy TANG)
Director of Bureau:	Secretary for Commerce and Economic Development

Question:

Regarding the digital terrestrial television (DTT) of Radio Television Hong Kong (RTHK), can the Government inform this Committee of the following:

- (a) What is the current coverage percentage of DTT services in public and private housing developments? When the Government expects the coverage to reach 100%, in order that all the people of Hong Kong can view the TV programmes through DTT?
- (b) What are the current audience ratings of DTT?
- (c) After the launch of DTT, how many public comments has the Government received with regard to the services? What are the details of the comments?
- (d) Given that some members of the public have indicated that they had yet been able to receive DTT services, and property management issues were involved. Does the Government have any initiatives that allow the public to view DTT broadcasting programmes as early as possible?
- (e) What are the resources allocated to and details of the promotion of DTT in 2015-16?

Asked by: Hon SIN Chung-kai (Member Question No. 4)

Reply:

(a) The digital terrestrial television (DTT) channels of Radio Television Hong Kong (RTHK) are still in the trial stage. Their transmission of signals can cover only about 75% of the population. TV viewers who want to watch RTHK DTT channels have to upgrade the communal aerial broadcast distribution (CABD) systems in their residential buildings. Last year, the Legislative Council approved funds for the establishment of 22 DTT fill-in stations by phases over the next five years. It is estimated that the works will be completed by the first quarter of 2019. By that time,

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the RTHK DTT channels will be able to cover about 99% of the population.

- (b) Since RTHK will not be able to extend its DTT signal coverage to over 90% of the population until 2019, the traditional viewership ratings survey cannot reflect the efficacy of RTHK TV channels. Nevertheless, RTHK will continue to conduct the Television Programme Appreciation Index (AI) survey for its DTT programmes in order to gauge the quality and acceptance of RTHK TV programmes in a more precise and effective manner. According to the 2014 Television Programme AI survey, RTHK ranked above all other Hong Kong TV stations for its TV programmes. Also, RTHK will commission polling organisations to conduct surveys on a regular basis on the reception, awareness level, etc. of DTT channels, in order to help us improve and strengthen our service.
- (c) RTHK operates a telephone hotline and an email service for the exclusive purpose of answering all sorts of enquiries from the public about reception of RTHK DTT channels. Since the beginning of the trial run, RTHK has received over 8 000 enquiries from the public, the majority of which are about matters arising from reception of RTHK DTT channels.
- (d) Regarding the promotion and publicity of the RTHK DTT channels, since July 2013, we have been maintaining contact with property management companies, property management offices, Owners' Corporations, antenna maintenance contractors, etc. of estates of all sizes, so as to introduce DTT services to these estates. Briefing sessions are also held to promote relevant antenna renewal works. We have also contacted major estate management companies on a regular basis to promote RTHK DTT reception.

Besides private properties, we have also received staunch support from the Housing Department (HD). The upgrading work of the CABD systems in public rental housing estates under the management of the HD within the signal coverage area have now been substantially completed, and are ready to receive RTHK DTT broadcast.

Through frequent press conferences, radio and TV promotional trailers, advertisements in newspapers, on MTR platforms and bus bodies, campaigns to approach the community such as "31 Red Ball" Project, on-site channel scanning service and roving exhibitions, etc., RTHK promotes its TV channels and the ways to receive them.

(e) In 2015-16, we will continue to market and promote RTHK DTT channels and their reception method by various means so that more members of the public can enjoy RTHK programmes. It is estimated that a provision of about \$4 million will be incurred.

Appendix II

Examination of Estimates of Expenditure 2015-16

Reply Serial No.

CEDB(CT)199

CONTROLLING OFFICER'S REPLY

(Question Serial No. 1498)

Head:	(160) Radio Television Hong Kong
Subhead (No. & title):	
Programme:	(2) Public Affairs and General Television Programme
Controlling Officer:	Director of Broadcasting (Roy TANG)
Director of Bureau:	Secretary for Commerce and Economic Development

Question:

Radio Television Hong Kong commenced programme transmission trials on the 3 digital terrestrial television (DTT) channels in 2014. Please inform this Committee of the numbers of viewers, the viewing rates and the relevant expenditures of the 3 channels in the past year.

Asked by: Hon TIEN Puk-sun, Michael (Member Question No. 58)

Reply:

The digital terrestrial television (DTT) channels of Radio Television Hong Kong (RTHK) are still in the trial stage. Their transmission of signals can cover only about 75% of the TV viewers who want to watch RTHK DTT channels have to upgrade the population. communal aerial broadcast distribution systems in their residential buildings. Regarding the production and scheduling of programmes, RTHK DTT channels are also different from commercial free-to-air DTT channels. RTHK broadcasts 8.5 hours each day from Monday to Friday, and 13.5 hours each day for Saturday and Sunday. Last year, the Legislative Council approved funds for the establishment of 22 DTT fill-in stations by phases over the next five years. It is estimated that the works will be completed by the first quarter of 2019. Since RTHK will not be able to extend its DTT signal coverage to over 90% of the population until 2019, the traditional viewership ratings survey cannot reflect the efficacy of the RTHK TV channels. Nevertheless, RTHK will continue to conduct the Television Programme Appreciation Index (AI) survey for its DTT programmes in order to gauge the quality and acceptance of RTHK TV programmes in a more precise and effective manner. According to the 2014 Television Programme AI survey, RTHK ranked above all other Hong Kong TV stations for its TV programmes. Also, RTHK will commission polling organisations to conduct surveys on a regular basis on the reception, awareness level, etc. of DTT channels, in order to help us improve and strengthen our service.

The revised financial provision for Public Affairs and General Television Programme in 2014-15 is around \$372 million, which covers all the funding for the original TV services and the 3 DTT channels on trial run.

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