

立法會
Legislative Council

LC Paper No. CB(4)1079/16-17
(These minutes have been seen
by the Administration)

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Panel on Information Technology and Broadcasting

Minutes of meeting
on Monday, 10 April 2017, at 2:30 pm
in Conference Room 3 of the Legislative Council Complex

Members present : Dr Hon Elizabeth QUAT, JP (Chairman)
Hon Charles Peter MOK, JP (Deputy Chairman)
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon Claudia MO
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon CHAN Han-pan, JP
Hon Martin LIAO Cheung-kong, SBS, JP
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon Alvin YEUNG
Hon CHU Hoi-dick
Hon YUNG Hoi-yan
Hon CHAN Chun-ying
Hon HUI Chi-fung
Hon Nathan LAW Kwun-chung

Members absent : Hon James TO Kun-sun
Hon Steven HO Chun-yin, BBS
Hon CHUNG Kwok-pan

Member attending : Dr Hon Fernando CHEUNG Chiu-hung
Hon Jeremy TAM Man-ho

Public officers attending : Agenda item IV

Innovation and Technology Bureau

Dr David CHUNG, JP
Under Secretary for Innovation and Technology

Ir Allen YEUNG, JP
Government Chief Information Officer

Mr Ricky CHONG
Principal Assistant Secretary for Innovation and
Technology

Ms Eva YAM
Assistant Government Chief Information Officer
(Policy and Support)

Mr Jason PUN
Chief Systems Manager
(Digital Inclusion)

Agenda item V

Commerce and Economic Development Bureau

Mr Jerry LIU
Head of Create Hong Kong

Mr Wellington FUNG
Assistant Head of Create Hong Kong (2)

Mr Patrick LEE
Principal Assistant Secretary for Commerce and
Economic Development (Communications and
Creative Industries) B

Clerk in attendance : Mr Daniel SIN
Chief Council Secretary (4)3

Staff in attendance : Ms Peggy CHUNG
Council Secretary (4)3

Miss Mandy LAM
Legislative Assistant (4)3

Action

I. Confirmation of minutes of meeting

(LC Paper No. CB(4)802/16-17 -- Minutes of meeting held on
13 March 2017)

The minutes of the meeting held on 13 March 2017 were confirmed.

II. Information papers issued since the last meeting

(LC Paper No. CB(4)719/16-17(01) -- Hon Tommy CHEUNG Yu-
yan's letter dated 15 March
2017 on withdrawal of
membership (Chinese
version only)

LC Paper No. CB(4)726/16-17(01) -- "Guide to Filming in Hong
Kong 2017/2018" provided
by the Film Services Office
under Create Hong Kong

- LC Paper No. CB(4)727/16-17(01) -- Dr Hon Fernando CHEUNG Chiu-hung's letter dated 20 March 2017 on withdrawal of membership (Chinese version only)
- LC Paper No. CB(4)776/16-17(01) -- Administration's letter to the Chairman and the press release on review of the Development of Digital Audio Broadcasting in Hong Kong
- LC Paper No. CB(4)783/16-17(01) -- Submission from a member of the public received on 29 March 2017 regarding views on mobile television licences and service delivery (Chinese version only))

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

III. Date of next meeting and items for discussion

- (LC Paper No. CB(4)801/16-17(01) -- List of outstanding items for discussion
- LC Paper No. CB(4)801/16-17(02) -- List of follow-up actions)

Regular meeting on 8 May 2017

3. Members noted that the next regular Panel meeting would be held on Monday, 8 May 2017 at 2:30 pm to discuss issues related to enhancement of e-Government services. As regards the item on review of digital audio broadcasting originally proposed for discussion at the next meeting, both the Chairman and Deputy Chairman were of the view that the issue had been overtaken by events, and they suggested that the Administration should put forward another more pressing item for discussion with the Panel at the next meeting.

(*Post-meeting note:* The Administration has suggested that the item on "Implementation of the spectrum utilization fee charging scheme for spectrum assigned administratively" should be included in the agenda for the next Panel meeting scheduled for 8 May 2017.)

IV. Wi-Fi Connected City Programme

(LC Paper No. CB(4)801/16-17(03) -- Administration's paper on Wi-Fi Connected City Programme

LC Paper No. CB(4)801/16-17(04) -- Paper on development of Wi-Fi connected city prepared by the Legislative Council Secretariat (Updated background brief)

Presentation by the Administration

4. At the invitation of the Chairman, Under Secretary for Innovation and Technology ("US for IT") briefed members on the Wi-Fi Connected City Programme. Details of the briefing were set out in the paper provided by Administration (LC Paper No. CB(4)801/16-17(03)).

Discussion

Information on free public Wi-Fi hotspots

5. Mr Charles MOK asked whether the public could access information about the distribution and locations of free public Wi-Fi hotspots over the territory, and whether the Administration would offer free mobile applications ("apps") with which the public could locate free public Wi-Fi hotspots in their proximity. Mr MOK suggested that the Administration should publicize information about the locations of free public Wi-Fi hotspots in collaboration with the Hong Kong Tourism Board ("HKTB").

6. Government Chief Information Officer ("GCIO") said that the Administration had developed a mobile app to facilitate the public and visitors in locating the "Wi-Fi.HK" hotspots in Hong Kong. The app was promoted through HKTB's publications.

7. Mr Charles MOK asked if the "Wi-Fi.HK" service was available at the Hong Kong International Airport ("HKIA"). GCIO replied that HKIA had joined the "Wi-Fi.HK" brand and offered free public Wi-Fi service.

8. Mr Charles MOK further suggested that the Administration should work with HKTB and other mobile application developers to provide "Wi-Fi.HK" hotspot information in their mobile applications (such as location finder apps or Hong Kong street maps applications).

Provision of free Wi-Fi services in public hospitals and clinics

9. Mr CHAN Chun-ying asked about the locations of the 580 "Wi-Fi.HK" hotspots in public hospitals and clinics. He also questioned the rationale for providing only one hour of free public Wi-Fi service in the waiting halls of Accident and Emergency Departments and Specialist Out-patient Clinics operated by the Hospital Authority ("HA") in view of the long service waiting time. The Chairman asked when the Administration would provide free Wi-Fi services in all public hospitals.

10. Chief Systems Manager (Digital Inclusion) ("CSM") said that six public hospitals, namely Caritas Medical Centre, Hong Kong Eye Hospital, Kwong Wah Hospital, Queen Elizabeth Hospital, Yan Chai Hospital and Princess Margaret Hospital, were provided with "Wi-Fi.HK" hotspots. More hotspots would be installed in seven other public hospitals, namely Pamela Youde Nethersole Eastern Hospital, Queen Mary Hospital, Tseung Kwan O Hospital, Prince of Wales Hospital, Tuen Mun Hospital, Tin Sui Wai Hospital and Hong Kong Children's Hospital from the second half of 2017. The Administration was assisting HA in planning for the provision of free Wi-Fi services in other public hospitals. GCIO added that there was no definite timetable for extending the services to all public hospitals as there were technical constraints for implementing Wi-Fi service in some medical facilities.

11. CSM further explained that according to available information, the waiting time for many medical services was less than one hour. As the free public Wi-Fi service was provided by private service providers at their own cost under a public-private collaboration model, private service providers should be given incentives such as allowing them to offer value-added services if users decided to continue to access the Wi-Fi service after the free usage time had expired. The Administration considered it necessary to strike a balance between offering free public Wi-Fi service and providing sufficient incentives to service providers.

12. The Chairman commented that more often than not, the waiting time for services at public hospitals and clinics exceeded one hour. She suggested that the Administration should extend the period of free Wi-Fi service at those venues, and that the Administration might take the opportunity to channel more public information through the Wi-Fi services.

Dissemination of public information through the "Wi-Fi.HK" programme

13. Mr CHAN Chun-ying asked if there were terms under the public-private collaboration model which allowed the Government to announce public information or to publicize government services in the form of pop-up advertisements through the free Wi-Fi services. US for IT said that there were terms in the service contracts allowing the Administration to announce public information on the Wi-Fi service landing page.

The "Wi-Fi.HK" programme

14. Mr MA Fung-kwok noted that only three industrial and commercial organizations participated in the "Wi-Fi.HK" programme. He asked why the private sector was not enthusiastic about participating in the programme and how the Administration intended to promote wider private sector participation. GCIO explained that the Administration had approached numerous private organizations, and most preferred to display their own brands prominently rather than subsuming their service under the "Wi-Fi.HK" brand unless there were sufficient incentives for them to do so. The Administration would continue to explore measures to encourage participation by the commercial and industrial sectors.

15. Mr MA Fung-kwok noted that there were currently four service providers participating in the pilot project on public-private collaboration to provide Wi-Fi service with free usage time at about 180 government venues. He asked where the venues were, and how many more government venues would provide Wi-Fi service with free usage time in the long run. GCIO said that the locations of the 180 government venues under the pilot projects could be found in the "Wi-Fi.HK" mobile app. As regards the full roll-out of the public-private collaboration model, the Administration had initially identified around 1 000 to 2 000 new government venues where Wi-Fi service with free usage time could be provided.

Upgrading the "GovWiFi" service

16. In response to an enquiry from Mr Alvin YEUNG, GCIO said that there were around 3 200 Wi-Fi hotspots operated by the Government. Mr Alvin

YEUNG noted that the Government Wi-Fi ("GovWiFi") service was launched in 2008, and he asked when the service would be upgraded. CSM said that the "GovWiFi" service had undergone a major upgrade in 2012 where both the data transfer speed and the service capacity had improved. The current "GovWiFi" service contract would expire in January 2018, and the Administration was undergoing the procurement procedure for a major upgrade to be carried out in the new contract due to commence in 2018. CSM added that apart from improving the speed and capacity, the Administration would adopt the latest communications protocol and technical standards in the new service.

Provision of free public Wi-Fi services at government venues

17. The Chairman asked if all public Wi-Fi service would be delivered under a public-private collaboration model. GCIO explained that there were certain venues where private service providers did not find attractive. It would be necessary for the Government to operate Wi-Fi service at these venues at its own expense.

18. Dr LO Wai-ki commented that the Administration's pace of increasing the number of free public Wi-Fi hotspots was slow. He queried whether the Administration would commit to providing free public Wi-Fi service in all government venues in the long term. Dr LO also commented that few commercial or industrial organizations were participating in providing free public Wi-Fi service and he suggested that the Administration should discuss with organizations such as Mass Transit Railway Corporation ("MTRC") and encourage them to provide such service.

19. GCIO responded that the Administration would consider providing free public Wi-Fi service at more government venues. In identifying suitable venues for the provision of Wi-Fi services, the Administration would consider factors such as patronage, social benefits and cost-effectiveness. GCIO added that the Administration would engage more private organizations to participate in the provision of free public Wi-Fi services. US for IT supplemented that some commercial or industrial organizations might have engaged separate service providers to offer free Wi-Fi service at their venues, and it might be difficult for them to adjust their service to the "Wi-Fi.HK" standards before their service contracts with the existing service providers expired.

Quality of free public Wi-Fi services

20. The Chairman said that there were media reports that Internet connection speed at certain public Wi-Fi hotspots, especially those at popular tourist areas, was very slow. She asked how the Administration intended to improve the

situation. GCIO said that the Administration had engaged the Hong Kong Wireless Technology Industry Association to conduct independent and impartial assessments of Internet connection speed at different public Wi-Fi hotspots, and would follow up with the service providers concerned if necessary.

21. Mr Charles MOK said that slow Internet connection speed found at certain public Wi-Fi hotspots might reflect the need for system upgrade. Mr MOK said that the system upgrade cycle should be compressed to keep up with the fast pace of technological improvement. He suggested that suitable clauses be included in the procurement contracts to require public Wi-Fi service providers to adopt latest technologies and upgrade equipment during the term of the contracts. US for IT agreed that more regular reviews of service should be conducted to determine the technology and equipment that should be adopted for delivery of public Wi-Fi service and to meet the changing public needs.

Provision of "Wi-Fi.HK" service in public transport

22. The Chairman said that Panel members had previously comments on the need for the provision of free public Wi-Fi service in public transport, including MTRC. She said that there was a large public demand for public Wi-Fi service, and MTRC, being the major public transport operator and of which the Government was a major shareholder, should be in the best position to set an example to provide such service. Mr LEUNG Kwok-hung shared the Chairman's views. The Chairman suggested that the Administration should follow up with MTRC on the possibility of participating in the "Wi-Fi.HK" programme when the current Wi-Fi service contract expired.

23. GCIO explained that as a first step, the Administration would provide free Wi-Fi service at public transport interchanges through public-private collaboration. US for IT added that MTRC was already providing free Wi-Fi service but was constrained by the existing contract to participate in the "Wi-Fi.HK" programme.

V. Facilitating Cinema Development

(LC Paper No. CB(4)801/16-17(05) -- Administration's paper on facilitating cinema development

LC Paper No. CB(4)801/16-17(06) -- Paper on facilitating cinema development prepared by the Legislative Council Secretariat (Updated background brief)

24. The Chairman congratulated two First Feature Film Initiative-funded films, "Mad World" and "Weeds on Fire", for their achievements at the 36th Hong Kong Film Awards.

Presentation by the Administration

25. At the invitation of the Chairman, Head of Create Hong Kong ("Head of CreateHK") briefed members on the facilitation on cinema development. Details of the briefing were set out in the paper provided by Administration (LC Paper No. CB(4)801/16-17(05)).

Discussion

Cinema requirement in the land lease of designated government land sale sites

26. Mr CHAN Chi-chuen said that the statistics on cinema number as well as the number of screens and seats as presented in Annex A of the Administration's paper (LC Paper No. CB(4)801/16-17(05)) was not up-to-date. He requested the Administration to include the information in 2016. Head of CreateHK said that the situations in 2016 was similar to those of the previous years and he undertook to provide latest information.

(Post-meeting note: The Administration's written response was circulated to members vide LC Paper No. CB(4)1043/16-17(01) on 17 May 2017.)

27. Mr CHAN Chi-chuen commented that many cinema operators were experiencing hardship in sustaining operations. Now that the Administration had decided that a cinema requirement on the provision of a minimum number of cinema seats should be incorporated in the land sales conditions of two government land sale sites in Kai Tak and Sha Tin, Mr CHAN expressed concern whether a cinema operator would close down one of its cinemas when trying to open a new cinema in the new commercial developments. Head of CreateHK pointed out that previous experience had shown that, where an existing cinema closed down, a new cinema would shortly re-open within the same district or at a nearby location.

28. Mr MA Fung-kwok declared he was the Chairman of the Film Development Council and represented the sports, performing arts, culture and publication functional constituency. Mr MA appreciated the Administration's proposed initiatives to facilitate cinema development. He asked the Administration to elaborate its stance on assisting the local film industry notwithstanding the fact that it was being run on a commercial, profit-making basis. Head of CreateHK explained that the number of cinema seats was shrinking over the past decade. Against this background, the Administration introduced new measures to facilitate cinema development with a view to promoting the overall development of Hong Kong's film industry.

29. Mr MA Fung-kwok noted that the Administration would review the arrangement of including a requirement on the minimum number of cinema seats in land sale conditions in due course after the operation of the cinema following the sales of the government sites in Kai Tak and Shatin. Mr MA expressed concern that it would be far too long for the review to be conducted, and as a result, the pace of increasing cinema seats would slow down. He added that there were districts, such as Tai Po, where there was no cinema at all. He asked if the Administration could expedite the review, and to address the issue of uneven cinema distribution across districts.

30. Head of CreateHK said that, as the Commerce and Economic Development Bureau would need time to discuss with various bureaux and departments as well as relevant stakeholders to make available the sites in Kai Tak and Shatin for cinema development.

31. As regards Mr MA Fung-kwok's comments on whether each district should be provided with cinemas, Head of CreateHK said that in the case of Tai Po, although there was no cinema at present, the deficiency could be made up in Fanling where there were two small-scale cinemas.

32. Mr Charles MOK queried whether provision of cinema in every district was the best policy to promote the development of Hong Kong's film industry. He observed that the box office of cinemas in remote areas such as Yuen Long was quite low. Mr MOK was concerned that even if developers did provide the required minimum number of cinema seats in commercial developments in remote areas, audience would still prefer to visit cinemas closest to their place of work or social activities. Head of CreateHK agreed that there might be a need to be cautious when considering the site for incorporation of the cinema requirement. In selecting a site where a cinema was to be provided, the Administration would take into account factors such as the respective zoning readily allowed for the accommodation of cinemas; the location of the site and whether major public transport network and / or medium to high density

residential areas were in its close vicinity; the commercial developments in the site; and the supply of cinemas relative to demand in the area.

33. Mr LEUNG Kwok-hung opined that the proposed new measures on cinema development was not enough to promote local film industry. Head of CreateHK said the Administration would continue to support and encourage local film production. The strategy adopted also included cultivating an interest in watching movies among students and young people, the cinema development was one of the elements in the strategy.

34. Mr CHAN Chun-ying queried whether the proposed requirement of provision of cinema seats in land sales agreement might be effective in assisting the local film industry in the long run. While developers might be willing to offer concessionary rent to a cinema operator for the first seven years, they might force the cinema operator to vacate by raising the rent to a prohibitive level at the end of the period. Once the cinema had left, developers would then apply for lease modification and convert the space for other more profitable uses. He asked whether the terms of land sales should be phrased in such a way as to require the minimum number of cinema seats to be provided on a permanent basis instead of seven years. Head of CreateHK said that the Administration had to strike a balance between land use consideration and financial return that could be derived from the sale of the site concerned, and to take into account the impact of the proposed land sale terms on developers and cinema operators. The Administration would review the arrangement and refine it as necessary following the sale of the first two sites.

35. Mr MA Fung-kwok queried whether developers should be allowed to apply for modifying the land sales conditions to change the use of a site designated for a cinema after seven years of operation. He said that the land premium should have reflected the commercial risk of operating a cinema in the location and the developer might have benefited from a reduction in the land premium arising from the obligation. The Administration should not offer further opportunity to the developer unless it could demonstrate that the cinema concerned could no longer serve the intended function due to genuine hardship in sustaining operation. Head of CreateHK said that the Commerce and Economic Development Bureau would assess the application of lease modification from cinema development perspective.

36. Mr Nathan LAW asked if the Administration would intervene if the cinema to be provided under the proposed land sales conditions was to close down within the first seven years of operation. Head of CreateHK responded that under such circumstances, the developer would have to undertake the risk and to continue to sustain the operation of the cinema.

37. Mr Nathan LAW further asked if the Administration would, rather than identifying new sites for provision of cinemas, consider to convert back to cinemas those premises that were originally planned as such but had been modified for other uses. Head of CreateHK said the Administration would take into account the relevant selection criteria (as outlined in paragraph 32 above) when identifying suitable locations for provision of cinema.

Subsidy to audience

38. Mr CHAN Chun-ying suggested that the Administration should cultivate a film appreciation culture by offering subsidies to students and elderly persons to watch films. Head of CreateHK mentioned that some cinema operators were already offering concessionary tickets to elderly persons; students discount tickets were also available at the Hong Kong International Film Festival.

39. The Chairman asked if the Administration would subsidize students and elderly persons to watch films in addition to the concessionary rates being provided by commercial cinema operators. Head of CreateHK said that as cinema operators were offering concessionary ticket price to a certain sector of the community, the Administration should not duplicate the subsidy, but should focus resources to cultivate a wider group of audience.

Film release

40. Mr CHAN Chi-chuen commented that big-budget Hollywood films were often favoured by cinema operators, and, as a result, local film productions could only be screened outside prime periods or with short release schedule. He asked if the Administration would introduce measures which would encourage exhibitors to provide more favourable release periods to local film productions. Head of CreateHK said that multiplex cinemas had houses with smaller screens and fewer seats, which would accommodate independent or non-mainstream productions.

41. Mr CHU Hoi-dick commented that local film producers might intend for the production to reach out to a wider audience in the community outside of cinemas. However, they were not able to do so due to various restrictions. For example, Mr CHU said that school assembly halls would be one avenue for screening local productions, but film distributors were not able to collect income from sale of tickets if the productions were to be screened in school assembly halls. He said that the Administration might not need to require developers to provide cinemas in land sales agreements to increase cinema seats if the restrictions could be relaxed. Head of CreateHK said that the Administration

had installed screening facilities at the Auditorium of the North District Town Hall to make it convenient to residents. Principal Assistant Secretary for Commerce and Economic Development (Communications and Creative Industries) B supplemented that certain venues in universities had been used for screening movies and it would be necessary for schools to identify hurdles of screening movies in their assembly halls before considering the assistance needed.

42. The Chairman commented that the film release activity she had held at school was well received. She asked the Administration to consider if it was feasible to allocate resources to schools in order to cultivate film appreciation among students.

43. Mr Nathan LAW expressed concern that some local films did not have the chance to be exhibited in commercial cinemas due to political sensitivity of the film. He asked whether the Administration would introduce appropriate measures so that cinema operators could not deny certain productions from being screened on human rights consideration. Head of CreateHK said that cinema operators should be allowed to run their business based on commercial principles and there was no basis for the Administration to intervene with the commercial decisions made by operators. He added that if films could not be released in cinemas, there were other channels for distribution of the production using different technologies.

44. Mr Nathan LAW further asked if the Administration would require cinema operators to ensure that a certain proportion of release periods should be reserved for local film productions. Head of CreateHK said there might be a possibility that such restrictions would not be strictly in line with Hong Kong's obligation under the agreement with the World Trade Organization.

VI. Any other business

45. There being no other business, the meeting ended at 4:28 pm.