

The Bills Committee  
Hong Kong SAR Legislative Council  
Des Voeux Road Central  
Hong Kong

27 March 2000

Dear Sirs

**Broadcasting Bill - Submission by Turner International Asia Pacific Limited (*Turner*)**

**1. Summary**

Turner supports the scheme of regulation introduced by the Broadcasting Bill. However, Turner has certain concerns, most of which were raised in its earlier response to the Government's 1998 Review of Television Policy, a copy of which is attached (*Turner's 1998 Response*). The following is a summary of those concerns.

- (a) (***Content Licensing***): The Bill should make it clear that the provision of content without any attendant activities associated with the provision of services to the public does not require a licence. While Turner understands this to be the Government's intention, the Broadcasting Bill is ambiguous in that regard.
- (b) (***Downlink Facilities***): Turner continues to recommend that the holders of *other licensable television programme services* (including hotels) be permitted to establish and maintain downlink facilities for the purpose of receiving and re-transmitting programming.
- (c) (***Class Licences***): Turner previously recommended that a class licensing regime be introduced to govern the establishment and maintenance of downlink facilities by *other licensable television programme service* licence holders. While Turner still advocates this position, its principal concern is that the Government ensure that the facilities licensing framework be simple. It is not presently clear what form of telecommunication licence will be used to licence facilities of *other licensable television programme service* licence holders.

- (d) **(SMATV Exemption):** SMATV system operators who merely convey television programme content will be exempted from licensing under the Bill. Turner supports this but is concerned that the requirement for there to be an interconnection agreement between the holder of a licence under the Bill and the SMATV licence holder is overly complicated.
- (e) **(Licence Conditions):** Turner recommends that the general conditions of licences be set in advance, with any amendments to them being subject to defined public consultation procedures. The general conditions of licences within a category should be uniform, other than deviations to reflect the specific licensee's service or technology deployed.
- (f) **(Other Matters):** Certain other recommendations for inclusion in the new legislation were made in Turner's 1998 Response. However, in order not to unduly delay the passage of the Bill, Turner now suggests they be dealt with by way of administration of Government policy rather than legislation. These include matters related to DTH licensing, immigration, copyright and MMDS frequencies as discussed at 2.8 below.

## 2. Comments on the Broadcasting Bill

### 2.1 General Support for Scheme of Bill

Turner continues to support the introduction of the regulatory environment reflected by the Broadcasting Bill. In particular:

- **(Content/Carriage):** Turner supports the separate regulation of content (under the Bill) and carriage (under the Telecommunication Ordinance);
- **(Technology Neutrality):** Turner endorses the Bill's technology-neutral approach to licensing and the categories of licences proposed to be established by it;
- **(Exemption):** Turner supports the areas of exemption from regulation reflected by the Bill. In particular, Turner welcomes the Government's decision to exempt services supplied over the Internet from licensing;
- **(Competition):** Turner welcomes the inclusion of competition law provisions in the Bill - it had advocated such provisions in Turner's 1998 Submission. Turner would also support the incorporation of the principles contained in these provisions into section 21 of the Bill (see 2.7 below)
- **(Parental Locks):** Turner supports the inclusion of provisions regarding parental locks, as had also previously been recommended by Turner.

In Turner's view the passage of the Bill will greatly assist to encourage others to invest in Hong Kong's broadcast industry and demonstrate the commitment to the Hong Kong SAR already shown by Turner.

## **2.2 Licensable Television Programme Services**

### ***Background***

Turner has previously expressed the view that persons who supply content without any attendant activities associated with providing programme services to the public should not require a licence - for example, the supplier of a channel included in a bouquet of services offered by a subscription television licensee should not be required to be separately licensed. This is on the basis that control of content may be achieved by making the subscription television licensee responsible for the programming transmitted by it. To regulate the content provider as well as the operator would result in unnecessary duplication and complication of the regulatory regime.

We understand that the Government does not intend to require such content providers to be licensed. However, the Bill does not make this clear.

The Bill requires licensing of persons who *provide a broadcasting service* (see Section 5(1)). *Broadcasting service* is defined by reference to the 4 categories of television programme service proposed to be regulated (domestic free television programme services, domestic pay television programme services, non-domestic television programme services and other licensable programme services). The term *television programme service* is also defined by reference to *provision of a service*.

The definition of *provide* in the Bill does not exclude the mere supply of content and it is therefore not clear that a content supplier need not be licensed.

### ***Recommendation***

Turner recommends that the Bill be amended to clarify that persons who provide content for inclusion in programming transmitted by holders of licences under the Bill need not themselves be licensed. While this may be the intended effect of the Bill as presently drafted, clarification along these lines would assist to avoid uncertainty.

## **2.3 Hotel Television Services and Class Licences**

### ***Background***

The present regime for regulation of hotel television services is problematic as hotels have to date not been permitted to establish or maintain satellite downlink facilities to support the provision of hotel television services. Turner has previously raised this problem.

### ***Recommendation***

Turner seeks that the Government clarify that holders of *other licensable television programme service* licences (including hotels) will be permitted to establish downlink facilities for the reception of programming.

## 2.4 Class Licenses

### *Background*

Turner has previously expressed a concern that the licensing of downlink facilities established by *other licensable television programme service* licence holders be as simple as possible and has recommended that a class licensing regime be introduced to govern facilities licensing.

Under the present regulatory regime there are two ways in which such downlink facilities might be licensed.

- Under the Satellite Master Antenna Television (*SMATV*) form of licence - however, the Government has not permitted this to date.
- Under a Hotel Television Services Licence granted in accordance with the Telecommunication Ordinance - again, the Government has not authorised such reception to date.

*Services* provided by hotels will be regulated under the Bill as *other licensable television programme services*. However, insofar as the licensing of *facilities* is concerned, the Bill abolishes the current Hotel Television Services Licence regime and it is not clear what form of telecommunications licence will be used in its place.

The SMATV licensing regime is unsuitable for use in relation to the licensing of hotel downlink facilities, as it is a requirement of the SMATV licence that television programming to be received and re-transmitted originate from licensed broadcasters. Turner views this requirement as unnecessary - the programme originator should not need to be licensed in order for the hotel to be authorised to receive and re-transmit programming, provided that the hotel itself holds a licence.

### *Recommendation*

Turner seeks that the Government clarify the form of licence (or exemption from licensing) to be used to authorise holders of other television programme service licences to establish facilities, including downlink facilities for hotels. In that regard Turner continues to recommend that persons falling within the *other licensable television programme service* category should be exempted from the requirement to apply for a separate licence to govern their downlink facilities, if they are licensed under the Bill.

Turner again recommends that:

- the Telecommunications Authority publish technical criteria for facilities required by other licensable television programme service licensees; and
- the Bill provide that each such licensee will be deemed to have received a facilities licence from the Telecommunications Authority for establishment and maintenance of facilities falling within such criteria.

While Turner still advocates this position, its principal concern is that the Government ensure that the facilities licensing framework *for other licensable television programme service*

licences be simple. For example, the current public non-exclusive telecommunications service (PNETS) licence form could be used for such facilities. As noted above, Turner believes that the SMATV licence form is unsuitable.

## **2.5 SMATV Exemption**

### ***Background***

SMATV system operators who merely convey television programme content will be exempted from licensing under the Bill. Section 1 of Schedule 3 to the Bill provides that a service consisting of the conveyance, without variation or alteration of contents of a licensed service by means of a telecommunications network and under an interconnection agreement between the licensee and the owner or operator of the telecommunications network, shall not be regarded as a television programme service.

Turner supports this exemption but is concerned that the requirement for there to be an *interconnection agreement* between the holder of a licence under the Bill and the SMATV licence holder may give rise to uncertainty and this requirement seems unnecessary.

### ***Recommendation***

Turner suggests that there be a specific and separate exemption from licensing for SMATV operators who carry the programming of holders of licences under the Bill, without further conditions of exemption being attached.

## **2.6 Conditions of Licence**

### ***Background***

The Bill presently allows the Chief Executive in Council or the Broadcasting Authority to determine the conditions of licences (see Section 10). However the Bill does not give any guidance as to what those terms are to be in any particular case and does not require that licences of a certain category are all in substantially similar form.

### ***Recommendation***

We recommend that some certainty be introduced regarding the general conditions to be included in licences under the Ordinance. The Government should commit itself to the standard conditions of each licence category. To the extent to which the Government seeks to change these conditions, it should be required to undertake public consultation as to those changes. The conditions of each category should be uniform, so as to promote a level playing field for competing licensees.

Matters which are specific to individual licence holders such as service and technology specific matters could be addressed by way of special conditions, much in the same way as they are dealt with in the case of licences under the Telecommunication Ordinance.

## **2.7 Competition**

Turner is unclear as to the intent of section 21 of the Bill. Assuming its intent is to address anti-competitive concerns, Turner proposes that the principles contained in sections 13 and 14 of the Bill be incorporated into section 21.

## **2.8 Other Matters Previously Raised**

Turner raised a number of other concerns in Turner's 1998 Submission. While these issues remain important to Turner, Turner does not wish to delay the legislative process and suggests they be implemented through Government policy decisions.

- **(DTH Services):** Turner continues to recommend that if more than one applicant applies for licence to use the four Ku-band channels allocated to Hong Kong for DTH service and satisfies the Government's requirements for issue of that licence, the Government divide the channels between successful applicants.
- **(Immigration):** The Government should prepare and implement special procedures to simplify and expedite the process of television staff gaining visas.
- **(Copyright):** Intellectual property protection remains a concern. Turner continues to recommend that licences issued under the Bill include a positive condition that the licensee must not breach the Copyright Ordinance.
- **(Frequencies):** Turner continues to maintain that any requirement of Wharf Cable or any other user of MMDS frequencies to cease using those frequencies should have due regard to the need of the existing user to transition to alternative conveyance systems in an efficient and cost effective manner.

## **3. Conclusion**

Thank you for the opportunity to comment on the Broadcasting Bill. Turner would be happy to provide the Bills Committee with further information if it so wishes.

Yours faithfully

**Ian Carroll**

Vice President, Business Affairs and Regional Counsel

**THE 1998 REVIEW OF TELEVISION POLICY  
CONSULTATION PAPER BY THE GOVERNEMENT OF THE HKSAR**

***SUBMISSION IN RESPONSE BY TURNER***

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**1. Summary**

Turner supports the Government's policy objectives described in the Consultation Paper. Turner submits that the omnibus Broadcasting Bill and associated regulations should provide for and be consistent with the following.

- (a) (*Licensable programme services*) The provision of content without any attendant activities associated with providing programme services to the public should not require any licence in Hong Kong. The omnibus Broadcasting Bill should contain a definition of television programme service that excludes the mere provision of programme content to a licensed television service system.
- (b) (*Hotel television services*) The holder of a category (d) television programme service licence (including hotels) should be permitted to establish and maintain a downlink facility for the purpose of receiving and retransmitting that programming service if that facility satisfies the technical criteria established by the Telecommunications Authority. The transitional arrangements for the new regulatory structure should provide that each existing hotel television service licensee is deemed to be a category (d) licensee.
- (c) (*Class licences*) The Telecommunications Authority should publish the technical criteria for facilities required to be used by category (d) licensees. The Broadcasting Bill should then provide that each system that maintains a category (d) licence issued by the Broadcasting Authority will be in the *class* of persons deemed to have received a facilities licence from the Telecommunications Authority without need to apply separately for such a licence.
- (d) (*SMATV services*) The transitional arrangements for the new regulatory structure should provide that each existing SMATV licensee is deemed to be a category (d) licensee.

- (e) **(DTH services)** The Broadcasting Bill should provide that, if more than one applicant applies for a licence to use the four Ku-band channels allocated to Hong Kong to provide a DTH service and satisfies the Government's requirements for the issue of that licence, the Government is required to divide the channels between the successful applicants
  
- (f) **(Immigration)** As part of its 1998 Television Policy Review, the Government should prepare and implement special procedures to simplify and expedite the process of granting visas to appropriately qualified staff proposed to be engaged in the television industry in Hong Kong.
  
- (g) **(Copyright)** Each licence issued under the omnibus Broadcasting Bill should include a positive condition that the licensee must not breach the Copyright Ordinance in the exercise of the licence. The Broadcasting Authority should have power to request from each licensee a statutory declaration setting out all the programs or channels re-transmitted by that licensee on a particular date. The Authority should also have power to require the licensee to produce evidence of the written consent of the relevant programme or channel owner to that re-transmission
  
- (h) **(Competition)** Each television programme service licence should contain a prohibition against the licensee engaging in anti-competitive conduct and should prohibit a licensee that is dominant in the market for programme services from abusing that dominant position. A breach of those licence conditions should give rise to civil and criminal remedies.
  
- (i) **(Frequencies)** Any requirement for Wharf Cable or any other existing user of MMDS frequencies to cease using those frequencies should have due regard to the need of the existing user to transition to alternative conveyance systems in an efficient and cost effective manner.
  
- (j) **(Parental lock)** The Broadcasting Bill should impose an obligation to provide parental locking devices in the licences for pay and other licensable services but should not impose any obligation in respect of those systems on any other participant in the television industry.



## **2. Nature of business as regional provider of television content**

Turner Broadcasting System, Inc., through its various subsidiaries, is engaged in several diverse and growing information and entertainment businesses in the Asia Pacific Region. In particular, Turner distributes in this Region the television programming services *CNN International* and *TNT & Cartoon Network* as well as the interactive service *CNN Interactive*.

Hong Kong has been an important regional base for Turner since the mid-1980's. *CNN International* opened a news production facility in Hong Kong in 1995 and opened a full news bureau in 1997. *TNT & Cartoon Network* established a multimillion dollar production and network origination facility in 1994 at Chai Wan. From its offices and facilities in Central and Chai Wan, Turner promotes and distributes its content services throughout the Asia Pacific, from Pakistan to Micronesia and from Japan to New Zealand. The company contributes greatly to Hong Kong's reputation as a pre-cminent regional broadcasting hub.

Turner is also part of the Time Warner group. Other Time Warner companies based in Hong Kong are involved in magazine publishing, movie and television production, movie and programme distribution, consumer products and music production and distribution throughout the Region.

In Hong Kong, Turner currently distributes *CNN International* and *TNT and Cartoon Network* to Wharf Cable for re-transmission on its pay television system. Turner also provides *CNN International* to hotels in the HKSAR. The company is examining ways of distributing *CNN Interactive* and other interactive services in Hong Kong. It recently concluded an agreement to contribute interactive content to video pay phones installed at Chek Lap Kok Airport.

Turner has made a substantial investment in Hong Kong's broadcasting future both in terms of physical infrastructure and in employing and nurturing the talents of Hong Kong's people. The comments set out below should be seen in the context of Turner's already demonstrated commitment to the HKSAR.

## **3. Support for key policy objectives**

Turner wholeheartedly supports the Government's realignment and focusing of its policy objectives as described in the Paper. Without a conducive regulatory environment, Hong Kong risks missing the opportunities presented by the technological convergence of broadcasting, telecommunications and information technology. Turner strongly urges the Government to implement such a regulatory environment both for the benefit of Hong Kong itself and as a leading example to other countries in the Region faced with the same convergence issues.

#### **4. Licensable television programme services**

##### ***Background***

The Consultation Paper correctly makes the distinction between the *conveyance* and the *content* of television services. The Consultation Paper sets out four categories of technology neutral, television programme services that will require a license in Hong Kong.

The Consultation Paper does not clearly state what activities will constitute a programme service requiring a licence in one of these four categories. The Paper also does not set out how and to what extent a programme service will also require a conveyance licence.

The Consultation Paper hints that, in the case of pay television services, it is the sale/rental/installation of decoders and reception equipment and the marketing and collection of subscription revenues that require a licence (refer to page 24 in relation to TVROs). However, it is not clear from the Consultation Paper that, the mere provision of programme content to a licensed operator (e.g. Wharf Cable or a SMATV operator or hotel in possession of a category (d) licence), will not be an activity requiring a licence on the part of the provider of programme content.

It would clearly be an unnecessary duplication and complication of the regulatory system if providers of content to licensed systems were also required to first obtain a licence. The fact that the relevant system must be licensed should be sufficient to ensure programmes comply with content standards.

##### ***Submission***

The provision of content without any attendant activities associated with providing programme services to the public (e.g. collection of revenue directly from subscribers, installation of decoders in the premises of subscribers) should not require any licence in Hong Kong. The omnibus Broadcasting Bill should contain a definition of television programme service that excludes the mere provision of programme content to a licensed television service system. Accordingly, the Government should not require a mere content provider to be licensed.

A content provider should be entitled to rely on a representation and warranty in its agreement with a television service system that the television system has obtained all licences and approvals required to receive and retransmit that service in accordance with applicable law

Please also refer to further submissions below in relation to hotels and SMATV systems.

## 5. Hotel television services

### *Background*

The Consultation Paper lists hotel guests as a specific viewer group. As such, a television program service provided to hotels will require a category (d) licence issued by the Broadcasting Authority authorising the provision of *other licensable television programme services*.

The Consultation Paper does not address:

- the facilities that may be established by a hotel in order to provide such a licensed service;
- the transition of hotels holding an existing hotel television services licence to a new category (d) licence; or
- whether the hotel will also require a facilities licence issued by the Telecommunications Authority.

Hotels in Hong Kong are not currently permitted to establish or maintain a downlink facility to support a hotel television service because the Government considers that to do so would infringe Hongkong Telecom International's exclusivity in external facility-based services. That exclusivity will expire on 1 January 2000. However, the Government has not made it clear that hotels will be permitted to establish a downlink facility before or after that date.

If this situation is not corrected, a hotel will be prevented from installing a downlink facility and will be forced to deal with a provider of cable or wire based conveyance services. Not only will the hotel then be unable to choose what may be the most convenient and cost efficient means of obtaining programming, it will also be unable to enjoy all the benefits of operating in a free and open market for television services.

The Government has also expressed a wish to free-up spectrum currently used for microwave transmissions. As many hotels in Hong Kong currently use microwave facilities to receive television programming, allowing hotels to establish a downlink facility would enable the Government to free up part of that spectrum sooner than originally planned.

### ***Submission***

The omnibus Broadcasting Bill should permit the holder of a category (d) television programme service licence to establish and maintain a downlink facility for the purpose of receiving and retransmitting that programming service if that facility satisfies the technical criteria established by the Telecommunications Authority (see also comments on class licensing below). The Bill should state the licensee is permitted to establish that downlink facility from, at the latest, 1 January 2000. The Government should consider invoking the so-called item (k) exception, if necessary, to permit it to allow a hotel to establish such a facility prior to 1 January 2000 without infringing any obligation owed by the Government to Hongkong Telecom International.

In addition, the transitional arrangements for the new regulatory structure should provide that each existing hotel television service licensee is deemed to be a category (d) licensee.

## **6. Class licences for category (d) licences**

### ***Background***

Turner welcomes the Government's statement in the Consultation Paper that it intends to remove existing restrictions and allow smaller operators such as SMATV operators to carry pay television services.

Turner is concerned that the transition to this new regulatory structure should be as simple as possible for existing licensees. In addition, the administrative procedures associated with licensing category (d) licensees should not be so complicated as to themselves constitute a barrier to market entry.

One interpretation of the Consultation Paper is that the Government intends to require each category (d) licensee to obtain two licences: a service licence issued by the Broadcasting Authority; and a facilities license issued by the Telecommunications Authority.

This is more complicated than the current SMATV and hotel licence structure. Turner considers that there is a case for small SMATV systems (i.e. those that satisfy the test for a category (d) system as set out in the Consultation Paper), hotels and other category (d) systems to be exempt from the requirement to obtain two separate licences. At the same time, Turner recognises the need to ensure those systems use appropriate equipment to deliver the relevant service. A so-called class licensing system will adequately address this concern.

***Submission***

The Telecommunications Authority should publish the technical criteria for facilities required to be used by category (d) licensees. The Broadcasting Bill should then provide that each system that maintains a category (d) licence issued by the Broadcasting Authority will be in the *class* of persons deemed to have received a facilities licence from the Telecommunications Authority. The category (d) licensee will only remain in that class for so long as it complies with that technical criteria.

**7. SMATV services**

***Submission***

The transitional arrangements for the new regulatory structure should provide that each existing SMATV licensee is deemed to be a category (d) licensee.

**8. Direct-to-home satellite television services**

***Background***

Turner supports the Government's decision to prepare for the licensing of the 4 Ku-band channels allocated to Hong Kong by the ITU. However, the Government should be concerned that the use of the channels to provide direct-to-home television services enhances rather than detracts from the competition to provide pay television programme services in Hong Kong.

***Submission***

The Broadcasting Bill should provide that, if more than one applicant applies to use these channels to provide a DTH service and satisfies the Government's requirements for the issue of that licence, the Government is required to divide the channels between the successful applicants by issuing more than one licence.

**9. Immigration requirements**

***Background***

It is important for each participant in the broadcasting industry to have access to a pool of appropriately skilled professionals and creative personnel. Indeed the ability to access such a skilled workforce is one of the critical decisions in choosing the location for broadcasting operations and in maintaining that location. This is particularly true in the case of broadcasters of international satellite delivered television programming which require a wide range of personnel with different language skills and international experience.

In the case of the operations of Turner and other broadcasters previously based in the HKSAR, the ability to source such a skilled workforce from outside Hong Kong was critical to the start-up of operations and remains important to the ongoing success of the business. The presence of such an experienced workforce also facilitates the passing on of these specialised skills to local workers.

Other countries, in particular Singapore, offer broadcasters special assistance with respect to the requirements for work permits for overseas personnel employed by companies involved in the television industry.

### ***Submission***

As part of its 1998 Television Policy Review, the Government should prepare and implement special procedures to simplify and expedite the process of granting visas to appropriately qualified staff proposed to be engaged in the television industry in Hong Kong.

## **10. Respect for valuable intellectual property rights**

### ***Background***

Hong Kong has taken great steps in recent years to improve its legal and administrative structures for the respect and protection of copyright and other intellectual property rights. Unfortunately there are still some participants in the television industry in Hong Kong including some small SMATV operators who refuse to respect the copyright in international satellite delivered television signals. In the case of SMATV operators, this is despite a specific statement in the SMATV licence conditions that the licence does not authorise the licensee to re-transmit any signal in breach of the Copyright Ordinance.

### ***Submission***

Each licence issued under the omnibus Broadcasting Bill should include a positive condition (as opposed to the passive statement in existing SMATV licences) that the licensee must not breach the Copyright Ordinance in the exercise of the licence. In addition, to aid in the enforcement of this condition, the Broadcasting Authority should have power to request from each licensee a statutory declaration setting out all the programs or channels re-transmitted by that licensee on a particular date. The Authority should also have power to require the licensee to produce evidence of the written consent of the relevant programme or channel owner to that re-transmission if the Authority receives a bona fide challenge to such retransmission by the relevant programme or channel owner.

## **11. Enforcement of competition principles**

### ***Background***

The Government has correctly identified a need to ensure the new broadcasting regime contains adequate mechanisms to deal with anti-competitive practices by and between dominant network/transmission facilities and/or service providers. Such a policy recognises the potential for technology and facilities to be used by dominant players to restrict competition and ultimately to limit the programming services available to Hong Kong consumers. In particular, Turner is concerned to ensure that a person in a dominant position with respect to the supply of a particular type of television programme service does not abuse that position.

### ***Submission***

Each television programme service licence should contain a prohibition against the licensee engaging in anti-competitive conduct and should prohibit a licensee that is dominant in the market for programme services from abusing that dominant position. A breach of those licence conditions should give rise to civil and criminal remedies.

In order to ensure licensees comply with the spirit and intent of those licence conditions, the Broadcasting Authority should have sufficient investigatory powers, including the power:

- to call witnesses and require the production of documents;
- to impose monetary penalties on the licensee and on any person that controls the licensee or is otherwise involved in the relevant conduct; and
- to refer the conduct for criminal prosecution.

In addition, any person should be able to petition the Broadcasting Authority to investigate and enforce these licence conditions and to seek a court order compelling the Broadcasting Authority to act should it initially refuse to do so. Any person should also be entitled to seek an injunction to restrain a breach of these licence conditions.

## **12. Re-allocation of frequency spectrum**

### ***Background***

The Consultation Paper states Wharf Cable will be required to surrender certain MMDS frequencies.

***Submission***

Turner submits that any requirement for Wharf Cable or any other existing user of MMDS frequencies to cease using those frequencies should have due regard to the need of the existing user to transition to alternative conveyance systems in an efficient and cost effective manner.

**13. Parental locking system**

***Background***

The Consultation Paper states the Broadcasting Bill will require parental locking systems for all domestic pay and other licensable pay television services. Turner considers that such an obligation should be imposed as a condition of the relevant licence. A provider of programme content to a licensed service should not be required to be involved in the provision of such a system.

***Submission***

The Broadcasting Bill should impose an obligation to provide parental locking devices in the licences for pay and other licensable services but should not impose any obligation in respect of those systems on any other participant in the television industry.

**14. Timetable and transition**

Turner urges the Government to institute these proposals as soon as possible if Hong Kong is to avoid any further erosion of its position as the Region's preeminent broadcasting hub. As mentioned above, the Government should pay particular attention to the transition arrangements for smaller operators such as hotels and SMATV systems. Those smaller operators will be just as affected by these changes as larger members of the industry but may lack the administrative resources to cope with them.

**15. Contacts**

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