# 立法會 Legislative Council

LC Paper No. CB(1)1825/02-03 (These minutes have been seen by the Administration)

Ref : CB1/PL/ITB/1

#### Panel on Information Technology and Broadcasting

# Minutes of meeting held on Monday, 14 April 2003, at 2:30 pm in Conference Room A of the Legislative Council Building

**Members present** : Hon SIN Chung-kai (Chairman)

Hon Howard YOUNG, JP (Deputy Chairman)

Dr Hon David CHU Yu-lin, JP Hon Eric LI Ka-cheung, JP Hon CHAN Kwok-keung Dr Hon LAW Chi-kwong, JP Hon Albert CHAN Wai-yip Hon MA Fung-kwok, JP

**Members absent** : Dr Hon Philip WONG Yu-hong

Hon YEUNG Yiu-chung, BBS Hon Emily LAU Wai-hing, JP

Hon Timothy FOK Tsun-ting, SBS, JP

Public officers attending

: Agenda Item III

Mrs Marion LAI, JP

Deputy Secretary for Commerce, Industry and

Technology (ITB) 1

Mr M H AU, JP

Deputy Director-General of

**Telecommunications** 

Mr Danny LAU

Assistant Director of Telecommunications

(Operations)

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## **Consumer Council**

Mr CHAN Wing Kai Head Complaint and Advice Division

Mr Martin WONG Chief Complaint and Advice Officer Complaint and Advice Division

#### Agenda Item IV

Mr Alan SIU Deputy Secretary for Commerce, Industry and Technology (ITB) 2

Miss Adeline WONG Principal Assistant Secretary for Commerce, Industry and Technology (ITB)

#### **Hong Kong Computer Society**

Mr Daniel LAI President

**Clerk in attendance**: Miss Polly YEUNG

Chief Assistant Secretary (1)3

**Staff in attendance** : Ms Debbie YAU

Senior Assistant Secretary (1)1

Ms Sharon CHAN Legislative Assistant 6

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# I Confirmation of minutes and matters arising

LC Paper No. CB(1)1391/02-03 -- Minutes of the Panel meeting on 4 March 2003

The minutes of the Panel meeting on 4 March 2003 were confirmed.

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#### II Date and items for discussion for next meeting

LC Paper No. CB(1)1381/02-03(01) -- List of outstanding items for discussion

LC Paper No. CB(1)1381/02-03(02) -- List of follow-up actions

2. Pending any suggestion from the Administration and members on proposed agenda items for the next Panel meeting to be held on 12 May 2003, the Chairman said that he and the Clerk would follow up and inform members in due course.

(*Post-meeting note:* As the Administration had not proposed any agenda items for the captioned meeting and there were no items of urgency proposed by members, the Panel Chairman had decided that the next regular Panel meeting would not be held. Members were notified by LC Paper No. CB(1)1576/02-03.)

3. The Chairman referred to his earlier suggestion that a visit to the Cyberport should be arranged to enable members to have a better understanding on the progress of the project. Members agreed that the visit should be scheduled before the July meeting at which the Panel would receive the next progress report on the Cyberport project.

# III Coverage of mobile telephone service and television broadcasting service

LC Paper No. CB(1)1381/02-03(03) -- Information paper provided by the Administration

LC Paper No. CB(1)1406/02-03(01) -- Complaints received by the Consumer Council from 1.1.2002 to 28.2.2003 in respect of service coverage and reception problems relating to mobile service providers and TV Broadcasting Companies

LC Paper No. CB(1)1381/02-03(04) -- Paper on Scope of issues to be considered under the agenda item on "Coverage of mobile telephone service and television broadcasting service" prepared by the Secretariat

4. At the invitation of the Chairman, the Deputy Secretary for Commerce, Industry and Technology (ITB) 1 (DSCIT(ITB)1) briefed members on mobile phone and television coverage in Hong Kong, including existing regulatory framework and requirements, existing coverage and the extent of the problem of unsatisfactory reception, as well as complaints and improvement measures. Members also noted the number of complaints about television reception problems received by the Administration in 2002, and the number of complaints on service coverage and reception problems relating to mobile phone and television services received by the Consumer Council from 1 January 2002 to 28 February 2003.

#### Mobile phone coverage

- 5. Noting that the Office of Telecommunications Authority (OFTA) had received only 15 complaints on mobile phone coverage in 2002, Mr Albert CHAN was concerned that the exceptionally low number of complaints might probably be due to the ineffectiveness of OFTA in addressing the complaints. He referred to the complaints he was aware of that some catering premises in the shopping centre of Kwai Shing East Estate were not covered by the networks of several major mobile operators in Hong Kong and this had affected their business. Mr CHAN noted with disappointment that OFTA had required these caterers to dismount the telecommunications repeaters that they set up because they were unauthorized installations. He urged the Administration to look into the problem and safeguard the interest of the business operators in shopping centres. Noting that it usually took some time before residents in higher floors of new public housing estates could receive mobile signals, Mr CHAN urged the Housing Department to work closely with the mobile operators to improve the situation.
- 6. On mobile phone coverage, the Deputy Director-General of Telecommunications (DDG/Tel) highlighted that the six mobile operators had taken steps to improve coverage over the years and at present, Hong Kong had almost ubiquitous mobile phone coverage, which was one of the best in the world. The number of base stations had increased from about 6 000 in 1998 to over 10 000 at present. DDG/Tel nevertheless stressed that it might not be commercially viable to extend mobile phone coverage to each and every corner in Hong Kong as inevitably, there existed some blind spots due to blockage of the signals by terrain or structures. At present, there was intense competition

in the mobile services market. Market forces would drive the mobile operators to improve their coverage. Under the existing regulatory framework, however, it was the commercial decision of individual mobile operators to set up base stations at selected locations. If users encountered difficulties, they were encouraged to lodge complaints with OFTA so that it could follow up with the mobile operators concerned.

- 7. As it was quite common for local mobile calls made in North Lantau and North New Territories to roam to the networks of mobile operators on the Mainland due probably to the latter's stronger signals in these areas, Mr Albert CHAN urged the Administration to look into the situation in order that users would not have to pay roaming charges for local calls. The Chairman also noted that complaints on local mobile calls resulting in roaming calls in the areas of Tung Chung, Tuen Mun and Hong Kong International Airport had been received by the Consumer Council as well.
- 8. In response, <u>DDG/Tel</u> pointed out that given the proximity of North Lantau and North New Territories to the Mainland, overspilling of mobile signals between the two sides across the border was inevitable. Notwithstanding, the authorities regulating the use of radio frequency spectrum in Guangdong and Shenzhen had reviewed the situation regularly with OFTA and reached agreements on measures to minimize the overspill. Tests had been conducted to ascertain that mobile signals from each side would not exceed the stipulated levels of intensity at specified locations on both sides of the boundary. It was anticipated that in the longer run, collaboration between OFTA and the Mainland authorities would reduce the problem of automatic roaming as described by members. Meanwhile, <u>DDG/Tel</u> advised that mobile phone users could switch the function of network selection of their mobile phones to the manual mode instead of the automatic mode to avoid unintended roaming.

#### Television coverage

9. Referring to the new development in Tak Wah Street of Tsuen Wan where the high-rise buildings might have blocked the transmission of signals from the two domestic free television stations to buildings in the vicinity for almost a year, Mr Albert CHAN considered it necessary to formulate a policy requiring property developers to ensure that households in the vicinity of their development projects would continue to have satisfactory reception of the broadcasting service of the two domestic free television stations. He suggested that this requirement should be one of the conditions in the sale of the land in question. The Chairman shared Mr CHAN's view and said that property developers should be required to make an assessment on whether the buildings to be built by them would block the TV signals to nearby buildings; and if yes, to propose remedial measures to the satisfaction of the Administration.

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10. In this connection, <u>DSCIT(ITB)1</u> and <u>DDG/Tel</u> pointed out that it was technically difficult to ascertain the party responsible for causing the problem of poor reception of TV service. Property developers might attribute the problems to the overall development of the areas concerned or argue that the television stations should set up more transposers on their part. Nevertheless, the Administration took note of members' concern for consideration.

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- Admin 11. The Chairman requested the Administration to urge the two domestic free television programme service providers to consider setting up a transposer in Wah Lai Estate of Kau Wah Keng instead of in the adjacent Lai Yan Court where the owners had refused to make available space on the rooftop of their premises for the installation of the transposer. The Administration undertook to relay the request to the two TV broadcasters for follow-up action.
  - 12. On the service provided by the Hong Kong Cable Television Limited (HKCTV), Mr Albert CHAN highlighted the unavailability of cable TV service in South Lantau, including Tai O, Cheung Sha, Tong Fuk, Pui O and Mui Wo. He considered it unacceptable that HKCTV chose not to provide service for these areas on commercial consideration and commented that the capital cost involved in signal transmission using microwave for these areas was far less than that of using optical fibre. As a sanction, Mr CHAN said that the Government should resume the microwave spectrum assigned to HKCTV if it continued to refuse to provide service to these areas.
  - 13. In response, <u>DSCIT(ITB)1</u> pointed out that the "universal coverage" requirement did not apply to licensees providing domestic pay television programme service such as HKCTV. The coverage requirement was stated in terms of the number of premises passed by the transmission network without reference to specific locations. In the case of HKCTV, it was required by its licence to provide service covering not less than 1.769 million premises by May 2005. HKCTV had already exceeded its licence requirement as its network had passed 1.976 million premises, or about 93% of all the residential households in Hong Kong as at the end of February 2003. Nevertheless, if the Administration received complaints, it would relay the request for television service to HKCTV and invite HKCTV to consider the provision of service to these locations.
  - 14. <u>Mr Albert CHAN</u> did not subscribe to the Administration's explanation. He considered it unacceptable that cable television service was unavailable to such a wide geographical area as South Lantau. <u>Mr CHAN</u> and the Chairman urged the Administration to explore ways in addressing the problem.

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- 15. Regarding the microwave network, the Assistant Director of Telecommunications (Operations) (AD/Tel(O)) pointed out that the radio frequency spectrum within the 12 GHz band assigned to HKCTV for the purpose of operating microwave multipoint distribution system (MMDS) had been replaced by the radio frequency spectrum within the 18 GHz band. As MMDS was a more economical means for HKCTV to provide service to remote areas inaccessible by optical fibre, he confirmed that the Telecommunications Authority had no plan to require HKCTV to surrender the radio frequency spectrum within the 18 GHz band. DDG/Tel further said that as the performance of MMDS might be affected by weather and environmental conditions, there were technical and economic constraints to set up and maintain an MMDS in remote areas like South Lantau.
- 16. On the modes of signal transmission used by the other two newly licensed domestic pay television programme service providers, <u>AD/Tel(O)</u> advised that the two providers would provide broadcasting service via satellite signals through the coaxial cables in the buildings or via the broadband network using the telephone lines to reach the subscribers' premises.

#### Radio coverage

- 17. <u>Dr David CHU</u> drew the Administration's attention to the difficulties in receiving radio broadcasting signals inside the tunnels in Hong Kong. <u>The Chairman</u> echoed Dr CHU's view and said that he could not receive radio broadcast signals in the Eastern Harbour Crossing. <u>The Chairman</u> opined that improvement should be made in this respect.
- 18. In response, <u>DDG/Tel</u> confirmed that tunnel re-broadcasting system had been installed in all major road tunnels to facilitate tunnel users in receiving radio broadcasting signals. He also confirmed that such system was available at the Tate Cairn Tunnel, Lion Rock Tunnel and Eastern Harbour Tunnel. OFTA conducted tests on the performance of these systems regularly at two-month intervals and it was possible that a system might be out of order in between the tests. <u>DDG/Tel</u> added that it might be necessary for users to change the frequency channel of reception in some tunnels. <u>AD/Tel(O)</u> supplemented that all tunnels had installed or would soon install radio data system to enhance the reception of radio broadcasting signals by searching the designated channel set by individual vehicles while inside the tunnels. At the request of the Chairman, the Administration undertook to provide further information on mobile phone and radio broadcast coverage in all tunnels in Hong Kong.

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(*Post-meeting note:* OFTA confirmed that FM/AM re-broadcast systems and mobile phone repeaters had been installed in all major road tunnels, including the following:

- Cross Harbour Tunnel
- Eastern Harbour Crossing
- Western Harbour Crossing
- Lion Rock Tunnel
- Tate's Cairn Tunnel
- Airport Tunnel
- Tai Lam Tunnel
- Aberdeen Tunnel
- Shing Mun Tunnels
- Tseung Kwan O Tunnel
- Cheung Tsing Tunnel and
- Discovery Bay Tunnel (mobile phone repeaters being planned and awaiting the developer's agreement))

#### IV Extension and Expansion of the IT Easy Link Service

LC Paper No. CB(1)1381/02-03(05) -- Information paper provided by the Administration

- 19. At the invitation of the Chairman, the Principal Assistant Secretary for Commerce, Industry and Technology (Information Technology and Broadcasting) (PASCIT(ITB)) briefed members on the extension and expansion of the IT Easy Link Service, the financial implications and the way forward in running the expanded service. Mr Daniel LAI, President of the Hong Kong Computer Society (HKCS) further informed members that 94% of all requests made to the IT Easy Link service had been dealt with in the first contact, 1.3% of them were settled with the assistance rendered by members of the voluntary Technical Advisory Groups of HKCS and only 1.3% remained unsolved. In addition, about 46% of the requests received were beyond the service scope of IT Easy Link but 50% of these requests would be included in the expanded scope of service under the present proposal.
- 20. Noting that the IT Easy Link service had proved to be very well received by the public, <u>Mr MA Fung-kwok</u> enquired on the way forward for the service on a longer term basis and how the scope of the service would be delineated to avoid duplication with the service provided by the private sector.
- 21. In response, the Deputy Secretary for Commerce, Industry and Technology (Information Technology Broadcasting)2 (DSCIT(ITB)2) stressed that the Administration was mindful of the need to stay clear from competing for business opportunities with the private sector. In fact, the Administration would only seek to fill the gap by providing support to those small and medium enterprises (SMEs) which planned to adopt IT for the first time or had encountered difficulties in IT applications during the early stage of adoption.

- IT Easy Link service would only cover those areas of service which were not available or difficult to obtain in the market. As regards extending the service on a longer term basis, <u>DSCIT(ITB)2</u> advised that the Administration would review the demand for the service, in particular the feedbacks from SMEs, one year after implementation of the expanded service. In reply to <u>the Chairman</u>, <u>DSCIT(ITB)2</u> confirmed that the proposed allocation of \$4.74 million covered both the existing and expanded services.
- 22. The Chairman and Mr CHAN Kwok-keung asked whether specific types of IT products/solutions would be recommended to service users. In reply, DSCIT(ITB)2 highlighted that HKCS would work with the major local IT industry bodies to make available at the centre for SMEs' reference product literature of the various business applications offered by members of the industry bodies. As regards the provision, installation and further development of these application, it would be up to the industry to provide the necessary services to the SMEs.
- 23. Mr LAI of HKCS supplemented that the face-to-face advisory services provided to SMEs would be product/vendor neutral and it would not deal with product specific question. Users would be guided to select the most suitable solution by consulting the IT Solution Directory launched by Hong Kong Information Technology Federation with funding support from the SME Development Fund.
- 24. In view of the operating hours of SMEs, the Chairman considered that it might be more desirable to operate the hotline service for businesses from 10:00 am to 6:00 pm instead of from 9:00 am to 5:00 pm. In response, DSCIT(ITB)2 pointed out that apart from the hotline service for businesses, staff of SMEs could also use the telephone hotline service for general users, which operated from 9:00 to midnight from Monday to Sunday, including public holidays. Both DSCIT(ITB)2 and Mr LAI of HKCS undertook to review the operating hours of the hotline service for businesses in the light of operational experience.
- 25. To enable users of the service to acquire the latest information on IT development, Mr MA Fung-kwok enquired about the training provided to staff manning the service. In reply, Mr LAI of HKCS advised that persons with at least three years' working experience in providing user support would be appointed to man the service. Training related to the latest IT products would be provided to these staff for seven to 10 days a year. IT professionals with 15 to 20 years of experience in business applications would be invited to provide face-to-face advisory service to SMEs.
- 26. Summing up, the Chairman expressed the support of the Panel for the extension and expansion of the IT Easy Link service. However, he cautioned that the Administration would face the dilemma of having to cope with an

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increasing demand for such service and making available the necessary resources to continue the provision of the service in the longer run. He requested the Administration to revert to the Panel in about one year's time. Mr MA Fung-kwok would not object to the continued provision of the service over the medium term as long as it would not compete with the private sector for business opportunities.

## V Any other business

27. There being no other business, the meeting ended at 3:30 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 29 May 2003