

立法會 *Legislative Council*

LC Paper No. CB(1)472/03-04
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by the Administration)

Ref : CB1/PL/ITB/1

Panel on Information Technology and Broadcasting

**Minutes of meeting
held on Monday, 10 November 2003, at 2:15 pm
in the Chamber of the Legislative Council Building**

Members present : Hon SIN Chung-kai (Chairman)
Hon Howard YOUNG, SBS, JP (Deputy Chairman)
Dr Hon Eric LI Ka-cheung, GBS, JP
Hon CHAN Kwok-keung, JP
Hon YEUNG Yiu-chung, BBS
Hon Emily LAU Wai-hing, JP
Hon Timothy FOK Tsun-ting, SBS, JP
Dr Hon LAW Chi-kwong, JP
Hon Albert CHAN Wai-yip
Hon MA Fung-kwok, JP

Members absent : Dr Hon David CHU Yu-lin, JP
Dr Hon Philip WONG Yu-hong, GBS

Public officers attending : Agenda item III

Mr John C TSANG, JP
Secretary for Commerce, Industry and Technology

Mr Francis HO, JP
Permanent Secretary for Commerce, Industry and
Technology (Communications and Technology)

Mrs Marion LAI, JP
Deputy Secretary for Commerce, Industry and
Technology (Communications and Technology)1

Mrs Betty FUNG, JP
Deputy Secretary for Commerce, Industry and
Technology (Communications and Technology)2

Mr Robin C GILL, JP
E-government Coordinator, Commerce, Industry
and Technology Bureau

Agenda item IV

Mr Alan WONG, JP
Director of Information Technology Services

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

Mr CHEUNG Woon-hang
Chief Systems Manager, Information Technology
Services Department

Ms Mimi Lee
Principal Assistant Secretary for Education and
Manpower

Mr Gary AU
Assistant Secretary for Education and Manpower

Mr SIT Tung
Assistant Director of Social Welfare

Miss Monica CHEN, JP
Assistant Director of Home Affairs

Mr HUI Wai-shing
Senior Liaison Officer, Home Affairs Department

**Attendance by
invitation**

: Agenda item III

Hong Kong Blind Union

Mr LO Yiu-man
Director

Mr YUEN Kin-ming
Executive Committee Member

The Hong Kong Council of Social Service

Mr John FUNG
Chief Officer
(Information Technology and Development)

Mr WONG Kin-wai
Chief Officer
(International and Regional Networking)

Retina Hong Kong

Mr TSANG Kin-ping
President

Mr WONG Siu-kei
Member

Hong Kong Seniors IT Advocates

Mr Lucas NG
Chairman

Mr LEUNG King-man
Director

Hong Kong Society for the Blind

Mr Fred LEUNG
Director (Rehabilitation Division)

Hong Kong Information Technology Federation

Mr Charles MOK
President

Innovation and Technology Association

Mr Spencer LI
Charter President

The Hong Kong Institution of Engineers

Ir Dr Alex CHAN
President

Ir Albert CHU
Chairman
Information Technology Division

The Institution of Electrical Engineers

Mr TSANG Kim-fung
Chairman,
Specialised Section in Electronics

Mr CHAN Kwok-leung
Professional Development Coordinator

Internet Professionals Association

Ms Elizabeth QUAT
Co-Founder & President

Mr TANG Kwok-wai
Vice President

Hong Kong and Mainland Software Industry
Cooperation Association Limited

Mr Ted CHENG
Secretary General

Mr Joe LUO
Vice President

Professional Information Security Association

Mr Andy HO
Vice Chairperson (External Affairs)

Mr Benjamin CHAN
Honorary Secretary and Treasurer

Hong Kong Linux Industry Association

Mr David CHOW
Chairman

Clerk in attendance : Miss Polly YEUNG
Chief Assistant Secretary (1)3

Staff in attendance : Ms Debbie YAU
Senior Assistant Secretary (1)1

Miss Chris LAM
Clerical Assistant (1)2

Action

I Date and items for discussion for next meeting

LC Paper No. CB(1)249/03-04(01) -- List of outstanding items for discussion

LC Paper No. CB(1)249/03-04(02) -- List of follow-up actions

Members noted that the next Panel meeting had been re-scheduled to Friday 5 December 2003 at 8:30 am and agreed to discuss the following items:

- (a) Capital Works Reserve Fund
Head 710 Computerization Subhead A007GX -
New Administrative Computer Systems;
- (b) Broadband Internet Services; and
- (c) Introducing Digital Terrestrial Broadcasting At the Right Time: A Second Consultation.

2. The Chairman informed members that he had held an informal discussion with the Bureau regarding the items scheduled for discussion for the 2003-04 session. Both the Administration's proposed items and those proposed by members had been consolidated into the Panel's "list of outstanding items for discussion" (LC Paper No. CB(1)249/03-04(01)) which would be updated for every monthly meeting.

II Paper issued since last meeting

LC Paper No. CB(1)253/03-04(01) -- Submission from Barony Consulting Group Limited on Digital Interactive TV and Electronic Service Delivery (English version only)

3. Members noted the paper issued since last meeting.

III Briefing by the Secretary for Commerce, Industry and Technology on workplans and initiatives within the purview of the Communications and Technology Branch

LC Paper No. CB(1)268/03-04(01) -- Power-point presentation material
(circulated to members on
11 November 2003)

4. The Chairman welcomed the Secretary for Commerce, Industry and Technology (SCIT) and his colleagues to the meeting.

5. With the aid of power-point presentation, SCIT briefed members on the key initiatives to be undertaken by the Communications and Technology Branch of his Bureau.

Film industry

6. Mr CHAN Kwok-keung enquired about the effectiveness of the newly established Film Guarantee Fund (FGF) in facilitating the production of more quality films. In reply, the Permanent Secretary for Commerce, Industry and Technology (Communications and Technology) (PSCIT(CT)) pointed out that the purpose of the FGF was to help create an environment conducive to the development of a film financing infrastructure in Hong Kong. The guarantee had made it easier for film makers to obtain loan facilities for their productions. So far, approval under FGF had been given to three films. As the scheme had only commenced operation in April 2003, PSCIT(CT) considered it too early to draw conclusions on the effectiveness of FGF at this stage. As previously undertaken, the Administration would brief the Panel on the operation of the scheme in about a year's time after its implementation.

Competition and investment in information technology/telecommunications sectors

7. Ms Emily LAU was concerned that the current cut-throat competition in the information technology (IT)/ telecommunications markets might become a disincentive to further investment by existing and potential operators. She was worried that as a result of a decline in investment, Hong Kong would lag behind its competitors in technological advancement.

8. In response, SCIT informed members that Hong Kong's per capita investment on telecommunications infrastructure in the past 10 years ranked very high on a global scale. He undertook to provide further information on the investment on telecommunications in the past 10 years or so to the Panel after the meeting.

9. In response to Ms Emily LAU's concern about the industry's views, SCIT said that while he was aware of concerns raised by some operators about keen competition, the statistics so far were indicative of a healthy level of investment in the markets. In this connection, Ms Emily LAU cautioned that the Administration should monitor the market situation closely and maintain an environment conducive to both competition

and investment. SCIT noted her concern and confirmed that the Administration would make the best endeavour to balance the needs for fair competition and investment incentives.

Digital Broadcasting

10. Mr CHAN Kwok-keung was concerned about the slow progress in the formulation of the policy and regulatory proposals on digital broadcasting. He enquired whether digital broadcasting had the support of the broadcasting industry.

11. In reply, PSCIT(CT) advised that in December 2000, the Government had issued a consultation paper on the policy and regulatory proposals for digital terrestrial broadcasting in Hong Kong, including the choice of Digital Terrestrial Television (DTT) technical standard. The response of the broadcasting industry was encouraging. Nevertheless, it should be noted that the two incumbent domestic free television programme service licensees had urged that Hong Kong should not decide on the technical standard to be adopted until the Mainland DTT standard was promulgated. According to the Administration's knowledge, the Mainland would announce its technical standard in about early 2004. It was important for the Administration to draw up a proposal on the future DTT technical standard having regard to all relevant factors. Nevertheless, PSCIT(CT) pointed out that under their respective licence conditions, the two free television programme service licensees would be required to carry out simulcast of analogue and digital terrestrial television services. He further advised that apart from technical consideration, the implementation of digital terrestrial broadcasting would also hinge on the commercial viability in operating the service and the availability of affordable consumer products. Having taken stock of the latest developments, the Administration would conduct a second consultation in December 2003 to solicit public views. One of the key matters covered in the consultation paper was the feasibility of adopting a technology-neutral approach whereby the choice of DTT standard would be determined by the market.

12. Ms Emily LAU also urged for early implementation of digital broadcasting so that more radio channels could be made available for the use of the general public and interested investors. Noting that a public hearing in relation to the licence renewal for Hong Kong Cable Television Limited (HKCTV) would be held on 20 November 2003, Ms LAU considered it a prime opportunity to require HKCTV to make available some of its channels for the use of the public or certain sectors of the community such as the ethnic minority groups.

13. Referring to the allocation of channels to minority groups in overseas countries such as Canada, Mr Albert CHAN urged that the Administration should formulate and implement without delay a general policy to make available timeslots for different community groups to broadcast their programmes.

14. In response, SCIT and PSCIT(CT) agreed in principle that opening up more radio and/or TV channels for different community groups could help foster a pluralistic society. The implementation of digital broadcasting could make this arrangement technically feasible. Nevertheless, although digital broadcasting could

make more efficient use of the available spectrum and increase the number of channels, there would still be a limit on spectrum capacity for allocation. The public could express their views on the question of opening up more channels for the use of the public in the context of frequency spectrum distribution and licensing arrangements. Pending the outcome of the public consultation on digital broadcasting to be conducted in end 2003 and the review of the broadcasting regulatory regime in early 2004, the Administration would decide on the way forward with a view to maintaining Hong Kong's position as an important broadcasting hub in Asia. On the suggestion of requiring HKCTV to open up some of its channels for the use of other sectors of the community, PSCIT(CT) expressed some reservation on whether the suggestion should be considered in conjunction with the licence renewal exercise. Nevertheless, the Administration would be prepared to consider relevant views, if any, expressed at the public hearing.

15. In this regard, the Chairman reminded members that the subject of digital terrestrial broadcasting had been included on the agenda of next Panel meeting to be held on 5 December 2003.

IV Building a digitally inclusive information society and related issues

Brief introduction by the Administration

- | | |
|---------------------------------|---|
| LC Paper No. CB(1)249/03-04(03) | -- Information paper provided by the Administration |
| LC Paper No. CB(1)152/03-04 | -- Background brief on issues related to building a digitally inclusive society prepared by the Secretariat |

16. At the invitation of the Chairman, the Director of Information Technology Services (D/ITS) briefed members on the progress of the Government's measures and its plans to build a digitally inclusive society in Hong Kong, as well as its participation in the World Summit on the Information Society.

Meeting with deputations

17. Members noted the letter dated 17 October 2003 from the Equal Opportunities Commission and its previous submission of 14 May 2001 (re-circulated) (LC Paper No. CB(1)249/03-04(10)).

18. The Chairman welcomed the deputations to the meeting and invited them to present their views on building a digitally inclusive information society and related issues.

Non-government organizations

Hong Kong Blind Union

(LC Paper No. CB(1)249/03-04(04))

19. Mr YUEN Kin-ming presented the views of the Hong Kong Blind Union (HKBU) and highlighted that the following measures should be undertaken to achieve the objectives of building a digitally inclusive society:

- (a) The Governemnt should further promote barrier-free website design among the private sector and mandate the requirements in the procurement contracts for government electronic services/products to the effect that such services/products could be used by all users, including people with disabilities.
- (b) Visually impaired persons should be provided with financial assistance to acquire technology-assisted devices to facilitate their accessibility to IT at home.
- (c) The Government should encourage the development of software products, in particular Cantonese voice synthesizer software for use by visually impaired persons free of charge or at affordable prices.
- (d) To facilitate visually impaired persons to obtain the required information from the web, the industry should work towards the direction of developing client-based, instead of server-based software.
- (e) Suitable measures should be taken by the relevant service providers such as banks and mobile services operators to facilitate visually impaired persons to obtain necessary services such as automatic teller machine services and short message services. The provision of e-books should be explored.
- (f) When formulating policies and strategies on building a digitally inclusive society, the Government should take into account the views and needs of visually impaired persons and where necessary, involve them in the decision-making process.

Hong Kong Council of Social Service

(LC Paper No. CB(1)249/03-04(05))

20. Mr John FUNG recapitulated the views of the Hong Kong Council of Social Service (HKCSS) on measures to achieve digital inclusion:

- (a) Specific and realistic computer literacy targets for different disadvantaged groups should be set to avoid these groups being marginalized further amidst the increasing penetration and use of IT. In fact, the capacity of the disadvantaged groups in acquiring, managing and understanding information should be enhanced.

- (b) Universal access to IT at affordable level for all should be an explicit and long-term policy objective in Hong Kong. The Administration should encourage and support public bodies and NGOs to provide barrier-free websites. It should also specify "universal access" as a major criterion in funding electronic services and products.
- (c) The Government should establish at least one community cyber centre in each of the 18 districts to provide free public access to the Internet.
- (d) The Administration should support the establishment of portal sites for other disadvantaged groups in addition to what it had done for people with disabilities so that information specific to the interest of each group could be pooled together in a user-friendly manner.

21. Mr WONG Kin-wai highlighted the following views on Hong Kong's participation in the World Summit on the Information Society (WSIS):

- (a) As the WSIS was an important and timely global event in addressing various human development issues which required careful deliberations, prompt and proper responses and actions, Hong Kong should be more proactive in participating in the WSIS.
- (b) The Government should set up an inter-departmental Commission to drive the mission of the WSIS, follow up its Phase I and plan for its Phase II.
- (c) The Administration should have more exchanges with the Mainland on the promotion of a digitally inclusive society at both the policy and implementation levels.
- (d) Cross-sectoral participation of the private sector and NGOs was crucial to the success in building a digitally inclusive society.

Retina Hong Kong

(LC Paper No. CB(1)249/03-04(06))

22. Mr TSANG Kin-ping highlighted the recommendations of Retina Hong Kong (RHK) to help build digitally inclusive society as follows:

- (a) Notwithstanding its current deficits, the Government should maintain a sufficient level of funding for various initiatives geared at building a digitally inclusive society.
- (b) To ensure the cost-effective use of public resources, the Administration should consult people with disabilities with a view to understanding their needs before deciding whether to support projects aimed at building or improving their IT competency.

- (c) To facilitate visually impaired persons to obtain the required information from the web, the Government and the industry should work towards the direction of developing client-based software since server-based surfing was restrictive in the scope of information.
- (d) The Government should consider providing tax concessions to visually impaired persons for purchasing the necessary adaptive devices for using IT and accessing the Internet.

Hong Kong Seniors IT Advocates
(LC Paper No. CB(1)249/03-04(07))

23. Mr Lucas NG and Mr LEUNG King-man briefly outlined the various programmes implemented by the Hong Kong Seniors IT Advocates to bridge the "digital divide" and put forward the following suggestions:

- (a) Instead of simply teaching the technical skills of using IT, the Government and NGOs should highlight the nature and value of an information society when conducting IT awareness courses.
- (b) To foster the development of a diversified information society, the Government should take the lead in developing open source software such as the Linux operating system.
- (c) The Administration should gauge the extent of the problem of "digital divide" through regular studies and surveys.
- (d) While promoting e-government services, the Administration should not overlook the well-being of disadvantaged groups who were not yet able to access and use IT. The conventional mode of delivering government services should not be abolished altogether.

Hong Kong Society for the Blind
(LC Paper No. CB(1)249/03-04(08))

24. Mr Fred LEUNG referred to the following views of the Hong Kong Society for the Blind on building a digitally inclusive society:

- (a) The Government should, in collaboration with NGOs serving visually impaired persons, provide a service similar to the "IT Easy Link" to assist visually impaired persons in using IT. Technical support for using IT-related devices specific to visually impaired persons should be provided.
- (b) The Government should work together with NGOs serving visually impaired persons to develop Cantonese screen-reading software that could be used on upgraded platforms such as Window XP.

IT-related bodies

Hong Kong Information Technology Federation

25. Mr Charles MOK said that the Hong Kong Information Technology Federation regarded the adoption of digital technology a new opportunity for the society. The growth of digital opportunities would hinge on the policy support of the Government and market conditions. He highlighted the following concerns of the Federation in exploiting the digital opportunities:

- (a) Instead of focussing on upgrading existing technology or products, the industry should also explore the feasibility of modifying these products to cater for the special needs of disadvantaged groups.
- (b) More private-public partnership projects on building a digitally inclusive society should be carried out, similar to what the Federation had done to help enhance the IT capability of small and medium enterprises.
- (c) The Federation supported Hong Kong's participation in WSIS.

Innovation and Technology Association

(LC Paper No. CB(1)295/03-04(01))

26. Mr Spencer LI outlined the critical success factors for real access to technology for all and stated the recommendations of the Innovation and Technology Association on building a digitally inclusive society as follows:

- (a) Apart from formulating policies and regulating the market, the Government should take steps to foster private innovation and to ensure that trained IT manpower was available to meet market demands.
- (b) Policy principles adopted at the international level should be adapted to meet local needs.
- (c) Professional associations on information and communications technology (ICT)/IT should collaborate among themselves and pool their resources and experiences.
- (d) The involvement of multi-national corporations in providing the appropriate technology know-how was of great importance in bridging the "digital divide".

The Hong Kong Institution of Engineers

(LC Paper No. CB(1)249/03-04(11))

27. Ir Dr Alex CHAN said that the Hong Kong Institution of Engineers (HKIE) generally supported the Government's Digital 21 Strategy and agreed that it had achieved a significant proportion of milestones. Ir Albert CHU submitted the

following views of HKIE:

- (a) The Electronic Transactions (Amendment) Bill 2003 should be passed early so that Hong Kong has the most up-to-date legislative framework for the secure conduct of e-business.
- (b) The proposed institutional review under the 2004 Digital 21 Strategy should not result in diminishing the Government's drive, capacity and capability in executing E-government initiatives.
- (c) Despite the stringency in the economy, Hong Kong should not lose momentum in funding IT education and training.

The Institution of Electrical Engineers
(LC Paper No. CB(1)249/03-04(12))

28. Mr TSANG Kim-fung shared the mission of the Institution of Electrical Engineers for ICT development. He stressed that Hong Kong should make use of the well-established structures to enhance the building of a "Green Hong Kong" by using the ICT platform. The Institution considered that the IT industry should pay serious attention to the control of inappropriate consumption of electricity.

Internet Professionals Association
(LC Paper No. CB(1)249/03-04(13))

29. Ms Elizabeth QUAT introduced the initiatives launched by the Internet Professionals Association (iProA), including the Web Care Campaign and the Global Alliance for Bridging Digital Divide. She pointed out that iProA was the only ICT Association in Hong Kong that was accredited to join the WSIS. She highlighted the following comments and suggestions of iProA on building a digitally inclusive information society and bridging the "digital divide":

- (a) The Government should establish cyber centres with training facilities and broadband access in all 18 districts.
- (b) More ICT awareness courses for disadvantaged groups should be launched by NGOs with the support of the Government.
- (c) The Government should set the target year by which a fully-developed digitally inclusive information society would emerge in Hong Kong.
- (d) All the Government's servicing websites, whether developed in-house or outsourced (such as the website of the Electronic Service Delivery Scheme), should be required to comply with the Government's internal accessibility guidelines. Such guidelines should be reviewed regularly to ensure that they were in line with international standards.

- (e) The Administration should support research and development of assistive technology as well as localization of web content for specific disadvantaged groups.

Hong Kong and Mainland Software Industry Cooperation Association Limited
(LC Paper No. CB(1)249/03-04(09))

30. Mr Joe LUO said that the Hong Kong and Mainland Software Industry Cooperation Association Limited would consider importing the voice synthesizer software currently in use by visually impaired clients in the Mainland to facilitate IT accessibility by the visually impaired in Hong Kong. He also highlighted the following proposals of the Association on building a digitally inclusive society:

- (a) The cost-effectiveness of past Government investment on IT/ICT development should be reviewed to ensure that future investment would also be of value for money.
- (b) Due to the proliferation of mobile phone and technological advancement, the direction of future Government investment should be on the development of digital products, such as smart mobile phone, which could be used by the visually impaired to communicate with others.

Professional Information Security Association
(LC Paper No. CB(1)249/03-04(14))

31. Mr Benjamin CHAN stressed the importance of promoting security awareness among IT users in building a digitally inclusive society and made the following points on behalf of the Association:

- (a) The Government should support research and development of information security and enhance the use of public key infrastructure and the smart identity card.
- (b) The industry should develop IT products that were "security friendly".

Hong Kong Linux Industry Association

32. Mr David CHOW appreciated the Government's efforts in promoting e-Government measures and Digital 21 Strategy. He highlighted the concerns of Hong Kong Linux Industry Association as follows:

- (a) Both the private and public sectors should consider using open source operating systems such as Linux.
- (b) Students should also be introduced to open source software so that they could make an informed choice on whether or not to purchase expensive proprietary software.

Discussion with deputations and the Administration

33. In reply to Mr Howard YOUNG, Mr TSANG Kin-ping of RHK said that a blind person had to rely on screen-reading software products to obtain the information posted on the website while a visually impaired person with some residual vision could browse the information through screen enlarging/magnifying software. In this regard, Mr YUEN Kin-ming of HKBU urged that the Administration should continue its financial support for the development of assistive devices. He pointed out that people with disabilities might not afford to purchase the new versions of these devices for use on the latest operating system such as Window XP.

34. Dr LAW Chi-kwong was concerned that the findings of the annual thematic survey on IT usage and penetration in households might not reflect the effectiveness of the Government's measures in bridging the "digital divide". He urged that the Administration should conduct an impact analysis of these measures on the disadvantaged groups.

35. In response, D/ITS pointed out that the findings of the thematic surveys might provide information on the extent of "digital divide" from a macro perspective. Given that the Administration's initiatives to tackle the problem of "digital divide" had only been implemented in the past two to three years, he considered it worthwhile to conduct a detailed review such as the proposed impact analysis in due course. Nevertheless, D/ITS would welcome members' suggestions on the methodology for conducting such review/analysis.

36. Ms Emily LAU thanked the deputations for presenting views to the Panel. Noting their worries about possible reduction in the Government's financial support for related IT services due to the current deficits, she sought the Administration's comments on the impact arising from the cut in funding, if any. Ms LAU was also very concerned about whether there had been any improvement in the rates of PC penetration and Internet usage among low-income households, elderly persons and less educated persons; and enquired about Hong Kong's position on the international front.

37. In reply, D/ITS confirmed that in view of budgetary constraints, all Government departments had to work hard to trim expenditure and enhance productivity. Nevertheless, the recurrent expenditure for upgrading/maintenance of websites in 2003-04 to comply with the web accessibility guidelines had already been included in the approved estimates of the departments concerned. The Commerce, Industry and Technology Bureau and related departments would make every effort to bid resources to take forward initiatives to bridge the "digital divide". However, he pointed out that government resources alone were not sufficient. The continued effort and support of the community were necessary if Hong Kong was to build a digitally inclusive society. For example, the IT industry had contributed its effort by recycling personal computers (PCs) and could help further by developing software for use by the disadvantaged groups. D/ITS also referred to the Digital Solidarity Fund to be established by HKCSS soon as an initiative by NGOs to tackle the problem of "digital divide".

Admin

38. On the rates of PC penetration and Internet usage among low-income households, elderly persons and less educated persons, D/ITS said that of the over 200 countries in the world, Hong Kong had probably outperformed many of them. However, the Administration would not be complacent and would not spare any effort to bring about further improvement. He believed that a more systematic and widely recognized international comparison might emerge from the forthcoming WSIS. In this regard, the Chairman recalled that at the last meeting held on 23 October 2003, the Administration had agreed to include a comparison between Hong Kong and other advanced economies in respect of the rates of PC penetration and Internet usage when reporting to members the results of the annual thematic surveys on IT usage and penetration in January 2004. He suggested that the Administration should also include in the report an international comparison in respect of the low-income households, elderly persons and less educated persons.

Admin

39. The Chairman thanked the deputations for attending the meeting and presenting their views and suggestions on issues relating to building a digitally inclusive society. At his request, the Administration agreed to provide a detailed response to the views of members and deputations raised at the meeting and in the submissions after the meeting.

V Any other business

40. There being no other business, the meeting ended at 4:50 pm.