# 立法會 Legislative Council

LC Paper No. CB(1)985/04-05 (These minutes have been seen by the Administration)

Ref : CB1/PL/ITB/1

#### Panel on Information Technology and Broadcasting

Minutes of special meeting held on Tuesday, 18 January 2005, at 4:40 pm in Conference Room A of the Legislative Council Building

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

Hon Albert Jinghan CHENG (Deputy Chairman)

Hon Howard YOUNG, SBS, JP

Hon Timothy FOK Tsun-ting, GBS, JP

**Members absent**: Dr Hon LUI Ming-wah, JP

Hon Jasper TSANG Yok-sing, GBS, JP

**Public officers** 

attending

Agenda Item I

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)

Mrs Betty FUNG, JP

Deputy Government Chief Information Officer

(Planning & Strategy)

- 2 -

**Clerk in attendance**: Miss Polly YEUNG

Chief Council Secretary (1)3

**Staff in attendance** : Ms Pauline NG

Assistant Secretary General 1

Ms Debbie YAU

Senior Council Secretary (1)1

Ms Sharon CHAN

Legislative Assistant (1)6

**Action** 

I Briefing by Secretary for Commerce, Industry and Technology on relevant policy initiatives in the Chief Executive's Policy Address 2005

LC Paper No CB(1)702/04-05(01) -- Policy Initiatives of

Communications and Technology Branch, Commerce, Industry and Technology

Bureau

LC Paper No. CB(1)749/04-05(01) -- (tabled and subsequently issued to members on 19 January 2005)

Speaking note of the Secretary for Commerce, Industry and Technology

#### Two booklets provided by the Administration

- (a) Address by the Chief Executive at the Legislative Council meeting on 12 January 2005 -- "Working Together for Economic Development and Social Harmony"; and
- (b) The 2005 Policy Address -- "Policy Agenda".

### Introduction by the Administration

At the invitation of the Chairman, the Secretary for Commerce, Industry and Technology (SCIT) introduced the initiatives concerning the Communications and Technology Branch (CTB) of the Commerce, Industry and Technology Bureau (CITB) in the 2005 Policy Agenda. They included the implementation of the next wave of e-government programme, the planning and promotion of hosting ITU TELECOM WORLD 2006 and a comprehensive review of the radio frequency spectrum policy etc. SCIT also gave an account of the latest position regarding initiatives contained in the 2004 Policy Agenda, which included the implementation of digital terrestrial television (DTT) broadcasting in Hong Kong, measures to support the film industry, and promoting the development of the digital entertainment industry.

Action - 3 -

2. <u>The Chairman</u> referred to his written questions on the 2005 Policy Address issued and tabled at the meeting vide LC Paper No CB(1)736/04-05 and requested the Administration to provide a written reply.

(post-meeting note: The Administration's reply to the Chairman's questions on Policy Address 2005 was issued to members on 24 January 2005 vide LC Paper No CB(1)776/04-05(01))

## Measures to contain the problem of unsolicited electronic messages

- 3. Mr Howard YOUNG was concerned about the nuisance caused to recipients by unsolicited electronic messages distributed through emails (or spamming). Referring to the possible measures proposed by the Administration to contain the problem as set out in its paper (CB(1)702/04-05(01)), Mr YOUNG enquired as to how the Administration could facilitate co-operation in the industry and promote user awareness to contain the problem.
- 4. While acknowledging the need to tackle the problem of spam and other forms of junk messages which might cause nuisance to recipients, <u>SCIT</u> pointed out that due regard must also be given to the needs of the business sector, in particular small and medium enterprises (SMEs), in promoting their products/services through the low-cost and efficient telecommunications services in Hong Kong. The series of measures proposed by the Administration ranged from user education, industry co-operation to legislation. <u>SCIT</u> further informed members that the Administration would brief the Panel in March 2005 on the proposed way forward to deal with the problem of spamming after a careful examination of the submissions received in response to the consultation paper issued in June 2004.
- 5. The Permanent Secretary for Commerce, Industry and Technology (Communications and Technology) (PSCIT(CT)) supplemented that government actions alone might not suffice in tackling the problem. On regulation by the industry, PSCIT(CT) said that the Hong Kong Internet Service Providers Association (HKISPA) had issued the Code of Practice for Prevention of E-mail Spamming for voluntary adoption by their members. Under the Code, HKISPA members might introduce terms and conditions to prohibit their customers from engaging in email spamming activities. He further remarked that as a good practice, business operators sending out marketing emails to promote their products or services should give potential customers the option to unsubscribe from the list of recipients for future promotional emails. In reply to Mr Howard YOUNG's further enquiry on the availability of anti-spam softwares, PSCIT(CT) said that free email service providers such as Hotmail or Yahoo already provided users with spam filters. However, since these filter softwares were not tailor-made to suit individual needs, they might also delete useful emails in the user's account. In this connection, the Chairman advised that currently, quite a number of effective spam removal softwares were available in the market.

#### Support to the film industry

- 6. Mr Timothy FOK was pleased to note that the Government would enhance the promotion of cultural and creative industries. In addition to the proposed changes to the Film Guarantee Fund and stepping up enforcement against rampant copyright piracy, Mr FOK enquired whether the Administration would undertake other measures to support the film industry.
- 7. In response, SCIT highlighted that the Administration would bring eight different film-related events under one mega-event of Entertainment Expo to be held in March 2005, which could enhance Hong Kong's position as a world-class film-making hub. To facilitate the healthy development of the film industry, SCIT further advised that the Administration would continue its effort to combat copyright infringement such as the sale of pirated copies of films and the unauthorized downloading of them from the Internet. Meanwhile, it would also strengthen support for the development of the digital entertainment industry which would facilitate the application of advanced digital techniques in film productions.

#### **Digital Terrestrial Broadcasting**

- 8. <u>The Deputy Chairman</u> was disappointed that the 2005 Policy Address had not covered the development of digital terrestrial broadcasting in Hong Kong. He was concerned that any delay in the implementation of DTT broadcasting and digital audio (DA) broadcasting in Hong Kong might undermine its position as a leading digital city in the world.
- 9. In response, PSCIT(CT) highlighted that the Government had outlined the way forward for implementing DTT broadcasting in Hong Kong in mid 2004. Under the implementation framework, simulcast of television (TV) services in analogue and digital formats would start within 2007 at the latest. Television Limited (ATV) and Television Broadcasts Limited (TVB) were required to extend the coverage of their digital networks to 75% of the area of Hong Kong by 2008. As regards the technical standard to be adopted, PSCIT(CT) recapped the Administration's position that if the Mainland had not promulgated a national standard before the end of 2006, a market-led approach would be adopted. Both ATV and TVB had indicated that if this was the case, they would adopt the European DVB-T technical standard. On the target date for switching off analogue broadcasting, PSCIT(CT) advised that subject to further market and technical studies, it was the Administration's target to switch off analogue broadcasting five years after simulcast.
- 10. On the development of DA broadcasting, <u>PSCIT(CT)</u> pointed out that the Administration would adopt a market-led approach in launching the services. Notwithstanding that the Government had made available L-Band frequencies for DA broadcasting service in Hong Kong and Radio Television Hong Kong (RTHK) had conducted DA broadcasting tests in 2004, <u>PSCIT(CT)</u> advised that the two

Action - 5 -

commercial sound broadcasters did not consider it commercially viable to switch from analogue broadcasting to DA broadcasting at this stage. However, the Deputy Chairman opined that one of the objectives to launch DA broadcasting was to release radio frequencies such that more channels would be available for the use of the public. This would enhance the free flow and variety of information disseminated through broadcasting networks and strengthen the position of Hong Kong as a leading broadcasting hub.

- 11. Noting from reports that digital TV sets were available in the retail market, Mr Howard YOUNG was concerned whether these TV sets, in particular those manufactured overseas, could receive TV programmes in digital format irrespective of the DTT technical standard to be adopted in Hong Kong.
- 12. In response, <u>PSCIT(CT)</u> informed members that according to the industry, major Mainland manufacturers of TV sets were ready to produce multi-standard reception devices to access DTT services transmitted through different standards. Although the availability or otherwise of DTT service reception devices might affect the take-up rate of DTT broadcasting, this would not pose obstacles to the launching of DTT broadcasting service. Referring to overseas experience, <u>PSCIT(CT)</u> envisaged that the simulcast of analogue and digital broadcasting would continue for some time and most local programmes might continue to be produced in the analogue format. However, with the launching of DTT broadcasting service, local viewers could enjoy high-definition TV productions featuring international events and programmes.

## Radio Television Hong Kong

- 13. <u>The Deputy Chairman</u> was gravely concerned that the 2005 Policy Address had not examined the role of RTHK as a public service broadcaster. He also enquired about the way forward for the proposed re-provisioning of RTHK to a new Broadcasting House.
- 14. In response, <u>PSCIT(CT)</u> remarked that while upholding RTHK's editorial independence and freedom, the Bureau had conducted discussion with RTHK on its role as a public service broadcaster. On the proposed Broadcasting House, <u>PSCIT(CT)</u> said that at present, the project was in Category B of the Public Works Programme. The Administration would follow the established procedures to take forward the project, having regard to RTHK's accommodation needs and the Government's fiscal position.
- 15. The Deputy Chairman was very concerned that RTHK, which was publicly funded, should not compete with commercial sound/ TV broadcasters by producing programmes on horse-racing, investment advice or top Chinese songs. He remarked that as a public service broadcaster, RTHK had a public mission to serve a broad spectrum of audience and cater to the needs of minority social groups. In this connection, the Chairman also shared the view that it might be acceptable for RTHK to pioneer and spearhead the production of certain types of programmes. However, now that other commercial broadcasters were

Action - 6 -

producing similar programmes, it was timely for RTHK to exit from such productions. Instead, he suggested that RTHK might consider filling the market gap by producing programmes featuring fine art or cultural content as they might not fall within the scope of popular entertainment.

- 16. On reprovisioning of RTHK, the Deputy Chairman urged the Administration to pursue the matter and consider selling the prime site currently occupied by RTHK at Broadcast Drive so as to provide revenue to drive the proposed Broadcasting House project.
- 17. In this regard, <u>SCIT</u> took note of the Deputy Chairman's concerns about Admin RTHK for further consideration.

#### **Telecommunications**

- 18. <u>The Chairman</u> enquired about the progress of the proposed merging of the Broadcasting Authority and the Telecommunications Authority (TA) into a unified regulator. In response, <u>SCIT</u> advised that the Administration planned to consult the pubic on details of the proposal in the first half of 2005.
- 19. Noting that the Administration was considering the licensing framework for the deployment of broadband wireless access services, Mr Howard YOUNG was concerned whether the increasing use of wired and wireless services would cause interference among spectrum users for various purposes within the territory and across the border.
- 20. In response, <u>PSCIT(CT)</u> remarked that the use of frequency spectrum was allocated and regulated by TA. The problem of interference would not arise as long as the telecommunications operators and/or service providers utilized their assigned frequency spectrum in accordance with the relevant requirements specified in their licences. On issues related to the use of frequency spectrum across the border, <u>PSCIT(CT)</u> advised that TA would continue to co-ordinate and discuss with the Mainland authorities issues which might have implications on both places such as the implementation of DTT broadcasting in Hong Kong and the choice of the technical standard.

#### II Any other business

21. There being no other business, the meeting ended at 5:25 pm.

Council Business Division 1 <u>Legislative Council Secretariat</u> 24 February 2005