31 July 2006

Panel on Information Technology and Broadcasting
Legislative Council
Legislative Council Building
8 Jackson Road
Central, Hong Kong

Attention: Miss Polly Yeung

Dear Madam,

## Legislative Council Panel on Information Technology and Broadcasting Invitation for submissions

Dear Madam,

Thank you for your email of 19 July 2006 inviting Metro Broadcast to attend the special meeting to be held by the ITB Panel on 1 August regarding public service broadcasting (PSB) in Hong Kong. We regret to inform you that we will not be able to attend the meeting.

Our opinions on the matter were expressed in our previous submission of 4 March 2006 and during the discussions made in the Panel meeting on 11 March 2006. In particular, we would like to reiterate that PSB should be supported by government funding and that one of the key prerequisites of PSB is that fair competition between the public service broadcaster and the commercial broadcasters should be maintained at all times in the future development of PSB. As PSB is aimed for the benefit of the community, it is necessary to establish a steady source of funds to ensure that lack of financial resources will not be an obstacle to programme production and particularly for programmes catering to niche interest or programmes with less mass appeal. On the other hand, when a broadcaster is funded with government money to serve the specific objectives of public service broadcasting, the broadcaster should not direct its programming activities to compete with privately funded commercial broadcasters as the benefit of public funding would create an unlevel playing field.

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For the time being, our position on the matter remains unchanged. However, once the government is ready to propose a more defined approach and direction on the development of PSB in Hong Kong, we would welcome further discussions with the Panel and relevant stakeholders.

In the meantime, should you require any further information, please feel free to contact the undersigned on 3698 8638.

Yours faithfully,

For and on behalf of

Metro Broadcast Corporation Limited

Katherine Kwok

Deputy Director - Compliance & Operations