# 立法會 Legislative Council

LC Paper No. CB(1)395/11-12 (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 Thursday, 20 October 2011, at 11:00 am in Conference Room 1 of the Legislative Council Complex

**Members present**: Hon WONG Yuk-man (Chairman)

Hon Emily LAU Wai-hing, JP

Hon LEE Wing-tat

Hon Andrew LEUNG Kwan-yuen, GBS, JP

Hon WONG Ting-kwong, BBS, JP

Hon Cyd HO Sau-lan

Hon IP Kwok-him, GBS, JP

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

**Member attending**: Hon WONG Kwok-hing, MH

**Members absent** : Dr Hon Samson TAM Wai-ho, JP (Deputy Chairman)

Hon CHAN Kam-lam, SBS, JP

Hon LAU Kong-wah, JP

Hon Timothy FOK Tsun-ting, GBS, JP

Hon Ronny TONG Ka-wah, SC

Public officers attending

Agenda item I

Mr Gregory SO, JP

Secretary for Commerce and Economic

Development

Miss Elizabeth TSE, JP

Permanent Secretary for Commerce and Economic Development (Communications and Technology)

Mr Alan SIU, JP

Deputy Secretary for Commerce and Economic Development (Communications and Technology)

Mr Vincent LIU, JP

Commissioner for Television and Entertainment Licensing

Miss Eliza LEE, JP

Director-General of Telecommunications Office of the Telecommunications Authority

Mr Stephen MAK, BBS, JP Government Chief Information Officer

Mr Roy TANG, JP Director of Broadcasting Radio Television Hong Kong

#### Agenda Item II

Miss Elizabeth TSE, JP

Permanent Secretary for Commerce and Economic Development (Communications and Technology)

Mr Stephen MAK, BBS, JP Government Chief Information Officer

Mr Victor LAM

Acting Deputy Government Chief Information Officer (Consulting and Operations)

Mr H C PANG

Acting Assistant Government Chief Information Officer (Business Transformation)

**Clerk in attendance :** Ms YUE Tin-po

Chief Council Secretary (1)3

**Staff in attendance** : Mr Joey LO

Senior Council Secretary (1)3

Ms May LEUNG

Legislative Assistant (1)3

#### <u>Action</u>

I. Briefing by the Secretary for Commerce and Economic Development on relevant policy initiatives featuring in the Chief Executive's 2011-2012 Policy Address

(LC Paper No. CB(1)38/11-12(01)

Administration's paper on policy initiatives of Communications and Technology Branch, Commerce and Economic Development Bureau

LC Paper No. CB(1)124/11-12(01) (Chinese version only, tabled at the meeting and subsequently issued on 21 October 2011)

Speaking note of the Secretary for Commerce and Economic Development

#### Other relevant documents

- (a) Address by the Chief Executive at the Legislative Council meeting on 12 October 2011 "From Strength to Strength" (issued on 12 October 2011); and
- (b) The 2011-2012 Policy Address "Policy Agenda" (issued on 12 October 2011).)

## Briefing by the Secretary for Commerce and Economic Development

At the invitation of the Chairman, the Secretary for Commerce and Economic Development (SCED) briefed members on the major initiatives relating to the Communications and Technology Branch of the Commerce and Economic Development Bureau under the 2011 Policy Address and Policy Agenda. These included initiatives in the areas of information technology, creative industries, broadcasting service and telecommunications service. Details of the policy initiatives were set out in the Administration's paper (LC Paper No. CB(1)38/11-12(01) and SCED's speaking note (LC Paper No. CB(1)124/11-12(01)).

#### Discussion

Succession planning for Radio Television Hong Kong and construction of the new Broadcasting House

- 2. Mr WONG Kwok-hing opined that apart from developing the requisite hardware for Radio Television Hong Kong (RTHK), the grooming of talents was vital for RTHK to meet the new challenges ahead arising from the enhancement of its operation and services in the next few years. In this regard, he enquired about the succession planning for RTHK.
- 3. <u>SCED</u> advised that in the coming years, RTHK would embark on various new development initiatives. These included the launch of digital audio broadcasting and digital terrestrial television services, the setting up of the media asset management system, the facilitation of community involvement in broadcasting, and re-provisioning of the new Broadcasting House in Tseung Kwan O. He stressed that it had all along been the Government's intention to groom officers from within RTHK for advancement to carry out the various initiatives.
- 4. <u>Director of Broadcasting (D of B)</u> supplemented that the Administration recognized the need to put in place suitable succession planning arrangements to fill RTHK's senior positions in order to take forward the various initiatives of the department. RTHK would convene promotion boards to identify suitable departmental officers to fill vacancies at directorate levels. At the middle and working level, RTHK had a staff training allocation of around \$1 million for the staff members to attend both local and overseas training. The RTHK management also maintained close contact with the staff union such that the training needs of staff would be met.
- 5. In response to Mr LEE wing-tat's enquiry about the progress of development of the new Broadcasting House in Tseung Kwan O, <u>D of B</u> advised that the technical feasibility study for the project had been completed. The Administration was proceeding with the town planning procedures to change the land use of the site. Invitation of public comments on the issue was completed in early September 2011 and the public feedback was positive. RTHK would map out jointly with the Architectural Services Department the arrangements regarding the design, construction and tendering exercise for the new Broadcasting House.

#### Internet Learning Support Programme

6. In response to Mr WONG Kwok-hing's enquiry about the progress of implementation of the Internet Learning Support Programme (ILSP), the Government Chief Information Officer (GCIO) advised that the "i Learn at home" Internet Learning Support Programme was launched in mid July 2011. Eligible students and families could now register for the programme to take up the services and offers provided by the two Implementers. So far, over 4 000 applications had been approved and over 10 000 were waiting to be processed. A performance target of having serviced at least 36 000 household beneficiaries by December 2012 had been set for the Implementers. The Office of the Government Chief Information Officer (OGCIO) would regularly review the progress of implementation with the Implementers.

#### Cloud computing

- 7. Mrs Regina IP considered that Hong Kong had lagged behind other countries in the development of cloud computing. She urged the Administration to expedite the implementation of its Government Cloud Strategy. In this connection, she enquired if the Administration would cut its information and technology (IT) staff upon implementation of the Strategy.
- 8. <u>GCIO</u> advised that the Government had already set out a strategy for transition to cloud computing over the next five years. He informed the Panel that many countries that were advanced in IT development had yet to devise a cloud strategy, Hong Kong was by no means lagging behind other countries in developing its own cloud strategy. He stressed that the Administration had no plans to cut its IT staff with the implementation of the Strategy. On the contrary, he observed that more IT manpower would be needed to undertake new work. The Government would continue to outsource IT projects and acquire the services of contract IT staff to meet rising demand.

#### Data centre development

9. <u>Mrs Regina IP</u> enquired about the Administration's plan on the setting up of data centres, and on attracting overseas companies to set up high-end data centres in Hong Kong. Sharing a similar concern, <u>Mr WONG Ting-kwong</u> enquired about the progress of revitalizing industrial buildings for the development of data centres.

- 10. In response, <u>GCIO</u> advised that OGCIO was actively working with Invest Hong Kong and other relevant bureaux and departments on facilitation measures, including the provision of suitable land and information on the suitable premises for the development of high-tier (Tier 3 or above) data centres by interested companies. The Administration noted that more than ten industrial buildings had been converted to data centres use.
- 11. <u>SCED</u> supplemented that the Administration had taken measures to increase land supply for developing data centres. The Administration had been working closely with the Hong Kong Science and Technology Parks Corporation (HKSTP) in granting land for developing data centres. Over the past two years, about 8 hectares of land in the Tseung Kwan O Industrial Estate had been granted by HKSTP for developing high-tier data centres. To further increase land supply for developing data centers, the Chief Executive announced in his Policy Address that the Government had reserved about two hectares of land in Tseng Kwan O for this purpose.
- 12. Permanent Secretary for Commerce and Economic Development (Communications and Technology) (PSCED(CT)) advised that to facilitate the setting up of data centres in Hong Kong, OGCIO set up in July 2011 the Data Centre Facilitation Unit and launched the "datacentre.gov.hk" website to provide one-stop service to local and overseas companies interested in setting up data centres in Hong Kong, including advice on site availability and power supply and coordinating with other Government departments. The Administration would explore with the industry practical ways to encourage and facilitate the development of data centres through revitalizing industrial buildings, such as measures relating to short term waivers and lease modifications. It would also release more information about industrial buildings to the industry.

Unfair trade practices by broadcasting licencees

- 13. <u>Mr LEE Wing-tat</u> expressed concern about the increasing number of complaints against unfair trade practices by broadcasting licensees. He urged the Administration to impose tougher sanctions against such practices and hold the licensees responsible for such practices of their staff.
- 14. <u>Director-General of Telecommunications</u> (DGT) advised that protection for telecommunications services consumers against unfair trade practices had all along been provided under Section 7M of the Telecommunications Ordinance (Cap.106) ("the Ordinance") which stipulated that a telecommunications licensee shall not engage in conduct which, in the opinion of the Telecommunications Authority, was misleading or deceptive. As regards broadcasting licensees, the legislative proposal to

enhance consumer protection against unfair trade practices across different sectors through amendments to the Trade Descriptions Ordinance (TDO) would soon be submitted to the Legislative Council. Under the proposal, unfair practices would be subject to criminal sanctions. The current offence in the TDO relating to false trade description on goods would be extended to cover services, including the services provided by broadcasting licensees.

# Anti-competitive conduct and abuse of dominance

- 15. Mr LEE Wing-tat expressed dissatisfaction that the Broadcasting Authority (BA) had taken too long to investigate the complaint lodged by Asia Television Limited (ATV) against Television Broadcasts Limited (TVB) about anti-competitive conduct and abuse of dominance relating to artist contracts. Sharing a similar concern, the Chairman queried whether the BA had not been provided with adequate support to investigate the complaint expeditiously due to resource constraints.
- SCED advised that in August 2010, the BA completed its preliminary 16. enquiry into the complaint case alleging that TVB had abused its dominant position by engaging in anti-competitive practices in contravention of section 14 of the Broadcasting Ordinance (BO) (Cap. 562). Having taken into account the findings of the preliminary enquiry and the advice of independent consultants, BA decided that a full investigation into the complaint case should be conducted and further information would be gathered from licensees and any other relevant parties before BA formed a final view. investigation had been proceeding full steam ahead and in accordance with the Competition Investigation Procedures. Complicated and time-consuming procedures were involved as BA had to gather and examine a large amount of documentary evidence and interview different stakeholders. Nevertheless, he stressed that the Administration had provided adequate resource support to BA in conducting the investigation, including the resources required for hiring independent legal advisors.
- 17. <u>Commissioner for Television and Entertainment Licensing</u> (CTEL) supplemented that as anti-competition investigation was uncommon in Hong Kong, the BA had engaged overseas experts in such an area to assist in the investigation. As the investigation was drawing to a close, he envisaged that it would be completed within the first half of 2012. <u>DGT</u> added that in the telecommunications sector, both local and overseas experience had shown that it would normally take two years to complete an anti-competition investigation.

#### Wi-Fi coverage

18. Mr WONG Ting-kwong enquired about the coverage of Wi-Fi in Hong Kong. DGT advised that as at April 2011, there were about 30 commercial public Wi-Fi service providers in Hong Kong with more than 9,000 hotspots covering over 5,000 locations. GCIO supplemented that the Administration had implemented the Government Wi-Fi (GovWiFi) service progressively by phases with the service initially launched in a small number of government premises in March 2008 and then fully rolled out in June 2009. Currently, the service was available at nearly 400 government premises. Following the support given by the Panel in April 2011, the Administration obtained the Finance Committee's funding approval in June 2011 for the implementation of a next generation GovWiFi Programme to succeed the existing one upon expiry of its current service contract in December 2012.

Applications for domestic free television programme service licence

19. <u>Mr LEE wing-tat</u> enquired about the progress of the applications for domestic free television programme service licence. <u>CTEL</u> advised that the BA had completed the processing of the three applications for domestic free television programme service. The Government was currently assessing the applications in accordance with the BO and established procedures.

# II. Capital Works Reserve Fund Head 710 Computerization Subhead A007GX (Block Allocation) – New administrative computer systems

(LC Paper No. CB(1)38/11-12(02)

-- Administration's paper on Works Reserve Capital Fund Head 710 Computerization Subhead A007GX (Block Allocation) New administrative computer systems

LC Paper No. CB(1)38/11-12(03)

-- Paper on Capital Works
Reserve Fund Head 710
Computerization Subhead
A007GX (Block
Allocation) – New
administrative computer
systems prepared by the
Legislative Council

Secretariat (background brief))

## Presentation by the Administration

20. At the invitation of the Chairman, Permanent Secretary for Commerce Economic Development (Communications and Technology) and (PSCED(CT)) briefed members on the funding requirement for 2012-2013 for the implementation of computerization projects under the Capital Works Reserve Fund (CWRF) Head 710 Computerization Subhead A007GX (Block Allocation) – New administrative computer systems. Details of the briefing Administration's were set the paper (LC Paper out in CB(1)38/11-12(02)).

#### **Discussion**

Lead time required for system enhancement

- 21. <u>Mr LEE Wing-tat</u> expressed support for the funding requirement of the new administrative computer systems. He considered that in general, the lead time currently required for enhancing Government information technology (IT) systems to enable the implementation of new policy initiatives such as additional social security payments was unreasonably long, sometimes as long as six months. He urged the Administration to expedite the process for the benefit of the needy.
- 22. Government Chief Information Officer (GCIO) advised that for prudence sake, the enhancement of computer systems to enable the implementation of new policy initiatives would involve several steps, including conducting feasibility studies, designing the system enhancement, testing, conversion of data, security risk assessment and in certain circumstances tendering and procurement exercises. The Administration would strive to shorten the total duration as far as practicable. GCIO further assured the Panel that for bureaux/departments who had IT Management Units (ITMUs), the ITMU staff would work very closely with the business side in aligning the plans for the IT enhancements with the business changes.

## Challenge from online social media

23. Noting the changing trend of political landscape arising from the popularization of online social media, as mentioned in the 2011-2012 Policy Address, the Chairman enquired about the measures taken to meet such an unprecedented political challenge.

Action

- 24. GCIO advised that that the Administration had been promoting to bureaux and departments the wider use of social networking to reach out to the public. To this end, the Office of the Government Chief Information Officer had developed three IT toolkits for use by government departments in conducting online public consultation and live content streaming. In parallel, the Government information security posture regarding the use of social networks had been much strengthened to cope with the potential information security threats associated with such networks. Meanwhile, the Government was taking active steps to enhance its websites in accordance with the latest international standards of the World Wide Web Consortium to facilitate access of online information and services by the elderly and people with disability, including the visually-impaired.
- 25. <u>The Chairman</u> concluded that the Panel supported in principle the funding proposal for consideration by the Public Works Subcommittee.

## III. Any other business

26. There being no other business, the meeting ended at 12:10 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
18 November 2011