

Index Page

Replies to initial written questions raised by Finance Committee Members in examining the Estimates of Expenditure 2015-16

Director of Bureau : Secretary for Commerce and Economic Development

Session No. : 8

File Name : CEDB(CT)-2S-e1.doc

| Reply Serial No. | Question Serial No. | Name of Member | Head | Programme |
|-------------------------------|----------------------------|-----------------------|-------------|---|
| S-CEDB(CT)001 | S0023E | CHAN Yuen-han | 55 | (1) Broadcasting and Creative Industry |
| S-CEDB(CT)002 | S0037E | WU Chi-wai | 55 | (1) Broadcasting and Creative Industry |
| S-CEDB(CT)003 | S0030E | MOK, Charles Peter | 155 | (1) Support for Research and Development (2) Fostering University-Industry Collaboration |
| S-CEDB(CT)004 | S0034E | MOK, Charles Peter | 47 | (1) Use of Information Technology in Government |

CONTROLLING OFFICER'S REPLY

S-CEDB(CT)001

(Question Serial No. S0023)

Head: (55) Government Secretariat : Commerce and Economic Development Bureau (Communications and Technology Branch)

Subhead (No. & title):

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development (Communications and Technology) (Miss Susie HO)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the work to “continue to assist in the licensing and regulatory matters in relation to domestic free television programme services, domestic pay television programme services and analogue sound broadcasting services”, Asia Television Limited (ATV) has defaulted for times on payments of wages, Mandatory Provident Fund contributions and licence fees. Moreover, it has been providing limited informative, entertainment and educational television (TV) programme services only. All this will bring losses to the public in the long run. If ATV is unable to sustain its operation as a TV station, what measures will be taken by the Administration to maintain its basic operation? Will it even take over ATV as an interim measure? If so, what are the details? In addition, will the Administration consider revocation of ATV’s licence and introduction into the market other competitors interested in running a TV station when reviewing the grant of the licence in question so as to fill the gap?

Asked by: Hon CHAN Yuen-han (Member Question No. 20)

Reply:

On 1 April 2015, the Government announced that the Chief Executive (CE) in Council had decided not to renew Asia Television Limited (ATV)’s current domestic free television programme (free TV) service licence under the Broadcasting Ordinance (BO) (Cap. 562). For the purpose of complying with the requirement in section 8(1)(a) of Schedule 4 to the BO as to the length of advance notice to be served on ATV regarding the aforesaid decision, the CE in Council has ordered that the term of ATV’s current free TV service licence originally expiring on 30 November 2015 be extended, under section 8(2) of Schedule 4 to the BO, for a period from 1 December 2015 to 1 April 2016 (both dates inclusive) (but such extension shall not continue in force an exclusive right to provide the service under the licence, if any). ATV will continue to comply with all relevant requirements and the

provisions in its free TV service licence in the next 12 months until the expiry of its licence. During the transitional period before the expiry of ATV's current licence, audiences will have fewer choices of free TV programmes. As part of the contingency measures, the Government is exploring with Radio Television Hong Kong (RTHK) the arrangement to broadcast RTHK's existing digital television programmes on the analogue programme channels to be vacated after ATV's licence has expired, so as to provide audiences (in particular those households which have not yet switched over to digital terrestrial television) with an alternative choice.

- End -

CONTROLLING OFFICER'S REPLY

S-CEDB(CT)002

(Question Serial No. S0037)

Head: (55) Government Secretariat : Commerce and Economic Development Bureau (Communications and Technology Branch)

Subhead (No. & title):

Programme: (1) Broadcasting and Creative Industries

Controlling Officer: Permanent Secretary for Commerce and Economic Development (Communications and Technology) (Miss Susie HO)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

On 4 November 2014, the Communications Authority (CA) submitted to the Chief Executive (CE) in Council its recommendations on the application for the renewal of the licence of Asia Television Limited (ATV). However, on 28 January 2015, the Convenor of the Executive Council (ExCo), Mr Lam Woon-kwong, claimed that “no messages concerning ATV’s licence renewal have been received so far.” According to section 11(5) of the Broadcasting Ordinance (BO), where recommendations are made under subsection (3), the CE in Council shall consider them and as soon as is practicable - (a) extend or renew the licence to which they relate subject to such conditions as he thinks fit specified in the licence; or (b) decide not to extend or renew the licence.

The CE in Council has yet to receive messages relating to ATV’s licence renewal 87 days after the CA submitted its recommendations on the licence renewal. Has the decision in question contravened section 11(5) of the BO? If yes, what follow-up action will be taken by the Administration and what is the estimated expenditure involved? If not, what are the reasons? Has the Administration assessed if the decision in question will lead to legal proceedings? Has the Department of Justice been consulted? If not, what are the reasons? The members concerned have yet to receive relevant messages within 87 days. What are the reasons? What responsibilities should the Bureau and the ExCo Secretariat shoulder? Given that no relevant messages have been received within 87 days, does the Administration think there is reasonableness and work efficiency?

Asked by: Hon WU Chi-wai (Member Question No. 33)

Reply:

On 1 April 2015, the Government announced that the Chief Executive (CE) in Council had decided not to renew Asia Television Limited (ATV)’s current domestic free television

programme (free TV) service licence under the Broadcasting Ordinance (BO) (Cap. 562). For the purpose of complying with the requirement in section 8(1)(a) of Schedule 4 to the BO as to the length of advance notice to be served on ATV regarding the aforesaid decision, the CE in Council has ordered that the term of ATV's current free TV service licence originally expiring on 30 November 2015 be extended, under section 8(2) of Schedule 4 to the BO, for a period from 1 December 2015 to 1 April 2016 (both dates inclusive) (but such extension shall not continue in force an exclusive right to provide the service under the licence, if any). ATV will continue to comply with all relevant requirements and the provisions in its free TV service licence in the next 12 months until the expiry of its licence.

- End -

CONTROLLING OFFICER'S REPLY

S-CEDB(CT)003

(Question Serial No. S0030)

Head: (155) Government Secretariat : Innovation and Technology Commission

Subhead (No. & title):

Programme: (1) Support for Research and Development, (2) Fostering University-Industry Collaboration

Controlling Officer: Commissioner for Innovation and Technology (Miss Janet WONG)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Regarding the Research and Development (R&D) Cash Rebate Scheme (the Scheme), please provide in tabular form the statistics on the applicants (by the same team, company or individual) and relevant projects in the past 2 years:

| | No. of applicants submitting applications for 1-2 projects | No. of applicants submitting applications for 3-4 projects | No. of applicants submitting applications for 5-6 projects | No. of applicants submitting applications for 7 or more projects | Total no. of applicants |
|---|--|--|--|--|-------------------------|
| Innovation and Technology Fund (ITF) projects | | | | | |
| Partnership projects | | | | | |

Asked by: Hon MOK Charles Peter (Member Question No. 26)

Reply:

In the past 2 years (i.e. 2013 and 2014), the statistics on the applicants (all applications should be made on a company basis) and relevant projects for the R&D Cash Rebate Scheme are as follows:

| | No. of applicants submitting applications for 1-2 projects | No. of applicants submitting applications for 3-4 projects | No. of applicants submitting applications for 5-6 projects | No. of applicants submitting applications for 7 or more projects | Total no. of applicants |
|----------------------|--|--|--|--|-------------------------|
| ITF projects | 224 | 2 | 1 | 0 | 227 |
| Partnership projects | 117 | 4 | 0 | 0 | 121 |

- End -

CONTROLLING OFFICER'S REPLY

S-CEDB(CT)004

(Question Serial No. S0034)

Head: (47) Government Secretariat : Office of the Government Chief Information Officer

Subhead (No. & title):

Programme: (1) Use of IT in Government

Controlling Officer: Government Chief Information Officer (Victor LAM)

Director of Bureau: Secretary for Commerce and Economic Development

Question:

Please provide the figures on the scale of companies of active suppliers registered in the Suppliers Community Portal in the past 3 years:

| Scale of companies (Number of full-time staff) | 1-20 | 21-50 | 51-100 | Over 101 |
|---|------|-------|--------|----------|
| Number of active suppliers | | | | |
| Number of projects awarded or completed | | | | |

Asked by: Hon MOK Charles Peter (Member Question No. 30)

Reply:

The total number of active suppliers registered in the Suppliers Community Portal in the past 3 years (2012-13 to 2014-15) is 47. According to the information provided by the relevant suppliers, the total number of contracts on information technology products and services awarded by the Government to them during this period is 399. We have not collected information and statistics relating to the scale of companies of the active suppliers.

- End -