

Speaking Notes for
the Secretary for Commerce and Economic Development
at the Special Meeting of the Finance Committee
on 6 April 2017

Introduction

- Chairperson, I will briefly highlight the main areas of work in respect of communications and creative industries in the coming financial year.

Broadcasting

- The Government will continue to promote the development of digital terrestrial television (“DTT”) in Hong Kong. At present, the coverage of the DTT services of the domestic free television programme service (“free TV”) licensees has reached some 99% of Hong Kong’s population.
- On free TV, HK Television Entertainment Company Limited launched its new English channel on 31 March this year following its launch of an integrated Cantonese channel a year ago. Another free TV licensee, Fantastic Television Limited (“Fantastic TV”), was granted a free TV licence on 31 May last year (2016). Under the licence, Fantastic TV is required to launch its integrated Chinese channel no later than 30 May this year. Given the recent announcements by the Wharf (Holding) Limited and i-Cable Communications Limited, the Government is keeping a close watch on the development. It must be emphasized that the relevant licensees are duty-bound to comply with the relevant laws and licence requirements. The Communications Authority will continue to monitor the operations of licensees in accordance with the laws and mechanisms.

- On digital audio broadcasting (DAB) services, the Chief Executive in Council decided on 28 March 2017 that DAB services should be discontinued in Hong Kong; and that DAB services provided by Radio Television Hong Kong should also be discontinued within six months, or as soon as practicable thereafter. The Director of Broadcasting will consult stakeholders to draw up plans to accommodate programmes currently broadcast on DAB platform on its AM/FM platform. The Panel on Information Technology and Broadcasting will be briefed on the findings of the DAB review in due course.

Telecommunications

- On telecommunications, the existing assignments of the frequency spectrum in the 900 MHz and 1800 MHz bands for the provision of mobile service will expire between November 2020 and September 2021. The Communications Authority and we are currently conducting the second round of consultation on the spectrum re-assignment arrangements and the method for determining the related spectrum utilisation fee. The consultation period will end on 24 April 2017. We expect to make and announce the relevant decisions by end of this year after considering the views of stakeholders.
- With regard to how the regulation of person-to-person telemarketing calls might be strengthened, recognizing the fact that there are diverse views in the community on this issue, we plan to conduct a public consultation this year to collate opinions from stakeholders and the community with a view to formulating a regulatory mode that suits Hong Kong.

- Against the backdrop of rapid development of the telecommunications and broadcasting sectors, we see a need to conduct a comprehensive review of the existing regimes under the Telecommunications Ordinance and Broadcasting Ordinance to ensure that they are capable of responding to market needs and keeping pace of new trends. With the support of the LegCo Finance Committee in June 2016, we have established a dedicated team to undertake this initiative. We plan to report the progress of work to the LegCo Panel on Information Technology and Broadcasting in mid-2017.

Creative Industries

- On the front of creative industries, we have over the past two years injected \$400 million and \$220 million into the CreateSmart Initiative and the Film Development Fund respectively. We will continue to provide financial support to the trade through these funding schemes for supporting the development of creative industries.
- This year marks the 20th anniversary of the establishment of the Hong Kong Special Administrative Region. We will organise or sponsor a series of activities to showcase the strengths and achievements of Hong Kong's creative industries and take the opportunity to strengthen cross-territory collaboration of different industries and promote exchange and business networking. These activities include design exhibitions, Hong Kong film shows, fashion shows, exhibitions on the works of Hong Kong comic artists and the Hong Kong response exhibition of the Venice Biennale International Architecture Exhibition.

- To promote the long-term development of Hong Kong's creative industries, our work priorities in the years ahead will focus on market development and talent nurturing.
- On market development, from this year, we will organise Belt and Road promotional tours to countries with market potential, such as Iran, Indonesia, Malaysia, India, etc. with a view to attracting film producers to come to Hong Kong for post-production and location filming and production facilitation services.
- On talent nurturing, apart from ongoing programmes such as the Design Incubation Programme and Fashion Incubation Programme, we will in the coming two to three years collaborate with the film industry to run training programmes regularly with a total of 200 places to provide practical training or internship opportunities for frontline talent in the production and post-production sectors of the film industry. We will also support 10 practitioners in the post-production sector in each of the next three years to further their studies or undertake internship overseas.

Conclusion

- My colleagues and I stand ready to answer questions from Members on the Estimates.

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