

**Extract from the minutes of special meeting of
the Panel on Home Affairs held on 25 September 2002**

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II. Meeting deputations on regulation of Internet Computer Services Centres

Meeting with deputations

18. At the invitation of the Chairman, deputations and individuals presented their views on the regulation of Internet Computer Services Centres (ICSCs) as summarised in paragraphs 19 to 38 below.

Hong Kong Internet Service Providers Association

19. Mr Chester SOONG, Managing Director of the Association said that ICSC was too broad a name for the wide variety of establishments in the trade which were very different from one another in the modes of operation and the services offered to their patrons. The Association considered that different forms of regulation should be adopted for different types of ICSCs. It was therefore necessary to differentiate the differences between these establishments in order to exercise effective regulation on them. He added that ICSCs were different from conventional Amusement Games Centres (AGCs) in the modes of operation and the type of services provided. The former therefore should not be regulated on par with the latter.

20. To address some of the concerns of the community on the modes of operation of ICSCs, Mr SOONG advised that -

- (a) there were devices available in the market which ICSCs could install to screen off pornographic and violent websites so that young patrons would not be able to access these materials;
- (b) assistance from professional companies might be sought to prevent any invasion by hackers for safeguarding the security of websites; and
- (c) restricted hours might be set for young patrons.

Hong Kong Association of Cyber Media
[LC Paper No. CB(2)2803/01-02(01)]

21. Mr Isaac CHAN, Chairman of the Association, presented the views of the Association as follows -

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- (a) the term "Internet Cafes", though widely used in Mainland China, was a misleading description of ICSCs in Hong Kong. It could not reflect accurately the services provided by them as the latter did not offer alcoholic drinks like the bars. The Association considered it more appropriately to name these establishments as PC Rooms;
- (b) the Association was in support of the Government's proposal to enhance the fire and building safety at ICSCs;
- (c) the Association was, however, opposed to the suggestions to impose restrictions on the admission of young patrons. These measures would definitely affect the business of ICSCs as the majority of their patrons fell within the age bracket of 14 to 20. Such restrictions were a discrimination against the trade since similar restrictions were not imposed on other trades such as cinemas and discotheques;
- (d) the Government should follow the world trend and the examples of other governments, including that of Mainland China, in supporting the development of the trade instead of imposing excessive control over ICSCs which would hamper the latter's development and hence delay the recovery of the economy of Hong Kong; and
- (e) ICSCs could assist in promoting the use of computer and the Internet. In fact, some ICSCs had been providing assistance to the elderly in this respect.

22. Mr TANG Chi-ho, Adviser of the Association, supplemented that the Association had developed a comprehensive set of guidelines for its members, which was a display of the self-discipline of the trade. It had required its members, among other things, to install devices to screen off pornographic and violent websites in order to protect young patrons. The trade was very willing to cooperate with the Government and other sectors of the community in promoting the use of computers and the Internet. It was therefore not necessary for the Government to impose excessive control over the trade by licensing ICSCs. The Association was supportive of adopting a "notification system" as a form of control. He pointed out that Korea, with a total of 45 000 to 50 000 ICSCs, had adopted a similar control system from which the Hong Kong Government should draw reference.

Cyber Link

23. In response to some of the concerns raised by the community on the mode of operation of ICSCs, Mr Sam LAU, Marketing Manager of the company, clarified that -

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- (a) ICSCs which offered indecent and immoral services and materials to patrons were illegal. These establishments could be identified very easily as there were usually pornographic displays at their entrance so that there was little chance that young patrons would visit them by accident;
- (b) the open-plan set up at ICSCs rendered it impossible to conduct immoral activities;
- (c) ICSCs had installed devices to screen off violent and pornographic websites to prevent access from young patrons. Staff of ICSCs would patrol the centres regularly and would request the young patrons to log out from these websites in case they had logged in them. If they refused to do so, staff would request them to leave;
- (d) ICSCs would not become the venues for triad activities as the fee charged on every patron had discouraged members of the triad society from frequenting these centres; and
- (e) the trade created employment opportunities especially for young people.

Cyber Sniper

24. Mr NG Koon-fai, Manager of the company, said that it would not be desirable for ICSCs to be licensed. Most of ICSCs were large scale establishments with over 200 computers. The huge amount of licence fees, which were estimated to be over \$100,000 per centre per year, would create financial difficulties for the operators. Disputes might also arise between the licensing authority and the licensees as there might be difficulties for the latter to fully comply with certain licensing conditions.

Hong Kong Computer Society

25. Mr Patrick HUI, Honorary Secretary of the Society, briefed members of the views of the Society as follows -

- (a) people of different age groups should have the opportunity to access the Internet;
- (b) the open-plan set up at ICSCs might be effective in preventing the conduct of improper or immoral activities and hence might be included as one of the monitoring measures; and
- (c) in determining whether restricted hours should be set for young patrons, due consideration should be given to the right of people

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of all age groups to use the Internet, as well as the protection of children from bad influences.

The Hong Kong Federation of Youth Groups
[LC Paper No. CB(2)2790/01-02(01)]

26. Mr Paul CHAN, Deputy Executive Director of the Federation, highlighted the salient points of the submission from the Federation as follows -

- (a) the Federation was supportive of imposing an appropriate level of control over ICSCs in order to ensure that the youth would be able to use the Internet in a healthy and safe environment. However, the control should not be excessive and hamper the proper use of information technology and the development of the trade;
- (b) the Government should establish a licensing system for those ICSCs the core business of which was to offer Internet services to patrons. For centres which offered indecent or immoral services to patrons, the Police should step up its actions against them.
- (c) fire and building safety and screening of violent and pornographic websites and games should be set as the licensing conditions for ICSCs. Regular site inspections should be conducted to ensure strict compliance with these conditions;
- (d) a comprehensive set of guidelines/code of practice should be devised by the trade which should be strictly observed by all ICSCs;
- (e) the Government should educate the youth the proper usage of the Internet; and
- (f) in-depth research should be conducted on ICSCs and their young patrons to provide the basis for further discussion of the issue.

The Hong Kong Federation of Youth Groups Leadership 21
[LC Paper No. CB(2)2827/01-02(01)]

27. Mr Kirk CHAN and Mr CHOW Tsz-lit, Youth Representatives of the organisation, briefed members of the views of the organisation as follows -

- (a) it was necessary to put ICSCs under some form of regulation so as to protect young patrons from bad influence. At the same time, the Government should avoid excessive control that would hamper the development of the trade and the use of the Internet;

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- (b) the Government should regulate ICSCs in areas including fire safety, smoke free environment, screening of violent, pornographic and gambling websites, and the use of pirate software; and
- (c) ICSCs should be developed into the venue for the search for knowledge and conduct of academic research.

Caritas Youth and Community Service
[LC Paper No. CB(2)2790/01-02(02)]

28. Mr FUNG Hing-kau, Social Work Supervisor, and Mr YU Chi-hang, Youth Representative, of the organisation briefed members of the result of the survey on ICSCs conducted by the organisation between March and May 2002. They also informed members of the suggestions from the organisation on the regulation of ICSCs as follows -

- (a) children under the age of 16 should not be allowed in ICSCs after 10 pm;
- (b) ICSCs should install devices to screen off violent, gambling and pornographic websites;
- (c) ICSCs could not be established within a radius of 100 metres from an educational institution;
- (d) a minimum space requirement should be set for each computer station in ICSCs; and
- (e) smoking should not be allowed in ICSCs.

The Boys' and Girls' Clubs Association of Hong Kong
[LC Paper No. CB(2)2814/01-02(01)]

29. Mr Raymond LEE, Assistant Supervisor, Tsing Yi Children and Youth Integrated Services Centre of the Association, summarised the views of the Association in its submission as follows -

- (a) the Association was supportive of combining options B and C put forward in the Administration's paper [LC Paper No. CB(2)2549/01-02(02)] to regulate ICSCs, i.e., ICSCs had to be licensed instead of regulated under a "notification system";
- (b) ICSCs should be divided into children and adult centres. In children ICSCs, only children under the age of 16 would be allowed while in adult ICSCs, only people aged 16 or over. These two types of ICSCs could be regulated differently under separate ordinances;

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- (c) in addition to compliance with the relevant fire and building safety ordinances, ICSCs should be required to be smoke free and brightly lit. Their operators should be required to control the noise level, set a minimum space requirement for each patron and put up health notices to remind patrons to stand up and stretch their limbs regularly;
- (d) a rating system of computer games should be set in addition to the installing devices to screen off pornographic, violent and gambling websites;
- (e) ICSCs should be required to install close circuit television monitoring devices and maintain website log-in records of their patrons. These records should be made available for checking during site inspection by the authority concerned;
- (f) establishments with more than five computers installed for internet usage should be put under this regulation system; and
- (g) ICSCs could not be established within a radius of 100 metres from an educational institution and should be allowed in commercial buildings only.

The Hong Kong Council of Social Service
[LC Paper No. CB(2)2803/01-02(02)]

30. Ms Angela NG, Chief Officer of the Council, presented the views of the Council in its submission as follows –

- (a) the Council was in support of licensing of ICSCs to ensure the safety of young patrons and protect them from bad influence;
- (b) ICSCs should be required to comply with fire and building safety requirements. They should also be brightly lit and adopt an open-plan set up to prevent the conduct of illegal and improper activities;
- (c) ICSCs should be required to install devices to screen off pornographic, violent and gambling websites. A monitoring hotline should be set up to provide updated information on these websites for the operators to ensure that access to them would be denied in ICSCs;
- (d) restricted hours for young patrons should be set; and

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- (e) there should be sufficient manpower in the enforcement department for conducting site inspections to ensure strict compliance with these licensing conditions.

Dr Jonathan WEBSTER, Associate Dean of Faculty of Humanities and Social Sciences, City University of Hong Kong

31. Dr Webster said that he shared the concern about young patrons having access to pornographic websites. He considered that option C proposed in the Administration's paper was the most sensible as it allowed a suitable level of control on ICSCs. However, when implementing such control, careful consideration should be given in order not to hamper the use of the Internet services. He stressed that it must also be ensured that LCSCs were technically able to meet the conditions to be imposed on them.

Dr Zhou HE, Associate Professor of Department of English and Communication, City University of Hong Kong

32. Dr HE informed members that he was in support of option A because of the following reasons –

- (a) any new restrictive regulation of ICSCs would be taken by the public as another government measure, apart from the controversial proposed legislation for Article 23 of the Basic Law, to control people's freedom of speech, thus causing unnecessary uncertainty and resentment among the public;
- (b) during this period of economic difficulties, any extra restrictive regulation on the establishment of new business would seriously discourage people from entering the market;
- (c) ICSCs provided access to the Internet for people who could not otherwise access the net and should be encouraged instead of restricted;
- (d) other similar businesses such as regular cafes had the same potential risk of becoming the breeding grounds of criminal acts as ICSCs. The latter should therefore be subject to the same regulation as the former. He would rather see adolescents playing with the Internet in ICSCs than loitering in the streets, joining gangs, and engaging themselves in real-life violence than fantasied aggression online. Government efforts should be directed more to the fundamental causes of crimes and delinquency than to the information media; and
- (e) any regulatory effort should not result in reducing economic freedom in Hong Kong. Hence, minimal interference should be made to the business of ICSCs.

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Mr LEE Yuen-kwong, member of Kwai Tsing District Council

33. Mr LEE said that option C should be adopted so that the regulation of ICSCs would not hamper the development of the trade. He considered that ICSCs should be regulated in the following ways -

- (a) ICSCs should comply with fire and building safety requirements;
- (b) for the filtering of undesirable websites and restrictions on age and hours for patrons, it would be more effective to provide guidelines to the operators than introducing legislation;
- (c) it was necessary to regulate establishments with less than ten computers as fire and building safety was very often ignored in these small-scale centres; and
- (d) the business nature of ICSCs and AGCs was very similar and regulation of both types of establishments was necessary. He was therefore opposed to the proposed relaxation of the licensing conditions of AGCs.

Mr LUI Ko-wai, member of Kwai Tsing District Council

34. Mr LUI opined that the Government and the trade should cooperate in building up a healthy image of ICSCs and promoting the proper usage of the Internet service. To him, it was better for the young people to visit these centres than loitering in the streets. ICSCs should be allowed to operate if they could install effective device to screen off undesirable websites. In this respect, the Television and Entertainment Licensing Authority (TELA) should also screen all computer games before allowing them to be put on the market.

Mr CHAN Wan-sang, member of Tuen Mun District Council

35. Mr CHAN said that he supported the regulatory measures proposed by the youth organisations and their representatives. He did not agree with Dr Zhou HE of the City University of Hong Kong that this subject was a political and economic issue. Mr CHAN pointed out that unlike what Dr HE had believed, most of the young people visited ICSCs to play on-line computer games instead of searching for knowledge. He therefore advocated that ICSCs should be regulated as follows –

- (a) ICSCs should comply with fire and building safety requirements;
- (b) ICSCs should not be established close to educational institutions or allowed to use the same entrance as other residents of the same building;

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- (c) restrictions on the age of patrons and operational hours for ICSCs should be set;
- (d) ICSCs should be required to install devices to screen off undesirable websites and computer games effectively; and
- (e) a different form of regulation should be imposed on ICSCs which offered immoral or indecent services.

Mr WONG Chun-wai, member of Tai Po District Council
[LC Paper No. CB(2)2790/01-02(03)]

36. Mr WONG indicated that he was supportive of adopting option C in principle. He considered that the following regulatory measures should be imposed on ICSCs –

- (a) ICSCs should meet fire and building safety requirements;
- (b) a standard space requirement for each computer station should be set;
- (c) ICSCs should install devices to screen off pornographic, violent and gambling websites;
- (d) an independent body should be set up to handle problematic software and computer games;
- (e) internet gambling activities should not be allowed in ICSCs;
- (f) students in uniform should not be allowed in ICSCs at all times and so as children at night; and
- (g) an effective site inspection system should be set up.

Mr YU Wing-fai, member of Home-School Co-operation Committee and Chairman of Shatin Parent-Teacher Association Federation
[LC Paper No. CB(2)2790/01-02(03)]

37. Mr YU informed members of his views as follows –

- (a) he did not agree that legislation should be relaxed in order to promote business development. However, to be fair to the operators, the Government should differentiate the different types of ICSCs and impose different regulatory measures on them;
- (b) the indulgence in playing Internet games in ICSCs might account for the recent deterioration in academic results of male students.

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It was therefore necessary for the Government to regulate ICSCs. Students in uniform should not be allowed there;

- (c) the Government should make reference to the experience in Japan where regulatory measures were imposed on ICSCs;
- (d) he had reservation on the effectiveness in employing youth to monitor the usage of the Internet services by young patrons;
- (e) some ICSCs were accommodated in shopping malls close to schools, causing great disturbance to the latter; and
- (f) establishments with less than ten computers should also be regulated.

Mr CHAN Yiu-keung, member of Sai Ying Pun Area Committee
[LC Paper No. CB(2)2607/01-02(01)]

38. Mr CHAN opined that the Government should strictly regulate ICSCs which offered immoral and indecent services to patrons. Some of them were accommodated in residential areas and had created great disturbances to the residents. He said that he preferred to adopt option C to regulate ICSCs but additional restrictions should be imposed. These restrictions should include the following -

- (a) ICSCs should only be established in commercial buildings with separate entrances from residential buildings;
- (b) the content of advertisements of ICSCs in the newspaper and displays at their entrance should be regulated; and
- (c) playmates should not be allowed in ICSCs.

Discussion

39. Mr WONG Sing-chi enquired about the reason for the growing popularity of ICSCs among the young people and whether regulation of ICSCs would be effective in dealing with this problem. In reply, Mr Raymond LEE of the Boys' and Girls' Clubs Association of Hong Kong advised that most young people visiting ICSCs were between the age range of 13 and 15. ICSCs provided a venue for them to play with their peers. They also found the Internet games in ICSCs exciting and interesting. As they visited ICSCs very frequently, it was necessary for the Government to regulate these establishments in order to ensure their safety and protect them from bad influence.

40. Mr Albert CHAN remarked that the parents were very concerned about their children spending too much time and money in ICSCs. He pointed out

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that some ICSCs had attracted young patrons by allowing them credits. In response, Mr Isaac CHAN of the Hong Kong Association of Cyber Media informed members that among the 150 to 200 ICSCs in Hong Kong, 66 were members of the Association. He assured members that in these 66 ICSCs, it was very rare that children under the age of 12 would stay after midnight. Credits were also not allowed in these ICSCs. He added that the trade had all along displayed a high degree of self-discipline. To illustrate this, he said that to protect young patrons from bad influence, the Association had decided in March 2002 that its members should not install a new computer game about the triad society which was of a very violent nature. He further assured members that ICSCs would only install computer games which had been screened by TELA and allowed for sale in the market.

41. Mr Michael MAK suggested that the Panel should visit ICSCs so that members would understand more the operation of different types of ICSCs and their influence on the young people. Mr MAK invited Mr NG Koon-fai of Cyber Sniper to elaborate on how the self-discipline of the trade could ensure the safety of the young patrons and protect them against bad influence so that regulation by the Government was not necessary. He also requested the Administration to clarify the measures it had taken to prevent accidents in ICSCs. Mr NG responded that at its early development, the trade had developed a set of guidelines on the operation of ICSCs for the operators. This display of self-discipline was unique among similar businesses.

42. Referring to the survey conducted by the Hong Kong Federation of Youth Groups Leadership 21, Mr NG Leung-sing sought more details on the conditions of fire and building safety in ICSCs, what could be done and the amount of resources and efforts required to improve the conditions. As regards smoking in ICSCs, Mr NG also enquired about the details of the present conditions and how a balance could be struck to improve the environment in, and at the same time would not affect the business of, ICSCs. The Chairman said that as representatives from the organisation had already left, the Administration might provide information on these issues later.

43. In response to the remarks made by Mr YU Wing-fai, Mr Tommy CHEUNG pointed out that ICSCs might not necessarily be the cause for the deterioration of the academic results of the male students. He also queried the need for prohibiting smoking in ICSCs since it might not lead to fire accidents particularly if the requirements on fire safety had been met. He added that he supported exercising a suitable level of control over ICSCs but had reservation on imposing unnecessary restrictions on them which might hamper the development of the trade.

44. In response to the concerns raised by deputations and members, DS(HA)2 confirmed that Government departments conducted inspections on ICSCs in accordance with the existing legislation. He added that to collect views on the regulation of ICSCs, HAB had conducted public consultation on the possible regulatory options. DS(HA)2 said that HAB had consulted the

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trade and the 18 District Councils (DCs). It was still collecting views from youth groups, District Fight Crime Committees and social organisations. He summarised the major areas of concerns of the groups consulted as follows -

- (a) fire and building safety - it was foreseen that the problems with ICSCs accommodated in private residential buildings would be greater since they were not required to comply with the safety requirements applied to establishments in commercial buildings under the existing legislation;
- (b) crime and vice activities - DCs were especially concerned about this aspect and had urged the Government to impose regulatory measures to prevent these activities in ICSCs;
- (c) the frequent visit to ICSCs by young people and the impact on the latter;
- (d) suitable regulatory measures and their effectiveness;
- (e) device for screening out pornographic, violent and gambling websites - some groups suggested that it would be more effective if ICSCs would exercise self-discipline and took initiative in screening out such websites; and
- (f) admission of students in school uniform and restricted hours for young patrons.

45. DS(HA)2 reiterated that the Government did not have a stance about the regulatory options and was very willing to listen to the views of the public. It would also investigate into the technical aspect of each option before a decision was made. He assured members that the Administration would revert back to the Panel once its recommendations were formulated on this issue.

46. The Chairman thanked the deputations for presenting their views to the Panel. He said that almost everyone agreed that ICSCs were worthy of existing in Hong Kong. However, opinions were split on how ICSCs should be regulated. He requested the Administration to revert back to the Panel on the results of the public consultation and its recommendations on the regulation of ICSCs.

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