

**For information  
on 12 January 2004**

**Legislative Council Panel  
on Information Technology and Broadcasting**

**Licence Renewal Exercise for  
the Domestic Pay Television Programme Service Licence of  
Hong Kong Cable Television Limited**

**Purpose**

This paper informs Members of the public views on the domestic pay television programme service provided by the Hong Kong Cable Television Limited (HKCTV) in connection with the renewal of its licence.

**Background**

2. The domestic pay television programme service licence (Licence) of HKCTV will expire on 31 May 2005. Pursuant to section 11(3) of the Broadcasting Ordinance (BO) (Cap. 562), the Broadcasting Authority (BA) is required, inter alia, to submit recommendations to the Chief Executive in Council (CE in C) in relation to the renewal of HKCTV's licence and the terms and conditions to be imposed not later than 12 months before the expiry of the licence (i.e. by **31 May 2004**). In making its recommendations to the CE in C, the BA will take into account the past performance of the licensee and the public views on the service.

3. In accordance with section 11(4) of the BO, the BA conducted a public hearing on 20 November 2003 to collect public views on the service provided by HKCTV. The main issues raised at the public hearing are summarized in paragraphs 6 - 12 below. Apart from the public hearing, the BA has also commissioned an opinion survey on the Domestic Pay Television Programme Service of HKCTV to collect

subscribers' views on the service of HKCTV and the existing programme and advertising standards applicable to the service.

4. Both the report on the public hearing and the executive summary of the survey are available at the website of the BA at <http://www.hkba.org.hk/hkba>.

### **Public Hearing**

5. The BA launched extensive publicity on the public hearing through Announcement of Public Interests on television and radio from 1 November 2003 to 20 November 2003. It also distributed promotional posters and pamphlets to District Councils, District Offices and interested organizations. Members of the public were invited to attend the public hearing and/or provide written submissions on the service of HKCTV as well as the present regulatory requirements (at **Annex**). 21 out of 161 attendees spoke at the hearing. The major issues raised are summarized in the following paragraphs.

### Annex

#### ***Programme and Channel Diversity***

6. While three speakers commended HKCTV for the provision of a great variety of programmes, there were also calls for more programme and channel diversity, including arts and culture, video-on-demand, Filipino and Indonesian programmes, informational programmes other than the development of China, cricket matches played by Pakistan, India and Sri Lanka, feature films with educational and healthy themes, carriage of CCTV channels, Indian channels, overseas acquired channels and international news channels, etc.

7. A number of speakers gave their views on the news channels. One speaker commended HKCTV for the use of teloping in news programmes. Another four speakers requested HKCTV to include the international news channels in its basic package rather than as premium channels, the reception of which required an additional charge; provide more in-depth news reports; refrain from broadcasting the same breaking news on both of the two news channels at the expense of other news; and maintain impartiality of news programmes. Two speakers were dissatisfied with the substandard performance of the news anchors and the mistakes on the use of punctuation in the teloped news headlines.

### ***Subtitling***

8. Three speakers commented on the provision of subtitling for programmes. Two of them asked for the provision of Chinese subtitles for programmes on the news, children and entertainment channels for the benefit of the hearing-impaired. One speaker suggested HKCTV providing subtitles at midnight to advise viewers to turn down the volume of their television sets.

### ***Coverage of HKCTV's Service***

9. Three speakers commented on the coverage of HKCTV's television network. Two of them complained that HKCTV service was not available to them while one commented that, with the advent of digital technology, HKCTV should speed up its process to expand the coverage of its network.

### ***Subscription and Installation Fee***

10. Ten speakers were dissatisfied with the high installation fee and/or discriminatory subscription fee in favour of new subscribers charged by HKCTV. They suggested that HKCTV should lower its subscription fee and charge all subscribers the same amount.

11. One subscriber complained that HKCTV ignored her request for termination of service and charged her a higher subscription fee<sup>Note</sup>. Another speaker said that the elderly living in old buildings were deprived of the opportunity to enjoy HKCTV service because they could not afford the high connection fee.

### ***Other Matters***

12. A number of other issues were also raised at the public hearing. These included quantity of advertisements, the use of the three Government channels stipulated in HKCTV's existing licence as public access channels, customer service, the introduction of more players into the broadcasting arena, RTHK programmes, etc.

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<sup>Note</sup> Representatives of HKCTV followed up with the complainant after the public hearing.

## **Survey on the Domestic Pay Television Programme Service of Hong Kong Cable Television Limited**

13. The BA commissioned the survey in April 2003 to collect opinions of HKCTV subscribers on the quality and acceptability of its broadcasts and to assess whether the existing licence conditions and provisions in the generic codes of practice governing its service are in line with the aspirations of subscribers.

14. The territory-wide fieldwork of the survey was conducted from 23 June to 20 July 2003. A total of 1,515 households were successfully interviewed, representing a response rate of about 77%. The survey company will present the key findings at the Panel meeting on 12 January 2004.

### **Next Step**

15. The BA will carefully consider the community views collected at the public hearing and the findings in the survey, with a view to concluding its recommendations on the licence renewal for submission to the CE in C before end-May 2004.

### **Advice Sought**

16. Members are invited to note the content of this paper.

**Communications and Technology Branch  
Commerce, Industry and Technology Bureau  
January 2004**

## **Major Regulatory Requirements on Domestic Pay Television Programme Service**

### **ADVERTISING STANDARDS**

#### **Advertising Time**

1. There is no restriction on the amount of advertising time broadcast.

#### **Restrictions on Advertising Materials**

2. Advertising material should be clearly identifiable as an advertisement. Distinctions must be maintained between advertisements and programmes. Advertisements built into satellite feed services which are produced primarily for reception outside Hong Kong and included in a licensee's television programme service but which do not contribute to the advertising revenue of the licensee may deviate from this restriction when compliance is not feasible without interrupting the licensee's television programme services.
3. Surreptitious sponsorship is not allowed. All sponsorship must be clearly identified at the beginning and/or end of the programme and/or within the programme as part of a programme title, programme segment title or programme feature title. Programmes of satellite feed services provided by the licensee may deviate from the standards if it is unavoidable.
4. News programmes, religious service or other devotional programmes, and programmes, announcements or other material included at the direction of the BA from time to time must not be sponsored.
5. No advertisements may contain any untruthful or misleading descriptions, claims or illustrations. All factual claims and best-selling claims should be capable of substantiation.
6. No advertisement should contain any review of or advice about the stock market or investment prospects or make any reference to specific securities or investment products.

7. Advertisements for the following products or services are not acceptable :
  - (a) tobacco products;
  - (b) firearms and associated equipment;
  - (c) fortune tellers and the like;
  - (d) undertaker or others associated with death or burial (except advertisements for columbaria);
  - (e) unlicensed employment services, registries or bureaux;
  - (f) organizations/companies/persons seeking to advertise for the purpose of giving betting tips;
  - (g) betting (including pools): except advertisements for authorized lotteries and authorized football betting; and publications and pre-recorded information services on horse racing and football betting;
  - (h) night clubs, dance halls, massage parlours, sauna houses, bath houses or similar establishments in which hosts/hostesses are employed for the primary purpose of attracting or entertaining customers or in which floor shows or other live performances or activities involving sexual behaviour of whatever nature are presented;
  - (i) escort and dating services targeting young persons under the age of 18; and
  - (j) pay per call information services which offer adult material of a sexual nature. The restriction is not applicable to licensed services restricted for adult viewing.
8. Indirect publicity of an unacceptable product or service is unacceptable.
9. Liquor advertisements should not be shown in proximity to children's programmes or programmes targeting young persons under the age of 18.
10. Advertisements of medical preparations and treatments should not contain any reference to a prize competition or promotional scheme such as gifts, premium offers and samples.
11. Subliminal advertising is not permitted.
12. A licensee shall not include in its service any advertisement of a religious or political nature or concerned with any industrial dispute.

## **PROGRAMME STANDARDS**

### **Crime**

1. Crime should not be portrayed in a favourable light.
2. Criminal activities, when depicted, must be consistent with and reasonably related to plot and character development.
3. The presentation of criminal techniques in such a way as to be instructional or invite imitation should be avoided.
4. Scenes containing detailed instructions for, or illustrations of, the use of illegal drugs or harmful devices or weapons are not permitted.
5. Scenes showing triad ceremonies, rituals, hand signs, etc., and triad expressions not generally accepted in daily language may only be permitted in programmes restricted for adult viewing.
6. Glorification of criminals, the power of triads and membership in a triad society should be avoided.

### **Gambling**

7. Depictions of gambling should not be presented in a manner that would encourage gambling.

### **Adult Programmes**

8. The licensee may include adult material in its licensed service subject to sufficient safeguards against children's access to such material. The licensee must devise a scheme to the satisfaction of the BA to ensure that children will not be exposed to adult material. No obscene material may be included in the television programme service. Obscenity includes also violence, depravity and repulsiveness.

### **Films Classified as Category III by the Film Censorship Authority**

9. The licensee may show films which have been classified as Category III by the Film Censorship Authority under the Film Censorship Ordinance (Cap. 392) in the form as approved for exhibition as adult programmes. However, films which the Film Censorship Authority has refused to approve for exhibition should not be shown on programme services at all.

## **Use of Language**

10. Bad language should not be used in programmes or on channels targeting children or young viewers. In other programmes or on other channels, the use of crude expressions with sexual connotations, more explicit adult jokes and other offensive language must be appropriate to the story line or programme context. The use of downright offensive language may only be permitted in programmes or on channels restricted for adults provided it is appropriate to the story line or programme context and not overly frequent and impactful.

## **Sex and Nudity**

11. Depictions of sexual behaviour or nudity must be incidental, extremely discreet and absolutely necessary to the story line or programme context when they are included in programmes or on channels targeting children or young viewers. Intimate sexual behaviour may be implied or simulated and must not be grossly offensive in other programmes or on other channels. Sexually explicit scenes may only be shown in programmes or on channels restricted for adults.
12. Depictions of hard core material, or sexual acts with offensive perversion, are not permitted.

## **Violence**

13. Physical and psychological violence, or violent or assaultive language which threatens or encourages the use of violence may not be presented in such a manner as to cause alarm or distress to children or young viewers in programmes or on channels targeting children or young viewers. Realistic depictions of violence must be appropriate to the programme context when they are shown in other programmes or on other channels. In any programmes or on any channels restricted for adults, violence with a higher degree of realism or impact may be depicted when justified by the context.
14. Sustained or excessively detailed acts of violence are not permitted.

## **Protection of Children**

15. The licensee should be vigilant on the likely effects of all material shown on television on children.



### **Advisory Announcement**

16. A programme or channel intended for viewing solely by adults should be clearly labelled as such.
17. Any programme containing material which is unsuitable for children or is likely to disturb some audience should carry an advisory or cautionary announcement together with a descriptive statement of problematic content.

### **Promotional Material for Adult Programmes or Channels**

18. Promotional material for a programme or a channel showing material of an adult nature should not be permitted on a channel targeting children and in or adjacent to a programme targeting children. Such promotional material included in or adjacent to a programme other than an adult programme should not include excerpts or other material that is not suitable for persons under 18 years of age.

### **Impartiality and Accuracy**

19. The licensee must ensure that due impartiality is preserved in news programmes and any factual programmes dealing with matters of public policy or controversial issues of public importance in Hong Kong (except personal view programmes). Impartiality could be achieved over time through a series of programmes that are considered as a whole.
20. News shall be presented with accuracy. Correction of factual errors should be made as soon as practicable after the original error.

### **Fairness**

21. The licensee has a responsibility to avoid unfairness to individuals or organizations featured in factual programmes, in particular through the use of inaccurate information or distortion.
22. Where a factual programme reveals evidence of iniquity or incompetence, or contains a damaging critique of an individual or organization, those criticized should be given an appropriate and timely opportunity to respond.

## **Personal View Programmes**

23. "Personal view programmes" are programmes in which the programme hosts and, sometimes, individual contributors put forward their own views. The following rules apply to all personal view programmes on matters of public policy or controversial issues of public importance in Hong Kong:
- (a) The nature of a personal view programme must be identified clearly at the start of the programme.
  - (b) Facts must be respected and the opinion expressed, however partial, should not rest upon false evidence.
  - (c) A suitable opportunity for response to the programme should be provided.
  - (d) The licensee should be mindful of the need for a sufficiently broad range of views to be expressed in any series of personal view programmes.

## **Privacy**

24. The licensee shall only collect material for broadcast purpose by means which are lawful and fair in the circumstances of the case.
25. Children should not be questioned to elicit views on private family matters, nor asked for expressions of opinion on matters likely to be beyond their judgement.
26. Reporting of sexual offences against children should avoid identification of the child.