

## **International Conference on Public Service Broadcasting – 21.6. 2006**

Development of Public Service Broadcasting : The Hong Kong Perspective

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Members of the Review Committee, guests, ladies & gentlemen,

Good afternoon... and thank you for this opportunity to express, on behalf of my colleagues at RTHK, our views about public service broadcasting in Hong Kong. As you know, the review has now been underway for five months. Deliberations have been notionally about public service broadcasting in general, but clearly RTHK - as the existing public broadcaster - is at the centre of discussions. And so we appreciate another opportunity to contribute to this process.

In the eyes of some, the review committee's recommendation should, in theory, be simple - turn RTHK into an independent public broadcaster. It should be simple because we have been down this path before. In 1985, a broadcasting review board recommended just such a course of action. Naturally we would like to see the current round of discussions continuing the spirit of the review process started twenty years ago.

The reality is however far more complex. In the intervening years, a degree of confusion has continued about the relationship between RTHK and the government, a situation very much caused by the conflict between RTHK's mission as a public broadcaster and its structure as a government department. Questions have also been raised about the role of a public broadcaster in the marketplace, with some arguing that it should only involve itself in programming that commercial stations are not willing to take on - a form of insurance against market failure.

That does not appear to jell with the views expressed to the PSB review committee. In its synopsis released in March, the committee said there was consensus among those it consulted on the value of, and justification for, having public service broadcasting in Hong Kong. Those consulted agreed a PSB should contribute to pluralism in opinion and creative expression. It

should also cater to the entire community, including minority interests, through comprehensive programming. They also said a public broadcaster should complement and supplement commercial broadcasting, not just supplement.

Indeed, these findings were reinforced in a Chinese University survey carried out in May. The survey indicated that 76 percent of respondents supported the need for a public service broadcaster in Hong Kong. More than 80 percent believed RTHK should serve as a watchdog over government.

So consensus appears to have emerged in the community (as reflected by the review committee's early findings and public opinion polls) that a PSB is needed. And it should provide a full range of services.

Even so, the devil's in the details. For instance, how the station should be governed and how it should be funded are fundamental concerns.

On governance, it appears clear that the public broadcaster should have a charter, which could take the form of legislation. Such a charter should define the public broadcaster's mission and set out its obligations towards the Hong Kong community. It would also guarantee editorial independence... in clear and unambiguous terms.

One major issue would be how to choose the board of governors. I return to that Chinese University survey. Respondents were asked how board members should be chosen if RTHK became a public corporation. A total of 42.6 percent said members should be nominated by community organizations while 33 percent said they should be nominated by the Legislative Council. Food for thought, as the appointments of board members of most public bodies are currently handled by the Administration.

The recent package of reforms at the BBC gives us further ideas. The British public broadcaster currently has a board of governors with both a regulatory and management role. Under the soon-to-be-implemented reforms, these dual - and at times contradictory - functions will be given to two different boards, the BBC Trust and the Executive Board.

I wonder if this might not be too great a leap-forward for Hong Kong, given that the BBC has been an independent public broadcaster for many decades.

However, there is certainly merit in discussing the pros and cons of this model, and we are keeping an open mind.

The second major area is funding. We believe strongly that funding must be stable, predictable and sustainable. The existing format - an annual budget allocation - is NOT sustainable. We should be looking at a longer funding cycle - for example three to five years.

At this juncture it would be worth considering alternative sources such as sponsorship, donations or revenue from sales of programmes and products. Indeed, there are many different funding models around the world. For example, the BBC receives money largely from license fees and worldwide commercial operations. In some ways the licence fee system is the ideal model, in that it engenders a sense of direct ownership by the public. The Australian Broadcasting Corporation receives the bulk of its funding in the form of a government grant. There are also public broadcasters that receive a government grant supplemented by revenue from advertising and other sources.

Looking to the future, I believe RTHK should play a leading role in promoting creativity and culture in Hong Kong. We should be a major player in stimulating the development of an independent production sector, by increasing the percentage of programmes we commission.

In the longer term, we should consider increasing the proportion of commissioning to 25 percent. The success of this initiative would depend on two factors: (a) that RTHK should operate its own television channel, and (b) that an adequate level of funding should be provided for productions.

Right now, we spend slightly more than HK\$200 million to make television programmes for broadcast on the commercial networks. To operate our own TV channel, we would need a much bigger budget. On that basis, a 25% commissioning plan would mean creating a pool of funds large enough to attract talent from the independent sector. It would be a good investment for Hong Kong, for the development of culture in general and for the independent film and documentary industry in particular. It would also be an investment in our future, and would promote Hong Kong's aspiration to become Asia's world city.

No matter how the future public broadcaster is set up, we would hope it would maintain the trust of the public. It would need adequate funding to enable it to become a strong contributor to the Hong Kong media industry and to the development of a vibrant culture here. We are willing to do this; we hope we are given the means to achieve our vision.

The notion of a future public broadcaster operating at arm's length from government also means it would be free of bureaucratic constraints. RTHK has had its share of difficulties attempting to fulfill its obligations as a public broadcaster while operating as a government department. It is time to put this behind us, and move on.

Thank you...