

Telecommunications Users and Consumers Advisory Committee (TUCAC)

Minutes of the 19th Meeting held at 3:00 p.m.

on 5 December 2019 (Thursday) in Conference Room,

Office of the Communications Authority (“OFCA”),

29/F Wu Chung House, Wan Chai

Present:

Mr. Sanda CHEUK (Chairman)	Deputy Director-General
Ms. June IP	Representative of Consumer Council
Mr. Ricky CHONG	Representative of Communications Association of Hong Kong
Mr. W S IP	Member appointed on an ad personam basis
Mr. K K LAU, MH, JP	Member appointed on an ad personam basis
Ms. W K CHENG	Representative as a member of the public
Mr. H C HUNG	Representative as a member of the public
Ms. Eva LAU	Representative as a member of the public
Ms. Katy LAU	Representative as a member of the public
Mr. Richard TSANG	Representative as a member of the public
Mr. W C CHENG	Representative of Education Bureau
Ms. Jamay WONG (Secretary)	OFCA

In attendance:

Mr. Gary CHEUNG	Representative of Hong Kong Telecommunications (HKT) Limited
Ms. Heylie WU	Representative of Hong Kong Telecommunications (HKT) Limited
Mr. Kevin CHU	Representative of Hong Kong Telecommunications (HKT) Limited
Mr. CHAU Hin Ling	Representative of Hong Kong Telecommunications (HKT) Limited
Mr. Alpha POON	Representative of Hong Kong Telecommunications (HKT) Limited
Mr. Kingsley YEUNG	OFCA
Mr. Sidney TSAN	OFCA
Mr. K W LEE	OFCA
Mr. Alvin LI	OFCA
Mr. John WONG	OFCA
Ms. Jacqueline TSE	OFCA
Mr. Jordan LEE	OFCA
Ms. Karen KWAN	OFCA
Miss Edith YAU	OFCA

Absent with apologies:

Mr. Roy LAW	Representative of Hong Kong Wireless Technology Industry Association
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Ms. Edith HUI	Representative of the Hong Kong General Chamber of Commerce
Mr. Eric YEUNG	Representative of small and medium enterprises
Mr. Johnny YUEN	Representative of the aged community services
Mr. C M CHUNG	Representative of the disabled
Mr. William TANG	Representative of the disabled
Mr. W T CHAN	Representative as a member of the public
Ms. P Y CHAN	Representative as a member of the public
Mr. Y M KUNG	Representative as a member of the public
Dr. K W LAU	Representative as a member of the public
Dr. Mary LEE	Representative as a member of the public

I. Minutes of the 18th Meeting of the Telecommunications Users and Consumers Advisory Committee (“TUCAC”)

1. The Secretary had not received any proposed amendment to the draft minutes of the 18th meeting from the members prior to the meeting while Mr. Richard TSANG had proposed an amendment to paragraph 3 at the meeting. The Chairman announced that the minutes of the 18th meeting were confirmed.

II. Outcome of the Review of the Number of Public Payphones

2. Mr. Alvin LI briefed the members on the background, guiding principles and outcome of the review of the number of public payphones (the “Payphone Review”), as well as the views on adding functions to public payphone kiosks. Related information was set out in TUCAC Paper No. 4/2019.

3. Mr. Alpha POON then introduced the smart kiosk of PCCW-HKT Telephone Limited and Hong Kong Telecommunications (HKT) Limited (“HKT”), including the concept, functions and exterior design of the smart kiosk of HKT.

4. Mr. Ricky CHONG enquired whether the exterior design of the smart kiosk as introduced by HKT had been finalised, and whether all the services provided were paid services. In addition, Mr. Ricky CHONG was concerned that the provision of USB charging service at smart kiosks might prevent others from using the kiosks. He, therefore, suggested that HKT could consider providing the mobile charging device rental service. Ms. Eva LAU

also said that both the USB charging service and the mobile charging device rental service could be provided at smart kiosks, and HKT could consider installing USB charging plugs at both sides of the kiosks.

5. Mr. Gary CHEUNG said that the exterior design of the smart kiosk introduced at the meeting had not been finalised, and HKT was still gauging views from various parties. Smart kiosks would provide the USB charging service and information-related services for free. However, online shopping service, if provided in future, would be a chargeable item. Regarding the members' concern over the USB charging service, HKT had also considered the related issues and would examine whether a time limit should be set on charging. As for the mobile charging device rental service, HKT would need to consider carefully since the provision of such a service would take up a large portion of space in a smart kiosk. Mr. Gary CHEUNG added that HKT would only install smart kiosks in selected districts at the present stage and conventional payphone kiosks would remain. HKT would perform tests on its own and would consider installing more smart kiosks in other districts having regard to the public views and feedback observed and received.

6. Mr. K K LAU said that the smart kiosk was an excellent concept. He also supported Mr. Ricky CHONG's suggestion concerning the mobile charging device rental service. Mr. K K LAU shared that once, when he was making a call from a smart kiosk at an overseas airport, he found that the numeric keys on the touch screen were misaligned and the scratches on the screen affected users to browse the information. In addition, overheating of the device was also a problem. Mr. K K LAU suggested that HKT should take those problems into consideration when designing the smart kiosks. He also suggested that HKT should use separate screens for different kinds of services, for example, the screen for providing information should not be used for making calls. Lastly, Mr. K K LAU opined that HKT should retain some of the conventional public payphones or provide simple and user-friendly equipment in the smart kiosks for use by the public in case of emergency.

7. The Chairman thanked Mr. K K LAU for his opinion and said that as the concept of the smart kiosk was novel in Hong Kong, he believed that it would arouse considerable public attention. As such, HKT would need to consider carefully the business operation mode of the smart kiosk and how to solve the problems possibly encountered by users of smart kiosks.

8. Ms. Heylie WU thanked Mr. K K LAU for his opinion on HKT's smart kiosk and said

that since the operating cost of the smart kiosk was relatively high, HKT had incorporated large LED displays into the design of the smart kiosk for displaying outdoor advertisements in future so as to cover the cost.

9. Mr. W S IP opined that the primary function of a telephone kiosk was to provide calling service for the public. The current design of the smart kiosk seemed to turn it into a place for selling goods.

10. The Chairman said that he understood that conventional telephone kiosks only provided calling service. However, given their strategic locations in streets, telephone kiosks had long been equipped with Wi-Fi service to advance with time. In fact, the concept and additional services of the smart kiosk were developed from the views expressed by some District Councils (“DCs”) members when the DCs were consulted during the Payphone Review. As mobile network operators needed to increase the number of micro-cell radio base stations to prepare for the 5G era, street furniture like telephone kiosks could also be used for provision of 5G services. How the concept of the smart kiosk would eventually be realised would depend on market demand and considerations of the government departments concerned. From the perspective of the telecommunications industry, smart kiosks would help promote smart city development and the roll-out of communications networks for, among others, 5G services.

11. Ms. Heylie WU supplemented that the design and one of the objectives of HKT’s smart kiosk was to support the Government’s smart city development. HKT had consulted various organisations, institutions and the DCs before designing the smart kiosk. HKT hoped that the revamped telephone kiosks would enable the public and visitors to use interactive facilities of larger scale in Hong Kong and the DCs to use the LED displays in smart kiosks to disseminate information.

12. Mr. Richard TSANG agreed to the objective and functions of the smart kiosk. He also supported that smart kiosks could be used to provide tourist information as some visitors might not use local mobile data pre-paid SIM cards while in Hong Kong. Regarding OFCA’s decision to exclude about 50% of the total number of kiosk-type payphones from the universal service obligation in light of the outcome of the Payphone Review, Mr. Richard TSANG enquired whether OFCA had set an ultimate target on the number of kiosk-type payphones to be excluded. Mr. Richard TSANG was also concerned whether the Government would

support rebuilding the removed kiosks and revamping them if the response to the smart kiosk was positive.

13. The Chairman said that the Payphone Review had just been completed, and the public payphones OFCA had decided to exclude were all under the universal service obligation. As such, HKT might still choose to retain those excluded kiosk-type payphones based on its commercial considerations. If HKT decided to retain those kiosk-type payphones, it had to bear the costs of their operation and future removal without compensation under the universal service contribution. OFCA would keep an open mind should there be any requests for retaining the kiosk-type payphones or using them for other purposes in the course of their removal, and would take into account the views of other departments/organisations concerned (e.g. Lands Department, Highways Department and the DCs), such as whether there were any comments or complaints relating to street obstruction caused by the kiosks.

14. Mr. H C HUNG said that since it costs only HK\$1 to make a call from a conventional payphone, he worried that higher charges for services provided by smart kiosks would affect their deployment as the public might have the misconception that smart kiosks were built solely for the purpose of commercial gain. He hoped that the Government or HKT could step up their publicity and educational efforts to promote the advantages of revamping telephone kiosks and provide clear charging information.

15. Mr. Gary CHEUNG responded that the charge per call made from a smart kiosk would remain at HK\$1 except that the payment method would change from coin payment to electronic payment. If online shopping service was provided at smart kiosks, users would have to pay the same amount as they shopped online with other devices and would not be charged more. Furthermore, HKT would continue to provide free Wi-Fi services for the public and visitors.

16. The Chairman said that, as smart kiosks had not been formally introduced, HKT would conduct a trial scheme in selected districts, during which it would perform tests as well as collect and observe public views and feedback. The Chairman recognised that publicity and education work would be important if smart kiosks were well received in general and were to be introduced in full scale. He welcomed members' comments and views on the matter.

17. Mr. H C HUNG suggested that efforts should be made to promote to the public at all

levels how smart kiosks would be instrumental to smart city development, as well as their functions and charges, so as to enable the public to understand as early as possible that smart kiosks were not introduced for the purpose of profit making. Mr. H C HUNG also suggested that the related work should be carried out through different channels and targeted at a diverse audience rather than at the DC members only. In addition, Mr. H C HUNG proposed that HKT should make optimal use of smart kiosks' LED tickers to display important real-time information such as typhoon news, so that passers-by could obtain the information and experience the advantages of smart kiosks.

18. The Chairman thanked Mr. H C HUNG for his suggestions.

19. Mr. W C CHENG expressed concern over how disabled people could obtain information through smart kiosks.

20. The Chairman believed that hearing impaired people would have no difficulty in obtaining information through smart kiosks but visually impaired people might require other assistive tools when using the kiosks.

21. Mr. Gary CHEUNG said that there were sensors which could provide accurate location information of smart kiosks. When used together with certain software, visually impaired persons would receive signals from those sensors helping them to locate a smart kiosk and use it. HKT would examine how to use those equipment effectively in order to assist visually impaired people in using smart kiosks. Mr. Gary CHEUNG reiterated that HKT would actively collect views and comments from various parties while performing tests in selected districts to refine the functions of smart kiosks.

22. Ms. W K CHENG suggested that apart from the service of locating smart kiosks, HKT might consider providing more advanced facilities which, for example, could make use of certain software to select and provide more important information to visually impaired people in verbal form. Ms. W K CHENG also suggested that HKT could allocate free advertising space from the large screen at the back of a smart kiosk to non-profit making organisations and relevant district organisations for disseminating information about their activities to the local community, such that smart kiosks could provide different kinds of services to the public.

23. Ms. Heylie WU responded that HKT planned to arrange free time slots for use by the

Government and would broadcast important livelihood information, such as typhoon news, for free, and was discussing the arrangements with service providers. HKT understood that young people would be the major users of smart kiosks. Therefore, apart from the DC members, HKT had been actively engaging students, including those from universities, Hong Kong Institute of Vocational Education (mainly students in the Information Technology discipline), to solicit their views on the requirements and functions of smart kiosks.

24. Mr. H C HUNG was pleased to learn that HKT had contacted education institutions to collect students' views on smart kiosks and suggested that HKT could approach non-profit making organisations to solicit views from other users.

25. Ms. Heylie WU said that HKT had already taken such actions.

26. The Chairman thanked the representatives of HKT for their introduction of the smart kiosk and the members for their opinions.

III. Revised Class Licence for Offer of Telecommunications Services

27. Ms. Jacqueline TSE briefed the members on the implementation of the revised Class Licence for Offer of Telecommunications Services ("CLOTS") and the related publicity and public education work. Relevant information was set out in TUCAC Paper No. 5/2019.

28. The Chairman said that the new registration requirement under the revised CLOTS aimed at protecting consumers. The CA would keep in view its implementation and the market development.

29. Mr. W S IP said that although the revised CLOTS required licensees who met the registration requirement to register with the CA, he was concerned about the compliance of the licensees and enquired how OFCA would perform monitoring work and take follow-up actions.

30. The Chairman responded that any person offering a telecommunications service was automatically deemed a CLOTS licensee without any requirement for prior application to the CA. As such, the CA had no information of the CLOTS licensees in the past. Given that the revised CLOTS had just been implemented, OFCA would examine the list of the registered

CLOTS licensees and relevant market information after the grace period, and would take follow-up actions as appropriate. Furthermore, OFCA would monitor the operation of the CLOTS licensees through enquiries and complaints from the public as well as other channels.

31. The Secretary said that without the contact details of the CLOTS licensees, there were practical difficulties for OFCA to handle or refer consumer complaints concerning the licensees. The CLOTS was therefore revised to introduce a registration regime in the hope of improving the situation.

32. Mr. Ricky CHONG enquired why the CA did not require all CLOTS licensees to register.

33. The Chairman responded that in the past, most licensees under complaint were sizeable. As it was uncertain whether the registration regime would cause a burden on the CLOTS licensees with smaller scale of operation, and most of the stakeholders expressed during the consultation period that they hoped the CA could introduce the regime in a progressive way, the CA decided to set a threshold for the registration regime of the CLOTS (which was a customer base of 10 000 subscriptions or more). The CA would continue to monitor the operation of the market and consider in due course whether further regulation should be imposed.

34. Mr. Richard TSANG asked whether the CA would consider requiring the CLOTS licensees to print contact details on the packaging of their products so that consumers could contact them directly for enquiries or complaints.

35. Mr. Jordan LEE replied that the CLOTS required licensees to provide information such as company registration numbers or business registration certificate numbers, customer service hotline numbers and product user manuals to consumers when offering their services. The new measures under the revised CLOTS aimed at further protecting consumers. If a consumer could not find an operator's information on the packaging of its product, and if his service provider was a registered licensee, the consumer could seek assistance from OFCA to refer the case to the persons concerned for follow-up.

36. The Chairman supplemented that apart from facilitating the CA's regulatory work, the registration regime introduced under the revised CLOTS could enhance consumers'

confidence on operators and help them make smart consumption decisions. The Chairman said that the CA encouraged and welcomed those CLOTS licensees who did not meet the registration threshold to register as well.

37. Mr. Richard TSANG agreed that the registration regime could enhance the confidence of the consumers.

38. Ms. Katy LAU asked that if the CLOTS licensees who were not exempted from registration did not register with the CA, what consequence would be faced by them.

39. The Chairman replied that the CA had granted a three-month grace period from the effective date of the revised CLOTS for the fulfilment of the new registration requirement so that the CLOT licensees would have sufficient time to understand the requirement, prepare and make registration. Non-exempt licensees who failed to register after the grace period might contravene the Telecommunications Ordinance and might face penalties from the CA upon its decision.

40. Mr. H C HUNG was concerned about the relatively low number of registration of the CLOTS licensees thus far, and was of the view that the number of registration, if persistently low, might reflect that the registration regime in fact could not achieve the CA's objectives in revising the CLOTS.

41. Ms. Jacqueline TSE said that OFCA had received enquiries about the registration regime from various CLOTS licensees some time earlier. Some of them also indicated that they were making preparations for registration.

42. The Chairman supplemented that, based on past experience, whenever the CA put in place new measures with effective dates and/or grace periods, the licensees would take actions only when the end dates drew close. Similar phenomenon was also seen in consultation exercises conducted by the CA, in which responses were often received only a few days before the end of the exercises. That said, OFCA would urge the licensed operators as appropriate to remind their subsidiaries or business partners of the new registration regime under the CLOTS.

43. Mr. W S IP asked whether the CA would remind the unregistered licensees to register and suggested that the CA should adopt targeted measures to encourage licensees to register. Furthermore, Mr. W S IP asked whether the CA had issued any press release about the revision of the CLOTS.

44. Mr. Jordan LEE thanked Mr. W S IP for his opinion and replied that OFCA would take follow-up actions, such as contacting the licensees directly to remind them of the requirement of the registration regime, in light of the actual circumstances. As for the press release, OFCA had already published the information on its website and in the Gazette.

45. The Chairman supplemented that OFCA would closely monitor the registration of the CLOTS licensees and would take follow-up actions as appropriate.

IV. Any Other Business

Embracing the New 5G Thematic Website

46. The Secretary followed up on the issue concerning the thematic website entitled “Embracing the New 5G” (the “5G Website”) brought up at the 18th Meeting. She briefed the members on the information available on the 5G Website, including the international development of 5G, examples of 5G applications and the operation of 5G, etc. The Secretary also played two short videos about 5G for members’ viewing at the meeting.

47. The Chairman hoped that the information on the 5G Website could enhance public understanding on 5G.

48. Ms. W K CHENG asked whether the CA had released those two videos about 5G through channels other than the 5G Website. The Secretary replied that the videos would be played in public seminars and roving exhibitions.

49. Ms. W K CHENG suggested that the CA could make use of other platforms such as the public railways to play a shorter video about 5G so that the information could reach more people.

50. The Chairman thanked Ms. W K CHENG for her suggestion. He said that the CA would consider producing an abridged version of the 5G videos to disseminate the information to the public through various channels.

Latest Statistics on Consumer Complaints

51. The Secretary reported that the CA had received 308 and 356 cases of consumer complaints in the 2nd and 3rd Quarter of 2019 respectively. Among these complaints, 307 cases in the 2nd Quarter (99.7%) and 355 cases in the 3rd Quarter (99.7%) were outside the CA's jurisdiction. These complaints primarily involved dissatisfaction with customer services, disputes over contracts/service termination, disputes over billing and dissatisfaction with the quality of mobile communications/fixed network/Internet services. In each of the two quarters, there was one case of possible contravention which was related to the alleged breach of the relevant guidelines of the Fair Use Policy by a mobile communication service reseller and access by a fixed network operator to the public area of a building for installation of telecommunications equipment respectively. No substantiated case was confirmed to be in breach of the Telecommunications Ordinance/licence conditions in the 2nd and 3rd Quarter of 2019. The latest consumer complaint statistics are in Annex 1.

52. There being no other business, the meeting was adjourned at 5:00 p.m.

Report on Consumer Complaints on Telecom Services

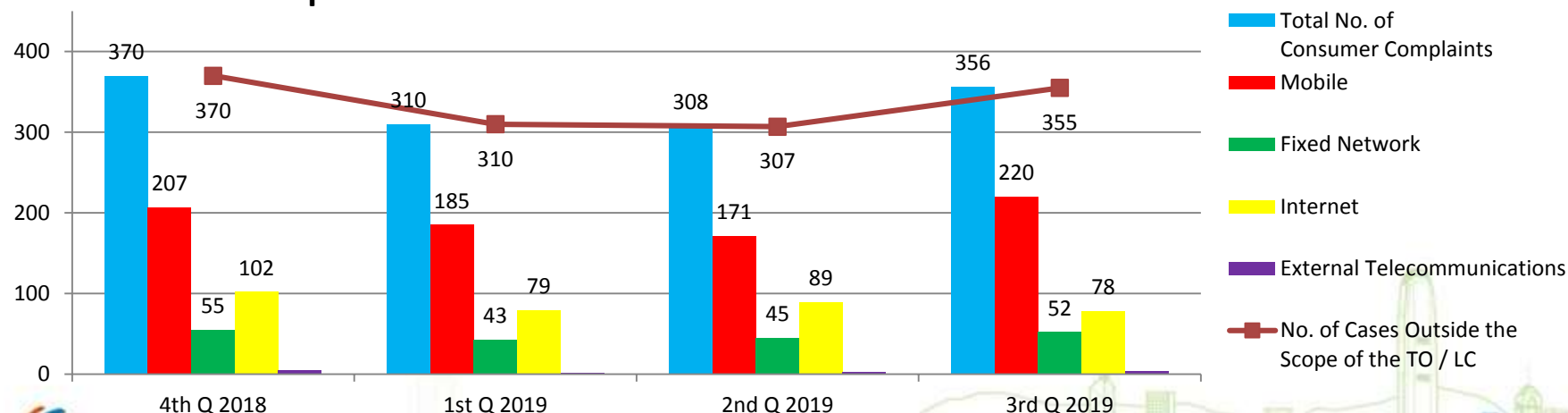
The Telecommunications Users and
Consumers Advisory Committee
The 19th Meeting
5 December 2019



Overview (2nd Quarter and 3rd Quarter of 2019)

(Categorised by service types)	4 th Q 2018	1 st Q 2019	2 nd Q 2019	3 rd Q 2019	2 nd Q 2019	3 rd Q 2019	No. of Cases Outside the Scope of the Telecommunications Ordinance ("TO") / Licence Conditions ("LC")
Total No. of Consumer Complaints	370	310	308	356	307	355	
Mobile	207	185	171	220	170	220	
Fixed Network	55	43	45	52	45	51	
Internet	102	79	89	78	89	78	
External Telecommunications	5	2	3	4	3	4	

No. of Consumer Complaints



No. of Complaints (2nd Quarter and 3rd Quarter of 2019)

In the 2nd Quarter of 2019, the Communications Authority (“CA”) received 308 cases of consumer complaints, representing a slight decrease of 0.6% from the 310 cases received in the 1st Quarter of 2019. In the 3rd Quarter of 2019, the number of CA received consumer complaints increased 15.6% to 356 cases.

No. of cases not involving any breach of the TO or LC : 307 and 355 cases in the 2 Quarters respectively

The cases mainly involved :

	<u>2nd Q 2019</u>	<u>3rd Q 2019</u>
➤ Dissatisfaction with customer service :	102 cases	101 cases
➤ Disputes on contract terms / service termination :	65 cases	73 cases
➤ Disputes on bills :	40 cases	73 cases
➤ Dissatisfaction with the quality of mobile/ fixed network/Internet services :	49 cases	44 cases

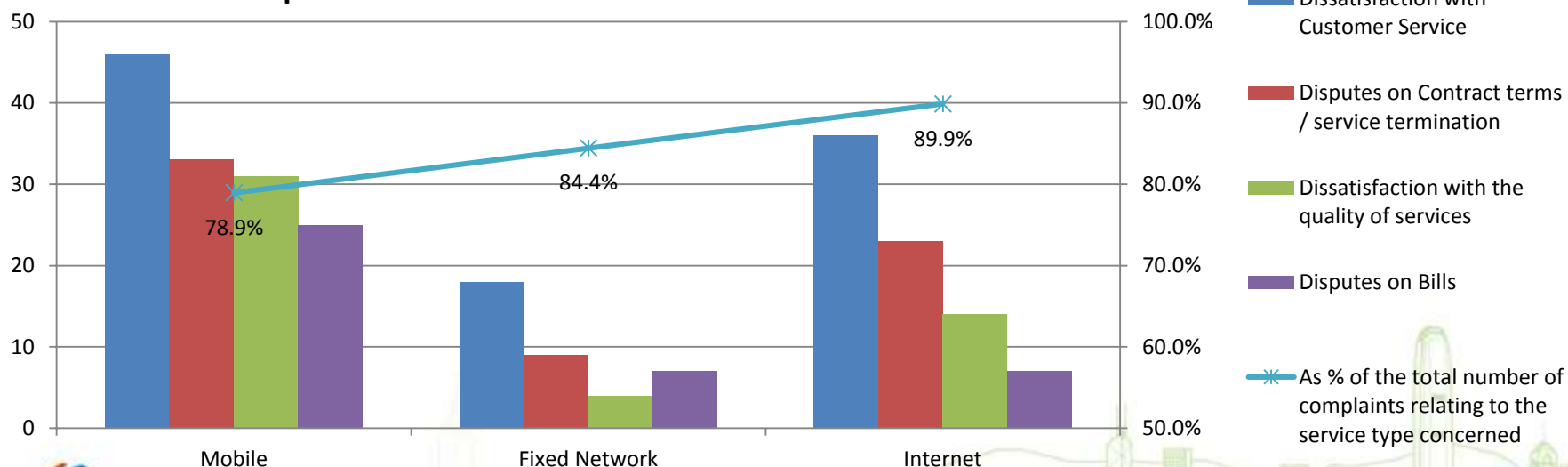
No. of cases involving possible breach of the TO or LC : 1 case each in the 2 Quarters

➤ Alleged violation of the guidelines related to fair usage policy by a mobile services reseller :	1 case	0 case
➤ Problem of accessing by a fixed network operator to public area of building for the installation of telecommunications equipment :	0 case	1 case

No. of Complaints (2nd Quarter of 2019)

<i>(Categorised by major service types)</i>	<u>Dissatisfaction with customer service</u>	<u>Disputes on contract terms / service termination</u>	<u>Dissatisfaction with the quality of services</u>	<u>Disputes on bills</u>	<u>As percentage of the total number of complaints relating to the service type concerned</u>
Mobile	46	33	31	25	78.9%
Fixed Network	18	9	4	7	84.4%
Internet	36	23	14	7	89.9%

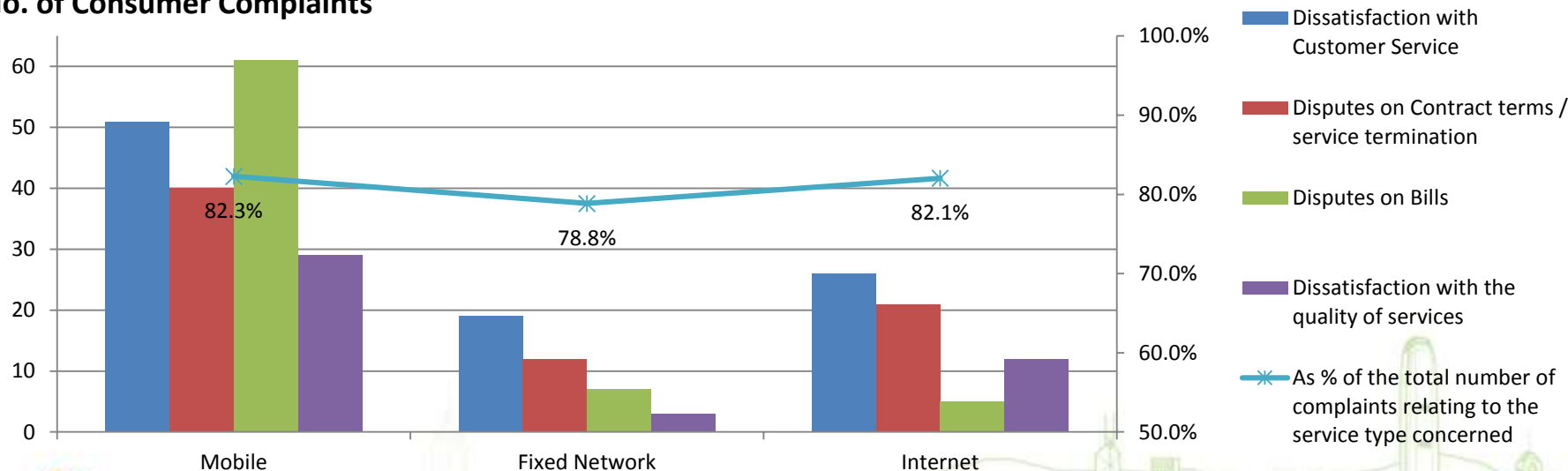
No. of Consumer Complaints



No. of Complaints (3rd Quarter of 2019)

<i>(Categorised by major service types)</i>	<u>Dissatisfaction with customer service</u>	<u>Disputes on contract terms / service termination</u>	<u>Disputes on bills</u>	<u>Dissatisfaction with the quality of services</u>	<u>As percentage of the total number of complaints relating to the service type concerned</u>
Mobile	51	40	61	29	82.3%
Fixed Network	19	12	7	3	78.8%
Internet	26	21	5	21	82.1%

No. of Consumer Complaints



No. of Complaints (2nd Quarter and 3rd Quarter of 2019)

Case Analysis of Breach of the TO / LC

In the 2nd Quarter and 3rd Quarter of 2019, there was no substantiated case of breach of the TO/LC.



Thank You

