

Telecommunications Users and Consumers Advisory Committee (TUCAC)

Minutes of the 13th Meeting held at 3:00 p.m.

on 30 March 2017 (Thursday) in Conference Room,

Office of the Communications Authority (“OFCA”),

29/F Wu Chung House, Wan Chai

Present:

Mr. Chaucer LEUNG (Chairman)	Deputy Director-General (Telecommunications), OFCA
Ms. June IP	Representative of Consumer Council
Mr. L K CHONG	Representative of Communications Association of Hong Kong
Ms. Quinny LAU	Representative of the aged community services
Mr. C M CHUNG	Representative of the disabled
Mr. W C CHENG	Representative of Education Bureau
Mr. K W MA	Member appointed on an ad personam basi
Mr. Kenny CHIU	Member appointed on an ad personam basi
Mr. Thomas SUN	Representative as a member of the public
Ms. Martha LEUNG	Representative as a member of the public
Ms. Florence MAN	Representative as a member of the public
Ms. Eva LAU	Representative as a member of the public
Ms. Jamay WONG (Secretary)	OFCA

In attendance:

Dr. Yvonne LEE	OFCA
Mr. Andrew LO	OFCA
Ms. Elsie DAI	OFCA

Absent with apologies:

Mr. Kenny YIU	Representative of Hong Kong Wireless Technology Industry Association
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Mr. Watson CHAN	Representative of the Hong Kong General Chamber of Commerce
Mr. Eric YEUNG	Representative of small and medium enterprises
Mr. William TANG	Representative of the disabled
Ms. Cindy CHAN	Representative as a member of the public
Mr. C B WONG	Representative as a member of the public
Ms. Eva WONG	Representative as a member of the public
Mr. Daniel LO	Representative as a member of the public
Mr. Derek Emory YEUNG	Representative as a member of the public
Ms. Pauline YUNG	Representative as a member of the public

I. Confirmation of the Minutes of the 12th Meeting

1. The Secretary had not received any proposed amendment to the draft minutes of the 12th meeting from the members and no amendment was proposed by the members in the meeting. The Chairman announced that the minutes of the 12th meeting were confirmed.

II. The Fifth Generation (5G) Services and Making Available Radio Spectrum for its Development

2. Dr. Yvonne LEE briefed the members on matters concerning the Fifth Generation (5G) service and making available radio spectrum for its development, including the frequency bands for public mobile services and the types and advantages of 5G services. She also elaborated on the roadmap for making available radio spectrum and the preparatory work carried out by the Communications Authority (“CA”). Related information was in TUCAC Paper No. 1/2017.

3. The Chairman added that while 3G and 4G services on mobile phones were prevalent, 5G, with its higher speed, could enable the extension of connectivity from

human-to-human to human-to-thing, which included household electrical appliances and dog leashes with microchips (i.e. the Internet of Things). The vision for 5G was “fast, diverse, ultra-reliable and low latency communication services”. In re-assigning spectrum for 5G, OFCA would consider not only the technical feasibility but also the impact on existing frequency band users. The Chairman welcomed all members to provide comments on the issue.

4. Mr. L K CHONG indicated that he was optimistic about the development of 5G and was of the view that 5G development would certainly bring benefits. He pointed out that the lifestyles of the public had changed. More and more people were using mobile phones to get access to information including television programmes while the number of viewers of satellite television were decreasing. He hoped that OFCA would launch consultations and studies concerning 5G as soon as possible so as to promote its development. Mr. L K CHONG also enquired whether there would be other bands in low frequency bands that could be allocated for 5G besides the 700 MHz and 3.5 GHz bands.

5. The Chairman responded that OFCA would launch a public consultation in the second half of 2017 on the vacation of the 3.5 GHz band (currently assigned for fixed satellite service (FSS) provision). Besides low frequency bands such as the 700 MHz and 3.5 GHz bands, the 26 GHz (24.25 - 27.5 GHz) and 28 GHz (27.5 - 28.35 GHz) bands in high frequency bands were being used for 5G trials by other countries. As such, those two frequency bands would probably be the first batch of spectrum made available for 5G services in Hong Kong. In addition, since the systems currently in use in Hong Kong were commonly used internationally, the deployment of these two frequency bands would be compatible with the arrangements of other countries.

6. Mr. C M CHUNG noticed that many technology websites had mentioned that overseas countries would launch 5G in 2018. He enquired when 5G was expected to be launched in Hong Kong.

7. The Chairman responded that 5G market was a market highly sought after by all industry players. In order to pioneer the launch of 5G, many countries were committed to developing 5G in the hope that their 5G technology could be adopted as international standards. Korea had indicated that 5G system would be used in the Olympic Winter Games 2018. It was also said that commercial 5G systems would be available in the 2020 Tokyo Olympic Games. Different trial systems were expected to be launched in 2018 or even earlier.

8. Mr. K W MA was concerned about the pace of launching 5G and enquired whether service charges of 5G would be very high. He pointed out that 5G was a public service with a vast array of functions and applications such as Smart City and robots which could take care of the elderly. Hence, he considered that while following the trend in launching 5G, the administration should take into account the functionality of services when prioritising 5G development. As for the level of 5G service charges, he enquired whether OFCA would consider formulating measures requiring operators to provide service plans for the disadvantaged so that they would not be deprived of 5G services due to high charges.

9. The Chairman thanked Mr. K W MA for his comments and added that 5G systems developed in Hong Kong should be compatible internationally and in line with international development. As for the level of charges, the Chairman was of the view that the charges would not be necessarily increased but he pointed out that users might unknowingly consume more data because of the higher transmission speed of 5G. Moreover, given the extensive application of 5G, the Government, instead of playing a leading role, would create a favourable environment for the industry to develop and perform trials on 5G services.

10. Mr. C M CHUNG enquired whether the frequency band used for digital broadcasting services would be used to provide 5G services.

11. The Chairman responded that the digital broadcasting services was in the 216 - 223 MHz band. It was not suitable to be used for 5G services because the bandwidth

were too narrow.

12. Ms. Florence MAN said that she had learnt from her co-workers that quite a number of residents complained against the poor reception of satellite television after typhoons. It showed that there were still people watching satellite television programmes though the number was unknown.

13. The Chairman thanked Ms. Florence MAN for the information and all other members for their comments. The Chairman said that the work on 5G would be carried on. Members would be informed of any new developments at consumer or user levels in future meetings.

III. Promoting the Provision of Fixed Broadband Services to Underserved Areas

14. Mr. Andrew LO briefed the members on the existing policies, underlying regulatory regime, market landscape and challenges of fixed broadband services, various facilitating measures provided by OFCA to assist local fixed carriers in laying fibre networks and the latest developments of those services in underserved areas. Related information was in TUCAC Paper No. 2/2017.

15. Mr. C M CHUNG said that the tenement house in which he was living was located in the underserved area of fixed broadband services and enquired about the timetable set by the company targeting ageing buildings (“the company”) to provide services to his premises.

16. Mr. Andrew LO responded that the information concerned involved the contents of the report submitted by the company in its application for the provision of service, and thus could not be disclosed. As far as he understood, the company was planning to provide fixed broadband services for more than 1 000 ageing buildings in a number of old districts within 10 years.

17. Mr. K W MA provided the information that there were currently

more than 3 000 buildings aged 50 or above throughout the territory and the number might increase by 1 000 every five years. Mr. MA enquired whether the CA would require or encourage telecommunications companies to set objectives like providing broadband services to residents in tenement houses after a certain number of years. Mr. MA considered that telecommunications operators had social responsibilities to ensure that the grassroots would not be deprived of broadband services.

18. The Chairman responded that the current Universal Service Obligation only covered basic fixed voice telephony services. With the liberalisation of the broadband services market in Hong Kong, there were many operators in the market. If broadband services were to become universal, the Government might have to provide subsidies to the operators and a substantial amount of funding might be involved as a result. The CA had been adopting a market-driven regulatory framework which, through measures, encouragement and assistance, enabled operators to offer more choices to consumers.

19. Mr. L K CHONG was of the view that cost effectiveness was one of the major considerations in encouraging operators to invest in services for remote areas. He enquired whether any facilities had been built in advance by OFCA or the Government to facilitate operators to provide services. For example, additional ducts could be installed during the construction of bridges, tunnels and railways to lower the costs of the operators. He also asked how a balance would be struck between the construction of infrastructure for the provision of broadband services in remote areas and the development of 5G, what regulation had been imposed and whether there was any overlap.

20. The Chairman responded that OFCA had all along been playing a liaison role between operators and relevant Government departments in major works projects. During the planning stage, OFCA conveyed operators' requests on infrastructure to relevant government departments so as to facilitate operators to provide services in the future. 5G was not an independent service. The provision of mobile services required networks and the connection of base stations required fixed networks.

Therefore, mobile and fixed networks complimented each other and needed to be developed at the same time.

21. Mr. C M CHUNG enquired about the number of companies that had obtained licences for the provision of wireless fixed network services, and whether their charges were high.

22. The Chairman responded that only one company had obtained a wireless fixed network licence for the provision of wireless fixed broadband services in rural areas. As the company was in competition with other operators currently providing residential broadband services, its service charges would likely be similar to those imposed by existing operators. The Chairman hoped that the broadband services in rural areas would be improved so that the service gap between rural and urban areas would be narrowed. Members would be briefed on any significant progress made in that respect in future meetings.

IV. Any Other Business

Report on Consumer Complaints

23. The Secretary reported that the CA had received 502 cases of consumer complaints in the 4th Quarter of 2016, representing a slight increase from the 479 cases received in the 3rd Quarter. Among these complaints, 492 cases were outside the CA's jurisdiction. These complaints primarily involved disputes over contracts/service termination (131 cases), dissatisfaction with customer services (121 cases), dissatisfaction with the quality of mobile communications/fixed network/Internet services (89 cases) and disputes over billing (69 cases). The remaining 10 cases were related to the possible breach of the Telecommunications Ordinance or licence conditions, involving complaints about access by operators to public areas of buildings for the installation of telecommunications/broadcasting equipment and networks. No substantiated case was confirmed to be in breach of the Telecommunications Ordinance/licence conditions in 2016. The latest consumer complaint statistics are in Annex 1.

Other Enquiries

24. Mr. C M CHUNG enquired whether OFCA would publish network outage reports submitted by operators.

25. The Chairman responded that the operator concerned should submit two reports, i.e. a preliminary report and a full report. The time required for submitting the preliminary report to OFCA was within one week after the incident while the time required for submitting the full report would be longer as such a report should be submitted after the operator conducted an investigation. All reports would be published on OFCA's website.

26. Ms. Quinny LAU said that although the problem of promoting telecommunications services through door-to-door visits by operators had been alleviated, some elderly people still complained to the Senior Citizen Home Safety Association ("SCHSA") that they encountered problems after renewing their contracts with the representatives of the operators over the phone. An elderly person who lived alone told the SCHSA that the monthly service charges of the contract renewed over the phone was higher than the amount of Comprehensive Social Security Assistance. As the elderly person was unable to afford the charges, the service was later suspended because of non-payment. Ms. Quinny LAU asked whether it was necessary to regulate such contract renewal arrangements so as to protect the interest of the elderly.

27. The Chairman said that a two-pronged regulatory approach was adopted at present. The first limb was the implementation of Trade Descriptions Ordinance. If unfair practices such as misleading omissions were deployed during the sale process, the public could lodge complaints with OFCA and provide the required information. OFCA would then handle the complaints in accordance with the Ordinance. The second limb was the issue of the voluntary "Industry Code of Practice for Telecommunications Service Contracts" by the Communications Association of Hong Kong. Major telecommunications operators had already pledged compliance with

the Industry Code which required operators to provide a cooling-off period not less than seven days to their customers for new contracts entered into during unsolicited doorsteps sales visits. However, it should be noted that the cooling-off period would cease to apply once promotional gifts were collected by customers or after the provision of service. If there were any irregularities that warranted concern, OFCA would follow up the matters with the relevant operators and consider taking regulatory actions as appropriate.

28. The Secretary added that the Consumer Affairs Division often received complaints referred by District Council members or other organisations. The cases would be referred to relevant operators who would then take follow-up action with the complainants direct. OFCA noticed from the past experience that some elderly people had hearing problem or found it difficult to turn people down and therefore entered into contracts and/or renewed their contracts without fully understanding or listening to the contract details. Complaints of that kind could be brought to OFCA. OFCA would refer the cases to the operators for follow-up.

29. Mr. Kenny CHIU noticed the recent media coverage on radiation of mobile radio base stations (“mobile base stations”) and pointed out potential radiation hazards existed in many home appliances. He suggested that the Consumer Council should conduct tests to address public concern.

30. Ms. June IP promised to relay the matter to her colleagues in the Consumer Council.

31. The Chairman said that while radio brought convenience to people’s lives, radiation concerns came along. For instance, in a village, some residents might require operators to install additional mobile base stations because of poor reception, while some might require the base stations to be removed because of the physical appearance of the base stations and/or radiation concerns. That was a dilemma. OFCA might consider briefing the members on the safety of mobile base stations and wireless devices in the next meeting.

32. Mr. Kenny CHIU asked whether there was any legislation in place in Hong Kong which required operators to make public the locations of the mobile base stations.

33. The Chairman responded that due to commercial considerations, the geographical distribution of mobile base stations was considered as commercially confidential information of the operators. OFCA would require operators to submit reports on the newly installed mobile base stations to show that the total radiation level of the newly installed base stations and their adjacent base stations met statutory standards. Moreover, OFCA would conduct inspections to ensure that the total radiation level at the locations accessible by the public met the standards.

34. Mr. Kenny CHIU asked whether the current radiation safety standards adopted by OFCA was outdated as reported by media.

35. The Chairman replied that OFCA, at present, adopted the widely recognised standards set by the World Health Organization. OFCA had already consulted the Department of Health when adopting such standards. Members would be briefed on the details in the next meeting.

36. Mr. C M CHUNG noted that the spectrum for digital broadcasting had been vacated, and enquired whether OFCA would brief the members on how the spectrum would be used in the next meeting.

37. The Chairman responded that members would be briefed on any specific development in that respect.

38. Ms. Quinny LAU said that she learnt from the Nokia website that Nokia3310, a 2G mobile phone operating in the GSM900/1800 spectrum, would be re-launched into the market. Since the elderly were conversant with mobile phones with larger

buttons, it was expected that many of them and their children would be interested in purchasing the phone. As far as she understood, 2G spectrum would be phased out within three years and the number of existing 2G base stations was decreasing, which might result in poor reception. She wondered if the public should be informed of the situation.

39. Mr. L K CHONG said that at present, Nokia3310 was only for sale in Europe but not in Hong Kong. If Nokia3310 was available for sale in Hong Kong, it had to undergo tests and obtain approval so as to ensure that the requirements in Hong Kong were met.

40. The Chairman responded that he would find out whether Nokia3310 could support 3G and 4G services and give reply to Ms. Quinny LAU after the meeting.

[Post-meeting note: After reviewing the information on Nokia's website, OFCA noted that the mobile phone only supported 2G calling and texting. The Secretary contacted Ms. Quinny LAU to confirm and convey her opinion to the relevant division of OFCA for follow-up. OFCA would remind consumers in its future public education campaigns and in its education materials that before purchasing mobile phones/devices, they should make detailed and careful enquiries including the functions of phones/devices and networks they supported]

Date of Next Meeting

41. The Secretary informed the members that the next meeting would be held on 27 July 2017 at the same time and venue.

[Post-meeting note: Date of next meeting would be changed to 10 August 2017. OFCA had notified the members by e-mail.]

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



Report on Consumer Complaints on Telecom Services

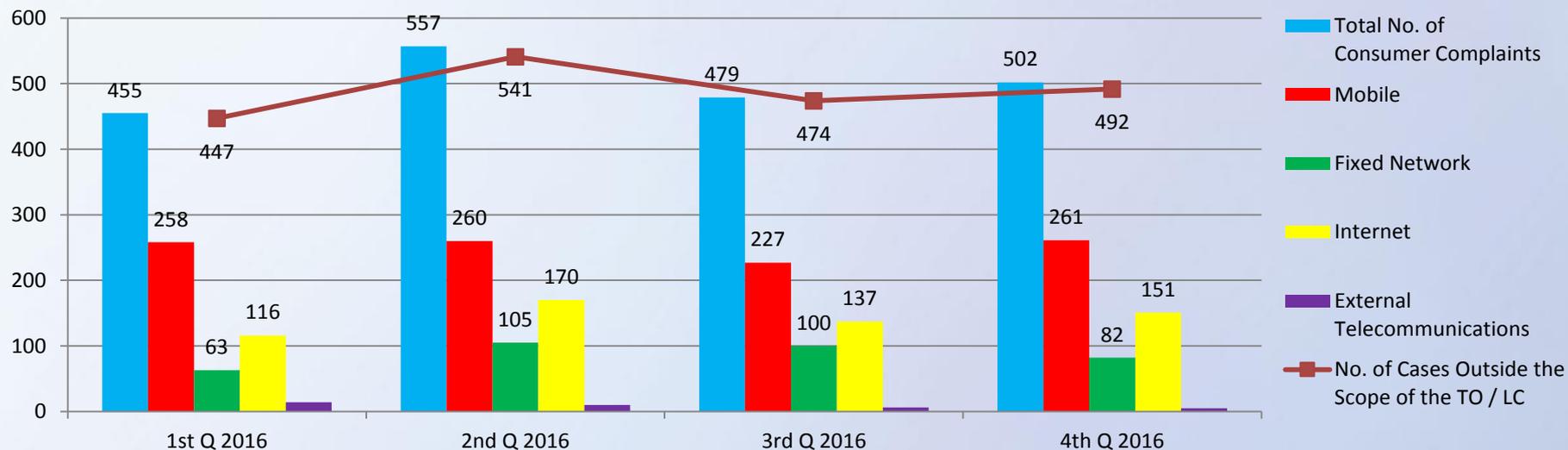
**The Telecommunications Users and
Consumers Advisory Committee
The 13th Meeting
30 March 2017**

Overview (4th Quarter of 2016)

<i>(Categorised by service types)</i>	<u>1st Q 2016</u>	<u>2nd Q 2016</u>	<u>3rd Q 2016</u>	<u>4th Q 2016</u>	
Total No. of Consumer Complaints	455	557	479	502	492
Mobile	258	260	227	261	261
Fixed Network	63	105	100	82	72
Internet	116	170	137	151	151
External Telecommunications	14	10	6	5	5

No. of Cases Outside the Scope of the Telecommunications Ordinance ("TO") / Licence Conditions ("LC")

No. of Consumer Complaints



No. of Complaints (4th Quarter of 2016)

Number of complaint cases recorded an increase

In the 4th Quarter of 2016, the Communications Authority (“CA”) received 502 cases of consumer complaints, showing an increase from the 479 cases received in the 3rd Quarter.

No. of cases not involving any breach of the TO or LC : 492 cases

The cases mainly involved :

- Disputes on contract terms / service termination : 131 cases
- Dissatisfaction with customer service : 121 cases
- Dissatisfaction with the quality of mobile/fixed network/Internet services : 89 cases
- Disputes on bills : 69 cases

No. of cases involving possible breach of the TO or LC : 10 cases

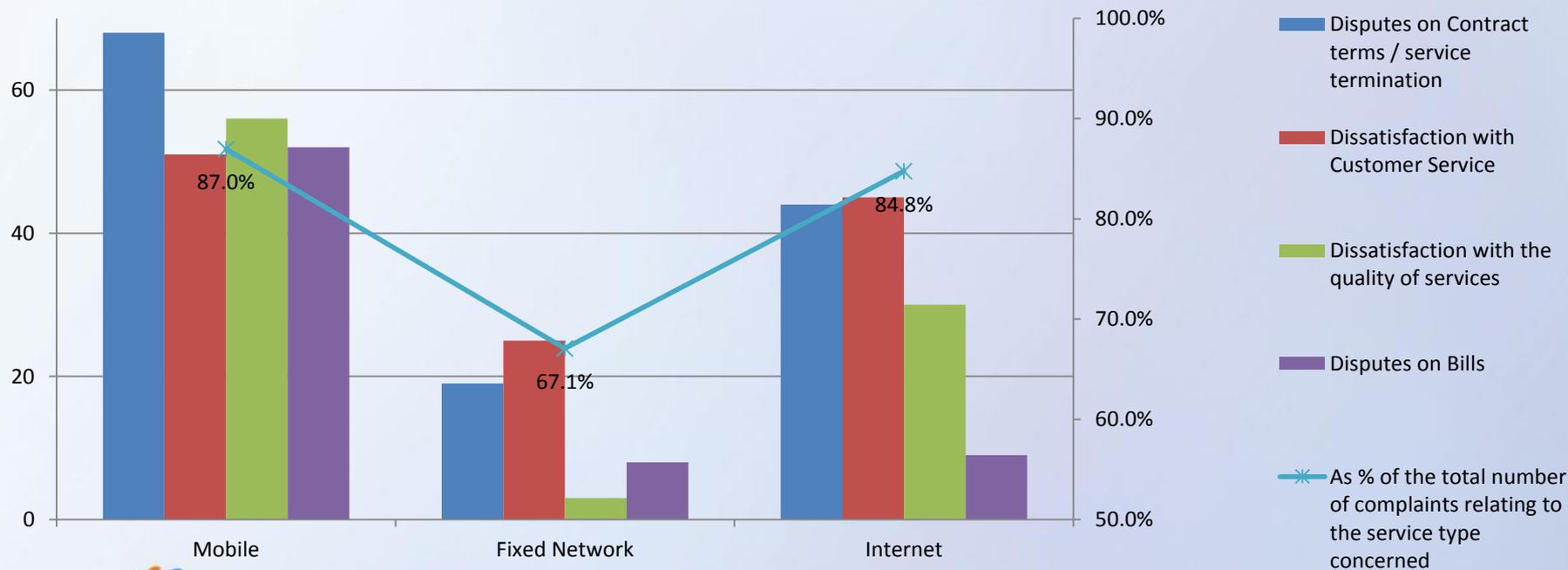
Access by operators to public areas of buildings for the installation of telecommunications/broadcasting equipment and networks : 10 cases

No. of Complaints (4th Quarter of 2016)

(Categorised by major service types)

	<u>Disputes on Contract terms / service termination</u>	<u>Dissatisfaction with Customer Service</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	68	51	56	52	87.0%
Fixed Network	19	25	3	8	67.1%
Internet	44	45	30	9	84.8%

No. of Consumer Complaints



No. of Complaints (4th Quarter of 2016)

Case Analysis of Breach of the TO / LC

In 2016, there was no substantiated case of breach of the TO/LC.

Thank you