Press Release

For Immediate Release

Policy Address Re-initiate the Setting up of Innovation and Technology Bureau Hong Kong Computer Society Support and Urge Early Implementation of ITB to Develop Long-term Policy and Led the Industry Development

January 15, 2014 · Hong Kong - Hong Kong's Chief Executive, Mr. Leung Chun-ying, announced series of innovation and technology related initiatives in his Policy Address today. Hong Kong Computer Society (HKCS) welcome and support the initiatives, and have following expectations and strategic recommendations regarding the suggested Innovative and Technology (IT) Bureau and local ICT development:

• Urging the Legislative Council's support to establish the IT Bureau Shortly

- Hong Kong, as it develop into a knowledge-based economy, must grasp the new opportunity with collective efforts from government, industry, academia and research sectors, to fully develop the high value-added creative and technology industry. Nowadays, the Mainland, Singapore, Taiwan and South Korea, have vigorously develop their ICT industry. To keep its competitive edge, Hong Kong must catch up and formulate long-term objectives and strategies.

To keep abreast of the development in various ICT areas and sectors, HKCS recommends to facilitating closer cooperation and exchange with mainland and regional ICT entities and industries. This is a cross-industry and cross-border mission and its success requires official participation. The establishment of IT Bureau is just right to shoulder the responsibility and strengthen the competitiveness of Hong Kong.

With superb opportunity ahead and many competitors nearby, it allows of no excuse to set up IT Bureau. HKCS sincerely hope all legislative councilors, regardless of different parties, could fully support the government to bring it into reality for the future well-being of Hong Kong.

• The ICT industry should be led by ICT professionals - the newly established IT Bureau should be led by professionals with in-depth knowledge of industry development, to more efficiently coordinate the macro-development and long-term talent cultivation policies, and promote regional ICT collaboration

including China integration and reciprocal qualification.

HKCS recommends the IT Bureau, besides led by professionals, must have a broad representation across different segments and sectors of the industry, different age and gender groups.

Offer preferential policies to attract innovative start-ups and ICT related **business investment** - HKCS is pleased to notice in this Policy Address that government begin allocating more resources to uplift the overall competitiveness of creative industries, especially in talent cultivation, market expansion, and support for start-ups. For example, last year the government injected another HK\$300 million into the CreateSmart Initiative (CSI) to continue boosting the development of creative industries; a working group led by the Secretary for Commerce and Economic Development has been studying on the overall strategies to promote the development of Hong Kong as an IP trading hub. The government will continue: giving software and hardware support to enterprises and start-ups; providing financial assistance for universities, research institutions and the industries to commercialize research and development results; encouraging investment in innovation and technology; and enhancing co-operation among the government, industry, academia and research sectors. At the same time, the government has started a comprehensive review of the ITF operation, and is reviewing the effectiveness and long-term development direction of the Science Park and industrial estates with the Hong Kong Science and Technology Parks Corporation. HKCS welcome the above initiatives.

HKCS recommends the government should formulate visionary strategies on talent cultivation, R&D, investment and professional development and so on. For example, government should attract multinational / mainland ICT corporations and foreign direct investment (FDI) to set up operation in Hong Kong. Besides, the government is also suggested to further promote IT adoption in small and medium enterprises.

• Re-position the ICT industry - ICT has not been considered as one of the pillar industries in Hong Kong, but it is the pillar of the pillar industries. HKCS expects the government could re-position ICT as "the Pillar of the Pillar Industries" with written policy after setting up of the IT Bureau. The re-positioning shall involve social and cultural changes, such as increasing public awareness of the importance of ICT to economic and social development in

Hong Kong. The IT Bureau could function as a coordination center for all relate issues.

• Enhance ICT talent cultivation and management - Government should reinforce local talent cultivation and attract more Mainland ICT talents to Hong Kong, as well as optimize ICT talent resources coordination and allocation to fulfill market demand. The thriving of ICT industry lies on human resources optimization, which calls for joint efforts from government and education sectors to ensure the right person in the right place.

HKCS suggests the IT Bureau should include the following actions in its talent cultivation strategies:

- Put emphasis on creating environment and opportunities for young people to take more active part in ICT industry, particularly innovative/creative start-ups.
- As ICT is a super-fast changing industry, government should provide funding and resources for ICT related continuous training for on-the-job practitioners, as well as entry platforms for young people
- Establish a professional qualification recognition framework, along with articulation pathways, to encourage and make young people feel proud of an ICT career
- Foster a broader cooperation and unity amongst various ICT industry stakeholders, in order to form a stronger force to push for changes and development
- Facilitate closer cooperation and exchange with mainland and regional ICT entities and industries
- Encourage more females to join the industry

Mr. Michael Leung, President of HKCS, noted: "we understand that for its purpose the Policy Address could only provide directional outline without detail schedule. However, HKCS hopes the government could start the implementation as soon as possible. Moreover, the ICT industry and the society have reached a consensus and widely support the establishment of IT Bureau. The situation allows of no delay. And HKCS calls for all Legislative Councilors' support for government's proposal, as well as their efforts to fasten the implementation process."

About Hong Kong Computer Society (HKCS)

The Hong Kong Computer Society is a non-profit professional organization established in 1970, which strives to improve and develop Hong Kong's Information Technology (IT) industry. Being the most well-established and the largest professional association in Hong Kong, the HKCS is dedicated to promote the highest professional standards for the industry. The HKCS members are form a broad spectrum of Hong Kong's IT industry, from corporate users to individual talents, all working together for the benefit of industry.

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