

Motion on
“Strengthening human resources in the fields of finance and trade”
at the meeting of the Legislative Council on 24 June 2009

Progress Report

Purpose

On 25 June 2009, the Legislative Council (LegCo) passed a motion on “Strengthening human resources in the fields of finance and trade” moved by Dr Hon Philip WONG Yu-hong, as amended by Hon Mrs IP LAU Suk-yea and Hon WONG Kwok-hing (at **Annex**). This note updates Members on the follow-up action taken by the Administration in respect of the motion.

Strengthening the cultivation of talents in tertiary institutions

2. The Government will continue to deploy resources to cultivate talents, further develop Hong Kong as a regional education hub and attract people with different talents to study and work in Hong Kong. We have introduced a basket of measures, including –

- increasing non-local student quotas for local institutions;
- establishing a \$1 billion scholarship fund to award Government scholarships to quality local and non-local students;
- exploring alternative student hostel solutions, such as constructing “joint-hostels”;
- relaxing employment restrictions for non-local students during their studies;
- relaxing immigration restrictions for non-local graduates to stay or return to work in Hong Kong; and
- granting fresh non-local graduates 12 months’ stay without restrictions.

These measures will be conducive to attracting more talents to come to Hong Kong to pursue further studies and stay here for work.

Attracting talent into Hong Kong

3. The Government will continue to uphold a liberal immigration regime to facilitate the entry of talent. In the first half of 2009, over 12

000 overseas and Mainland talent were approved for working in Hong Kong through various schemes.

Support Measures for SMEs

4. The Trade and Industry Department (TID) has recently approved sponsorships for the following projects relating to human resources development through the SME Development Fund (SDF) :

(a) SME Leadership Programme 2009 -2011

The programme aims at enhancing SMEs' coaching and staff development skills through a series of seminars and a mentorship programme. The participants are expected to pass on their customer service best practices acquired through the programme to other SMEs. The entire programme will run for about 24 months.

(b) To provide SMEs in the environmental industry with tailor-designed training on marketing and business development

The project offers a training programme for SMEs in the environmental industry to enhance their capability in business development, financial management and marketing. The participating SMEs will apply their knowledge by taking part in two exhibitions for environmental businesses. The project is expected to be completed in 18 months.

TID also operates the SME Export Marketing Fund (EMF) to provide subsidies for SMEs to participate in export-related activities. Following the approval by the Finance Committee in June 2009, we have increased the commitment by of \$1 billion to enable the two schemes (SDF and EMF) to continue to operate in support of SMEs.

Support and Consultation Centre for SMEs (SUCCESS)

5. TID operates the Support and Consultation Centre for SMEs (SUCCESS) as an ongoing measure to provide SME owners and executives with a comprehensive range of free business services. The Centre is running a "Meet-the-Advisors" Business Advisory Service for SMEs to obtain practical advice from experienced experts of various sectors. Through the SME Mentorship Programme, participants can also benefit from the guidance of accomplished entrepreneurs and

business specialists throughout the one-year mentorship period.

Human Resources for the Maritime Industry

6. The Government attaches great importance to ensuring an adequate, as well as high-standard, professional workforce for sustaining the maritime industry's continued growth, so as to maintain Hong Kong's position as an international maritime centre. Below is an update of the relevant schemes :

(a) Hong Kong Maritime Scholarship Scheme

The scheme has awarded scholarships for 22 university graduates to enroll in the Master of Science in International Shipping and Transport Logistics programme at the Hong Kong Polytechnic University in 2007/08 and 2008/09. The first cohort, comprising ten graduates, have recently completed the study programme and joined the maritime industry. Another 12 candidates have been selected for the 2009/10 cohort.

(b) Sea-going Training Incentive Scheme

The scheme provides each participant with a monthly financial incentive during the cadetship training period, which is a pre-requisite for sitting the qualifying examinations for deck officers or engineers. In January 2009, we enhanced the scheme by increasing the incentive payment and reimbursing the fee of the first qualifying examination to the participants. As at June 2009, over 120 participants have joined the scheme.

(c) HKU - DMU Academic Collaboration Scheme

The scheme encourages students from the University of Hong Kong (HKU) to undertake a master degree programme at the Dalian Maritime University (DMU). In return, students from DMU are encouraged to enroll in the Master of Common Law programme at HKU. Eight students from the 2008/09 cohort have recently completed their programme of study, while another eight candidates have been selected for the 2009/10 cohort.

Consolidate the status as a financial centre in the region

7. The Government has continued to adopt measures to promote market development, strengthen financial co-operation with the Mainland and consolidate the status of Hong Kong as an international financial centre so as to attract more talents in the financial sector.

8. In promoting market development, measures taken by the Government include – implementing the Government Bond Programme to increase the breadth and depth of the local bond market, promote Hong Kong's financial stability and consolidate Hong Kong's status as an international financial centre; providing a level playing field for Islamic bonds vis-à-vis conventional bonds to facilitate Islamic finance development. Moreover, the Financial Services and the Treasury Bureau (FSTB) is in the course of re-writing the Companies Ordinance with a view to facilitating business operation and enhancing corporate governance. Also, the FSTB is going to modernize the Trustee Ordinance for the purposes of strengthening the competitiveness of our trust services industry and encouraging the creation and administration of trusts in Hong Kong.

9. Enhancing financial co-operation between the Mainland and Hong Kong is one of the important efforts in promoting Hong Kong's financial development. We have been pressing ahead with the development of Renminbi (RMB) business in Hong Kong, including RMB bond market, RMB trade settlement pilot scheme, etc. The Ministry of Finance announced on 8 September that it would issue RMB sovereign bonds totaling RMB 6 billion in Hong Kong on 28 September. This would bring the sovereign currency bonds of our country to the international market, creating a conducive condition for developing RMB into an international trade and reserve currency, and help facilitate the development of RMB bond market and offshore RMB business in Hong Kong, strengthening Hong Kong's status as an international financial centre.

Trade Relations with the Mainland

10. The Government believes that consolidating our unique position as the gateway between global markets and the Mainland will contribute to attracting talents for the trading sector.

11. In this regard, the Administration will continue to make use of the Mainland and Hong Kong Closer Economic Partnership Agreement

(CEPA) and other co-operative arrangements to pursue further on services liberalisation as well as trade and investment facilitation work. In particular, we will strive for early implementation of pilot measures in Guangdong Province to complement the policy direction of “the Outline of the Plan for the Reform and Development of the Pearl River Delta” (the Outline) and to further enhance the economic co-operation with the Mainland.

12. In order to enable the industries in Hong Kong to have a better understanding of the implementation of the Outline by the nine Pearl River Delta (PRD) municipalities, the Administration organised the Forum on the Implementation of “The Outline of the Plan for the Reform and Development of the Pearl River Delta Region” by Hong Kong and Nine PRD Municipalities (the Forum) in Hong Kong on 21 July 2009. More than 200 participants from the commercial and industrial, financial, innovation and technology, tourism and other relevant sectors attended the forum. It offered them the opportunity to have direct exchanges with the governments of Guangdong and the nine municipalities, and to explore possibilities of strengthening co-operation, seizing development opportunities and benefiting from complementary advantages on the foundation of the long-term Hong Kong-Guangdong co-operation and the Outline.

**Commerce and Economic Development Bureau
Financial Services and the Treasury Bureau
October 2009**

(Translation)

**Motion on
“Strengthening human resources in the fields of finance and trade”
moved by Dr Hon Philip WONG Yu-hong
at the Legislative Council meeting commencing
on Wednesday, 24 June 2009**

Motion as amended by Hon Mrs Regina IP LAU Suk-yee and Hon WONG Kwok-hing

That, in the face of the impact of the financial tsunami, as well as many uncertain factors in the development of the global economic situation, Hong Kong must strengthen its own human resources in order that its position as a regional financial, trade and trade-related services (such as shipping) centre can be consolidated; in this connection, this Council urges the Special Administrative Region Government to comprehensively review the existing policies and measures, with a view to strengthening the manpower training provided by local tertiary institutions in the fields of finance, trade and shipping, and further attracting relevant professionals across the world to Hong Kong under the principle of giving priority to local talents.