# 立法會 Legislative Council

LC Paper No. CB(1)2469/11-12 (These minutes have been seen by the Administration)

Ref: CB1/PL/ITB/1

## Panel on Information Technology and Broadcasting

Minutes of special meeting held on Monday, 28 May 2012, at 4:30 pm in Conference Room 2A of the Legislative Council Complex

**Members present**: Hon WONG Yuk-man (Chairman)

Dr Hon Samson TAM Wai-ho, JP (Deputy Chairman)

Hon LAU Kong-wah, JP Hon Emily LAU Wai-hing, JP

Hon Timothy FOK Tsun-ting, GBS, JP

Hon LEE Wing-tat

Hon Andrew LEUNG Kwan-yuen, GBS, JP

Hon WONG Ting-kwong, BBS, JP Hon Ronny TONG Ka-wah, SC

Hon Cyd HO Sau-lan

Hon IP Kwok-him, GBS, JP

Hon Mrs Regina IP LAU Suk-yee, GBS, JP

**Member absent** : Hon CHAN Kam-lam, SBS, JP

Public officers attending

Agenda item I

Mrs Fanny LAW FAN Chiu-fun

Head of the Chief Executive-elect's Office

Ms Alice LAU Yim Secretary-General of the Chief Executive-elect's Office

Mr Joe WONG, JP

Deputy Secretary for Commerce and Economic Development (Communications and Technology)

Miss Joey LAM, JP

Deputy Government Chief Information Officer (Policy and Customer Service)

Mr Johann WONG

Deputy Commissioner for Innovation & Technology

**Clerk in attendance :** Ms YUE Tin-po

Chief Council Secretary (1)3

**Staff in attendance**: Mr Andy LAU

**Assistant Secretary General 1** 

Mr Joey LO

Senior Council Secretary (1)3

Ms May LEUNG

Legislative Assistant (1)3

Action

I. Proposal to set up a Technology and Communications Bureau under the proposed re-organization of the Government Secretariat

(LC Paper No. CB(1)2005/11-12(01) -- Administration's paper on delivery of the Communications and Technology policy portfolio under the current Administration

Action

LC Paper No. CB(2)2106/11-12(01) -- Administration's paper on "Transfer of Statutory **Functions** Currently Exercisable by the Secretary for Commerce and **Economic** Development" -- Administration's paper on LC Paper No. CB(2)2058/11-12(03) "Re-organisation of Government Secretariat: Changes in Establishment" CMAB F19/6/3/2 -- Legislative Council Brief on "Re-organisation of the Government Secretariat Legislative Amendments" -- Proposed resolution under LC Paper No. CB(3)735/11-12 section 54A of the Interpretation and General Clauses Ordinance LC Paper No. CB(2)1908/11-12(01) -- Administration's paper on "Re-organisation Government Secretariat" LC Paper No. CB(1)1984/11-12(01) -- Letter from Democratic (Chinese version only) Legislative Party Councillors' Office dated 10 May 2012 -- Information LC Paper No. IN25/11-12 note on "Re-organisation of the Government Secretariat" prepared by the Research Division of the Legislative Council Secretariat)

#### Presentation by the Administration

At the invitation of the Chairman, <u>Head of the Chief Executive-elect's</u> <u>Office</u> (H/CEEO) briefed members on the proposal to set up a Technology and Communications Bureau (TCB) under the proposed re-organization of

the Government Secretariat. Details of the briefing were set out in the Administration's papers (LC Paper No. CB(2)2058/11-12(03) and CB(2)1908/11-12(01)).

#### Discussion

Strategy for long term development of technology and communications

- 2. Noting the difference between the proposed title "Technology and Communications Bureau" and the "Information and Technology Bureau" as originally proposed in the Chief Executive-elect's Manifesto for the Chief Executive Election 2012 (the Manifesto), <u>Dr Samson TAM</u> enquired whether the scope of work of the proposed TCB would be different from originally envisaged in the Manifesto. He urged the new Government to enlist experts from the different fields of technology, communications and information and technology (IT) to join the new Bureau. He also hoped that the Steering Committee on Innovation and Technology chaired by the Financial Secretary (FS), which currently held meeting about once a year, would hold meetings more frequently to discuss long term development strategy.
- 3. <u>H/CEEO</u> advised that the title change was to clearly reflect that the work of the new Bureau would encompass the technology and communications portfolio in addition to the IT portfolio. Notwithstanding the change in title, there would be no change in the proposed scope of work of the new Bureau. She added that the incumbent FS had been consulted and had indicated a tendency to delegate the responsibility to the proposed Deputy Financial Secretary (DFS) to lead the Steering Committee on Innovation and Technology.
- 4. Ms Cyd HO opined that the proposed TCB should be able to formulate a comprehensive and long term strategy for the development of technology and communications in Hong Kong. Apart from developing software applications, efforts should also be made to develop Information and Communications Technology (ICT) hardware manufacturing to create jobs by leveraging on the successful experience of other countries such as the Hsinchu Science Park in Taiwan. In this regard, FS of the new Government should coordinate the effort of different bureaux/departments (B/Ds) to provide industrial land for the development of ICT hardware manufacturing industry as well as high value added technology and creative industries.
- 5. <u>H/CEEO</u> advised that under the Framework Agreement on Hong Kong/Guangdong Co-operation, a modern integrated industrial system of advanced manufacturing and modern service industry would be jointly developed by Hong Kong and Guangdong. Whilst Hong Kong would

capitalize on its strengths in design, innovation and research and development (R&D) capabilities, the manufacturing process would mainly take place in the Mainland. The priority of the proposed TCB would be to formulate a long term policy for the development of technology and communications in Hong Kong. In this regard, the future incumbent of the proposed Secretary for Technology and Communications (STC) would identify the strengths and priority areas of development of Hong Kong in consultation with the various sectors. On the other hand, the proposed Commerce and Industries Bureau (CIB) would be responsible for matters relating to the provision of industrial land for the development of industries. On Ms Cyd HO's enquiry about the performance pledge of the proposed TCB, H/CEEO advised that it was too early to make a projection on the performance of the New Bureau as the re-organization proposal had yet to be approved by the Legislative Council.

- 6. Mr WONG Ting-kwong expressed support for the creation of the proposed TCB to sustain the development of innovation and technology of Hong Kong in the long run. He hoped that the proposed TCB would put more effort and resources in grooming local talents, promoting R&D and the commercialization of research deliverables, so that Hong Kong would not lose out to the neighbouring countries in the development of innovation and technology.
- 7. In response, <u>H/CEEO</u> advised that the Chief Executive-elect had recognized in his Manifesto the importance of R&D, and had pledged to reinforce support measures to encourage enterprises to conduct R&D.

## Division of responsibilities

- 8. In response to Dr Samson TAM's enquiry about the division of responsibilities between the proposed CIB and the Constitutional and Mainland Affairs Bureau (CMAB) on issues relating to the Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA), <u>H/CEEO</u> advised that the proposed CIB reporting to the DFS would be responsible for matters relating to the industry aspect of CEPA, whereas CMAB would be responsible for overall coordination of matters relating to the broad framework of the CEPA, and coordination amongst bureaux in forging multi-disciplinary regional cooperation.
- 9. Noting that matters relating to creative industries, including the responsibility for overseeing the work of Create Hong Kong (CreateHK), would be transferred to the proposed Culture Bureau (CB), <u>Dr Samson TAM</u> hoped that the proposed TCB would not lose sight of the need for the development of Hong Kong's innovative and creative industry because

- technology was inseparable from innovation and creativity. He also expressed support for the creation of the DFS post to spearhead the development of technology and communications. Noting that Hong Kong had lagged behind neighbouring countries in the development of technology and innovation, he hoped that the proposed TCB would be established as soon as possible to enhance Hong Kong's competitiveness in this regard.
- 10. <u>H/CEEO</u> advised that the proposed creation of TCB was to enhance the capacity of the Administration in the development of technology and communications, to fully recognize the importance of technology and communications in Hong Kong's economic development, and to provide more dedicated high level leadership in developing Hong Kong's technology and communications industries. The placing of the two new Bureaux, namely TCB and CIB, under the DFS would ensure the smooth coordination of policy formulation and implementation.
- 11. <u>Ms Emily LAU</u> was concerned that the creation of the new Bureaux and the transfer of statutory functions currently exercisable by the Secretary for Commerce and Economic Development (SCED) to separate Bureaux would create a cumbersome structure and poses obstacles to the coordination work in policy implementation. Sharing a similar concern, the Chairman opined that under the current Commerce and Economic Development Bureau, the respective work relating to communications and technology, and commerce and industry, was already taken up by two separate Branches, namely the Communications and Technology Branch and the Commerce, Industry and Tourism Branch. As such, there would be no substantial change in the work to warrant the creation of the proposed TCB.
- 12. <u>H/CEEO</u> advised that ever since the first Chief Executive of Hong Kong, Mr. TUNG Chee-hwa took advice from Professor TIEN Chiang-lin in 1998 and began to build the innovation and technology capacity of the Hong Kong, progress in this regard had been slower than expected. The Administration was of the view that Hong Kong would benefit from a more holistic approach to economic development and an overall strategy of developing innovation and technology. The proposal for an Innovation and Technology Bureau raised by Dr Samson TAM had demonstrated a consensus within the society to take forward the development of technology and communications in Hong Kong. With the passing of the related motion moved by Dr TAM at the Council meeting on 6 July 2011, the Administration had already obtained a clear mandate from LegCo on the creation of TCB.
- 13. <u>Mr LEE Wing-tat</u> considered that the proposed creation of the DFS and the Deputy Chief Secretary for Administration (DCS) posts was unnecessary and would create confusion, as the future incumbents of the

proposed Secretary for Culture (S for C) and STC should be able to coordinate between themselves on cross-cutting policies. He considered that creating an additional layer of administration could hamper co-ordination in the formulation and implementation of government policies. Moreover, the work of the two proposed Deputy Secretaries of Department (DSoDs) would overlap with that of Chief Secretary for Administration (CS) and FS, and would cause delays in policy making as the policy secretaries would have to route through an additional layer of administration.

- H/CEEO advised that the coordination of work under their respective 14. policy portfolios was only one aspect of the responsibilities of the two The rationale for the proposed transfer of statutory proposed DSoDs. functions currently exercisable by the SCED to the SCI, STC and S for C was detailed in the Administration's paper to the Subcommittee to Study the Proposed Legislative Amendments Relating to the Re-organisation of the Government Secretariat (LC Paper No. CB(2)2106/11-12(01)). matters relating to trade and industry would be transferred to SCI, and matters relating to broadcasting, telecommunications, information technology and innovation and technology would be transferred to STC, whereas matters relating to creative industries would be transferred to S for C. respective functions of the DSoDs were detailed in the Administration's paper provided to the Panel on Constitutional Affairs entitled "Re-organisation of the Government Secretariat: Changes in Establishment" (LC Paper No. CB(2)2058/11-12(03)). In gist, DCS and DFS would share the workload of CS and FS respectively to oversee and coordinate the cooperation between the Hong Kong Special Administrative Region (HKSAR) and the Mainland, and a number of cross-cutting policy issues. DCS would assist CS in coordinating policy formulation and implementation in policy areas pertaining to human resources and culture. DFS would support FS in implementing economic cooperation agreements signed with the Mainland authorities, coordinating the formulation and implementation of policies to promote Hong Kong's development set out in the National 12th Five-Year Plan, and supporting the further development of trade and industries and the further development of Hong Kong as a leading international financial centre and premiere offshore Renminbi business centre. DFS would supervise CIB and TCB, the two bureaux closely related to these policy areas.
- 15. <u>H/CEEO</u> added that the creation of the two DSoDs would strengthen coordination of cross-cutting policy areas so as to formulate comprehensive and long-term projects. The creation of the posts sought to realize one of the key policy objectives of the Chief-Executive-elect, on "promoting economic development, improving people's livelihood" and to enhance the communication between the executive and the legislature, with a view to ensuring smooth implementation of policies.

- 16. <u>Ms Cyd HO</u> queried the rationale behind transferring the functions relating to CreateHK and film development from the proposed TCB to the proposed CB on the one hand, while keeping the functions relating to the control of obscene and indecent articles to TCB on the other. She opined that issues relating to control of obscene and indecent articles had been discussed from a cultural angle and therefore the related functions should more appropriately be transferred to the proposed CB. In this regard, <u>Ms HO</u> enquired about the rationale for the division of responsibilities between the proposed TCB and CB.
- 17. <u>H/CEEO</u> advised that the rationale for the division of responsibilities, reporting lines and the proposed organization charts of the various B/Ds affected by the proposed re-organization had been provided in the Administration's paper "Re-organisation of the Government Secretariat: Changes in Establishment" to the Panel on Constitutional Affairs for the meeting on 21 May 2012 (LC Paper No. CB(2)2058/11-12(03)). Details of the proposed establishment changes arising from the re-organization of the Government Secretariat would also be provided in the paper for the meeting of the Establishment Subcommittee on 6 June 2012 (EC(2012-13)5). On the division of responsibilities between the proposed TCB and CB, she advised that views were diverse on how the responsibilities should be divided. As a basic principle, the division of responsibilities was determined on the basis that there should be as minimal impact on the work of the B/Ds as possible.
- 18. Mrs Regina IP opined that in every organization, consideration should be given to the need for re-organization to improve efficiency and effectiveness after having been in operation for a certain period of time, and the HKSAR Government should not be an exception. She expressed support for the creation of the posts of DCS and DFS to share some of CS's and FS's responsibilities, so that CS and FS could focus more on other cross-cutting policies and the further development of Hong Kong as a leading international financial centre respectively. In this regard, the New People's Party had made a number of proposals on Government re-organization in In view of the complexity of the issues involved, she opined that there should be further deliberation on re-organization proposal of the Chief Executive-elect's Office which should not be hastily implemented. a similar view, the Chairman considered it vital that suitable candidates with the relevant expertise and experience should be selected to fill the various posts which were proposed to be created under the re-organization plan of the Government Secretariat. In this regard, he opined that the Office of the Chief Executive-elect should provide a proposed list of candidates for the various posts for members' reference.

- 19. In response, <u>H/CEEO</u> noted members' views and advised that the re-organization was urgently needed to help solve deep-rooted problems in society which had been longing for a change in Government structure. The Chief Executive-elect's Office would fully cooperate with the Legislative Council to facilitate the smooth implementation of the re-organization proposal.
- 20. <u>The Chairman</u> concluded that there was no consensus in the Panel on the proposal to set up the TCB.

### II. Any other business

21. <u>The Chairman</u> suggested and <u>members</u> agreed to include an additional item "Applications for domestic free television programme service licences" in the agenda of the next regular Panel meeting to be held on 11 June 2012, and to schedule a further meeting to receive a briefing by the new STC after 1 July 2012.

(*Post-meeting note*: The briefing by the new STC to be appointed by the Chief Executive was to be scheduled in the new term of the Legislative Council.)

22. There being no other business, the meeting ended at 6:13 pm.

Council Business Division 1
<u>Legislative Council Secretariat</u>
16 August 2012